MECOM
POWER & CONSTRUCTION

澳能建設控股有限公司
MECOM Power and Construction Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1183

2024
ANNUAL REPORT

Contents

Chairman’s Statement

Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of MECOM Power and Construction Limited (“MECOM” or the “Company”), I hereby present to you the audited consolidated annual results of the Company and its subsidiaries (collectively the “Group”, “we” or “our”) for the year ended 31 December 2024 (the “Year” or “FY2024”).

Looking back on FY2024, despite the impact of global macroeconomic instability, MECOM demonstrated strong resilience in a challenging business environment. In our major market of Macau, gross domestic product grew by 11.5% year-on-year in the first three quarters, visitor numbers increased by 23.8%, and total gaming revenue reached MOP226.8 billion, gradually recovering to 77.5% of the pre-pandemic levels in 2019. Macau’s overall economic growth was moderate and had not yet recovered to the pre-pandemic level. Public and private construction project tenders slowed down to balance risks, leading to intense competition within the industry. Throughout the year, the Group maintained close communication with its major clients, casino operators and the government, while keeping up high-quality project delivery, continuing to secure orders from casino operators and public housing construction projects. In both the public and private sectors, we have managed to maintain our market leadership through our excellent engineering expertise and delivery track record.

Facing rapid changes in the macro environment, the Group strived for progress and actively expanded its business portfolio across multiple sectors and markets, successfully seizing various development opportunities to further increase its revenue. Benefiting from the Macau government’s vision to develop a diversified economy and the opportunities arising from the Macau-Hengqin integrated development, the Group successfully secured the facilities maintenance service contract for the Macao Cultural Centre and the cloud computing centre expansion project. Additionally, riding the trend of the society developing into an era of high intelligence, the Group undertook multiple smart data centre projects and expanded upstream into the new construction materials industry chain, successfully expanding its client base to high-potential countries and regions such as Hong Kong, Singapore, and Australia.

During the Year, with new industrialisation, intelligent manufacturing, and green transformation becoming development drivers for the construction industry, the Group seized opportunities to penetrate into the sector of high-value new construction materials production technology. With its production base in Jiangmen City, Guangdong Province commencing operations in January 2024, the Group quickly expanded its business of processing and sales of new material steel structures into target markets such as Macau, Hong Kong, and Southeast Asia, and further into the intelligent manufacturing sector. During the Year, we formed a strategic partnership with Beijing Institute of Construction Mechanization Co., Ltd.* (北京建築機械化研究院有限公司) (“Beijing Institute of Construction Mechanization”), a central state-owned enterprise, to jointly develop and promote green energy, new materials, and complete sets of intelligent equipment manufacturing with the aim of improving production efficiency and gaining market share. Currently, the Group is participating in the substantial investments in Hong Kong’s Northern Metropolis development, Macau’s New Urban Zone Land Reclamation Project, Singapore’s intercity rail construction and other new urban infrastructure projects. We are confident that the new construction materials industry chain business will become a long-term and sustainable growth driver for MECOM.

Chairman's Statement

Looking ahead, while markets are expected to remain unstable with intense competition, more development opportunities are emerging, and we will seize those opportunities to grow ourselves with confidence. The Macau government continues to implement economic diversification plans with tourism and entertainment industry as the pillar, aiming to attract more tourists. The Macau International Airport expansion project commenced in late 2024 and is expected to complete in 2030, which will significantly boost its annual passenger throughput. The Hengqin Line of the Macau Light Rapid Transit (the "LRT") has also commenced operation, and will accelerate Macau's blending into the one-hour living circle of the Greater Bay Area and stimulate tourist flow. In light of government's urban planning and Macau's continuous development as one of the four central cities in the Greater Bay Area, we anticipate more engineering demands arising from the supporting infrastructure construction, electrical and mechanical ("E&M") and facilities management. Moreover, as the emerging artificial intelligence technology drives global industrial upgrading, the Macau government is actively promoting digital economy to support digital transformation across industries. As a result, we anticipate more demand arising from the construction of data centres and other intelligent social infrastructure, whereby the Group will take a firm grip of the opportunities in Macau's development to undertake diverse engineering projects and strive to expand market share.

Regarding the new development momentum, the Group seized opportunities brought by green and intelligent society transformation and expanded into the specialised equipment manufacturing sector, striving to develop sustainable business models. Studies show that the global smart building market will reach US$570 billion as governments across the world are actively launching smart city initiatives. The Catalogue for the Guidance of Adjustment to Industrial Structure released by the National Development and Reform Commission in 2024 encourages the development and application of advanced construction technologies, aiming to accelerate construction industrialization for high-quality economic development. MECOM is responding to the calls of the country by continuing its intelligent manufacturing of new construction materials, including the introduction of a fully intelligent rebar production line with remote control, robots, and precise manufacturing in the near future, as an effort to penetrate into markets in China and Southeast Asia to gain more orders and market share for sustainable business development.

On behalf of the Board and management of the Group, I would like to express my sincere gratitude to all our employees for their efforts and dedication, and deep appreciation to our shareholders, investors, customers, suppliers, and business partners for their support and assistance over the past year.

Kuok Lam Sek
Executive Director and Chairman
Hong Kong, 28 March 2025

Management Discussion and Analysis

COMPANY OVERVIEW

The Group is a renowned comprehensive construction company that has completed a number of highly challenging international construction projects, power substation and structural steelworks, with its operations spreading across countries and regions with high potential, such as Macau, Hong Kong, Singapore and Australia. The Group's business scope covers: (1) steel structures business, including research and development and sales of new construction materials; (2) construction business, including construction and fitting out works, high voltage power substation construction and its system installation works, E&M engineering services works, facilities management and operation and maintenance services, construction, operation and maintenance of data centres; and (3) electric vehicles ("EV")-related services.

(1) The Group's steel structures business includes structural steelworks and sale and processing of new material steel structures. Structural steelworks services generally involve the provision of customised and target-oriented steel structure erection services including structural steelworks, concreting and builder works, and the integration of these constructional methods for building highly efficient structures. The Group is also engaged in the supply of new material steel structures, such as reinforced bars, steel sheet piles, galvanized sheets and other steel materials in various dimensions to the main contractors and/or construction companies for use in their construction projects, which enables the Group to cover the upstream industries of its principal construction business.

(2) The Group's construction and fitting out works comprise civil engineering construction services and fitting out and improvement works.

- Civil engineering construction services generally cover demolition, ground field investigation, site formation and foundation works, as well as substructures and superstructures, and roads and drainage.
- Fitting out and improvement works generally involve alteration, renovation and upgrading works of various types, including preparation of shop drawings, modification, removal and installation of equipment and general improvement works.
- E&M engineering services works generally involve a combination of the supply and/or installation of (i) low voltage ("LV") systems works; (ii) heating, ventilation and air-conditioning ("HVAC") systems works; and (iii) extra low voltage ("ELV") systems works, and the relevant testing and commissioning thereof, as well as management and monitoring of quality and delivery of our E&M engineering services works. LV systems works include the supply and installation of cables, earthing, lighting systems, power cables, electrical wiring, switchboards, power outlets and other related electrical equipment that relates to the power supply and distribution within a building. HVAC systems works include the supply and installation of variable refrigerant volume units, ventilation and exhaust air systems for buildings, as well as the supply and installation of related pipes, ducts, air-conditioning units, ventilation fans and other related equipment. ELV systems works include the procurement and installation of telephones, closed-circuit television (used for security video surveillance purposes) and any other systems within a building that require a transmission signal.
- Facilities management, operation and maintenance services involve the provision of facilities operation and maintenance management, alteration, upgrading, maintenance works and emergency repairs of various buildings, properties and their components (especially for hotels and resorts), high voltage power substations and their respective systems. In addition, the Group also provides data centre maintenance services, covering infrastructure operation, power equipment cooling management, security monitoring and technical support, and has been maintaining data centre facilities for the Macau government for two consecutive years.

(3) The Group's EV business is a sustainable business opportunity which involves supplying EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) distribution of EVs; (iii) design, production, sales and marketing of EVs and EV charging systems; (iv) manufacturing and production of battery packs; and (v) provision of EV charging/swapping solutions.

Management Discussion and Analysis

BUSINESS REVIEW

In 2024, Macau's gaming revenue reached MOP226.8 billion, representing a year-on-year increase of 23.9%, but has not recovered to the pre-pandemic level. Given the Macau government's cautious approach to diversifying economic development, overall construction projects in the public and private sectors have not shown explosive growth. While striving to secure new engineering projects, the Group strategically expanded into the sales and processing of new material steel structures, thus maintaining steady revenue growth.

During the Year, the Group recorded revenue of MOP1,506.6 million (FY2023: MOP1,496.4 million), with revenue from steel structures business reaching MOP1,113.2 million (FY2023: MOP1,030.4 million), accounting for 73.9% of the Group's total revenue (FY2023: 68.9%). During the Year, the decrease in large-scale construction projects owned by casino gaming and integrated resort operators led to a 15.7% reduction in our revenue from the construction business to MOP391.4 million (FY2023: MOP464.3 million). Regarding gross profit margin, despite fluctuations in average steel prices during the Year, the Group actively secured orders and strove to maintain profit levels. The overall gross profit margin stood at approximately 7.9%, which is similar to that of the same period of 2023, remaining healthy. The Group's manufacturing facilities in Jiangmen City, Guangdong Province, the People's Republic of China ("PRC") officially commenced production at the beginning of the year, resulting in additional administrative expenses and interest expenses for the steel structures business. Due to the combined effects of the above, the Group's net margin for the year stood at 0.3% (FY2023: 0.4%).

As at 31 December 2024, the value of the Group's contracts on hand yet to complete in respect of construction and fitting out works and steel trading was MOP682.1 million (FY2023: MOP574.4 million) and MOP618.1 million (FY2023: MOP466.8 million), respectively.

Steel Structures Business

During the Year, the Group's steel structures business achieved a steady growth, delivering approximately 211,592 tons of new steel materials, with revenue increasing by 8.0% year-on-year to MOP1,113.2 million (FY2023: MOP1,030.4 million) and becoming the Group's main source of revenue. Our steel structures were sold to Macau and Hong Kong markets, mainly for public and private projects, including the design and construction works for Macau LRT East Line, Macau's New Urban Zone Land Reclamation Project, and the Hong Kong-Shenzhen Innovation and Technology Park. For new orders, the Group secured order contracts for the supply of a total of approximately 267,422 tons of rebars, steel sheet piles, galvanized sheets and other steel materials in various dimensions.

MECOM International New Materials Technology (Guangdong) Co., Ltd.* (澳能國際新材料科技(廣東)有限公司) ("MECOM International"), an indirect non-wholly owned subsidiary of the Company, has put its manufacturing facilities into formal production and operation in early 2024. During the Year, the Group established strategic partnership with Beijing Institute of Construction Mechanization, a central state-owned enterprise, focusing on research, development and promotion of green energy, new materials, and complete intelligent equipment, in an attempt to further expand market opportunities in Macau, Hong Kong, Singapore, and Australia. The Group is planning on constructing a fully intelligent rebar production line with remote order control and management software as well as intelligent robots installed to improve production efficiency by over 20% and reduce labour costs and safety risks.

Management Discussion and Analysis

Construction Business

The Group's clients for its construction business mainly include casino operators, integrated entertainment and resort developers and operators, and public institutions. We maintain active communication with our clients, expand our business scope to cover different customer groups, continue to develop our construction business in Cyprus, aiming to further strengthen our market position.

During the Year, the Group successfully undertook a series of large-scale construction and fitting out works projects, E&M engineering projects, and facilities management services projects, including i) the provision of repair and maintenance services for the air conditioning, electrical and building facilities of the Macao Cultural Centre Complex; ii) the provision of repair and maintenance services for the mechanical and electrical systems and equipment of the Macau Urban Development and Construction Exhibition Hall; iii) the structural steel corridors works for public housing construction projects; iv) the provision of facade lighting systems maintenance services for one of the major hotels; and v) the provision of repair and maintenance services for the peripheral facilities of the Frontier Post of Macao Port Administration Area of the Hong Kong-Zhuhai-Macau Bridge, which fully demonstrated our business capabilities and resilience. During the Year, the Group renewed three facility management services agreements for the provision of operation and maintenance services for the energy centre and mechanical, electrical and plumbing (MEP) systems of a hotel complex for a term of two years; and renewed two and secured one new facility management services agreements for the provision of maintenance services for the swimming pools and artificial water features of hotel complexes for a term of three years. The aggregate contract value of the above new projects amounted to approximately MOP329.5 million. As of the end of the Year, the Group had sufficient contracts in hand and expected to advance multiple key projects in 2025, laying a solid foundation for a sustainable business growth.

EV Business

During the Year, the Group's EV business progressed in a steady manner as MUCharging (Macau) Limited ("MUCharging"), our indirect wholly-owned subsidiary, introduced a charging tariff for the installed charging systems at various high-end casinos, quality residential areas, and commercial buildings, including Lisboeta, Ponte 16, Kingsville, and China Plaza. Through separate contracts entered into with landlords and/or tenants of parking spaces at various projects, we provided efficient and convenient EV charging solutions, thereby increasing our market share in the EV charging market and making important contributions to the Group's revenue diversification efforts.

In order to concentrate advantageous resources on advancing our EV business in China and Hong Kong, after thorough consideration, the Group decided to terminate the joint venture agreement signed in 2023 between MUCharging and Giken Mobility Pte. Ltd. regarding the joint development of EV business in Southeast Asian markets including Singapore, Thailand, Indonesia, and Malaysia.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue in FY2024 and FY2023:

	2024		2023	
	MOP'000	**%**	MOP'000	%
Construction business				
Construction and fitting out works	**142,774**	**9.5**	231,066	15.4
High voltage power substation construction and its system installation works	**15,173**	**1.0**	10,353	0.7
E&M engineering services works	**50,514**	**3.4**	84,667	5.7
Facilities management services	**182,973**	**12.1**	138,240	9.2
	391,434	**26.0**	464,326	31.0
EV business	**1,917**	**0.1**	1,676	0.1
Steel structures business	**1,113,220**	**73.9**	1,030,391	68.9
Total	**1,506,571**	**100.0**	1,496,393	100.0

The Group's revenue for the Year increased by MOP10.2 million or 0.7%.

Revenue from the steel structures business for the Year increased by MOP82.8 million or 8.0%, which was mainly attributable to the increase in the sales volume and drop in average rebar prices. During the Year, the Group delivered approximately 211,592 tons (FY2023: 181,432 tons) of steel materials, including reinforced bars, steel sheet piles and galvanized sheets, and contributed MOP1,113.2 million (FY2023: MOP1,030.4 million) to the Group's revenue.

Revenue from the construction business decreased by MOP72.9 million or 15.7%, which was primarily attributable to the decrease in revenue generated from construction and fitting out works of MOP88.3 million or 38.2% and E&M engineering services works of MOP34.2 million or 40.3%. During the Year, the number of large-scale construction projects rolled out by the casino gaming and integrated resort operators dropped. The recurring revenue was strengthened with new maintenance contracts secured during the Year and revenue from facilities management services increased by MOP44.7 million or 32.4%.

Management Discussion and Analysis

Gross profit

The following table sets forth a breakdown of the Group's gross profit and gross margin during FY2024 and FY2023:

	2024		2023	
	Gross profit/(loss) MOP'000	**Gross margin %**	Gross profit/(loss) MOP'000	Gross margin %
Construction business				
Construction and fitting out works	**(14,399)**	**(10.1)**	(36,425)	(15.8)
High voltage power substation construction and its system installation works	**1,964**	**12.9**	1,259	12.2
E&M engineering services works	**(12,018)**	**(23.8)**	4,527	5.3
Facilities management services	**54,996**	**30.1**	52,801	38.2
	30,543	**7.8**	22,162	4.8
EV business	**(2,087)**	**(108.9)**	(4,564)	(272.4)
Steel structures business	**89,976**	**8.1**	103,350	10.0
Total/overall	**118,432**	**7.9**	120,948	8.1

The Group recorded a gross profit of MOP118.4 million (FY2023: MOP120.9 million) and gross margin of 7.9% (FY2023: 8.1%) for the Year.

Gross margin of the steel structures business dropped from 10.0% in FY2023 to 8.1% in FY2024, which was mainly due to the drop in average rebar prices during the Year.

Though gross loss margin of the construction and fitting out works was improved from 15.8% in FY2023 to 10.1% in FY2024, a gross loss of MOP14.4 million (FY2023: MOP36.4 million) was incurred during the Year. In addition, gross profit margin of the facilities management services dropped from 38.2% in FY2023 to 30.1% in FY2024. These were mainly due to the decrease in (i) number of construction and fitting out works projects; and (ii) gross profit margin of the projects undertaken by the Group during the Year. Apart from the increase in construction costs due to inflation, the pricing strategies and profit margins have been adjusted to remain competitive and secure contracts.

During the Year, the Group incurred additional costs for the variation orders regarding the design, supply, installation, testing, commissioning and maintenance of information technology systems for a new hotel complex in Cotai, Macau. The costs were substantially borne by the Group and without reimbursement by the property owner, resulting in E&M engineering services works recorded a gross loss margin of 23.8% in FY2024 (FY2023: gross profit margin of 5.3%).

To expand the market share and get prepared for a prospective rapid growth in the number of customers, the Group continued its investment in the EV business, and therefore recorded a gross loss of MOP2.1 million (FY2023: MOP4.6 million) for the Year in respect of the EV business segment.

Management Discussion and Analysis

Other gains and losses

Other gains and losses decreased by MOP5.7 million during the Year, which was attributable to the Group's recognition of gain on disposal of property, plant and equipment of MOP6.9 million in FY2023.

Distribution costs

During the Year, the Group incurred transportation costs of MOP29.5 million (FY2023: MOP21.7 million) for the steel structures business due to the increase in tons of steel materials delivered during the Year.

Impairment losses recognised on property, plant and equipment

In view of the loss situation of the EV business in the PRC brought about by the downturn in subscription fee income, there is indication for impairment of property, plant and equipment of the Group. An assessment for impairment was conducted to assess the recoverable amount with reference to the higher of the assets' fair value less costs to disposal and value in use. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. As a result, the Group recognised impairment loss on property, plant and equipment of MOP3.3 million (FY2023: nil).

Impairment losses reversed (recognised) under expected credit loss ("ECL") model

During the Year, the Group reversed impairment losses of MOP1.6 million for trade receivables, trade-nature amounts due from a related company, contract assets and other receivables under the ECL model, which was primarily attributable to the recovery of monies from customers.

The Group recognised impairment losses of MOP27.1 million for trade receivables, trade-nature amounts due from a related company, contract assets and other receivables under the ECL model in FY2023, which was primarily attributable to the default of a customer in the payment of monies by the due date.

Loss on fair value changes of derivative financial instruments

During the Year, the Group's foreign exchange hedging contracts were matured and settled with the bank and resulted in a loss on fair value changes of MOP474,000 (FY2023: MOP1.4 million) due to the depreciation of Renminbi ("RMB") against Hong Kong dollar ("HK$").

Administrative expenses

Administrative expenses increased by MOP14.8 million or 24.1% mainly due to (i) salaries and other staff costs; and (ii) depreciation incurred for the steel structures business due to commencement of formal production for the manufacturing facilities in the PRC during the Year.

Finance costs

Finance costs increased by MOP2.2 million or 28.2% due to the drawdown of a new revolving loan of HK$60 million in November 2023, thus covering only a part of the Previous Year, whereas the interest expense for the Year covered the entire twelve-month period.

Income tax expense

Income tax expense decreased by MOP2.0 million or 36.1% primarily due to the recognition of impairment losses of MOP27.1 million under the ECL model in FY2023 which was non tax-deductible in FY2023.

Profit for the Year

The Group's profit for the Year decreased by MOP1.5 million or 26.5%, which was primarily attributable to the combined effect of the abovementioned items. Net margin was 0.3% (FY2023: 0.4%).

Management Discussion and Analysis

PRINCIPAL RISKS AND UNCERTAINTIES

The following are some principal risks and uncertainties facing the Group that could materially and adversely affect its business, financial conditions or results of operations:

Risk	Description	Management Measures
Failure to secure new projects and sales orders	The Group's revenue from its construction business mainly relies on successful tenders of or acceptance of its quotations for construction projects which are non-recurring in nature. Revenue from its steel structures business is mainly generated from infrastructure projects that are project-originated and non-recurring. Failure to tender for and secure new projects from its existing customers and/or new customers in the future would affect the Group's business operation, sustainability and financial performance. It may also be difficult to forecast the volume of future business.	The Group has diversified its project portfolio into different areas such as maintenance works, energy infrastructure and government projects to help maintain its exposures in multiple project areas. In addition, the Group's existing customers are reputable multinational organisations with operations around the globe. The Group will continue to leverage its existing customer relationships and seek for new international business opportunities to further expand and diversify its customer and project base.
Underestimation of tender price and project cost overruns	The Group determines the price of its quotation or tender based on the estimated time and costs to be involved in a project. Failure to accurately estimate the costs involved in the implementation of the project and delay in completion of the project may adversely affect our operating results and financial position.	All bids are subject to rigorous estimating and tendering processes within the risk management framework. The Group has defined delegated authority levels for approving all tenders. Reviews are conducted following all tenders to ensure lessons are learnt and applied to future tenders.
Uncertain external factors	The nature, extent and timing of construction projects are determined by a variety of factors, including the (i) Macau government's policies and spending patterns on the construction industry and overall development plan of Macau, (ii) the investment of property developers and casino operators; and (iii) the general conditions and prospects of economy in Macau. Furthermore, the economy of Macau substantially relies on its gaming industry, which is dependent on the policies and measures adopted by the Macau and PRC governments. Any change in the number of construction projects in Macau would affect the Group's business operations and financial performance.	The current political and government policies remain favorable towards the gaming and hospitality industry, and should persist for the foreseeable future. This in turn should continue to provide a strong support for the construction business as it creates demand for new construction projects. In addition, the Group will continue to leverage its existing customer relationships and seek for new international business opportunities to further expand and diversify its customer and project base and to minimize local political and economic exposures.

Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent approach in cash management to minimise financial and operational risks. The Group's capital expenditure and daily operations during the Year were mainly funded by cash generated from its operations and credit facilities provided by its principal bankers in Macau and the PRC.

In the management of liquidity risks, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of unexpected fluctuations in cash flows.

As at 31 December 2024, the Group had net current assets of MOP229.1 million (FY2023: MOP255.3 million). The current ratio of the Group as at 31 December 2024 was 1.4 (FY2023: 1.4).

The Group continued to maintain a healthy liquidity position. As at 31 December 2024, the Group had cash and bank balances of MOP61.3 million (FY2023: MOP57.6 million).

As at 31 December 2024, the Group had outstanding bank borrowings of MOP257.7 million (FY2023: MOP267.2 million) and the Group's unutilised credit facilities was MOP121.6 million (FY2023: MOP120.5 million). The Group's gearing ratio (calculated by dividing total debts with total equity) was 53.5% (FY2023: 55.7%).

CAPITAL STRUCTURE

As at 31 December 2024, the Company's share capital and equity amounted to MOP41.0 million and MOP481.9 million, respectively (FY2023: MOP41.1 million and MOP480.0 million, respectively).

FOREIGN EXCHANGE EXPOSURE

The Group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The Group is exposed to currency risks primarily through the purchases of steel materials which are denominated in RMB, while the sales are denominated in HK$. The management will monitor and review the Group's foreign exchange exposure from time to time and ensure that appropriate measures are adopted effectively in a timely manner to manage the currency risks.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Moreira Dos Santos Mobilities Eléctrica Lda., an associate of the Group which was engaged in EV business, was wound up on 31 March 2024.

Save as disclosed above, the Group had no significant investments and no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Year.

Save as disclosed above and in the below section headed "Use of Net Proceeds from the Global Offering", the Group had no future plans for material investments or capital assets as at 31 December 2024.

Management Discussion and Analysis

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The shares of the Company ("Shares", each a "Share") have been listed and traded on the Main Board of the The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 13 February 2018 (the "Listing").

The net proceeds from the global offering of the Company were HK$261.6 million (equivalent to approximately MOP269.4 million) after deducting underwriting fees and commissions and all related expenses. Details of the proposed applications of such net proceeds are as disclosed in "Future Plans and Use of Proceeds" of the prospectus of the Company dated 1 February 2018 for the Listing and subsequently revised in the announcement issued by the Company dated 28 February 2019.

The following table sets out the revised applications of the net proceeds and the actual usage up to 31 December 2024:

	Revised applications (HK$ million)	Amount of unutilised proceeds as at 1 January 2024 (HK$ million)	Actual usage up to 31 December 2024 (HK$ million)
Financing the issuance of performance bonds when undertaking new projects	112.4	1.1	112.4
Establishing storage facilities (Note)	44.3	–	44.3
Recruiting additional staff	45.2	–	45.2
Acquiring additional machinery	16.8	–	16.8
Financing the upfront costs for new projects (Note)	16.7	–	16.7
General working capital	26.2	–	26.2
	261.6	1.1	261.6

Note:

With reference to the Company's announcement dated 28 February 2019, as the Company had already acquired an industrial unit in Macau to serve as a permanent base for the Group's centralised warehouse, the Board had resolved to reallocate the then remaining unutilised balance of the net proceeds of approximately HK$16.7 million that was earmarked for the purpose of strengthening the Group's storage facilities for equipment and materials towards the financing of upfront costs (i.e. raw materials costs, labour costs and subcontracting costs) for new projects. Please refer to the aforesaid announcement for further information.

Management Discussion and Analysis

PLEDGE OF ASSETS

As at 31 December 2024, the Group had pledged (i) bank deposits of MOP27.9 million (FY2023: MOP24.8 million); and (ii) property, plant and equipment of MOP258.9 million (FY2023: MOP172.8 million) with banks as security for credit facilities.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 31 December 2024 (FY2023: nil).

COMMITMENTS

As at 31 December 2024, the Group had capital commitments of approximately MOP4,530,000 (FY2023: MOP63,874,000) in relation to the construction works for setting up new manufacturing and research and development facilities at the site in Jiangmen, Guangdong Province, the PRC.

EMPLOYEES AND REMUNERATION POLICY

The remuneration package offered to employees generally includes salaries, allowances, benefits-in-kind, fringe benefits including medical insurance and contributions to pension funds and bonuses. In general, the Group determines salaries of its employees based on their performance, qualifications, position and the prevailing industry practice.

As a main contractor for some of the projects we undertake, we apply for work permits for our non-Macau resident workers on a project-by-project basis. As at 31 December 2024, the Group had 405 (FY2023: 366) employees in Hong Kong, Macau, the PRC and Europe.

The Company has adopted a share option scheme (the "Share Option Scheme") on 23 January 2018, which was effective upon the Listing. The purpose of the Share Option Scheme is to recognise and acknowledge the contributions that the eligible participants had or may have made to the Group. During the Year, no option has been granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme.

PROSPECTS

Looking ahead to 2025, the Group will continue to expand its revenue and market share in its main market Macau, as well as other target markets, including Hong Kong, Australia, Cyprus, and Southeast Asia. In Macau, as the government promotes economic diversification and stimulates tourist arrivals, gaming revenue is expected to gradually recover to pre-pandemic level. As stipulated in the new gaming concession contracts signed between each of the six casino operators and the Macau SAR government at the end of 2022, the six casino operators are expected to significantly increase their investments in renovating and modifying the existing ancillary hardware facilities. Regarding the demand for public works, the Macau government will continue to expand its investment in public projects, commence construction of public infrastructure, public housing and other projects, so as to facilitate Macau's integration into the one-hour living circle of the Guangdong-Hong Kong-Macau Greater Bay Area, as a result of which, it is expected that there will be continuous supporting projects launched.

Benefiting from China's strong commitment to building an intelligent and green society, the demand for steel structures made of new material is expected to increase steadily. In the future, the Group will continue to increase its investment in the intelligent manufacturing segment while actively promoting the development of its steel structures business, expanding capacity configuration, and growing the steel structures business in the direction of higher added value, so as to strengthen the Group's market competitiveness.

Environmental, Social and Governance Report

ABOUT THIS REPORT

MECOM is delighted to present its eighth Environmental, Social and Governance ("ESG") Report (the "ESG Report") to summarise the sustainability efforts and progress of the Group for the Year.

Reporting Framework

The ESG Report is prepared in accordance with ESG Reporting Guide (the "Reporting Guide") set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The reporting principles of materiality, quantitative, balance, and consistency have been strictly applied in determining and compiling the content of the ESG Report in order to maintain high quality disclosure.

Materiality	We conducted regular materiality assessment to determine the social and environmental topics that matter most to the Group's business and its significant stakeholders who are identified through the stakeholder engagement process.
Quantitative	For the environmental section, quantitative indicators are reported with definitions and calculation methods to provide clear measurement of performance and ensure it is numerically comparable over years.
Balance	We gather and report the ESG information in an objective and unbiased manner by revealing the potential risks and opportunities associated with the ESG topics in order to maintain credibility of the ESG Report.
Consistency	We ensure consistency of the reporting standards, data collection and calculation methods adopted and provide figures of previous years to allow meaningful comparison.

Reporting Boundary

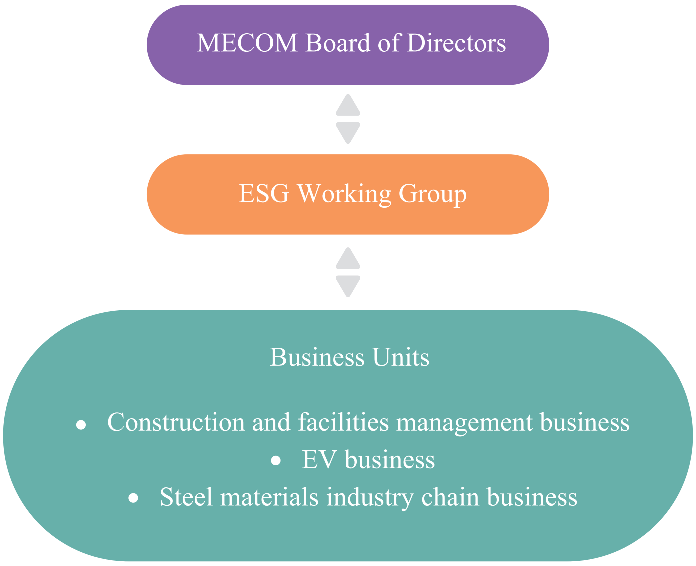
This ESG Report focuses on disclosing the Group's environmental and social related policies, initiatives and performances arising from its businesses and operations over which the Group has direct management control. The Group's businesses and operations include construction and fitting out works, E&M engineering services works and facilities management services and EV charging solution and system services. The Group established the manufacturing facilities in Gujing Town, Xinhui District, Jiangmen, Guangdong Province in 2023. The manufacturing base, which commenced formal operations in early 2024, has expanded the business scope of our steel structures business from sales to production, R&D and manufacturing. The relevant operating performance data from the operation, production, R&D and manufacturing of the manufacturing facilities in Xinhui District, Jiangmen will be included in this ESG Report for the first time this year.

Additional details of the corporate governance and risk management practices can be found in the Corporate Governance Report on pages 41 to 54.

Environmental, Social and Governance Report

Sustainability Approach

Sustainability is at the heart of MECOM's company strategy and we strive to be environmentally and socially conscious in operating our business. As a leading construction engineering contractor in Macau and an excellent steel processor and seller in Jiangmen, the PRC, we seek to enhance our stakeholders' values and secure the sustainable growth of our business. As such, we have established a 3-tier management framework to drive sustainability into our value chain between the Board, the ESG working group, and business units:



The Board, as the highest governance body of MECOM, is fully committed to the sustainable growth of our business. The Board facilitates the establishment of our ESG objectives, priorities and strategies and monitors the progress made against ESG targets, with consideration to the ESG risks and opportunities we come across and foresee in the horizon. The Board oversees the Group's overall ESG direction and delegates certain execution and control authorities to the ESG working group as appropriate.

Our ESG working group comprises members designated by the management team spanning across administration, accounting, human resources, company secretarial, building cost and contract, and construction management departments. They are responsible for strengthening our ESG practices through initiating, implementing and monitoring ESG activities and control systems. ESG performances are measured, reviewed and reported to the management team, which will then be presented to the Board and the audit committee on whether appropriate and effective ESG risk management and internal control systems are in place.

In addition, we attached great importance to regulatory compliance. Rules and regulations relating to the environmental and social aspects of our operations are identified and managed by our respective departments. We carefully monitor the changing laws and regulations and any updates to the compliance requirements will be circulated among the department managers. We uphold business ethics and constantly enhance employee engagement by creating a working environment where ethical conduct is the norm.

Environmental, Social and Governance Report

In order to drive our ESG commitment and continually enhance our sustainability performance, we have established the following targets. We will consistently monitor our achievement of the environmental targets set, through the implementation of environmental practices and steps described in the "Environmental" section below.

Environmental Aspects	Targets
Air emissions	• To reduce carbon emissions by 30% by 2030 and achieve carbon neutrality by 2050. • We will closely monitor our air emissions intensity and ensure its alignment with business growth by 2030.
Wastes	• We will closely monitor our paper consumption intensity (per revenue) and ensure its consumption is in line with business growth by 2030.
Energy consumption	• Commencing from 2025, we have incorporated energy efficiency as one of the core criteria for the procurement of electronic devices, requiring all newly purchased devices to meet at least grade 1 energy label standard, and are committed to continuously enhancing the energy efficiency of devices. • By 2030, we will fully integrate policies and measures on electricity conservation and ESG management as our core selection criteria for new subcontractors.
Water consumption	• We will closely monitor water usage by our employees to ensure water consumption is in line with business growth by 2030.

STAKEHOLDER ENGAGEMENT

The concept of stakeholder inclusiveness is embedded into our decision-making process. We believe that building a trusted relationship with our stakeholders is vital for understanding and responding to their needs and expectations as well as driving a better sustainability performance of MECOM.

We consistently engage with our key internal and external stakeholders, including employees, shareholders, investors, customers, suppliers, government bodies as well as local communities, from time to time through various channels, such as meetings, e-communications platforms, public events and publications.

In preparing this ESG Report, the Group actively communicated with stakeholders who are deemed to be significantly affected by the Group's operating activities and reasonably expected to affect the effectiveness of the Group's strategies and policies related to the ESG issues. We also commissioned an independent ESG consultant to assist in conducting an ESG-specific stakeholder engagement exercise. The Group invited both external and internal stakeholders, including clients/customers, suppliers/vendors, and employees, to respond to our online survey. Open and effective communication with our stakeholders allows us to better understand their expectations, which helps shape the Group's strategy and business development.

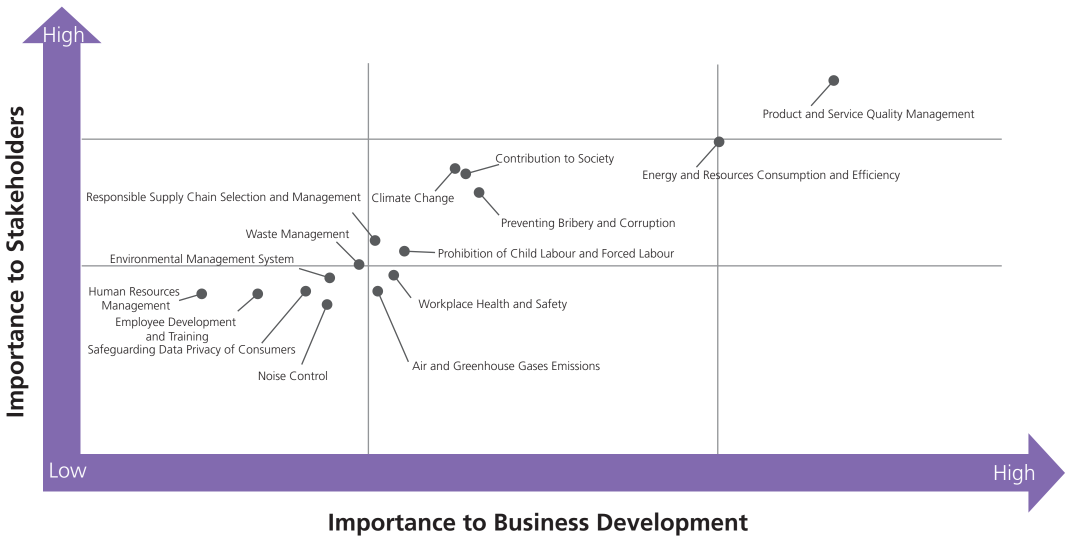
The information gathered is thoroughly considered and will be incorporated into our business strategies as appropriate. Attention will be given to the areas that are significant and necessary for further improvement. We are committed to continuously enhancing our stakeholders engagement channels and creating greater value from our products and services to the wider community.

Environmental, Social and Governance Report

MATERIALITY ASSESSMENT

Furthermore, we aligned our practices with the Stock Exchange's guidelines and conducted a comparative analysis alongside industry peers by engaging an independent ESG consultant. This approach facilitated a comprehensive identification of the Group's important ESG matters. Due to our newly established steel structures segment, the Group successfully diversified its business during the Year. A survey has been conducted with our internal and external stakeholders on the 15 material ESG topics identified in 2024 through questionnaires, and the topics have been sorted based on two aspects of "importance to stakeholders" and "importance to business development" to form a materiality matrix, the results of which are as follows:

Materiality Matrix of MECOM for the Year



An information and data collection template formulated based on the Group's material ESG aspects is adopted and used for the collection of ESG information and data from relevant departments and business units of the Group. We include all material information to enable our stakeholders to evaluate our sustainability performance. The ESG Report has been reviewed by the ESG working group and approved by the Board on 28 March 2025 which confirmed that disclosures made by the Group in the ESG Report meets with the requirements of the Reporting Guide.

Environmental, Social and Governance Report

ENVIRONMENTAL

MECOM aspires to build an evergreen future by operating our business in a manner that embraces environmental sustainability. The Group has established an "Environmental and Occupational Health and Safety Manual" (the "Manual"), a "Management Manual for Quality, Environment and Occupational Health and Safety Management System" (the "Management Manual") for manufacturing plants and occupational safety guidelines for hotels to constantly improve our environmental performances at our offices, sites, hotels and manufacturing plants, and to promote awareness among our employees and subcontractors in key issues including greenhouse gases ("GHG") emissions, energy consumption, waste disposal, air quality and noise control. We have obtained the International Organization for Standardization ("ISO") 14001:2015 Environmental Management System Certification to assure the soundness of our robust mechanism in promoting green practices. We have been actively exploring opportunities in sustainable projects and searching for green solutions to address sustainability challenges.

The management of the Group is responsible for monitoring the compliance of relevant local laws and regulations as well as international standards, including but not limited to the Environmental Law (Law No. 2/91/M), Water Supply and Drainage Regulation (Decree Law No. 46/96/M), Prevention and Control on Environmental Noise (Law No. 8/2014) and relevant regulations as set out by the Macau Special Administrative Region ("Macau"), as well as the Energy Conservation Law of the PRC, the Environmental Protection Law of the PRC, the Standard Conditions of Production and Operation for Iron and Steel Industry, the Law of the PRC on Prevention and Control of Noise Pollution and other relevant laws and regulations in the PRC. The following measures have been adopted by the Group to ensure compliance with the laws and regulations in relation to environmental protection, water conservation and noise pollution control.

During the Year, the Group has not identified any material non-compliance with environment-related laws and regulations in Macau and the PRC.

Air and Greenhouse Gases Emissions

In terms of the steel structures business, we mostly choose outsourced logistics service providers to complete the transportation arrangements of steel products between us and our suppliers and customers. No significant air emissions are involved in the processing, and we mainly complete the processing through operating machines powered by electricity and natural gas.

In terms of the engineering segment, the services provided by the Group are mainly consulting and project management in nature, but the segment involves a number of vehicles owned by the Group for transportation to construction sites. We have calculated the Nitrogen Oxides (NOx), Sulphur Dioxide (SO_2), Particulate Matter (PM) and direct scope 1 GHG emissions resulting from the use of vehicles.

Environmental, Social and Governance Report

Air Emissions	2024	2023
NO_x (kg)	75.06	103.02
SO_2 (kg)	0.28	0.30
PM (kg)	6.31	8.34

The major source of our GHG emissions is the direct GHG emissions generated from a) our vehicles; b) the electricity consumption in our steel factory; and indirect GHG emissions[2,3] generated from c) electricity consumption in our offices; d) the business trips of our employees; and e) the production of steels[3] procured by us. The total GHG emissions and intensity for this Year are set out below:

GHG Emission	2024	2023
Direct Scope 1 GHG emission (tonnes CO_2e)[1]	44.55	48.63
Direct Scope 1 GHG emission intensity (tonnes CO_2e per MOP'000 of revenue)	0.00003	0.00003
Indirect Scope 2 GHG emission (tonnes CO_2e)[2]	1,442.57	212.53
Indirect Scope 2 GHG emission intensity (tonnes CO_2e per MOP'000 of revenue)	0.00096	0.00014
Other indirect Scope 3 GHG emission (tonnes CO_2e)[3]	73,554.58	–
Other indirect Scope 3 GHG emission intensity (tonnes CO_2e per MOP'000 of revenue)	0.05	–

In order to reduce direct GHG emissions to pursue our ESG target, we would perform better construction planning to reduce idle vehicles and closely monitor the travel distance of the vehicles. If possible, we also limit vehicle speeds on sites to minimise dust re-suspension and dispersion.

1 Direct Scope 1 GHG emissions is slightly reduced as the Group used vehicles to deliver products on a project-by-project basis.
Direct Scope 1 GHG emissions of subsidiaries in the PRC is 8.4 tonnes of CO_2e, which is mainly the emission from employees' commuting by cars, and as the Company engaged outsourced transportation companies, the related emission data (Scope 3) are not included in Scope 1. Direct Scope 1 GHG emissions of subsidiaries in Macau is 30.33 tonnes of CO_2e, which decreased due to less work projects in recent years and the corresponding reduction in the number of truck deliveries required;
Direct Scope 1 GHG emissions of the subsidiary in Cyprus is 5.82 tonnes of CO_2e, which is mainly the emission from employees' use of vehicles.

2 As MECOM International started to engage in steel products processing during the Year, Scope 2 GHG emissions have increased significantly.
Indirect Scope 2 GHG emissions of subsidiaries in the PRC is 1,422 tonnes of CO_2e, and indirect Scope 2 GHG emissions of subsidiaries in Hong Kong is 0.88 tonnes of CO_2e;
Indirect Scope 2 GHG emissions of subsidiaries in Macau is 19.92 tonnes of CO_2e.
Calculation of total GHG emission is based on Appendix 2: Reporting Guidance on Environmental KPIs to the ESG Guideline issued by the Stock Exchange.
The carbon dioxide emission factor provided by Companhia de Electricidade de Macau ("CEM") was 0.608 $kgCO_2e/kWh$ in 2023, and China's carbon dioxide emission factor is 0.6101 $kgCO_2e/kWh$.
The carbon dioxide emission factors provided by Hongkong Electric ("HK Electric") and CLP are 0.71 $kgCO_2e/kWh$ and 0.37 $kgCO_2e/kWh$, respectively.

3 In the current year, the Group's Scope 3 emissions include other indirect emissions from business air travel. The Scope 3 data related to CO_2 emissions generated from employee business air travel is based on the calculation methodology of CO_2 emissions from air travel established by the International Civil Aviation Organisation (ICAO), a specialised agency of the United Nations. For more details, please refer to https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx. Emission factors are referenced from the Greenhouse Gas Reporting: Conversion Factors 2024. In addition, the Group is currently working with transportation companies to collect relevant emission data from upstream and downstream transportation and distribution (the transportation emission data from suppliers and outsourced transportation companies), which will be disclosed in the next year. According to World Steel Association and other publicly available data, the average emission factor (considering the mixing ratio of blast furnace and electric arc furnace) for global steel production is approximately 1.85 tonnes of CO_2e per tonnes of crude steel. The total weight of steel purchased in 2024 is 39,748 tonnes.

Environmental, Social and Governance Report

With the actual engineering works carried out by our subcontractors, we fulfil our environmental responsibility by actively monitoring their environmental performances. The Group performs regular carbon reviews and environmental impact assessments, and works closely with our subcontractors to implement green measures in our projects. Our environmental impact assessments cover aspects such as potential environmental impacts, regulatory compliance, environmental risks and opportunities etc.

We also select our investment targets by evaluating their green initiatives, in particular we opt for targets that aim at driving for a low-carbon future. A case in point will be our engagement with business partners in the EV business, in which EVs are more energy efficient and produce less emissions than traditional vehicles. In addition, MECOM International has been making direct green investments by planting additional 150 trees around the manufacturing plants since it commenced operation during the Year to absorb carbon dioxide and reduce GHG in the atmosphere.

We require all construction materials in transit to be covered throughout the transportation process to avoid the spreading of dust and particles. Spraying water onto the ground and the dusty materials, when demolition work is carried out, is another common practice for dust containment. Barriers such as board fence are placed around the construction site to control air currents and blown soil.

We also conduct weekly dust inspections on designated dust emission sources during the periods of construction. Additionally, the Group encourages our subcontractors to use low-sulphur diesel for vehicles and to conduct regular inspection and maintenance to ensure the emission level meets regulatory standards.

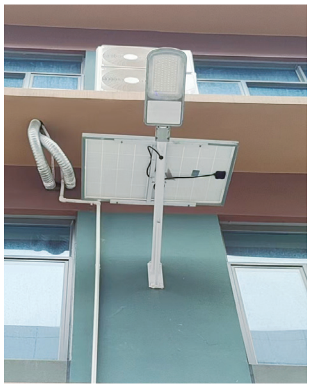
The Group advocates the avoidance of ozone depleting refrigerants such as hydro-chlorofluorocarbons (HCFCs) in our projects, and promotes the use of environmentally-friendly ones such as chlorofluorocarbon (CFC). Furthermore, the purchase of refrigerants would only be made when necessary to prevent leakage and pollution at construction sites due to excessive chemical storage. Moreover, for projects involving asbestos, we require our subcontractors to assign only workers with relevant qualifications to perform the contracted works, and they should be supervised by a consultant registered with the Environment Protection Department.

Environmental, Social and Governance Report

While indirect Scope 2 GHG emissions increased during the Year with the manufacturing plant in Xinhui put into operation, as a matter of fact, many parts of the manufacturing plant are powered by clean energy.

Case study 1 on environmental facilities
Solar street lights and LED lighting in production workshop

The whole lighting system of MECOM International adopts LED lights, which meets the design requirements of the General Code for Energy Efficiency and Renewable Energy Application in Buildings (《建築節能與再生能源利用通用規範》) (GB 55015-2021), and in combination with natural light, such system is expected to reduce the use of indoor lighting and save electricity.



Solar street lights

LED lighting in production workshop

The energy efficiency level of the LED lights used has reached Grade 2 under the Minimum Allowable Values of Energy Efficiency and Energy Efficiency Grades of LED Products for Indoor Lighting (《室內照明用LED產品能源效率限定值及能源效率等級》) (GB30255-2019). In addition, the road and alleyway in the manufacturing plant were lit by solar street lights, the road lighting in the manufacturing plant has been changed to solar street lights, which store electricity during the day and use the stored electricity for lighting at night, eliminating the need for external power supply and achieving energy saving.

Case study 2 on environmental facilities
Solar Photovoltaic System

MECOM International is also planning to install solar photovoltaic systems on the rooftops of the production workshop for electricity generation (see the blue area on the right picture), and the installation is expected to complete in April 2025.

The installed area of photovoltaic panels is 14,362 square meters, the total designed capacity of the photovoltaic panels of the power station is 1,140.8 kW, the total installed capacity of inverters is 930 kWh, and the average annual power generation is estimated to be approximately 1.5 million kWh.

Solar Photovoltaic System

We have also undertaken a series of measures to control the indirect GHG emissions. For details, please refer to the section "Energy and Resources Consumption and Efficiency" below.

Environmental, Social and Governance Report

Waste Management

Given our business nature as the processor and seller of steel products and the general contractor in construction projects, there was no significant hazardous waste produced directly by the Group. During the Year, hazardous waste generated during operations mainly included ink cartridges, batteries, lamps, waste oil drums, waste motor oil, etc., all of which have been handed over to professional recycling companies for subsequent recycling and destruction. For steel products processing business, the surplus materials (such as steel bars) of MECOM International are directly recycled by the manufacturers.

Paper has been identified as a major source of non-hazardous wastes in our operation, the consumption of which varies a lot depending on the nature of individual projects. The overall number of photocopiers and paper consumption in the Year is less than that in FY2023. The total consumption of paper during the Year is set out below:

Waste	**2024**	2023
Paper (tonnes)	**2.33**	2.56
Paper (tonnes per MOP100 million of revenue)	**0.15**	0.17

For waste reduction and operation efficiency purposes, the Group is implementing various paperless measures under the "4R" principles, as a means to achieve our ESG target on reducing paper consumption. We advocate a paperless work environment by deploying digital operation resources such as email, electronic file storage and sharing system. Our employees are encouraged to go paper-light such as adopting duplex printing and copying, and to use recycled paper for printing internal documents to minimise the use of paper.

Reference is made to the ESG Report 2021, 2022 and 2023 in which the Board has set the target of keeping paper consumption intensity (per revenue) in line with business growth by 2025 and we are proud to disclose that we have excelled beyond that target by consistently reducing the paper consumption (in tonnes) over the last 3 years and lowering the consumption intensity from 0.26 in 2022 to 0.17 in 2023 to 0.15 in 2024 under the backdrop of increasing revenue and business expansion.

Above all, we understand the importance of waste management carried out by the subcontractors in our construction sites. The Group has established guidelines to require our subcontractors to implement sound waste management mechanism and measures. To achieve waste reduction at source, we strive to avoid overstocking of materials through effective inventory planning and construction site management. We review our construction plans and schedules to prevent unnecessary generation of wastes due to demolition from improper planning. We also encourage our subcontractors to prioritise the use of green and recyclable materials and equipment during procurement. Used materials such as timber and rubble, as well as steel and metal, are segregated for recycling.

We also maintain strict control on any potentially hazardous waste generated by our subcontractors. We perform regular pH tests on wastewater to ensure the compliance with sewage discharge requirements. All wastes, especially chemical wastes, generated on site are required to be packed, labelled and stored securely in a proper manner. A licensed collector would be hired by the responsible subcontractors to handle and dispose of such wastes to designated locations. Records were also maintained for inspections internally as well as by the Environmental Protection Bureau.

Environmental, Social and Governance Report

Energy and Resources Consumption and Efficiency

Electricity is the main energy we use in our manufacturing plants and office, and we use petrol and diesel to power our vehicles. The Group adopts resource efficiency and eco-friendly measures and is committed to optimising the use of resources in its manufacturing plants, office and construction sites. The total consumption of electricity and petrol during the Year is set out below:

Energy and Resource Consumption	2024	2023
Petrol (L)	**15,822**	11,947
Petrol Intensity (L per MOP'000 of revenue)	**0.0105**	0.0080
Diesel (L)[4]	**2,758**	7,811
Diesel Intensity (L per MOP'000 of revenue)	**0.0018**	0.0052
Electricity (kWh)[5]	**2,364,397**	370,565
Electricity Intensity (kWh per MOP'000 of revenue)	**1.5694**	0.2476

We continue to look for replacements such as environment-friendly petrol or new vehicles with low emissions and high fuel efficiency. We also arrange regular inspection of vehicles to ensure the well-functioning of engines to minimise environmental impact.

To control the electricity consumption as well as the corresponding GHG emissions to attain our ESG target, the Group has continuously reviewed its energy-saving measures and endeavoured to adopt a wide range of programmes and practices to support energy saving. During the Year, we have implemented the following initiatives:

- Eliminate unnecessary energy consumption by switching off idle office and site equipment, machinery, lighting and air-conditioning;
- Install air curtains to maintain indoor temperature and operate air-conditioners at around 25.5 °C;
- Use energy efficient appliances in our office, such as LED lightings and electronic devices with Grade 1 energy label (i.e. most energy efficient), and switch to solar street lights for road lighting in the manufacturing plant;
- Perform regular cleaning and maintenance to slow down the deterioration of our equipment and applications; and
- Raise awareness among employees by regular training and communications on best energy saving practices.

4 The item represents the diesel consumption of one truck during the Year.

5 As MECOM International started to engage in steel products processing during the Year, Scope 2 GHG emissions have increased significantly.

Environmental, Social and Governance Report

In addition to managing energy consumption, the Group is committed to promoting awareness of water conservation amongst its staff, as a way of meeting our ESG target. We will display labels as reminders to avoid unnecessary water consumption. We will also conduct close maintenance and checking to ensure water pipes are well-functioning to avoid water leakage and excessive water usage. During the Year, we did not encounter any problems in sourcing water. The total consumption of water during the Year is set out below:

Water Consumption	**2024**	2023
Water (tonnes)[6]	**7,670**	16,768
Water Intensity (L per MOP'000 of revenue)	**0.0051**	0.0112

We also require our subcontractors to conserve energy, water and resources throughout the construction process. Subcontractors are encouraged to establish electricity conservation policies, for example, to increase procurement of more energy efficient electronic devices. The workflow has been designed in an energy and resource efficient way. They are encouraged to monitor the energy consumption on their machining equipment. Furthermore, they have reused treated wastewater and conducted regular checking and maintenance to the water pipe system to avoid water leakage.

Besides proper control on the energy and resources consumption within the Group, we continue to introduce energy and water-efficient systems to our clients such as energy-friendly motors and multi-speed fans for ventilation systems, water-cooled heat rejection systems, and condensate water collection systems, in order to contribute to the global effort of mitigating climate change.

Noise Control

The Group is aware of the noise issues induced by works performed by subcontractors at construction sites in some projects that involved heavy mechanical equipment. Therefore, we require our subcontractors to strictly observe all relevant local laws and regulations, including the Prevention and Control on Environmental Noise (Law No. 8/2014). In addition, we strictly comply with the Law of the People's Republic of China on the Prevention and Control of Noise Pollution by controlling environmental noise at all times during steel processing in our workshops.

Only materials or equipment that emit an acceptable level of noise are allowed to be used, and such equipment can only be operated within restricted hours to minimise nuisance to the surrounding environment and residents. We also conduct necessary testing and measures before commencement of works to ensure that the noise generated will be at an acceptable level. Containment devices such as noise enclosures are used for piling rigs. Close monitoring of our subcontractors will be in place to check whether there is any potential violation of local regulations.

6 Due to the completion of the construction of the MECOM International production plant in 2023, the related water consumption mainly comes from employees' daily use, leading to a significant decrease in water usage in 2024.

Environmental, Social and Governance Report

Environmental Management System

The Group regularly performs environmental assessments to identify potential environmental risks in the workplace as well as the surrounding areas to ensure that the relevant statutory requirements, contractual obligations, and the Group's commitments are met for all our business activities.

In addition, the Group has established an ISO 14001:2015 accredited environmental management system with a purpose to minimise the environmental impact associated with our business. The key features are summarised as below:

- Identify and assess environmental risks as well as relevant legal requirements on an ongoing basis;
- Engage major stakeholders such as employees and subcontractors during the risk assessment process, and jointly develop appropriate mitigation plans;
- Establish measurable and practicable environmental performance objectives and targets, and evaluate the effectiveness of controls regularly;
- Ensure the availability of resources, and define roles and responsibilities to facilitate effective environmental performance management;
- Investigate and document environmental incidents properly in accordance with relevant legislations and standards, and establish preventive and corrective measures; and
- Perform management review on the environmental management system to assess its adequacy and effectiveness, and identify opportunities for improvement.

Climate Change

Organisations around the globe have been confronting the growing risks associated with climate change. The severe weather events and the changing environmental conditions create direct and indirect implications to humanity.

Environmental, Social and Governance Report

Acute Physical Risk

The Group has identified extreme climate events like typhoons and flooding may pose threats to employee safety and damage to infrastructure, resulting in interruption of business operations. MECOM International has established the following different measures to prevent and minimise the negative impacts of extreme weather.

Extreme weather	**Preventative and mitigation measures**
Typhoons	✓ To lower the wind braces for all roller shutters of the workshop gates, and fix them to the ground ✓ To move the outdoor gantry cranes to safe areas, lower the rail clamps, and fix the gantry on the track ✓ To inspect electrical equipment, drainage system, hazardous chemicals storage areas, etc. to ensure they are in safe condition ✓ To stop working at heights, fire operation, hazardous chemicals loading and unloading and other dangerous operations during typhoon ✓ To stock necessary emergency supplies, such as sandbags, water pumps, emergency lighting equipment, etc.
Flooding	✓ To prepare disaster prevention materials such as sandbags and water pumps, as well as supplies including food and drinking water in advance ✓ To close all doors and windows of workshops ✓ To suspend production if necessary, move employees to safe places, and work from home ✓ To comprehensively inspect and dredge the drainage system of the factories and construction sites to ensure smooth drainage ✓ To stock sufficient flood-fighting materials, such as sandbags, etc. ✓ To strengthen the management and control of low-lying areas, underground spaces and flood-prone areas, and set up warning signs or close off relevant areas when necessary

Chronic Physical Risk

The Group has identified extreme weather, such as extremely hot weather, may cause chronic risks under physical labor by employees. For example, the risk of heatstroke among employees may increase. The Group has established the following different measures to prevent and minimise the negative impacts of extreme weather.

Extreme weather	**Preventative and mitigation measures**
Extremely hot weather	✓ To improve working conditions by adopting heat insulation devices, shading facilities and ventilation facilities to reduce the impact of high temperature on workers ✓ To adjust the working time according to the temperature to avoid high-intensity work during high temperature periods ✓ To provide refreshing drinks and herbal teas, and stock Huoxiang Zhengqi Liquid (藿香正氣水) and other heatstroke first-aid medications

Environmental, Social and Governance Report

As the international community increasingly advocates the achievement of carbon neutrality, the changing regulatory requirements may pose transitional risks to the Group, potentially leading to risks of noncompliance. Building climate resilience and transforming towards a low carbon economy is becoming an essential part of business development.

MECOM has adopted a forward-looking management approach to assess climate change risks and proactively mitigate climate change impacts on our products, services and operations. For example, we have established contingency plans in case the Group faces unfortunate climate-related hazards. Furthermore, we have been consistently monitoring legal developments to ensure compliance with the latest laws.

As a responsible corporate, we also invest in climate-related projects to contribute to a low emission future.

The Group has continued its EV business in Macau and Guangdong Province, and further expanded our geographical coverage of EV charging infrastructures in the Year. The scope of work includes provision of design, supply, installation, operation and maintenance services for EV charger facilities. Furthermore, the Group has continued its battery-swapping systems for electric charging stations in Guangdong province. Charging cabinets comprising sets of lithium-ion phosphate batteries have been installed, which are mainly for food delivery riders' use. These EV charging facilities and battery-swapping systems are expected to enhance energy efficiency, thereby reducing emissions and contributing to a net-zero future.

SOCIAL

Human Resources Management

Equal Opportunities

Employee wellbeing underpins our ability in developing value-driven solutions to build a better tomorrow. The Group believes that treating our employees with fairness and respect is one of the key factors to attract and retain talents. Providing equal opportunities and promoting diversity and inclusiveness have been and will always be a fundamental principle of the Group. We strictly observe the local laws and regulations relating to labour practices such as equality provisions in the Labour Law of the People's Republic of China, Basic Law on Employment Policy and Labour Rights (Law No. 4/98/M) and Equal Opportunities and Treatment in Employment between Male and Female Workers (Decree Law No. 52/95/M) to protect equality and labour rights.

The Group forbids any form of discrimination or harassment within our workplace and strives to treat all employees with dignity and respect. All decisions regarding recruitment, termination, training, remuneration, and promotion of employees should be based on personal capabilities and qualifications without any discrimination on race, skin colour, religion, nationality, gender, age, sexual orientation, disability or other characteristics as protected by law. Our principle of equal treatment and ethical standards have been outlined in the code of conduct for our employees.

Increasing gender equality and opportunities for women remained paramount throughout our business. In 2024, women comprised 20% of directors across the Board, 25% of the senior management and 17% across the workforce. The Group targets to keep at least the current level of female representation across the workforce. The management has taken, and continues to take, steps to promote diversity, including gender diversity, across the workforce in recruitment from time to time.

Environmental, Social and Governance Report

Recruitment and Termination

Moreover, the Group has established a structured recruitment and termination process under our recruitment and termination policy. Qualified candidates are selected and employed according to pre-set criteria for fair assessment with consideration of their interview performances, relevant experiences, and academic and professional qualifications. We have also entered into written employment contracts with our employees, which contain information of working hours, salaries and benefits as well as other terms and conditions covering employees' interests.

In order to protect our employees from unreasonable termination, discipline and discharge procedures have been developed, and inappropriate behaviours leading to disciplinary actions or termination are specified in the employee handbook distributed to all employees.

Promotion, Remuneration and Working Conditions

The Group has established a comprehensive evaluation mechanism to assess the performances of employees in a fair manner for promotion and remuneration. Supervisors are responsible for carrying out performance analysis of their subordinates based on their goal achievements, strengths and development opportunities.

In addition to market practices and business performances of the Group, individual performances are also taken into account when determining respective remuneration packages, in order to fairly reward the contributions of our employees on the Group's success as well as to attract and retain qualified talents. Their wages and benefits are also regularly reviewed to ensure the remuneration packages are competitive and in compliance with applicable laws and regulations.

On the other hand, the Group encourages work-life balance for our employees. We are committed to the provision of fair and reasonable working hours, work allocation and arrangements to our staff members and they are also entitled to annual leave, sick leave, maternity and paternity leave, as well as rest days in accordance with the local employment laws. Group-subsidised staff gatherings such as luncheons and annual dinners are also organised to enhance staff communication and bonding. In January 2024, we invited the employees in Macau to attend our annual dinner in recognition of the outstanding contributions made by employees, subcontractors and supplier representatives in Macau to our Company in 2023. In December 2024, we invited the employees in Cyprus to attend our staff gatherings at Christmas to express our sincere gratitude for their hard work and dedication throughout 2024, which greatly boosted employee morale.

During the Year, we are not aware of any case of material non-compliance with employment and labour-related laws and regulations in the PRC, Macau and Hong Kong.

Environmental, Social and Governance Report

As at 31 December 2024, the Group had 405 employees in Macau, Hong Kong and the PRC. Our employee profile is as follows:

Number of Employees	2024 Number	2023 Number
By Gender		
Male	333	313
Female	72	53
By Age		
Below 30	70	53
30 – 50	258	252
Above 50	77	61
By Employment Type		
Full-time	238	129
Contracted staff	167	235
Part-time	0	2
By Employment Category		
Management personnel	48	32
Administrative staff	68	47
Technical staff	48	51
Others	241	236
By Geographical Region		
Cyprus	42	30
Hong Kong	2	2
Macau	261	253
The PRC	97	80
Singapore	3	1

Employee Turnover Rate	2024 Percentage	2023 Percentage
By Gender		
Male	53%	32%
Female	46%	45%
By Age		
Below 30	64%	47%
30 – 50	52%	25%
Above 50	39%	59%
By Employment Type		
Full-time	79%	49%
Contracted staff	11%	26%
Part-time	0%	0%
By Employment Category		
Management personnel	17%	22%
Administrative staff	62%	47%
Technical staff	52%	27%
Others	56%	34%
By Geographical Region		
Cyprus	12%	47%
Hong Kong	0%	0%
Macau	20%	26%
The PRC	61%	55%
Singapore	0%	0%

Environmental, Social and Governance Report

Workplace Health and Safety

The Group recognises the importance of health and safety of our employees, as well as subcontractors and other people who might be affected by our business operation. We abide by the local laws and regulations relating to occupational health and safety such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Production Safety Law of the People's Republic of China and the Administrative Measures for the Declaration of Projects with Occupational Hazards, and the Macau laws such as Compensation for Damages Arising from Occupational Accidents and Diseases (Decree Law No. 40/95/M) to protect the physical and mental well-being of our employees and insure them against occupational accidents and diseases. We are fully committed to maintaining the highest standard of work safety practices. With a safety management policy in place, all of our management, employees and subcontractors are required to comply with the following principles:

- To comply with statutory and contractual requirements on occupational health and safety and relevant codes of practice;
- To take occupational health and safety into account when planning engineering activities;
- To provide adequate resources, training and instructions to implement effective safety measures;
- To ensure an effective and efficient communication system on safety management and incident reporting;
- To maintain continual improvement of occupational health and safety performance by identifying safety risks and minimising the impacts.

To effectively implement the aforementioned principles and approaches, we have developed an occupational health and safety management system which has been accredited with the Occupational Health and Safety Management System ISO 45001:2018.

A safety team consisting of members possessing relevant safety qualifications has been established to perform a safety risk assessment and hazard identification for each project and to ensure all of the project plans comply with our safety guidelines as well as relevant laws and regulations through regular site inspections.

The Group also constantly prepares our employees to take necessary actions to prevent and respond to emergencies such as fire hazards. Various preventive measures have been implemented which are regularly reviewed. Site workers are also briefed for potential safety hazards by the safety team prior to commencement of work to minimise chances of accidents. Personal protective equipment is provided to the site workers to eliminate the risk of work-related injuries and occupational disease. Warning signs are posted in prominent positions, detailing potential health impact, handling procedures and preventive measures, so as to provide a safe occupational environment and minimise health and safety risks at our project sites.

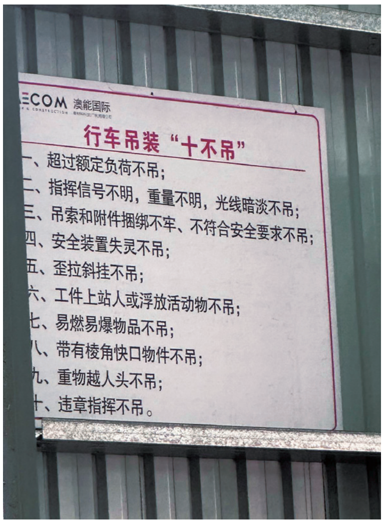
For steel structure segment, MECOM International has also implemented safety regulations for the production workshops, including prohibiting work after drinking, prohibiting smoking, keeping the workshops clean, posting notices in prominent positions, and instructing workers to wear appropriate labour protection supplies. We also provide educational training on equipment safety procedures for equipment operators, such as equipment use and management, maintenance and repair, and emergency response to work injury, with an aim to enhance employees' awareness of machinery and equipment safety, improve their operational skills and ensure personal safety.

Environmental, Social and Governance Report

Workshop safety notice and safety training of MECOM International

Production safety requirements

Workshop safety risk point notice board and occupational hazard notification card



“Ten Don’ts” for crane operation

Safety education and training for equipment operation[7]

Over the last three years, including the Year, there were no work-related fatalities recorded for our direct employees. The number of lost days due to work injury of MECOM International in 2024 was 95 days, and subsidiaries engaging in engineering sector in Macau have no lost days due to work injury in 2024 (2023: 8 days). In March 2024, an employee at MECOM International was injured while operating the crane. A subsequent investigation revealed that the particular lifting appliance has yet to pass the inspection and the equipment was not operated with qualified safety management personnel and operators. While the incident has resulted in a fine of RMB250,000 by the district council, we have kept the lesson in mind and thereafter implemented and conducted stringent inspections before any new equipment put in use. We also ensure that all operating employees have the knowledge of using the equipment and equip with sufficient safety awareness, so that employees can work in a safe workplace. Save for the above, we were not aware of any other case of material non-compliance with occupational health and safety-related laws and regulations.

[7] In 2024, MECOM International also provided 24-hour three-tier education on production safety to approximately 60 workshop employees, which has greatly improved the safety awareness of using machinery during processing.

Environmental, Social and Governance Report

Employee Development and Training

The Group acknowledges the importance of training for the purpose of enhancing the job performance and continuous development of employees. Therefore, the Group is committed to providing relevant opportunities, including induction programmes and external courses such as technical training and regulatory updates. We also support our employees to obtain professional qualifications for the advancement of their career developments. Moreover, supervisors are responsible for providing feedback to their subordinates. We also encourage employees to maintain open discussions on each other's strengths and improvements. The breakdown of employees trained and average training hours completed per employee by gender and employment category during the Year are as follows:

Employees Trained	2024 Percentage	2023 Percentage
By Gender		
Male	**77%**	83%
Female	**23%**	17%
By Employment Type		
Management personnel	**14%**	83%
Administrative staff	**29%**	0%
Technical staff	**17%**	17%
Others	**40%**	0%

Average Training Hours Completed per Employee	Hours	Hours
By Gender		
Male	**11.7**	26.7
Female	**6.2**	34.0
By Employment Type		
Management personnel	**6.0**	29.3
Administrative staff	**1.5**	0.0
Technical staff	**4.2**	21.0
Others	**20.9**	0.0

Environmental, Social and Governance Report

Prohibition of Child Labour and Forced Labour

The Group forbids any unlawful employment, including child and forced labour. We adhere to the minimum age provisions under the Labour Relations Law (Law No. 7/2008) set out in Macau and other anti-child and forced labour-related laws and regulations, including the Labor Law of the People's Republic of China, Provisions on the Prohibition of Using Child Labor of the PRC, Law of the People's Republic of China on Protection of Minors, Abolition of Forced Labour Convention and the Hong Kong Employment Ordinance. All of our employees are required to provide relevant identification documents including medical examination reports, academic degree/certificates, ID cards, etc., before the commencement of work. We also require our subcontractors to register their employees' identification documents and license numbers to prevent the employment of workers who are not legally eligible to take up any job duties in Macau. In any case that such violation was discovered, the responsible person will be subjected to internal disciplinary actions or handled by authorities when deemed suitable.

During the Year, the Group was not aware of any case of material non-compliance with child and forced labour-related laws and regulations in the PRC, Macau and Hong Kong.

Responsible Supply Chain Selection and Management

The Group encourages our supply chain partners including subcontractors, suppliers and service providers, to adopt environmentally and socially responsible practices. As mentioned in the above "Environment" section, we have required our subcontractors to operate in an environmental-friendly manner to reduce pollution and wastes.

We prefer to engage supply chain partners with satisfactory environmental and social performances, and therefore we have assessed the environmental awareness and management mechanisms of our potential supply chain partners during our selection process. The Group stringently manages suppliers and sub-contractors to avoid the procurement of any inferior or non-environmentally friendly materials or services, and adopts strict quality control. In this regard, the Group maintains a list of approved suppliers and sub-contractors. During our ongoing cooperation, we will maintain close communication and monitoring regarding their environmental and social practices, such as encouraging their procurement of green materials and products. Regular evaluations such as on-site inspections are conducted, and any exception or non-compliance are reported to the management immediately. Timely remediation on the risks identified is required. Failure in complying with our environmental and social expectations may lead to termination of the business relationship. As of 31 December 2024, MECOM International has purchased a total of approximately 40,000 tonnes of steel, including steel sheet piles, steel plates, round/square tubes, rebars, I-beams, angle bars and channel steels, and the relevant carbon emissions have been reflected in "Air and Greenhouse Gases Emissions".

The numbers of suppliers and subcontractors by geographical regions engaged in the Year are as follows. We have implemented the above mentioned environmental and social related management procedures to all of our suppliers and subcontractors.

Geographical Regions	2024		2023	
	Number of Subcontractors	**Number of Suppliers**	Number of Subcontractors	Number of Suppliers
Asia Pacific (excluding Hong Kong and the PRC)	**0**	**1**	0	2
Europe	**0**	**57**	0	26
Hong Kong	**6**	**18**	7	23
Macau	**74**	**66**	84	82
The PRC	**1**	**102**	0	66

Environmental, Social and Governance Report

Product and Services Quality Management

Quality Management

Depending on the project nature, MECOM provides project management or construction services to our clients. As such, we have equipped ourselves with the expertise and capability to deliver seamless site management and one-stop solution.

All of our construction services abide by the Urban Construction Legal Regime (Law No. 14/2021) set out in Macau as well as other local construction related laws and regulations. All of our steel products and services in the PRC are in compliance with the Product Quality Law of the People's Republic of China. To ensure our services quality and compliance in different business streams, the Group has established a Quality Management System ("QMS") which has been accredited with the ISO 9001:2015 certification. An internal policy manual has also been set up to provide guidelines to our employees for meeting our quality management objectives as follows:

- To provide effective and reliable services to satisfy the demands and expectations of our clients;
- To comply with all relevant standards, statutory and regulatory requirements;
- To provide appropriate training for employees to enhance the quality of works and services;
- To monitor and improve the effectiveness of QMS by conducting periodic internal reviews, data analysis and enhancement; and
- To obtain feedback regularly to identify the improvement areas of QMS.

There were no products and service-related complaints received that are related to safety and health reasons during the Year. During the Year, a few complaints were received about charging services where the charging piles were not functioning well. The Group has taken the following immediate remedial measures:

- For monthly membership: customer service (through the 24-hour hotline or main exchange) will report the problem to back-end staff and arrange technicians to arrive on-site to handle the problem and restart the charging station within a few hours.
- For time-based users: If a time-based user is charged due to charging problem, our back-end staff will verify the situation and the money will be refunded through the original route. If the user is paid via UnionPay, our back-end staff will use his/her personal MPAY to refund.

We will continue to monitor the charging stations and provide better power supply services to the public in the future.

Environmental, Social and Governance Report

Protection of Customer Information and Intellectual Property Rights

The Group values the protection of confidential information of our employees and customers as well as intellectual property rights. We comply with local laws and regulations relating to personal information such as the Personal Data Protection Act (Law no. 8/2005) and Personal Information Protection Law of the People's Republic of China to prevent misuse of our customers' information. No personal or business sensitive information is allowed to be taken away from our premises physically or through company network, unless it has been formally approved by the management and the respective information is only for the use of performing job duties.

Furthermore, employees are required to acknowledge and comply with the employee handbook with regards to the confidentiality clause restricting employees from divulging or communicating any customer or company-related information to any person outside of the Group. Any unauthorised access, disclosure or use of information will be subject to disciplinary actions including termination and legal action.

During the Year, we are not aware of any case of material non-compliance regarding service quality and data privacy-related laws and regulations in Macau.

Preventing Bribery and Corruption

The Group has a zero-tolerance policy towards all forms of corruption and fraud such as bribery, extortion, fraud and money laundering. We follow strictly with the Penal Code of Macau and the Criminal Law of the People's Republic of China as well as other anti-corruption related local laws and regulations to prohibit any form of unethical behaviour. Therefore, an internal control system has been established to monitor our major business activities ranging from tendering, project management, procurement, payment, to financial reporting so as to control any potential fraud risks. We also regularly engage an independent internal control adviser to evaluate adequacy and effectiveness of our internal control system to ensure sound corporate governance.

In addition, training from relevant organisations (e.g. Commission Against Corruption) and legal professionals are arranged for our management team and employees to enhance their awareness of bid-rigging and bribery, as well as the relevant laws and regulations. Effective whistleblowing policy and anonymous communication channels have been established for employees, customers and subcontractors in order to help identify and handle fraudulent acts properly.

Furthermore, our policy forbids employees to possess any financial or other personal interest in transactions between the Group and our business partners. Potential conflicts of interest that may increase the risk of bribery and bid-rigging will be monitored. If there is any perceived, potential or actual conflict of interest, employees are required to report to the management immediately.

During the Year, the Group was not aware of any case of material non-compliance with corruption-related laws and regulations in the PRC, Macau and Hong Kong.

Environmental, Social and Governance Report

Contribution to Society

Student Support

We recognise the value of education to the society in ways that enrich and transform lives. To support future leaders and professionals who want to make a difference, we established a partnership with the University of Macau to sponsor academic prizes and scholarships to outstanding graduates since the academic year 2018/19. The amount of sponsorship is MOP10,000 to each awardee, and there will be 10 awardees in total per annum. We are honoured to have such opportunities to demonstrate our commitment in supporting the younger generation.

2023/2024 MECOM – Hung Yip Group Scholarship

2023/2024 MECOM – Hung Yip Group Academic Prize

Volunteering and Charity Donation

As a responsible corporate, the Group has been engaging in ongoing community work. We also encourage and support our employees to take part in voluntary services and help the underserved. Members of the Group participated in charitable and meaningful events to show our support for the community.

On 25 November 2024, the Greater Bay Area Listed Companies ESG100 Green Advancement Awards was held during the Guangdong-Hong Kong-Macao Greater Bay Area Listed Companies Summit, which was organised by the Greater Bay Area Association of Listed Companies. The Group won the "Governance Excellence Award" at the Greater Bay Area Listed Companies ESG100 Green Advancement Awards Ceremony, which recognised MECOM's excellent corporate governance system, good information transparency and efficient corporate decision-making mechanism.

Biographical Details of Directors and Senior Management

BOARD OF DIRECTORS

Executive Directors

Mr. Kuok Lam Sek, aged 62, is an executive Director, the chairman of the Board and the founder of the Group. Mr. Kuok is a director of all the subsidiaries of the Company, except for Ao Gang Construction (Macau) Limited (澳港建設(澳門)有限公司) ("Ao Gang Construction (Macau)"), EHY (Cyprus) Limited, Jiangmen Kepeida Metal Materials Co., Ltd* (江門科沛達金屬材料有限責任公司) and MECOM Greenbuild (Singapore) Pte. Ltd. ("MECOM Greenbuild"). Mr. Kuok is responsible for the overall management and strategic planning of the Group.

Mr. Kuok has over 42 years of experience in the construction industry. Prior to establishing Engenharia Hung Yip, Mr. Kuok worked as a contractor worker for various construction contractors in Macau, where he commenced his career in the engineering and construction industry. In December 2000, Mr. Kuok founded Engenharia Hung Yip which was then engaged in the steel structure works, where he served as a director and was responsible for the project management and management of various kinds of large scale construction projects (including construction work for the 4th East Asian Games in Macau).

Mr. Kuok is a director and shareholder of MECOM Holding Limited which is the controlling shareholder of the Company.

Mr. Sou Kun Tou, aged 58, is an executive Director, the deputy chairman of the Board and the chief executive officer of the Company. Mr. Sou is a director of all the subsidiaries of the Company, except for MU (Guangdong) New Energy Vehicle Co., Ltd* (自由充(廣東)新能源汽車有限公司), MECOM Zhihui Energy Technology (Guangzhou) Co., Ltd* (澳能智匯能源科技(廣州)有限公司), Ao Gang Construction (Macau) and MECOM Greenbuild. Mr. Sou is responsible for the day-to-day business operations of the Group.

Mr. Sou has over 36 years of experience in the construction industry. Prior to joining the Group, Mr. Sou served as an assistant engineer at the planning and development department of Macau Water Supply Co., Ltd., a company which is engaged in water treatment, from August 1988 to December 1989 where he was primarily responsible for assisting engineers in engineering related works. From December 1989 to September 1994, Mr. Sou served as the general manager at Decol Ltd., a provider primarily engaged in electrical and mechanical services work, where he was primarily responsible for designing and managing electrical and mechanical projects. From October 1994 to November 2006, Mr. Sou held various positions at the Macau government and last served as the Chiefe de Divisao de Equipamentos Urbanos, Deste Instituto (民政總處設備處處長) and was primarily responsible for overseeing electrical and mechanical matters.

Mr. Sou obtained his Bachelor's Degree of Precision Mechanical Engineering, majoring in mechanical manufacturing technology and equipment, from Huaqiao University in China in July 1988. He obtained his master of electromechanical engineering from the Universidade de Macau in August 2002. Mr. Sou was admitted as an engineer by DSSOPT (土地工務運輸司) of Macau in May 1991.

Mr. Sou is a director and shareholder of MECOM Holding Limited which is the controlling shareholder of the Company.

Biographical Details of Directors and Senior Management

BOARD OF DIRECTORS *(Continued)*

Independent Non-executive Directors

Ms. Chan Po Yi, Patsy, aged 60, has been an independent non-executive Director since 23 January 2018, and is the chairlady of the audit committee (the "Audit Committee") and a member of the remuneration committee (the "Remuneration Committee") and nomination committee (the "Nomination Committee") (collectively, the "Board Committees") of the Company.

Ms. Chan has been appointed as the chief executive officer of the Northeast Asia Region of Richemont Asia Pacific Limited effective from 1 September 2022, where she is responsible for overseeing its operations in Hainan, Hong Kong, Macau and Taiwan. She has been working with Richemont Luxury Group, one of the global luxury goods companies, for over 27 years. With more than 27 years of experience in several prestigious multinational corporations, Ms. Chan leads Richemont Luxury Group in maximising operational efficiency and cost effectiveness with knowledge in risk management and corporate governance as well as in-depth perception in strategic planning, business development and performance measurement development. Prior to joining Richemont Luxury Group, Ms. Chan served as the financial controller at Marsh & McLennan Limited, a global professional services firm, where she was primarily responsible for financial control and business planning.

Ms. Chan holds a Bachelor Degree of Commerce in Accounting from the University of New South Wales and completed the Luxury Brand Management Executive Program at ESSEC Business School. She has been a certified practicing accountant of CPA Australia since October 1992.

From July 2021 to August 2023, Ms. Chan was an independent director of Black Spade Acquisition Co, a special purpose acquisition company listed on the New York Stock Exchange (NYSE: BSAQ) which is focused on identifying a business combination target that is related to or in the entertainment industry, with a focus on enabling technology, lifestyle brands, products, or services, and entertainment media.

Since August 2024, Ms. Chan has been as a director of Black Spade Acquisition II Co, a special purpose acquisition company listed on the Nasdaq Stock Market LLC (NASDAQ: BSII) which is focused on identifying a business combination target that is related to or in the entertainment, lifestyle and technology industries, particularly those that are major beneficiaries of artificial intelligence.

Mr. Cheung Kiu Cho, Vincent, aged 49, has been an independent non-executive Director since 23 January 2018, and is the chairman of the Nomination Committee and a member of the Remuneration Committee and Audit Committee of the Company.

Mr. Cheung has over 27 years of experience in the real estate industry and assets valuation and advisory sector. Mr. Cheung is currently the managing director of Vincorn Consulting and Appraisal Limited, where he is responsible for the corporate valuation and advisory services across Asia. From January 2016 to November 2018, Mr. Cheung worked at Colliers International (Hong Kong) Limited, a global real estate firm, and last served as the deputy managing director of valuation and advisory services division in Asia where he was responsible for providing valuation and corporate advisory services across Asia and advised his clients in various acquisitions and disposal of various types of projects in different regions.

Mr. Cheung holds a Master Degree of Business Administration in International Management from the University of London (in association with Royal Holloway and Bedford New College) and a Bachelor of Science Degree (Honours) in Real Estate from the Hong Kong Polytechnic University. Mr. Cheung is a registered professional surveyor in the General Practice Division by the Surveyors Registration Board in Hong Kong, a fellow member of the Hong Kong Institute of Surveyors, and a fellow member and registered valuer of the Royal Institution of Chartered Surveyors. Mr. Cheung is also a member of the Hong Kong Securities and Investment Institute and the Hong Kong Institute of Real Estate Administrators.

Biographical Details of Directors and Senior Management

BOARD OF DIRECTORS *(Continued)*

Independent Non-executive Directors *(Continued)*

From June 2006 to April 2021, Mr. Cheung was an independent non-executive director and the chairman of the nomination committee and remuneration committee and a member of the audit committee of China Automobile New Retail (Holdings) Limited, a company listed on the Main Board of the Stock Exchange (stock code: 526) which is primarily engaged in manufacturing and trading of household products, operation of department stores and supermarkets, wholesale of wine and beverages and electrical appliances, and car trading services. From September 2017 to April 2021, Mr. Cheung was an independent non-executive director and a member of the audit committee and nomination committee of RMH Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8437) which is primarily engaged in provision of medical and surgical services in dermatology in Singapore. From November 2020 to April 2021, Mr. Cheung was a non-executive director and a member of the audit committee, nomination committee and remuneration committee of GTI Holdings Limited (In liquidation) ("GTI"), a company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange (stock code: 3344) prior to the cancellation of listing of its shares from the Stock Exchange with effect from 5 September 2023 which was primarily engaged in trading of petroleum and chemical products, operation of textile business and RMB bank notes clearing up services business.

Mr. Lio Weng Tong, aged 48, has been an independent non-executive Director since 13 December 2019, and is the chairman of the Remuneration Committee and a member of the Nomination Committee and Audit Committee of the Company.

Mr. Lio has over 15 years of entrepreneurial and investment experience in early growth-oriented innovative technology companies, and is particularly passionate about artificial intelligence, blockchain, software as a service and ocean economy industries. Mr. Lio is the founder and director of Teclent Venture Investment Ltd. Mr. Lio has been serving as the director of Corporate Finance in CIBT Education Group Inc. since December 2018, which is an education and student housing investment company in Canada focused on the global education market. CIBT Education Group Inc. is listed on the Toronto Stock Exchange (stock code: MBA) and International OTCQX (stock code: MBAIF).

Mr. Lio holds a Bachelor Degree of Computer Science from the University of British Columbia. Mr. Lio also holds a number of social appointments, including being an executive member of the 13th Guangdong Federation of Industry and Commerce (General Chamber of Commerce) (廣東省工商聯(總商會)第十三屆執行委員), committee member of the Innovation and Technology Commission (創新科技署), the Environmental Protection Department (環境保護署) and the Innovation and Technology Training Committee of the Vocational Training Council (職業訓練局創新及科技訓練委員會) and committee member of the Chinese General Chamber of Commerce, Hong Kong (香港中華總商會).

Biographical Details of Directors and Senior Management

SENIOR MANAGEMENT

Mr. Lam Kuok Wa, aged 51, is the chief operating officer and is primarily responsible for the day to day operations management, engineering project management and supervision of the Group. Mr. Lam has over 27 years of experience in the civil engineering industry and he joined the Group in 2007.

Mr. Lam holds a Bachelor's Degree in Engineering, majoring in civil engineering, from the Universidade de Macau. Mr. Lam is a civil engineer of Conselho de Arquitectura, Engenharia e Urbanismo (建築、工程及城市規劃專業委員會).

Mr. Lao Ka Wa, aged 51, is the vice president and is primarily responsible for engineering project coordination and supervision of the Group. Mr. Lao has over 31 years of experience in the construction industry and he joined the Group in 2007.

Ms. Tam Wing Yee, aged 43, is the finance manager and the company secretary of the Company (the "Company Secretary") and is responsible for finance, accounting and company secretarial matters of the Group. Ms. Tam has over 21 years of experience in accounting and auditing and she joined the Group in 2017.

Ms. Tam holds a Bachelor's Degree in Business Administration (Honours) from The Chinese University of Hong Kong. Ms. Tam has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since January 2008.

COMPANY SECRETARY

Ms. Tam Wing Yee, aged 43, is the Company Secretary. For details of her background, please refer to the sub-section headed "Senior Management" in this section.

Corporate Governance Report

The Board hereby presents this corporate governance report in the Group's annual report for the year ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders of the Company (the "Shareholders"), enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the code provisions set out in Part 2 of the Corporate Governance Code (the "CG Code") in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices.

The Board is of the opinion that the Company has complied with all the code provisions in Part 2 of the CG Code throughout the Year.

CULTURES AND VALUES

A healthy corporate culture across the Group is vital for the Group to achieve its vision and mission towards sustainable growth. It is the Board's role to foster a corporate culture with the following core principles and to ensure that the Company's vision, values and business strategies are aligned to it.

Integrity and code of conduct

The Group strives to maintain high standards of business ethics and corporate governance across all the activities and operations. The Directors, management and staff are all required to act lawfully, ethically and responsibly, and the required standards and norms are explicitly embedded in various policies such as the employee handbook, the code of conduct and ethics, the anti-corruption policy and the whistleblowing policy of the Group.

Quality assurance and value creation

The Group is committed to workforce development, workplace safety and health, diversity, and sustainability. This sets the tone for a strong, productive workforce that attracts, develops, and retains the best talent and produces the highest quality work. Moreover, the Company's strategy in business development and management are to achieve long-term, steady and sustainable growth, and to pursue continuous value creation for the Shareholders, employees, working partners and the society.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all the Directors, each of the Directors confirmed that he/she has complied with the required standards set out in the Model Code throughout the Year.

Pursuant to Rule B.13 of the Model Code, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing pursuant to the restrictions under the Model Code as if he/she were a Director.

Corporate Governance Report

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties as set out in the code provision A.2.1 of Part 2 of the CG Code, which include (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; (b) to review and monitor the training and continuous professional development of the Directors and senior management of the Group; (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees of the Group and the Directors; and (e) to review the Company's compliance with the CG Code and relevant disclosures in the corporate governance report as set out in the annual report of the Company.

During the Year, the Board is performing the abovementioned corporate governance functions.

BOARD OF DIRECTORS

The Board is committed to providing effective and responsible leadership for the Company. The Directors, individually and collectively, must act in good faith in the best interests of the Company and the Shareholders. The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The functions performed by the Board include formulating the Board's business plans and strategies, making all significant financial and operational decisions, developing, monitoring and reviewing the Group's corporate governance and addressing the Shareholders' concerns at general meetings. The management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board. The Board has established three Board Committees, being the Audit Committee, the Nomination Committee and the Remuneration Committee, to oversee different areas of the Company's affairs.

Board Composition

The Board currently consists of five Directors, including two executive Directors and three independent non-executive Directors (the "INED(s)"), as follows:

Executive Directors
Mr. Kuok Lam Sek *(Chairman)*
Mr. Sou Kun Tou *(Chief Executive Officer and Deputy Chairman)*

Independent Non-executive Directors
Ms. Chan Po Yi, Patsy
Mr. Cheung Kiu Cho, Vincent
Mr. Lio Weng Tong

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership of the Company and independence in decision making. The biographies of the Directors are set out in the "Biographical Details of Directors and Senior Management" section of this annual report, which demonstrates a diversity of skills, expertise, experience and qualifications. Save as disclosed therein, there are no financial, business, family or other material or relevant relationships among the members of the Board.

Each of the executive Directors has renewed his service agreement with the Company for a term of two years commencing from 13 February 2025 which can be terminated by either party with three months' written notice. Under the code provision B.2.2 of the CG Code, the INEDs should be appointed for a specific term. Each of the INEDs has renewed his/her appointment letter with the Company for a term of two years commencing from 13 February 2025 which can be terminated by either party with three months' written notice.

Corporate Governance Report

BOARD OF DIRECTORS *(Continued)*

Board Composition *(Continued)*

During the year ended 31 December 2024, the Board has at all times met the requirements of Rules 3.10(1) and (2) of the Listing Rules relating to the appointment of at least three INEDs with at least one INED possessing appropriate professional qualifications, or accounting or related financial management expertise.

The three INEDs represent more than one-third of the Board and such representation exceeds the ratio required under Rule 3.10A of the Listing Rules, which indicates that there is a strong element of independence on the Board which can effectively exercise independent judgment. The Board believes there is a sufficient element of independence in the Board to safeguard the interest of the Shareholders.

Independence of the INEDs

The role of the INEDs is to provide independent and objective opinions to the Board, and give adequate control and balances for the Group to protect the overall interests of the Shareholders and the Group. They serve actively on the Board and Board Committees to provide their independent and objective views. All the INEDs are free from any business or other relationships with the Company.

The Company has received a written annual confirmation of independence from each INED in accordance with Rule 3.13 to the Listing Rules. The Company has assessed their independence and concluded that all the INEDs are independent within the meaning of the Listing Rules.

Functions of the Board and Management

The Board is primarily responsible for establishing the overall strategies of the Group, setting objectives and business development plans, assuming responsibility of corporate governance and monitoring the performance of senior management.

The management is responsible for implementing the strategies and plans established by the Board and reporting on the Group's operations to the Board on a regular basis to ensure effective performance of the Board's responsibilities.

The Board has also established mechanisms to ensure independent views are available to the Board. All Directors have separate and independent access to the Group's senior management and operational staff to fulfill their duties. Independent professional advice can be sought to assist the relevant Directors to discharge their duties at the Group's expense upon their request. The chairman of the Board will hold meetings with the INEDs without the involvement of other Directors at least annually to discuss any issues and concerns. The Board has reviewed and considered that the mechanisms were effective in ensuring that independent views and input were provided to the Board during the Year.

Continuing Professional Development

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure his/her appropriate understanding of the business and operations of the Company and full awareness of a Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are encouraged to participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors will be arranged and reading material on relevant topics will be provided to Directors where appropriate.

Corporate Governance Report

BOARD OF DIRECTORS *(Continued)*

Continuing Professional Development *(Continued)*

The individual training record of each Director during the year ended 31 December 2024 is summarised below:

Name of Director	Attending training course(s)	Reading materials
Executive Directors		
Mr. Kuok Lam Sek *(Chairman)*	✓	✓
Mr. Sou Kun Tou *(Chief Executive Officer and Deputy Chairman)*	✓	✓
Independent Non-executive Directors		
Ms. Chan Po Yi, Patsy	✓	✓
Mr. Cheung Kiu Cho, Vincent	✓	✓
Mr. Lio Weng Tong	✓	✓

Attendance Records of Directors and Committee Meetings

Code provision C.5.1 of Part 2 of the CG Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of the majority of Directors, either in person or through other electronic means of communication. The Board will schedule to have at least four regular meetings in a year. Other Board meetings will be held if necessary.

Code provision C.2.7 of Part 2 of the CG Code requires that the chairman should at least annually hold meetings with INEDs without the presence of other Directors.

A summary of the attendance records of the Directors at the Board and Board Committee meetings and annual general meeting (the "AGM") held during the Year is set out in the table below:

	Attendance/Number of Meetings				
Name of Director	Board	Audit Committee	Nomination Committee	Remuneration Committee	Annual General Meeting
Mr. Kuok Lam Sek	5/5	N/A	N/A	N/A	1/1
Mr. Sou Kun Tou	5/5	N/A	N/A	N/A	1/1
Ms. Chan Po Yi, Patsy	5/5	2/2	1/1	1/1	1/1
Mr. Cheung Kiu Cho, Vincent	5/5	2/2	1/1	1/1	0/1
Mr. Lio Weng Tong	5/5	2/2	1/1	1/1	1/1

Apart from the above regular Board meetings, the Chairman also held a meeting with the INEDs only without the presence of other Directors during the Year.

Corporate Governance Report

DIRECTORS' AND OFFICERS' LIABILITIES

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against the Directors and senior management arising out of corporate activities. The insurance coverage is reviewed on an annual basis by the Company.

BOARD COMMITTEES

The Board has established three Board Committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee specific aspects of the Group's affairs and help it in the execution of its responsibilities. The members of each Board Committee are the INEDs. These committees each have specific written terms of reference which clearly outline the Board Committees' authorities and duties, and which require the Board Committees to report back on their decisions or recommendations to the Board. All Board Committees are provided with sufficient resources to discharge their duties, including access to management or professional advice if considered necessary.

Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 to the Listing Rules and principle D.3 of Part 2 of the CG Code. The Audit Committee consists of three members, namely Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong. The Audit Committee is chaired by Ms. Chan Po Yi, Patsy who has appropriate professional qualifications as required under Rule 3.10(2) to the Listing Rules.

The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The members of the Audit Committee meet at least twice a year. During the year ended 31 December 2024, the Audit Committee held two meetings during which the Audit Committee has, inter alia, reviewed (i) the consolidated financial statements of the Group for the year ended 31 December 2023 and for the six months ended 30 June 2024, including the accounting principles and practices adopted by the Group; (ii) the risk management and internal control system of the Group; and (iii) the appointment of external auditor and their relevant scope of works.

Remuneration Committee

The Company has established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 to the Listing Rules and principle E.1 of Part 2 of the CG Code. The Remuneration Committee consists of three members, namely Mr. Lio Weng Tong, Ms. Chan Po Yi, Patsy and Mr. Cheung Kiu Cho, Vincent. The Remuneration Committee is chaired by Mr. Lio Weng Tong.

The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to the Board regarding the remuneration policy and structure for all Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policies; (ii) making recommendations to the Board on the remuneration packages of individual Directors and senior management; (iii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iv) considering and approving the grant of share options to eligible participants pursuant to the Share Option Scheme.

Corporate Governance Report

BOARD COMMITTEES *(continued)*

Remuneration Committee *(continued)*

Pursuant to code provision E.1.5 of Part 2 of the CG Code, details of the remuneration of the senior management (other than Directors) by bands for the year ended 31 December 2024 is as follows:

Remuneration band	Number of individual
Not exceeding MOP1,000,000	1
MOP2,000,000 to MOP3,000,000	2

The members of the Remuneration Committee meet at least once a year. During the year ended 31 December 2024, the Remuneration Committee met once, during which the Remuneration Committee has, inter alia, reviewed the remuneration packages for individual executive Directors and senior management and made recommendations to the Board.

Nomination Committee

The Company has established the Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and principle B.3 of Part 2 of the CG Code. The Nomination Committee consists of three members, namely Mr. Cheung Kiu Cho, Vincent, Mr. Lio Weng Tong and Ms. Chan Po Yi, Patsy. The Nomination Committee is chaired by Mr. Cheung Kiu Cho, Vincent.

The primary duties of the Nomination Committee include (but without limitation): (i) reviewing the diversity of the Board with reference to the Company' board diversity policy (the "Board Diversity Policy") and the Board composition; (ii) developing and maintaining a policy for the nomination of Board members (the "Nomination Policy"); (iii) making recommendations to the Board on the selection of individuals nominated for directorship; (iv) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and (v) assessing the independence of INEDs.

The members of the Nomination Committee can call for a meeting anytime when it is necessary. During the year ended 31 December 2024, the Nomination Committee met once, during which the Nomination Committee had, inter alia, (i) reviewed the structure, size, composition and diversity of the Board, (ii) assessed the independence of the INEDs; and (iii) considered the qualifications of the Directors standing for re-election at the AGM and made recommendations to the Board for the re-election of Directors. The Committee considered the current size and composition of the Board to be sufficient to meet the Company's business needs and that the Directors bring with them complementing skills and experience appropriate to the requirements of the Company's business.

Board Diversity Policy

The Company has adopted the Board Diversity Policy which sets out the approach to achieve diversity of the Board. The Company recognises the benefits of having a Board that has a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company's businesses.

Appointment to the Board should be based on merit that complements and expands the skills and experience of the Board as a whole, and after due regard to factors including, without limitation, gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge, and any other factors that the Board may consider relevant and applicable from time to time towards achieving a diverse Board.

The Board currently has one female Director. Taking into account the business model and specific needs as well as the presence of one female Director out of a total of five Board members, the Board considered that the composition of the Board satisfies the Board Diversity Policy. The Board targeted to keep the current level of at least 20% female representation in the Board. Nevertheless, the Nomination Committee will also use reasonable efforts to identify and recommend female candidates to the Board for consideration for appointment as Directors from time to time.

Corporate Governance Report

BOARD COMMITTEES *(continued)*

Nomination Committee *(continued)*

Board Diversity Policy (continued)

In particular, going forward and with a view to developing a pipeline of potential successors to the Board, the Company will (i) continue to make appointments based on merits with reference to board diversity as a whole; (ii) take steps to promote gender diversity at all levels of the Group by recruiting staff of different gender; (iii) consider the possibility of nominating female management staff who has the necessary skills and experience to the Board; and (iv) provide career development opportunities and more resources in training female staff with the aim of promoting them to the senior management or the Board so that the Board will have a pipeline of female senior management and potential successors to the Board in a few years' time.

Gender diversity at workforce levels is disclosed in the section headed "Environmental, Social and Governance Report" in this annual report.

The Nomination Committee and the Board shall review the structure, size and composition of the Board from time to time to ensure that it has a balanced composition of skills and experience appropriate to the requirements of the Company's business, with due regard to the benefits of diversity of the Board.

Nomination Policy

The Company has adopted the Nomination Policy which sets out the criteria and process in the nomination and appointment of Directors of the Company in order to nominate suitable candidates to the Board.

Criteria for evaluation and selection of candidates for directorship

- Character and integrity.

- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy.

- Any measurable objectives adopted for achieving diversity on the Board.

- Requirement for the Board to have independent Directors in accordance with the Listing Rules and whether the non-executive Director candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.

- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity profile.

- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board Committee(s) of the Company.

- The candidate should have sufficient time for the proper discharge of the duties of a Director, including devoting adequate time for the preparation and participation in meetings, training and other activities of the Board or Company.

- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of Directors and succession planning.

Corporate Governance Report

BOARD COMMITTEES *(continued)*

Nomination Committee *(continued)*

Nomination Policy (continued)

Nomination Process – Appointment of New Director

- The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other members of the management and external recruitment agents.

- The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of a new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above and such other factors as it considers appropriate to determine whether such candidate is qualified for directorship.

- If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

- The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable. The Board has the final authority on determining suitable Director candidate for appointment.

- For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above and such other factors as it considers appropriate to determine whether such candidate is qualified for directorship.

  Where appropriate, the Nomination Committee and/or the Board should make recommendations to the Shareholders in respect of the proposed election of Directors at the general meeting.

Nomination Process – Re-election of Director at General Meeting

- The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.

- The Nomination Committee and/or the Board should also review and determine whether the retiring Director continues to meet the criteria as set out above and such other factors as it considers appropriate.

- The Nomination Committee and/or the Board should then make recommendation to the Shareholders in respect of the proposed re-election of the retiring Director at the general meeting.

- Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate shall be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules, the memorandum and articles of association of the Company (the "Articles of Association") and/or applicable laws and regulations. In particular, in relation to the election or re-election of an individual as an INED at a general meeting, the Board should set out in the circular to the Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:

  (i) the process used for identifying the candidate and why the Board believes the candidate should be elected and the reasons why it considers the candidate to be independent;

Corporate Governance Report

BOARD COMMITTEES *(continued)*

Nomination Committee *(continued)*

Nomination Policy (continued)

Nomination Process – Re-election of Director at General Meeting *(continued)*

(ii) if the proposed INED will be holding their seventh (or more) listed company directorship, why the Board believes the candidate would still be able to devote sufficient time to the Board;

(iii) the perspectives, skills and experience that the candidate can bring to the Board; and

(iv) how the candidate contributes to diversity of the Board.

Review

The Nomination Committee will conduct regular review on the structure, size and composition of the Board and the Nomination Policy and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs.

COMPANY SECRETARY

The Company Secretary assists the Board by ensuring the Board's policies and procedures are followed. The Company Secretary is also responsible for advising the Board on corporate governance matters.

During the Year, the Company Secretary had duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

DIVIDEND POLICY

Pursuant to the CG Code, the Board has adopted a dividend policy (the "Dividend Policy") which aims to allow the Shareholders to share the profits of the Company whilst retaining adequate reserves for the future growth of the Group. According to the Dividend Policy, declaration of dividend is subject to the discretion of the Board, taking into consideration of, among others, the following factors:

(a) the Group's actual and expected financial performance;

(b) the Group's liquidity condition, expected working capital requirements, capital expenditure requirements and future expansion plans;

(c) the taxation considerations;

(d) the contractual, statutory and regulatory restriction, if any;

(e) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and

(f) any other factors that the Board may deem relevant.

Corporate Governance Report

DIVIDEND POLICY *(continued)*

The declaration and payment of dividends by the Company shall be determined at the sole discretion of the Board and shall be subject to any restrictions under the Companies Act of the Cayman Islands and the Articles of Association. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and shall in no way obligate the Company to declare a dividend at any time or from time to time. The Dividend Policy is subject to review by the Board from time to time and will be amended as and when appropriate.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR ACCOUNTS

The Board acknowledges its responsibility to prepare the Group's consolidated financial statements for each financial year which give a true and fair view of the Group's state of affairs, results and cash flows and in accordance with the relevant accounting standards and principles and the disclosure requirements under applicable laws and regulations in Hong Kong. In preparing the consolidated financial statements of the Group for the Year, the Company has selected appropriate accounting policies and has applied them consistently based on prudent and reasonable judgements and estimates. The Board considers that the Group has adequate resources to continue in business for the foreseeable future and is not aware of any material uncertainties relating to any events or conditions which may affect the business of the Group or cast doubts over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the consolidated financial statements for the Year.

The responsibilities of the external auditor of the Company, with respect to financial reporting are set out in the section headed "Independent Auditor's Report" in this annual report.

AUDITOR'S REMUNERATION

Deloitte Touche Tohmatsu, certified public accountants (the "Auditor"), has been appointed as the external auditor of the Company. The Auditor is a public interest entity auditor registered under the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong). During the Year, the fees paid or payable to the Auditor in respect of its audit and non-audit services provided to the Group is set out as follows:

	Fees paid or payable during the Year HK$ million
Annual audit services	2.1
Non-audit services	0.5
Total	2.6

Non-audit services mainly included interim review, taxation and advisory services.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the Group's risk management and internal control systems and oversees management in the design, implementation and monitoring of the risk management and internal control systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Corporate Governance Report

RISK MANAGEMENT AND INTERNAL CONTROL *(continued)*

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems. The Board is also responsible for reviewing from time to time, and at least annually, the effectiveness of the Group's risk management and internal control systems, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions.

Clear roles and responsibilities are assigned to different levels of management within the Group. Management of the Group is responsible for designing, implementing and monitoring risk management and internal control systems, and is responsible for identifying, analysing and prioritising risk for further consideration by the Board, and ensuring that the risk monitoring and control systems are working effectively and risk mitigation actions are implemented within business units.

The Board has reviewed the effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance controls and risk management functions for the Year. Based on the result of review in respect of the Year, the Directors considered that the risk management and internal control systems of the Group are effective and adequate.

The Group has established a set of risk management and internal control policies and measures covering various aspects of its operations, including but not limited to: (a) revenue and receipts; (b) purchases, expenses and payments; (c) production and costing; (d) inventory management; (e) human resources and payroll; (f) treasury management; (g) fixed assets management; and (h) financial reporting. These policies and measures are to ensure proper accounting records are kept so that reliable financial reporting can be provided, effectiveness and efficiency of operation can be achieved, compliance with applicable laws and regulations and safeguarding of assets can be maintained.

The Board is also of the view that safety, as part of loss control management, is a vital part of the construction business worldwide, and if not managed properly, it can be extremely costly not only in human terms, but also in monetary terms. Therefore, safety is treated as the highest priority during the delivery of our services with emphasis on hazard management and risk assessment.

The Group has established safety manuals and project safety plans to ensure that all workers at the construction sites are well aware of all the stipulated safety requirements. In addition, qualified safety officers and safety supervisors are deployed to monitor and implement our safety system in each construction project. The Company has been accredited with ISO 14001 and OHSAS 18001 qualifications in respect of our environmental management system and occupational safety and health management system. As a result, the Board is satisfied that these measures are adequate and effective to promote a safer and healthier environment for the workers at the construction sites.

Corporate Governance Report

RISK MANAGEMENT AND INTERNAL CONTROL *(continued)*

The Company has not established a standalone internal audit department, however, the Board has put in place adequate measures to perform the internal audit function at different aspects of the Group which are discussed below. Firstly, the Audit Committee has established formal arrangements to apply financial reporting and internal control principles in accounting and financial matters to ensure compliance with the Listing Rules and all relevant laws and regulations. Our internal control measures, policies and procedures which were codified, adopted and implemented by the Group, have also been updated and revised. Furthermore, the Company engaged an external independent consultant (the "Consultant") to perform periodic review of our risk management and internal control systems to evaluate the effectiveness of the Group's material internal controls so as to support our board assessment of key internal control measures being carried out appropriately and functioning as intended. Any findings or irregularities identified, together with the remedial actions and recommendations to enhance our internal control measures and policies, are discussed with the management and reported to the Audit Committee. Upon reviewing the effectiveness of the Group's material internal controls for the Year, findings and recommendations from such review were reported to and discussed with the Audit Committee and the Board, and the Consultant concluded that no significant area of concern that may affect the financial, operational, compliance control and risk management of the Group has been identified.

WHISTLEBLOWING POLICY

A whistleblowing policy (the "Whistleblowing Policy") is in place to (i) foster a culture of compliance, ethical behaviour and good corporate governance across the Group; and (ii) promote the importance of ethical behaviour and encourage the reporting of misconduct, unlawful and unethical behaviour.

The nature, status and the results of the complaints received under the Whistleblowing Policy are reported to the Company Secretary. No incident of fraud or misconduct that has a material effect on the Group's financial statements or overall operations for the year ended 31 December 2024 has been discovered.

The Whistleblowing Policy is reviewed annually by the Audit Committee to ensure its effectiveness.

ANTI-CORRUPTION POLICY

The Group's anti-corruption policy (the "Anti-corruption Policy") was introduced in January 2022. The Group is committed to achieving the highest standards of integrity and ethical behaviour in conducting business. The Anti-corruption Policy forms an integral part of the Group's corporate governance framework. The Anti-corruption Policy sets out the specific behavioural guidelines that the Group's personnel and business partners must follow to combat corruption. It demonstrates the Group's commitment to the practice of ethical business conduct and the compliance of the anti-corruption laws and regulations that apply to its local and foreign operations. In line with this commitment and to ensure transparency in the Group's practices, the Anti-corruption Policy has been prepared as a guide to all Group employees and third parties dealing with the Group.

The Anti-corruption Policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

Corporate Governance Report

DISSEMINATION OF INSIDE INFORMATION

For the handling and dissemination of inside information, an inside information handling policy is in place to enable the Group to handle inside information and, where required, communicate with the Group's stakeholders in a timely manner.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, separate resolutions will be proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange after each general meeting.

Convening an Extraordinary General Meeting

Pursuant to article 58 of the Articles of Association, an extraordinary general meeting shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two calendar months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting Forward Proposals at General Meetings

There are no provisions in the Articles of Association or the Companies Act of the Cayman Islands for Shareholders to move new resolutions at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Units Q, R and S, 6/F, Praça Kin Heng Long-Heng Hoi Kuok, Kin Fu Kuok,
No. 258 Alameda Dr. Carlos D'Assumpção, Macau
(For the attention of the Board of Directors)
Fax: 853 – 2823 8112
Email: info@mecommacau.com

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company has adopted the Shareholders' communication policy (the "Shareholders' Communication Policy") with the objective of ensuring that the Shareholders and potential investors are provided with timely access to balanced and understandable information about the Company.

The Company has established several channels to communicate with the Shareholders as follows:

(i) Corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the Company's website at www.mecommacau.com and the Stock Exchange's website at www.hkexnews.hk;

(ii) Periodic announcements are made through the Stock Exchange and published on the respective websites of the Company and the Stock Exchange;

(iii) Corporate information is made available on the Company's website;

(iv) Annual and extraordinary general meetings provide a forum for the Shareholders to make comments and exchange views with the Directors (or their delegates as appropriate); and

(v) The Hong Kong branch share registrar of the Company serves the Shareholders in respect of share registration, dividend payment and related matters.

The Company continues to promote investor relations and enhance communication with the existing Shareholders and potential investors for better understanding of the Group's business performance and strategies. The Shareholders' Communication Policy is reviewed by the Board on a regular basis. Based on the foregoing, the Company considers the implementation of the Shareholders' communication policy during the Year was effective.

CONSTITUTIONAL DOCUMENTS

A special resolution was passed at the Company's annual general meeting held on 30 May 2024 to adopt the third amended and restated Articles of Association in order to comply with the revised requirements of the Listing Rules. Please refer to the Company's circular dated 26 April 2024 for the details of the amendments made to the articles of association of the Company. The current version of the Articles of Association is also available on the websites of the Company and the Stock Exchange.

Directors' Report

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Group are provision of construction services, including construction and fitting out works, high voltage power substation construction and its system installation works, E&M engineering services works, and provision of facilities management services. The Group is also engaged in EV business and the steel structures business which involves the sales and processing of new material steel structures. The principal activities and other particulars of the subsidiaries of the Company are set out in note 36 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis of the Group's performance for the Year by operating segment is set out in note 5 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2024 are set out in the consolidated statement of profit or loss and other comprehensive income on page 71 of this annual report.

The Board did not recommend payment of a final dividend for the year ended 31 December 2024.

There was no arrangement under which a Shareholder has waived or agreed to waive any dividends for the year ended 31 December 2024.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2024, comprising an analysis of the Group's performance during the Year, a discussion of the principal risks and uncertainties faced by the Group as well as an indication of likely future business development, is set out in the section headed "Management Discussion and Analysis" on pages 4 to 13 of this annual report.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 148 of this annual report. This summary does not form part of the audited financial statements.

DONATIONS

During the Year, the Group made other donations that amounted to MOP100,000 (2023: MOP100,000).

Directors' Report

BONUS WARRANTS ISSUE

On 8 May 2023, the Company issued a circular relating to a new bonus warrants issue (the "Warrants"), and obtained approval from the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the new Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants. The stock code of the Warrants was 424.

The Warrants were issued to the qualifying shareholders on the basis of one Warrant for every ten shares held on 18 May 2023. A total of 266,408,595 Warrants were issued by the Company to the qualifying shareholders, represented by the Warrant certificates. The Warrants were issued in registered form and each Warrant entitles the holder thereof to subscribe in cash for 1 new Share at an initial subscription price of HK$1.78 per share during the subscription period from Thursday, 25 May 2023 to Friday, 24 May 2024 (both days inclusive). The initial subscription price of HK$1.78 per share represented a premium of approximately 14.8% to the closing price per Share of HK$1.55 as quoted on the Stock Exchange on 29 March 2023, being the trading day immediately prior to the announcement date (being 30 March 2023) of the bonus issue of Warrants. The subscription price was adjusted from HK$1.78 to HK$1.19 per share with effect from 7 June 2023. Details of the adjustments are disclosed in the Company's announcement dated 6 June 2023. A total of 60,012 Warrants were exercised and all of the Warrants, to the extent not yet exercised, were expired and lapsed on 24 May 2024. The subscription monies from the exercised Warrants amounted to approximately HK$57,000 (representing a net price to the Company of approximately HK$0.95 per Share), which were used as general working capital of the Group.

Reasons for the bonus warrants issue

After considering the features of the Warrants that would provide the Shareholders with an opportunity to capture the potential gain along with the growth of the Company upon exercising the subscription rights attaching to the Warrants, and that the bonus warrants issue would also strengthen the equity base of the Company, increase the Company's general working capital and enable the Group to carry out potential investments being identified if and when the subscription rights attaching to the Warrants are exercised, the Board considered that the bonus warrants issue was in the interests of the Company and the Shareholders as a whole.

In addition, as the Warrants would be exercisable at any time from the date of issue to a date falling twelve months thereafter and the listing of the Warrants would enable the Shareholders to realise the value of the Warrants during its term, the Board considered the bonus warrants issue would afford the Shareholders with more flexibility in managing their own investment portfolios under different market conditions.

Directors' Report

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the Year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 25 to the consolidated financial statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of the movements in reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity on page 74 of this annual report and in note 35 to the consolidated financial statements, respectively.

The reserves of the Company which were available for distribution to Shareholders at 31 December 2024 were MOP336,796,000.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The forthcoming AGM is scheduled to be held on Thursday, 29 May 2025. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 23 May 2025 to Thursday, 29 May 2025 (both days inclusive), during which period no share transfers will be registered. In order to be eligible to attend and vote at the above AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 22 May 2025.

MAJOR CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

During the Year, the Group's top five customers accounted for approximately 46.5% of the Group's total revenue for the Year. The largest customer accounted for approximately 15.8% of the Group's total revenue for the Year.

During the Year, purchases from the Group's top five suppliers and subcontractors accounted for approximately 63.0% of the Group's total purchase costs for the Year. The largest subcontractor accounted for approximately 22.5% of the Group's purchases costs for the Year.

None of the Directors, their close associates, or any Shareholder (which to the knowledge of the Directors own more than 5% of the Company's issued Shares) has any interest in the Group's five largest customers or its five largest suppliers and subcontractors.

Directors' Report

DIRECTORS

The Directors during the Year and up to the date of this report are:

Executive Directors

Mr. Kuok Lam Sek *(Chairman)*
Mr. Sou Kun Tou *(Chief Executive Officer and Deputy Chairman)*

Independent Non-executive Directors

Ms. Chan Po Yi, Patsy
Mr. Cheung Kiu Cho, Vincent
Mr. Lio Weng Tong

In accordance with article 84 of the Articles of Association, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting of the Company, provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation every year shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Mr. Sou Kun Tou and Mr. Cheung Kiu Cho, Vincent will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Company are set out on pages 37 to 40 of this annual report.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received the annual confirmation of independence from each of the INEDs pursuant to Rule 3.13 of the Listing Rules. The Company considers that each of the INEDs remains independent.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has renewed his service agreement with the Company, and each of the INEDs has renewed his/her appointment letter with the Company, for a term of two years commencing from 13 February 2025 which can be terminated by either party with three months' written notice.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Directors' Report

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, each director or other officer of the Company shall be entitled to be indemnified out of the assets or profits of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. Such permitted indemnity provision has been in force for the year ended 31 December 2024.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Company throughout the year ended 31 December 2024.

EQUITY-LINKED AGREEMENTS

Except for the Share Option Scheme, no equity-linked agreements were entered into by the Group or in existence during the year ended 31 December 2024.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 28 to the consolidated financial statements, no other transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 28 to the consolidated financial statements, apart from transactions carried out in the normal course of business, there were no contracts of significance between the Company or any of its subsidiaries and the controlling Shareholder of the Company or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by the controlling Shareholder of the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the Year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for the Share Option Scheme, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

Directors' Report

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2024, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register kept under section 352 of the SFO, or required to be notified to the Company and the Stock Exchange in accordance with the Model Code contained in the Listing Rules were as follows:

(i) Long positions in the Shares and underlying Shares of the Company

Name of Director	Nature of interest	Number of Shares	Approximate percentage of shareholding interest(Note 1)
Mr. Kuok Lam Sek ("Mr. Kuok")(Note 2)	Interest of the controlled corporation	2,040,800,000	51.26%
Mr. Sou Kun Tou ("Mr. Sou")(Note 2)	Interest of the controlled corporation	2,040,800,000	51.26%
Ms. Chan Po Yi, Patsy	Beneficial interest	675,000	0.02%

Notes:

(1) Based on 3,981,399,188 Shares in issue as at 31 December 2024.

(2) MECOM Holding Limited is owned as to 35% by Mr. Kuok, 35% by Mr. Sou, 15% by Mr. Lam Kuok Wa ("Mr. Lam") and 15% by Mr. Lao Ka Wa ("Mr. Lao"), respectively. Mr. Kuok, Mr. Sou, Mr. Lam and Mr. Lao are parties acting in concert.

(ii) Interests in associated corporation of the Company

Name of Director	Name of associated corporation	Nature of interest	Number of shares	Percentage holding
Mr. Kuok(Note)	MECOM Holding Limited	Beneficial owner and interest held jointly with other persons	100	100%
Mr. Sou(Note)	MECOM Holding Limited	Beneficial owner and interest held jointly with other persons	100	100%

Note: MECOM Holding Limited is owned as to 35% by Mr. Kuok, 35% by Mr. Sou, 15% by Mr. Lam and 15% by Mr. Lao, respectively. Mr. Kuok, Mr. Sou, Mr. Lam and Mr. Lao are parties acting in concert.

Save as disclosed above, as at 31 December 2024, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporation (as defined in Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register kept under section 352 of the SFO, or required to be notified to the Company and the Stock Exchange in accordance with the Model Code.

Directors' Report

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, the interests or short positions of persons other than the Directors and chief executive of the Company in the Shares and underlying Shares of the Company as required by Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company or as recorded in the register required to be kept under section 336 of the SFO were as follows:

Long positions in the Shares and underlying Shares of the Company

Name	Nature of interest	Number of Shares	Approximate percentage of shareholding interest(Note 1)
Mr. Lam(Note 2)	Interest of the controlled corporation	2,040,800,000	51.26%
Mr. Lao(Note 2)	Interest of the controlled corporation	2,040,800,000	51.26%
MECOM Holding Limited	Beneficial owner	2,040,800,000	51.26%
Mr. Kuok Wai Hang (Note 3)	Interest of the controlled corporation	540,617,500	13.58%
Macau New Base Investment Company Limited ("Macau New Base")	Beneficial owner	540,617,500	13.58%

Notes:

(1) Based on 3,981,399,188 Shares in issue as at 31 December 2024.

(2) MECOM Holding Limited is owned as to 35% by Mr. Kuok, 35% by Mr. Sou, 15% by Mr. Lam and 15% by Mr. Lao, respectively. Mr. Kuok, Mr. Sou, Mr. Lam and Mr. Lao are parties acting in concert.

(3) Macau New Base is owned as to 100% by Mr. Kuok Wai Hang.

Save as disclosed above, as at 31 December 2024, the Directors had not been notified by any other persons (other than the Directors or chief executive of the Company) who had interests or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Directors' Report

SHARE OPTION SCHEME

The Share Option Scheme was adopted by the Shareholders on 23 January 2018 and became effective upon the Listing. Details of the Share Option Scheme are disclosed in note 26 to the consolidated financial statements.

During the Year, no option has been granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme.

COMPETING BUSINESS

During the Year, none of the Directors or the controlling Shareholders of the Company and their respective close associates had any interests in any business, apart from the business of the Group, which competes or likely to compete (either directly or indirectly) with the business of the Group.

Deed of Non-Competition

The deed of non-competition (the "Deed of Non-Competition") dated 23 January 2018 has been entered into by MECOM Holding Limited, Mr. Kuok, Mr. Sou, Mr. Lam and Mr. Lao, the controlling Shareholders of the Company within the meaning of the Listing Rules (collectively the "Controlling Shareholders") in favour of the Company, details of which are set out in the section headed "Relationship with Controlling Shareholders – Non-Competition Undertakings" in the prospectus of the Company dated 1 February 2018.

The Controlling Shareholders confirmed their compliance with all the undertakings provided under the Deed of Non-Competition. The INEDs had reviewed and confirmed that there are no matters required to be deliberated by them in relation to the compliance with and enforcement of the Deed of Non-Competition and considered that the terms of the Deed of Non-Competition have been complied with by the Controlling Shareholders.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2024 are disclosed in note 28 to the consolidated financial statements. These transactions were either exempt from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, or did not fall under the definition of connected transactions or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

Directors' Report

DISCLOSURE REQUIREMENT UNDER RULE 13.21 OF THE LISTING RULES

Facility Agreements dated 27 September 2022

In September 2022, EHY Construction and Engineering Company Limited ("EHY"), Sun Hung Yip Engineering Construction Company Limited ("SHY") and Ao Gang Construction (Macau) as borrowers and the Company as guarantor entered into three facility agreements (the "2022 Facility Agreements") with Tai Fung Bank, Macau Branch (the "Bank") for (i) a revolving loan facility of up to HK$50,000,000 and a term loan facility of up to HK$5,000,000 for EHY with a term of one year and two years, respectively, from the drawdown date, (ii) a term loan facility of up to HK$5,000,000 for SHY with a term of two years from the drawdown date, (iii) a revolving commitment for issuance of bank guarantees of up to HK$200,000,000 for EHY and SHY for the period up to 11 July 2023, and (iv) for a revolving invoice financing facility of up to HK$80,000,000 for Ao Gang Construction (Macau) with a term of one year from the drawdown date (collectively, the "2022 Facilities").

Facility Agreement dated 4 July 2024

In July 2024, EHY and SHY as borrowers and the Company as guarantor entered into the facility agreement (the "2024 Facility Agreement A") with the Bank for (i) a revolving commitment for issuance of bank guarantees of up to HK$110,000,000 for EHY and SHY, and (ii) a revolving loan facility of up to HK$43,000,000 and a bank overdraft facility of up to HK$10,000,000 for EHY, for the period up to 11 July 2025 (collectively, the "2024 Facilities A").

Facility Agreement dated 15 October 2024

In October 2024, Ao Gang Construction (Macau) as borrower and the Company and MECOM International as guarantors entered into the facility agreement (the "2024 Facility Agreement B") with the Bank for (i) the revolving invoice financing facility of up to HK$40,000,000 for the period up to 11 October 2025, and (ii) a revolving loan facility of up to HK$60,000,000 for the period up to 27 October 2025 (collectively, the "2024 Facilities B").

Under the terms of the 2022 Facility Agreements, the 2024 Facility Agreement A and the 2024 Facility Agreement B (collectively, the "Facility Agreements"), it will constitute an event of default if, among other things, Mr. Kuok and Mr. Sou cease to exercise management control right over the Company. On and at any time after the occurrence of a continuing event of default, the bank may, upon notice to the borrowers and/or guarantors thereunder (as the case may be), cancel all or any part of the commitment immediately and/or declare that all or part of the 2022 Facilities, the 2024 Facilities A and the 2024 Facilities B (collectively, the "Facilities") together with the accrued interest, and all other amounts accrued or outstanding become immediately due and payable and/or declare that all or part of the Facilities be payable on demand; and/or exercise any or all of its rights, remedies, powers and discretions under the Facility Agreements.

As at 31 December 2024, the Facility Agreements still subsisted.

Please refer to the Company's announcements dated 30 September 2022, 5 July 2024 and 16 October 2024 for further information.

Directors' Report

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

The Company repurchased 4,658,000 Shares on the Stock Exchange during the Year. The total consideration (including transaction costs) of the repurchases was approximately HK$882,000. All of the repurchased Shares were cancelled during the Year. Particulars of the repurchases are as follows:

Month	Number of Shares repurchased	Purchase price per Share		Aggregate consideration
		Highest	Lowest	
		HK$	HK$	HK$
October 2024	470,000	0.195	0.188	90,000
November 2024	2,728,000	0.204	0.177	515,000
December 2024	1,460,000	0.190	0.175	277,000
	4,658,000			882,000

The Board considered that the repurchases enhanced the earnings per Share and benefited the Company and its Shareholders as a whole.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Year. As at 31 December 2024, the Company did not hold any treasury shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the applicable laws of the Cayman Islands where the Company is incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

Directors' Report

TAX RELIEF

The Company is not aware of any tax relief available for the Shareholders by reason of their holding of the Shares.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the Year as required under the Listing Rules.

CORPORATE GOVERNANCE

The Directors are of the opinion that the Company has complied with all the code provisions set out in Part 2 of the CG Code during the Year. For details, please refer to the Corporate Governance Report set out on pages 41 to 54 of this annual report.

EMOLUMENT POLICY

The employees of the Group are selected, remunerated and promoted on the basis of their merit, qualifications and competence.

The emoluments of the Director are reviewed and recommended by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. Details of the Directors' remuneration are set out in note 10 to the consolidated financial statements.

The Company has adopted the Share Option Scheme as an incentive to eligible persons, details of which are set out under the section headed "Share Option Scheme" in this report.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there were no other important events affecting the Group that had occurred after 31 December 2024 and up to the date of this report.

AUDITOR

The consolidated financial statements for the year ended 31 December 2024 have been audited by Messrs. Deloitte Touche Tohmatsu, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM.

(For identification purposes only)*

On behalf of the Board

Kuok Lam Sek
Chairman

Hong Kong, 28 March 2025

Independent Auditor's Report

TO THE SHAREHOLDERS OF
MECOM POWER AND CONSTRUCTION LIMITED
澳能建設控股有限公司
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of MECOM Power and Construction Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 71 to 147 which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Impairment assessment of trade receivables and contract assets</td></tr>
<tr><td>We identified impairment assessment of trade receivables and contract assets as a key audit matter due to the significance of trade receivables and contract assets to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables and contract assets at the end of the reporting period.

At 31 December 2024, as set out in notes 18 and 17 to the consolidated financial statements, the Group's net trade receivables and contract assets amounting to MOP372,169,000 and MOP62,065,000, net of allowance for credit losses of MOP29,413,000 and MOP5,516,000 respectively.</td><td>Our procedures in relation to the impairment assessment of trade receivables and contract assets included:

• Testing the valuation and allocation of ECL:

i. Perform inquiries of management about the Group's policy for calculating ECL and whether there have been any changes from the prior year;

ii. Obtain the Group's calculation of ECL and reconcile to the general ledger;

iii. Perform the retrospective analysis to update our risk assessment conclusion regarding appropriateness of the ECL policy;

iv. Evaluation of external credit ratings to support the key assumptions underlying the estimate; and

v. Test the mathematical accuracy of the calculations, and verify that the ECL has been calculated in accordance with the Group's policy.</td></tr>
</table>

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of trade receivables and contract assets	
Details relating to the Group's trade receivables and contract assets and the ECL assessment are set out in Note 31b to the consolidated financial statements.	• Evaluating the method of measurement, including: i. Whether the model is suitable for estimating the ECL, this will include understanding the model methodology and logic which will be based on the review and understanding of model documentation; ii. Whether the model and how it is intended to be used are adequately documented, including the model's intended applications, known limitations, key parameters, required inputs, and description of any validation analysis performed; and iii. Review of the model's performance, comparing the model output to the actual default rates and incurred losses.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair review in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Fung Hin Chiu.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 March 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	NOTES	2024 MOP'000	2023 MOP'000
Revenue	5	**1,506,571**	1,496,393
Cost of goods and services		**(1,388,139)**	(1,375,445)
Gross profit		**118,432**	120,948
Other income	6	**3,169**	2,673
Other gains and losses	7	**338**	6,055
Impairment losses recognised on property, plant and equipment	14	**(3,311)**	–
Reversal of impairment losses (impairment losses recognised) under expected credit loss model, net	31b	**1,636**	(27,058)
Loss on fair value changes of derivative financial instruments	27	**(474)**	(1,412)
Distribution costs		**(31,621)**	(21,650)
Administrative expenses		**(76,392)**	(61,559)
Share of results of associates		**7,316**	937
Finance costs	8	**(10,065)**	(7,848)
Impairment loss of an associate	15	**(1,408)**	–
Profit before tax		**7,620**	11,086
Income tax expense	12	**(3,529)**	(5,520)
Profit for the year	9	**4,091**	5,566
Other comprehensive expense			
Item that may be reclassified subsequently to profit and loss:			
Exchange differences arising on translation of foreign operations		**(1,291)**	(5,565)
Total comprehensive income for the year		**2,800**	1
Profit (loss) for the year attributable to:			
Owners of the Company		**(3,102)**	(11,585)
Non-controlling interests	36	**7,193**	17,151
		4,091	5,566
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		**(4,164)**	(14,923)
Non-controlling interests		**6,964**	14,924
		2,800	1
Basic loss per share (MOP cents)	13	**(0.08)**	(0.29)
Diluted loss per share (MOP cents)	13	**(0.08)**	(0.29)

Consolidated Statement of Financial Position

At 31 December 2024

	NOTES	2024 MOP'000	2023 MOP'000
Non-current assets			
Property, plant and equipment	14	**341,389**	231,620
Interests in associates	15	**5,419**	14,812
Deposit paid for property, plant and equipment	18	**–**	10,483
		346,808	256,915
Current assets			
Inventories	16	**103,069**	44,420
Contract assets	17	**62,065**	111,423
Trade and other receivables	18	**531,813**	588,073
Amounts due from related companies	19	**6,106**	5,056
Pledged bank deposits	20	**27,928**	24,770
Cash and cash equivalents	20	**61,315**	57,635
		792,296	831,377
Current liabilities			
Amount due to a related company	19	**178**	147
Trade payables and accrued charges	21	**310,605**	295,957
Derivative financial instruments	27	**–**	1,412
Deferred income	14	**21,919**	–
Tax liabilities		**4,790**	10,414
Bank borrowings	23	**163,911**	235,146
Lease liabilities	24	**249**	185
Bank overdrafts	20	**–**	13,250
Contract liabilities	22	**61,518**	19,595
		563,170	576,106
Net current assets		**229,126**	255,271
Total asset less current liabilities		**575,934**	512,186
Non-current liabilities			
Bank borrowings	23	**93,786**	32,052
Lease liabilities	24	**233**	169
		94,019	32,221
Net assets		**481,915**	479,965

Consolidated Statement of Financial Position

At 31 December 2024

	NOTES	2024 MOP'000	2023 MOP'000
Capital and reserves			
Share capital	25	41,008	41,056
Reserves		330,092	335,058
Equity attributable to owners of the Company		371,100	376,114
Non-controlling interests	36	110,815	103,851
Total equity		481,915	479,965

The consolidated financial statements on pages 71 to 147 were approved and authorised for issue by the board of directors on 28 March 2025 and are signed on its behalf by:

Kuok Lam Sek
DIRECTOR

Sou Kun Tou
DIRECTOR

Consolidated Statement of Changes In Equity

For the year ended 31 December 2024

	Attributed to owners of the Company								
	Share capital MOP'000	Share premium MOP'000	Legal reserve MOP'000 *(note a)*	Other reserve MOP'000 *(note b)*	Translation reserve MOP'000	Retained earnings MOP'000	Sub-total MOP'000	Non-controlling interests MOP'000	Total MOP'000
At 1 January 2023	27,440	354,746	45	(147,114)	(9,531)	171,057	396,643	86,756	483,399
(Loss) profit for the year	–	–	–	–	–	(11,585)	(11,585)	17,151	5,566
Other comprehensive expense for the year	–	–	–	–	(3,338)	–	(3,338)	(2,227)	(5,565)
Total comprehensive (expense) income for the year	–	–	–	–	(3,338)	(11,585)	(14,923)	14,924	1
Shares repurchased and cancelled	(105)	(5,110)	–	–	–	–	(5,215)	–	(5,215)
Capital contribution from non-controlling shareholders of subsidiaries	–	–	–	–	–	–	–	2,171	2,171
Bonus issue of shares	13,720	(13,720)	–	–	–	–	–	–	–
Transaction costs attributable to issue of bonus shares	–	(108)	–	–	–	–	(108)	–	(108)
Exercise of bonus warrants	1	293	–	–	–	–	294	–	294
Transaction costs attributable to exercise of bonus warrants	–	(577)	–	–	–	–	(577)	–	(577)
At 31 December 2023	41,056	335,524	45	(147,114)	(12,869)	159,472	376,114	103,851	479,965
(Loss) profit for the year	–	–	–	–	–	(3,102)	(3,102)	7,193	4,091
Other comprehensive expense for the year	–	–	–	–	(1,062)	–	(1,062)	(229)	(1,291)
Total comprehensive (expense) income for the year	–	–	–	–	(1,062)	(3,102)	(4,164)	6,964	2,800
Shares repurchased and cancelled	(48)	(861)	–	–	–	–	(909)	–	(909)
Exercise of bonus warrants	–*	59	–	–	–	–	59	–	59
At 31 December 2024	41,008	334,722	45	(147,114)	(13,931)	156,370	371,100	110,815	481,915

Note a: In accordance with provision of the Macau Commercial Code, the subsidiaries incorporated in Macau Special Administrative Region ("Macau") is required to transfer a minimum of 25% of the profit before tax each year to the legal reserve until the balance meets 50% of its registered capital. The reserve is not distributable to shareholders.

Note b: Other reserve represents the difference between the aggregate share capital of MOP90,000 of EHY Construction and Engineering Company Limited ("EHY") and Sun Hung Yip Engineering Construction Company Limited ("SHY") and the consideration of MOP147,204,000 satisfied by way of issue of shares by the Company for the acquisition of EHY and SHY by MECOM EHY Limited ("MECOM EHY") and MECOM Sun Hung Yip Limited ("MECOM Sun Hung Yip") respectively, pursuant to the reorganisation which was completed on 31 May 2017 in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited.

* Less than MOP1,000

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	2024 MOP'000	2023 MOP'000
OPERATING ACTIVITIES		
Profit before tax	7,620	11,086
Adjustments for:		
Interest expense on bank borrowings	10,053	7,842
Interest on lease liabilities	12	6
Bank interest income	(1,118)	(1,029)
Share of results of associates	(7,316)	(937)
Depreciation of property, plant and equipment (including right-of-use assets)	10,416	8,071
(Reversal of impairment losses) impairment losses recognised under expected credit loss model, net	(1,636)	27,058
Write-off of inventories	–	416
Impairment loss of an associate	1,408	–
Impairment losses recognised on property, plant and equipment	3,311	–
Loss on fair value changes of derivative financial instruments	474	1,412
Loss (gain) on disposal of property, plant and equipment	60	(6,901)
Operating cash flows before movements in working capital	23,284	47,024
Increase in inventories	(108,864)	(31,988)
Decrease in trade and other receivables	60,754	38,352
(Increase) decrease in amounts due from related companies	(1,131)	3,270
Decrease (increase) in contract assets	46,607	(28,257)
Increase (decrease) in trade payables and accrued charges	14,648	(107,138)
Increase in deferred income	21,919	–
Increase in contract liabilities	41,923	19,595
Cash generated from (used in) operations	99,140	(59,142)
Income tax paid	(9,139)	(13,125)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	90,001	(72,267)
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(69,722)	(126,660)
Deposit paid for property, plant and equipment	–	(10,483)
Proceeds on disposal of property, plant and equipment	–	6,901
Repayments from related companies	67	1,445
Placement of pledged bank deposits	(9,382)	(10,597)
Withdrawal of pledged bank deposits	6,148	20,197
Interest received	1,049	893
Dividend received from an associate	15,223	–
Payment arising from net settlement of derivative financial instruments	(1,860)	–
Net proceeds from deregistration of an associate	78	–
NET CASH USED IN INVESTING ACTIVITIES	(58,399)	(118,304)

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	2024 MOP'000	2023 MOP'000
FINANCING ACTIVITIES		
Advances from related companies	1,014	785
Repayment to related companies	(983)	(905)
New bank borrowings raised	286,333	601,578
Repayment of bank borrowings	(292,706)	(424,863)
Interest paid for bank borrowings	(10,053)	(7,842)
Repayment of lease liabilities	(219)	(29)
Interest paid for lease liabilities	(12)	(6)
Capital contribution from non-controlling shareholders of subsidiaries	–	2,171
Proceeds from exercise of bonus warrants	59	294
Transaction costs attributable to issue of bonus warrants	–	(577)
Transaction costs attributable to issue of bonus shares	–	(108)
Payment on shares repurchased and cancelled	(909)	(5,215)
Drawdown on bank overdrafts	30,130	13,250
Repayment of bank overdrafts	(43,380)	–
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(30,726)	178,533
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	876	(12,038)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	57,635	74,795
Effect of foreign exchange rate changes	2,804	(5,122)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	61,315	57,635

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. GENERAL

MECOM Power and Construction Limited (the "Company") is incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its immediate and ultimate holding company is MECOM Holding Limited. Its registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is located at Units Q, R and S, 6/F, Praca Kin Heng Long-Heng Hoi Kuok, Kin Fu Kuok, No. 258 Alameda Dr. Carlos D'Assumpcao, Macau.

The Company is an investment holding company. The Company's subsidiaries (together with the Company referred to as the "Group") are principally engaged in the construction business, electric vehicle ("EV") business and steel structures business. Details of these businesses are set out in note 5.

The consolidated financial statements are presented in Macanese Pataca ("MOP") which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendment to IAS 1	Classification of Liabilities as Current or Non-current
Amendment to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year *(Continued)*

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial and Instruments[3]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[3]
Amendments to IAS 21	Lack of Exchangeability[2]
IFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

Except for the new IFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18")

IFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains controls until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Basis of consolidation (Continued)

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill, if any) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill (if any), that forms part of the carrying amount of the investment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Investments in associates (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue from contracts with customers

Information about the Group's accounting policies relating to contracts with customers is provided in Notes 5, 17 and 22.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. MOP) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefits costs

Payments to the defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, and sick leave) after deducting any amount already paid.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes other than freehold lands and construction in progress. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is a right-of-use asset, which is presented within "property, plant and equipment" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than freehold land and properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Impairment on property, plant and equipment and right-of-use assets *(Continued)*

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, the recoverable amount is determined for the cash-generating unit to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 *Leases* at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability; and
- any lease payments made at or before the commencement date, less any lease incentives received.

The Group presents right-of-use assets in "property, plant and equipment", the same line item within which the corresponding underlying assets would be presented if they were owned.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

Short-term leases

The Group applies the short-term lease recognition exemption to leases of rental premises, machineries and equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Leases (Continued)

The Group as a lessee (Continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 *Financial Instruments* and initially measured at fair value. Adjustments to the fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever

- the lease term has changed in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables (including trade-nature amounts due from related companies) arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Impairment of financial assets and contract assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables, amounts due from related companies, pledged bank deposits and bank balances) and contract assets which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables, trade-nature amounts due from related companies and contract assets. The financial assets are assessed for ECL individually.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and contract assets subject to impairment assessment under IFRS 9 *(Continued)*

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and contract assets subject to impairment assessment under IFRS 9 *(Continued)*

(i) Significant increase in credit risk *(Continued)*

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and contract assets subject to impairment assessment under IFRS 9 *(Continued)*

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over three years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, trade-nature amounts due from related companies, and contract assets where the corresponding adjustment is recognised through a loss allowance account.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, retention payables, amounts due to related companies, bank overdrafts and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's material accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for trade receivables and contract assets

The Group accesses ECL for all trade receivables and contract assets individually. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables and contract assets are disclosed in notes 32b, 18 and 17, respectively.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors, being the chief operating decision maker ("CODM"), for the purpose of resources allocation and assessment of segment performance focuses on the category of services delivered or provided. The Group's reportable segments under IFRS 8 *Operating Segments* are therefore as follows:

(1) Construction business – the provision of construction services, including construction and fitting out works, high voltage power substation construction and its system installation works, electrical and mechanical ("E&M") engineering services works, and provision of facilities management services.

(2) Electric vehicles ("EV") business – the provision of EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) distribution of EVs; (iii) design, production, sales and marketing of EVs and EV charging systems; (iv) manufacturing and production of battery packs; and (v) provision of EV charging/swapping solutions.

(3) Steel structures business – the sale and processing of new material steel structures and income from the leasing of steel structures.

No analysis of the Group's assets and liabilities is disclosed as such information is not regularly provided to the CODM for review.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(i) Disaggregation of revenue from contracts with customers

	2024 MOP'000	2023 MOP'000
Construction business		
Construction and fitting out works	142,774	231,066
High voltage power substation construction and its system installation works	15,173	10,353
E&M engineering services works	50,514	84,667
Facilities management services	182,973	138,240
	391,434	464,326
EV business		
Sale of EV charging systems	92	63
Distribution of EVs	423	–
Provision of EV charging facilities	1,402	1,613
	1,917	1,676
Steel structures business		
Sale and processing of new material steel structures	1,103,809	1,030,391
Total revenue from contracts with customers	1,497,160	1,496,393
Income from the leasing of steel structures	9,411	–
	1,506,571	1,496,393
Timing of revenue recognition		
A point in time	1,104,324	1,030,454
Over time	392,836	465,939
	1,497,160	1,496,393

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(ii) Segment information

Segment results represent the profit before tax resulted from each segment without allocation of certain other income and administrative expenses of head office, impairment loss of an associate and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Year ended 31 December 2024

	Construction business MOP'000	EV business MOP'000	Steel structures business MOP'000	Total 2024 MOP'000
Revenue from external customers	391,434	1,917	1,113,220	1,506,571
Intersegment revenue	49	–	–	49
	391,483	1,917	1,113,220	1,506,620
Elimination of intersegment revenue				(49)
Total revenue				1,506,571
Segment results	(7,553)	(6,477)	19,911	5,881
Central administration costs				(4,169)
Share of results of associates				7,316
Impairment loss of an associate				(1,408)
Profit before tax				7,620

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(ii) Segment information *(Continued)*

Year ended 31 December 2023

	Construction business MOP'000	EV business MOP'000	Steel structures business MOP'000	Total 2023 MOP'000
Revenue from external customers	464,326	1,676	1,030,391	1,496,393
Intersegment revenue	349	–	–	349
	464,675	1,676	1,030,391	1,496,742
Elimination of intersegment revenue				(349)
Total revenue				1,496,393
Segment results	(27,192)	(7,735)	49,839	14,912
Central administration costs				(4,763)
Share of results of associates				937
Profit before tax				11,086

(iii) Performance obligations for contracts with customers

Construction business – construction works

The Group provides services on (1) construction and fitting out works; (2) high voltage power substation construction and its system installation works to customers; and (3) E&M engineering services. Such services are recognised as a separate performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised for these construction contracts by reference to the progress towards complete satisfaction of relevant performance obligation using output method, based on the work certified by the customers.

The Group's construction works include payment schedules which require stage payments over the construction period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits ranging from 10% to 30% of total contract sum, when the Group receives a deposit before construction commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(iii) Performance obligations for contracts with customers *(Continued)*

Construction business – construction works (Continued)

A contract asset, net of contract liability related to the same contract, is recognised over the period in which the construction contracts are performed representing the Group's right to consideration for the services performed because the rights are conditioned on the Group's future performance in achieving specified milestones. The contract assets are transferred to trade receivables when the rights become unconditional.

Retention receivables, prior to expiration of defect liability period, are classified as contract assets, which ranges from one to two years from the date of the practical completion of the construction. The relevant amount of contract asset is reclassified to trade receivables when the defect liability period expires. The defect liability period serves as an assurance that the construction services performed comply with agreed upon specifications and such assurance cannot be purchased separately.

Construction business – facilities management services

The Group's facilities management services involve the provision of facilities operation and maintenance management, alteration, upgrading, maintenance works and emergency repairs of various buildings, properties and their components (especially for hotels and resorts) and high voltage power substations and relevant systems.

The Group provides such services as a fixed-price contract, with contract terms generally ranging from less than one year to five years. Revenue from fixed price contracts for delivering such services is recognised over time, when the customers simultaneously receive and consume the benefits from the Group's performance. Such services are recognised using a straight-line basis over the term of the contract.

EV business

The Group provides EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) distribution of EVs; (iii) design, production, sales and marketing of EVs and EV charging systems; (iv) manufacturing and production of battery packs; and (v) provision of EV charging/swapping solutions.

The Group recognises revenue from sale of EV charging systems at a point in time when the customer obtains control of the distinct good. Subscription fee income for provision of EV charging facilities is recognised as a fixed-price contract, with contract terms generally ranging from less than one year to seven years. Revenue from fixed price contracts for delivering such services is recognised over time, when the customers simultaneously receive and consume the benefits from the Group's performance. Such services are recognised using a straight-line basis over the term of the contract.

Steel structures business

The Group's steel structures business involves sale and processing of new material steel structures and lease income. The Group recognises revenue from sales and processing of new material steel structures at a point in time when control of the goods has transferred, being when the goods have been shipped to the delivery location. Transportation and handling activities that occur before customers obtain control are considered as fulfilment activities. The normal credit term is 30 days upon delivery. For the lease income, the Group recognises sales amount over the lease period of contracts entered into with a customer on a straight-line basis.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(iv) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) and the expected timing of recognising revenue are as follows:

At 31 December 2024

	Construction and fitting out works MOP'000	High voltage power substation construction and its system installation works MOP'000	E&M engineering services MOP'000	Facilities management services MOP'000	Provision of EV charging facilities MOP'000	Sale and processing of new material steel structures MOP'000	Total MOP'000
Within one year	172,443	31,387	211,660	169,472	217	520,991	1,106,170
More than one year but not more than two years	486	24,919	–	71,016	219	97,089	193,729
More than two years	–	–	–	691	666	–	1,357
	172,929	56,306	211,660	241,179	1,102	618,080	1,301,256

At 31 December 2023

	Construction and fitting out works MOP'000	High voltage power substation construction and its system installation works MOP'000	E&M engineering services MOP'000	Facilities management services MOP'000	Provision of EV charging facilities MOP'000	Sale and processing of new material steel structures MOP'000	Total MOP'000
Within one year	143,014	39,287	205,785	105,569	166	462,396	956,217
More than one year but not more than two years	–	31,806	–	42,850	166	4,354	79,176
More than two years	–	–	–	6,097	608	–	6,705
	143,014	71,093	205,785	154,516	940	466,750	1,042,098

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

(v) Geographical information

The Group's operations are located in Macau, Hong Kong, the People's Republic of China (the "PRC"), Cyprus and Singapore.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2024	2023	**2024**	2023
	MOP'000	MOP'000	**MOP'000**	MOP'000
Macau	**1,072,842**	1,320,422	**97,048**	58,802
The PRC	**183,052**	139,190	**248,921**	197,298
Hong Kong	**187,609**	11,559	**–**	–
Cyprus	**30,825**	25,222	**839**	815
Singapore	**32,243**	–	**–**	–
	1,506,571	1,496,393	**346,808**	256,915

(vi) Information about major customers

Revenue from customers in respect of construction business, EV business and steel structures business contributing over 10% of the total revenue of the Group is as follows:

	2024	2023
	MOP'000	MOP'000
Customer A (construction business)	**238,403**	192,874
Customer B (construction and steel structures business)	**222,791**	299,230
Customer C (construction and steel structures business)	**N/A***	190,114

* The corresponding revenue did not contribute over 10% of the total revenue of the Group

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

6. OTHER INCOME

	2024 MOP'000	2023 MOP'000
Bank interest income	1,118	1,029
Government grants (note)	420	806
Other income	1,631	838
	3,169	2,673

Note: During the year ended 31 December 2024, the Group recognised government grants of MOP420,000 in respect of Covid-19 related Bank Loan Interest Subsidy for Industrial and Commercial Support Scheme provided by the Macau government.

During the year ended 31 December 2023, the Group recognised government grants of RMB712,300 (equivalent to MOP806,000) in respect of Subsidy for Growth Promotion Support Scheme provided by the PRC government.

7. OTHER GAINS AND LOSSES

	2024 MOP'000	2023 MOP'000
Exchange gain (loss)	398	(846)
(Loss) gain on disposal of property, plant and equipment	(60)	6,901
	338	6,055

8. FINANCE COSTS

	2024 MOP'000	2023 MOP'000
Interest expense on bank borrowings	10,053	7,842
Interest on lease liabilities	12	6
	10,065	7,848

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

9. PROFIT FOR THE YEAR

	2024 MOP'000	2023 MOP'000
Profit for the year has been arrived at after charging (crediting):		
Directors' emoluments *(note 10)*	**9,675**	9,675
Other staff costs:		
Salaries and other allowances	**149,634**	129,222
Retirement benefit scheme contributions	**3,754**	2,277
Total staff costs	**163,063**	141,174
Less: amounts included in cost of goods and services	**(124,999)**	(105,754)
	38,064	35,420
Auditor's remuneration		
– audit services	**2,122**	2,060
– non-audit services	**546**	530
Depreciation of property, plant and equipment (including right-of-use assets)	**10,416**	8,071
Cost of inventories recognised as an expense	**1,023,243**	926,625
Write-off of inventories (included in cost of goods and services)	**–**	416

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

Year ended 31 December 2024

	Fee MOP'000	Salaries and other allowances MOP'000	Discretionary bonus MOP'000	Retirement benefit scheme contributions MOP'000	Total MOP'000
Executive directors *(note 1)*:					
Mr. Kuok Lam Sek ("Mr. Kuok")	–	4,200	350	1	4,551
Mr. Sou Kun Tou ("Mr. Sou")	–	4,200	350	1	4,551
	–	8,400	700	2	9,102
Independent non-executive directors *(note 2)*:					
Ms. Chan Po Yi, Pasty	191	–	–	–	191
Mr. Cheung Kiu Cho, Vincent	191	–	–	–	191
Mr. Lio Weng Tong	191	–	–	–	191
	573	–	–	–	573
	573	8,400	700	2	9,675

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

Directors *(Continued)*

Year ended 31 December 2023

	Fee MOP'000	Salaries and other allowances MOP'000	Discretionary bonus MOP'000	Retirement benefit scheme contributions MOP'000	Total MOP'000
Executive directors *(note 1)*:					
Mr. Kuok	–	4,200	350	1	4,551
Mr. Sou	–	4,200	350	1	4,551
	–	8,400	700	2	9,102
Independent non-executive directors *(note 2)*:					
Ms. Chan Po Yi, Pasty	191	–	–	–	191
Mr. Cheung Kiu Cho, Vincent	191	–	–	–	191
Mr. Lio Weng Tong	191	–	–	–	191
	573	–	–	–	573
	573	8,400	700	2	9,675

Notes:

(1) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. Mr. Sou also serves as the chief executive of the Group and his emoluments disclosed above also included those for services rendered by him as the chief executive in management of the affairs of the Group.

(2) The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

Employees

The five highest paid employees of the Group during the year included two directors or chief executive (2023: two), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining three (2023: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2024 MOP'000	2023 MOP'000
Salaries and other allowances	**6,246**	6,246
Discretionary bonus *(note)*	**750**	750
Retirement benefit scheme contributions	**20**	1
	7,016	6,997

Note: The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

The number of highest paid employees who are not the directors nor chief executive of the Company whose remuneration fell within the following bands is as follows:

	2024 Number of employees	2023 Number of employees
HK$1,500,001 to HK$2,000,000	**1**	1
HK$2,500,001 to HK$3,000,000	**2**	2

During the years ended 31 December 2024 and 2023, no emoluments were paid by the Group to the directors or chief executive of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. No director has waived or agreed to waive any emoluments during the years ended 31 December 2024 and 2023.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

11. DIVIDENDS

No dividend had been declared by the directors of the Company for the year ended 31 December 2024 (2023: Nil).

12. INCOME TAX EXPENSE

	2024 MOP'000	2023 MOP'000
Current tax		
– Cyprus Corporate Income tax	**1,274**	661
– Macau Complementary Tax	**2,157**	7,056
– PRC Enterprise Income Tax	**931**	505
– Hong Kong Profit Tax	**83**	–
– Singapore Corporate Income Tax	**109**	–
Overprovision in prior years	**(1,025)**	(2,702)
	3,529	5,520

The Company was incorporated as an exempted company in the Cayman Islands and is exempted from Cayman Islands income tax.

Subsidiaries in Macau are subject to Macau Complementary Tax at a rate of 12% on the assessable income exceeding MOP600,000 each for both years.

Under the Law of the PRC Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The subsidiary in Cyprus is subject to Cyprus Corporate Income Tax at a rate of 12.5% on the assessable income for both years.

Subsidiaries in Hong Kong which are qualified for the two-tiered profit tax regime are subject to Hong Kong Profits Tax at a rate of 8.25% on the first HK$2 million assessable income and 16.5% on the assessable income above HK$2 million. Subsidiaries in Hong Kong are subject to Hong Kong Profit Tax at a rate of 8.25% for the year ended 31 December 2024. Provision for Hong Kong Profit tax for one of the subsidiaries in Hong Kong has been made as assessable profit is generated for the year ended 31 December 2024.

No provision for taxation in Hong Kong had been made as losses were resulted for subsidiaries operated in Hong Kong for the year ended 31 December 2023.

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12. INCOME TAX EXPENSE *(Continued)*

The subsidiary in Singapore is subject to Singapore Corporate Income Tax at a rate of 17% on the assessable income for the year ended 31 December 2024. No provision for taxation in Singapore had been made as the subsidiary operating in this jurisdiction incurred a loss for the year ended 31 December 2023.

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2024 MOP'000	2023 MOP'000
Profit before tax	7,620	11,086
Tax charge at Macau Complementary Tax rate of 12%	914	1,330
Tax effect of expenses not deductible for tax purpose	4,296	4,626
Tax effect of income not taxable for tax purpose	(953)	–
Tax effect of tax losses not recognised	1,869	3,179
Utilisation of tax losses previously not recognised	(454)	–
Overprovision in prior years	(1,025)	(2,702)
Tax effect of share of results of associates	(879)	(112)
Special complementary tax incentive	(271)	(216)
Effect of different tax rate of subsidiaries operating in other jurisdiction	32	(585)
Income tax expense for the year	3,529	5,520

At the end of the reporting period, the Group has unused tax losses of MOP40,189,000 (2023: MOP30,681,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of MOP38,558,000 (2023: MOP29,793,000) with expiry dates as disclosed in the following table. Other losses may be carried forward indefinitely.

	2024 MOP'000	2023 MOP'000
2024	–	3,048
2025	1,838	1,787
2026	15,571	16,494
2027	11,352	3,711
2028	3,048	4,753
2029	6,749	–
	38,558	29,793

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

12. INCOME TAX EXPENSE *(Continued)*

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to MOP3,296,000 (2023: Nil) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

13. LOSS PER SHARE

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

	2024 **MOP'000**	2023 MOP'000
Loss		
Loss for the purpose of calculating basic and diluted loss per share (loss for the year attributable to owners of the Company)	**(3,102)**	(11,585)
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**3,985,841**	3,994,082

The computation of diluted loss per share does not assume the exercise from the Company's outstanding bonus warrants as the exercise price of those bonus warrants was higher than the average market price of the Company's shares for the years ended 31 December 2024 and 2023.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

14. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles MOP'000	Plant and machinery MOP'000	Office equipment MOP'000	Computer equipment MOP'000	Leasehold land and buildings MOP'000	Leased properties MOP'000	Construction in progress MOP'000	Total MOP'000
COST								
At 1 January 2023	3,043	47,933	477	2,097	93,422	–	9,305	156,277
Additions	678	8,218	1,392	188	–	376	116,184	127,036
Exchange difference	4	(27)	(7)	–	53	6	(657)	(628)
Disposals	–	(11,330)	(44)	–	–	–	–	(11,374)
At 31 December 2023	3,725	44,794	1,818	2,285	93,475	382	124,832	271,311
Additions	73	21,303	2,695	223	–	377	55,911	80,582
Transfer	–	–	–	–	142,673	–	(142,673)	–
Transfer from inventories *(Note 1)*	–	50,215	–	–	–	–	–	50,215
Exchange difference	(30)	(980)	(104)	(13)	(4,309)	(42)	(2,227)	(7,705)
Disposals	(121)	(62)	–	–	–	–	–	(183)
At 31 December 2024	3,647	115,270	4,409	2,495	231,839	717	35,843	394,220
DEPRECIATION AND IMPAIRMENT								
At 1 January 2023	2,721	35,171	228	924	3,972	–	–	43,016
Provided for the year	164	5,514	172	314	1,876	31	–	8,071
Exchange difference	–	(16)	(1)	–	(5)	–	–	(22)
Eliminated upon disposals	–	(11,330)	(44)	–	–	–	–	(11,374)
At 31 December 2023	2,885	29,339	355	1,238	5,843	31	–	39,691
Provided for the year	212	5,999	661	333	2,992	219	–	10,416
Impairment loss recognised in profit and loss *(Note 2)*	25	3,266	20	–	–	–	–	3,311
Exchange difference	(7)	(334)	(20)	(3)	(87)	(13)	–	(464)
Eliminated upon disposals	(121)	(2)	–	–	–	–	–	(123)
At 31 December 2024	2,994	38,268	1,016	1,568	8,748	237	–	52,831
CARRYING VALUES								
At 31 December 2024	653	77,002	3,393	927	223,091	480	35,843	341,389
At 31 December 2023	840	15,455	1,463	1,047	87,632	351	124,832	231,620

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

14. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis over their estimated useful lives, after taking into account their residual values, as follows:

Motor vehicles	20%
Plant and machinery	20% – $66^{2}/_{3}$%
Office equipment	20%
Computer equipment	20%
Leasehold land and buildings	2%
Leased properties	50%

The properties are located in Macau and the PRC.

Notes:

1. During the current year, the Group entered into several leasing contracts with a customer for steel structures leasing with a contractual term of 18 months. Certain inventories amounted to MOP50,215,000 are transferred from inventories to plant and machinery during the year ended 31 December 2024 as they are no longer held for sale in the ordinary course of business, but are held for rental to others and are expected to be used during more than one period. A lease income of MOP9,411,000 has been recognised as the Group's revenue for the current year, and a deferred income of MOP21,919,000 is recognised in the consolidated statement of financial position as of 31 December 2024.

2. During the year ended 31 December 2024, the management of the Group concluded there was indication for impairment and conducted impairment assessment on certain property, plant and equipment relating to the EV business segment. The assessment is performed on individual asset base. An impairment of MOP3,311,000 is recognised in profit or loss during the year.

The Group as lessee

Right-of-use assets (included in the property, plant and equipment)

	Lease properties MOP'000	Land use right MOP'000	Total MOP'000
As at 31 December 2024			
Carrying amount	**480**	**45,549**	**46,029**
As at 1 January 2024			
Carrying amount	**351**	**48,010**	**48,361**
For the year ended 31 December 2024			
Depreciation charge	**219**	**978**	**1,197**
Total cash outflow for leases			**4,712**
Additions to right-of-use assets			**377**
Expense relating to short-term leases *(note)*			**4,481**
For the year ended 31 December 2023			
Depreciation charge	31	996	1,027
Total cash outflow for leases			5,322
Additions to right-of-use assets			376
Expense relating to short-term leases *(note)*			5,287

Note: The Group regularly entered into short-term leases for rental premises, machinery and equipment. As at 31 December 2024 and 2023, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

14. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The Group as lessee *(Continued)*

Right-of-use assets (included in the property, plant and equipment) (Continued)

For both years, the Group leases a staff quarter for its operation. Lease contract is entered into for a fixed term of 2 years (2023: 2 years). Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of contract and determines the period for which the contract is enforceable.

In addition, the Group owns several industrial buildings where its manufacturing facilities are primarily located and office buildings. The Group is the registered owner of these property interests, including the underlying leasehold lands. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately only if the payments made can be allocated reliably.

During the year ended 31 December 2024, the Group entered into a new lease contract for its lease property with fixed monthly lease payments for a lease period of 2 years. On the lease commencement, the Group recognised right-of-use assets and lease liabilities of MOP377,000 and MOP377,000 (2023: MOP376,000 and MOP376,000), respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purpose.

15. INTERESTS IN ASSOCIATES

	2024 MOP'000	2023 MOP'000
Cost of unlisted investment in an associate	–	1,500
Share of post-acquisition profits and other comprehensive income, net of dividend received	5,419	13,312
	5,419	14,812

Details of the Group's associates at the end of the reporting period are as follows:

Name of entities	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			2024	2023	2024	2023	
China Construction (Macau) – EHY Joint Venture ("CCM – EHY JV")	Macau	Macau	25%	25%	25%	25%	Construction works and civil engineering
China State Construction (Hong Kong) – China Construction (Macau) – EHY Joint Venture ("CSHK – CCM – EHY JV")	Macau	Macau	25%	25%	25%	25%	Construction works and civil engineering
Moreira Dos Santos Mobilidade Eléctrica Lda.("MS E. Mobi")	Macau	Macau	–	49%	–	49%	Deregistered

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

15. INTERESTS IN ASSOCIATES *(Continued)*

Summarised financial information of the associates

Summarised financial information in respect of the Group's material associate, CCM – EHY JV and CSHK – CCM – EHY JV are set out below. The summarised financial information below represents amount shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards.

The associates are accounted for using the equity method in these consolidated financial statements.

CCM – EHY JV

	2024 MOP'000	2023 MOP'000
Current and total assets	**2,293**	2,301
Current and total liabilities	**(378)**	(386)
Revenue	**–**	–
Loss for the year	**–**	–

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

	2024 MOP'000	2023 MOP'000
Net assets of CCM – EHY JV	**1,915**	1,915
Proportion of the Group's ownership interest in CCM – EHY JV	**25%**	25%
The Group's share of net assets of CCM – EHY JV and carrying amount of Group's interest in CCM – EHY JV	**479**	479

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15. INTERESTS IN ASSOCIATES *(Continued)*

Summarised financial information of the associates *(Continued)*

CSHK – CCM – EHY JV

	2024 MOP'000	2023 MOP'000
Current and total assets	**112,185**	410,369
Current and total liabilities	**(92,423)**	(358,980)
Revenue	**130,281**	147,597
Profit for the year	**29,265**	3,801
Dividends received from the associate during the year	**15,223**	–

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

	2024 MOP'000	2023 MOP'000
Net assets of CSHK – CCM – EHY JV	**19,762**	51,389
Proportion of the Group's ownership interest in CSHK – CCM – EHY JV	**25%**	25%
The Group's share of net assets of CSHK – CCM – EHY JV and carrying amount of Group's interest in CSHK – CCM – EHY JV	**4,940**	12,847

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15. INTERESTS IN ASSOCIATES *(Continued)*

Summarised financial information of the associates *(Continued)*

During the current year, the Group's associate, MS E. Mobi, was deregistered and the Group received net proceeds from the deregistration of MS E. Mobi of approximately MOP78,000. Before the deregistration, the Group owned 49% interest in MS E. Mobi and the investment was previously accounted as an investment in an associate using the equity method of accounting. This transaction has resulted in the Group recognizing an impairment loss of the associate of approximately MOP1,408,000 in profit or loss.

16. INVENTORIES

The inventories are mainly from steel structures business and are stated at the lower of cost or net realisable value.

17. CONTRACT ASSETS

	2024 **MOP'000**	2023 MOP'000
Contract assets from contract with customers	**67,581**	114,188
Less: Allowance for credit losses (note 32b)	**(5,516)**	(2,765)
	62,065	111,423

	2024 **MOP'000**	2023 MOP'000
Represented by:		
Construction and fitting out works	**34,868**	80,630
High voltage power substation construction and its system installation works	**2,513**	2,500
E&M engineering services works	**24,650**	27,760
Facilities management services	**–**	533
EV business	**34**	–
	62,065	111,423

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For the year ended 31 December 2024

17. CONTRACT ASSETS *(Continued)*

	2024 MOP'000	2023 MOP'000
Analysed as current		
Unbilled revenue	**21,125**	43,236
Retention receivables	**40,940**	68,187
	62,065	111,423

Typical payment terms which impact on the amount of contract assets recognised are as follows:

Construction business – construction works

The Group's construction contracts include payment schedules which require stage payments over the construction period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits and typically net offs the deposits with first payments. Unbilled revenue included in contract assets represents the Group's rights to receive consideration for works completed but not yet billed because the exercise of such rights is conditional upon customers' satisfaction on the contract work completed by the Group, customers' or external surveyors' issuance of certification on the works or the payment milestones being met. The contract assets are transferred to trade receivables when the rights become unconditional, which is typically at the time the Group obtains certification of the completed contract works from customers or external surveyors or meets payment milestones.

The Group also typically agrees to a retention period ranging from one year to two years for 5% to 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on satisfying the defect liability period of individual contracts. The Group typically reclassifies contract assets to trade receivables when defect liability period expires and certificate of making good defects is obtained.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

17. CONTRACT ASSETS *(Continued)*

Construction business – construction works *(Continued)*

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

At 31 December 2024, retention money held by customers for contract works amounted to MOP40,940,000 (2023: MOP68,187,000), of which MOP1,172,000 (2023: MOP2,333,000) represented the retention money held by related companies. Retention money is unsecured, interest-free and recoverable at the end of the defect liability period of individual contract, ranging from one year to two years from the date of the completion of the respective projects.

The following is an aging analysis of retention money which is to be settled, based on the expiry of defect liability period, at the end of the reporting period.

	2024 **MOP'000**	2023 MOP'000
Within one year	**12,810**	24,233
After one year	**28,130**	43,954
	40,940	68,187

At 31 December 2024, included in the Group's contract assets are retention money with a carrying amount of MOP5,277,000 (2023: MOP4,247,000), which are past due but not impaired as there has not been a significant change in credit quality and amounts are still considered as recoverable based on historical experience. The Group does not hold any collateral over these balances.

Details of the impairment assessment of contract assets are set out in note 31b.

Notes to the Consolidated Financial Statements

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18. TRADE AND OTHER RECEIVABLES

	2024 MOP'000	2023 MOP'000
Trade receivables from contracts with customers	**401,582**	479,486
Less: allowance for credit losses *(note 31b)*	**(29,413)**	(33,580)
	372,169	445,906
Other receivables, deposits and prepayments		
– Deposits	**3,757**	1,060
– Prepayments for new material steel structures	**60,975**	70,109
– Prepayments for construction	**22,840**	259
– Others *(Note 1)*	**72,723**	82,131
Less: allowance for credit losses *(note 31b)*	**(651)**	(909)
	531,813	598,556
Analyse as:		
Current assets	**531,813**	588,073
Non-current assets *(Note 2)*	**–**	10,483
	531,813	598,556

Notes:

1. Others mainly included value-added taxes recoverable, receivables from certain sub-contractors and other receivables.

2 Amount represented the deposit paid for property, plant and equipment in respect of the construction works for setting up new manufacturing and research and development facilities at the site in Jiangmen, Guangdong Province, the PRC.

Notes to the Consolidated Financial Statements

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18. TRADE AND OTHER RECEIVABLES *(Continued)*

The Group allows a credit period of 0 to 90 days to its customers. The aging analysis of the Group's trade receivables, net of allowance for credit losses, based on invoice date at the end of the reporting period are as follows:

	2024 MOP'000	2023 MOP'000
0 – 90 days	**270,702**	229,551
91 – 365 days	**72,765**	185,941
1 – 2 years	**21,178**	29,023
Over 2 years	**7,524**	1,391
	372,169	445,906

At 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of MOP304,702,000 (2023: MOP279,566,000) which are past due as at the reporting date. Out of the past due balances, MOP76,485,000 (2023: MOP192,383,000) has been past due more than 90 days and is not considered as in default. Majority of the Group's trade receivables that are past due but not impaired are from customers with good credit quality with reference to respective settlement history and forward-looking information. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade and other receivables are set out in note 31b.

19. AMOUNTS WITH RELATED COMPANIES

			Maximum amount outstanding during	
	2024 MOP'000	2023 MOP'000	**2024 MOP'000**	2023 MOP'000
Amounts due from related companies				
Non-trade nature				
ACEL Engineering Company Limited *(note)*	**1,086**	1,123	**1,123**	3,141
CSHK – CCM – EHY JV	**3,903**	3,933	**3,933**	3,933
	4,989	5,056		
Trade nature				
CSHK – CCM – EHY JV	**1,131**	–		
Less: allowance for credit losses *(note 31b)*	**(14)**	–		
	1,117	–		
	6,106	5,056		

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19. AMOUNTS WITH RELATED COMPANIES *(Continued)*

The Group typically allows a credit period of 30 to 45 days to its related companies. The following is an aging analysis of the amounts due from related companies (trade receivables), net of allowance for credit losses, presented based on invoice date at the end of the reporting period.

	2024 MOP'000	2023 MOP'000
0 – 90 days	1,117	–

At 31 December 2024, a carrying amount of MOP1,117,000 (2023: Nil) which was past due but not impaired as there has not been a significant change in credit quality and amount is still considered as recoverable. The Group does not hold any collateral over this balance.

Details of impairment assessment of trade-nature amounts due from related companies are set out in note 31b.

	2024 MOP'000	2023 MOP'000
Amount due to a related company		
Non-trade nature		
Lei Hong Engineering Limited *(note)*	178	147

As at the end of the reporting period, the non-trade amount with related company is unsecured, interest-free and repayable on demand.

Note: Mr. Kuok and Mr. Sou, the executive directors of the Company have beneficial interests and control over the related companies.

20. PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS/BANK OVERDRAFTS

Cash and cash equivalents include demand deposits and short term deposits for the purpose of meeting the Group's short term cash commitments, which carry interest at market rates range from 0.001% to 0.25% (2023: 0.001% to 0.3%) per annum.

Pledged bank deposits represent fixed-rate bank deposits which are pledged to secure bank guarantee to the Group and bills payables issued by the Group. At 31 December 2024, the pledged bank deposits carried interest rate range of 0.21% – 3.65% (2023: 0.14% – 3.8%) per annum and with an original maturity of three months to six months.

Details of impairment assessment of pledged bank deposits and bank balances are set out in note 31b.

At 31 December 2024, the Group has no bank overdrafts balance (2023: bank overdrafts carry interest at market rates at Prime rate (issued by Macau Monetary Authority) ("Prime rate") less 1.375% per annum).

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21. TRADE PAYABLES AND ACCRUED CHARGES

	2024 MOP'000	2023 MOP'000
Trade payables	172,627	170,422
Bills payables *(Note)*	963	–
Retention payables	24,338	33,136
Other payables and accrued charges		
– Accrued staff costs	18,768	21,235
– Accrued construction costs	54,816	60,313
– Receipt in advance	20	435
– Other accruals	39,073	10,416
	310,605	295,957

Note: These relate to trade payables in which the Group has issued bills to the relevant suppliers for future settlement of trade payables. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements.

The credit period on trade purchases is 0 to 90 days. Aging analysis of the Group's trade payables based on invoice date at the end of the reporting period is as follows:

	2024 MOP'000	2023 MOP'000
0 – 90 days	132,378	42,509
91 – 365 days	37,507	101,489
1 – 2 years	2,692	26,424
Over 2 years	50	–
	172,627	170,422

The following is an aging analysis of bills payables which are to be settled, based on the expiry of the bills, at the end of the reporting period.

	2024 MOP'000	2023 MOP'000
0 – 90 days	963	–

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21. TRADE PAYABLES AND ACCRUED CHARGES *(Continued)*

Retention payables are interest-free and payable at the end of the defect liability period of individual contracts, ranging from one to two years from the date of completion of the respective project.

The following is an aging analysis of retention payables which are to be settled, based on the expiry of the defect liability period, at the end of the reporting period.

	2024 MOP'000	2023 MOP'000
On demand or within one year	**21,077**	24,326
After one year	**3,261**	8,810
	24,338	33,136

22. CONTRACT LIABILITIES

	2024 MOP'000	2023 MOP'000
Contract liabilities from contract with customers in relation to steel structures business	**61,518**	19,595

As at 1 January 2023, the Group had no contract liabilities.

The Group received payments from customers in advance of the performance under the contracts for the provision of steel structure business before the transfer of control of products to the customers.

Amount of MOP19,595,000 (2023: Nil) relating to the contract liabilities at the beginning of the year has been recognised as the Group's revenue during the year ended 31 December 2024.

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23. BANK BORROWINGS

The carrying amounts of the Group's bank borrowings are analysed based on contractual repayment date as follows:

	2024 MOP'000	2023 MOP'000
Bank loans		
– repayable within one year	**163,911**	235,146
– repayable more than one year but not exceeding two years	**23,433**	10,450
– repayable more than two years but not more than five years	**70,353**	21,602
	257,697	267,198
Less: Amount due shown under current liabilities	**(163,911)**	(235,146)
Amounts shown under non-current liabilities	**93,786**	32,052
Analysis by:		
– Secured *(note)*	**144,697**	72,614
– Unsecured	**113,000**	194,584
	257,697	267,198

The exposure of the Group's borrowings are as follows:

– Fixed-rate bank borrowings	**17,068**	50,113
– Variable-rate bank borrowings	**240,629**	217,085
	257,697	267,198

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23. BANK BORROWINGS *(Continued)*

At 31 December 2024, the Group held variable-rate bank loans with interest rates ranged from Prime rate less 1.05% to 2.00% (2023: Prime less 1.00% to 2.00%) in Macau, and ranged from Loan Prime Rate ("LPR") plus 0.25% or LPR less 0.20% to 0.25% (2023: LPR plus 0.25% or LPR less 0.25%) in the PRC, respectively.

In addition, the Group has fixed-rate bank loans in the PRC with interest rate 3% (2023: 3.5% to 3.7%) per annum.

Note: As at 31 December 2024, the Group's bank loans amounted to MOP144,697,000 (2023: MOP72,614,000), which are secured by property, plant and equipment (including right-of use assets) of MOP223,093,000 (2023: MOP48,010,000) and construction in progress of MOP35,843,000 (2023: MOP124,832,000).

24. LEASE LIABILITIES

	2024 **MOP'000**	2023 MOP'000
Lease liabilities payable:		
Within one year	**249**	185
Within a period of more than one year but not more than two years	**233**	169
	482	354
Less: Amount due for settlement within 12 months shown under current liabilities	**(249)**	(185)
Amount due for settlement after 12 months shown under non-current liabilities	**233**	169

The incremental borrowing rate applied to lease liabilities is 10% (2023: 10%).

25. SHARE CAPITAL

	Number of shares	**Amount** MOP'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 January 2023, 31 December 2023 and 31 December 2024	5,000,000,000	51,500

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25. SHARE CAPITAL *(Continued)*

	Number of shares	Amount MOP'000
Issued and fully paid:		
At 1 January 2023	2,664,063,850	27,440
Shares repurchased and cancelled *(note a)*	(10,254,000)	(105)
Exercise of bonus warrants *(note b)*	103,641	1
Bonus issue of shares *(note c)*	1,332,083,725	13,720
At 31 December 2023	3,985,997,216	41,056
Shares repurchased and cancelled *(note d)*	(4,658,000)	(48)
Exercise of bonus warrants *(note e)*	59,972	– *
At 31 December 2024	**3,981,399,188**	**41,008**

* Less than MOP1,000

Notes:

(a) The Company repurchased 10,254,000 shares of the Company in September 2023 for an aggregate consideration of approximately HK$5,064,000 (equivalent to MOP5,215,000) and cancelled those shares in October 2023, as detailed below.

(b) The bonus warrants were issued to the qualifying shareholders on the basis of one warrant for every ten shares held on 20 May 2022 (the "2022 Warrants") and 18 May 2023 (the "2023 Warrants"). A total of 266,408,595 2023 Warrants were issued by the Company to the qualifying shareholders. During the year ended 31 December 2023, 103,601 2022 Warrants and 40 2023 Warrants have been exercised at a total consideration of approximately HK$284,000 (equivalent to MOP294,000).

(c) The Board recommended a bonus issue of 1,332,083,725 new shares to the existing shareholders of the Company on the basis of one bonus share for every two existing shares held by the shareholders of the Company on 6 June 2023, and the bonus issue was completed on 29 June 2023.

(d) The Company repurchased 470,000, 2,728,000 and 1,460,000 shares of the Company in October, November and December for an aggregate consideration of approximately HK$90,000 (equivalent to MOP93,000), HK$515,000 (equivalent to MOP530,000), and HK$277,000 (equivalent to MOP286,000), respectively, and cancelled those shares upon repurchased, as detailed below.

(e) During the year ended 31 December 2024, 59,972 2023 Warrants have been exercised at a total consideration of approximately HK$57,000 (equivalent to MOP$59,000).

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25. SHARE CAPITAL *(Continued)*

During the current year, the Company repurchased its own ordinary shares through the Stock Exchange as follows:

Month of repurchase	No. of ordinary shares	Price per share Highest HK$	Price per share Lowest HK$	Consideration paid HK$'000
October 2024	**470,000**	**0.195**	**0.188**	**90**
November 2024	**2,728,000**	**0.204**	**0.177**	**515**
December 2024	**1,460,000**	**0.190**	**0.175**	**277**
	4,658,000			**882**

During the year ended 31 December 2023, the Company repurchased its own ordinary shares through the Stock Exchange as follows:

Month of repurchase	No. of ordinary shares	Price per share Highest HK$	Price per share Lowest HK$	Aggregate consideration paid HK$'000
September 2023	10,254,000	0.63	0.40	5,064

The above ordinary shares were cancelled following repurchase.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

26. SHARE-BASED PAYMENT TRANSACTION

The Company adopted a share option scheme on 23 January 2018 ("Share Option Scheme"). The purpose of the Share Option Scheme is to provide employees, directors, advisers, consultants, suppliers, customers and distributors of the Group ("Participants") with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its shares for the benefit of the Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Participants. The Share Option Scheme became effective on 13 February 2018 and, unless otherwise cancelled or amended, shall remain in force for 10 years from that date. As at the date of approval of these consolidated financial statements, the remaining life of the Share Option Scheme is approximately 2 years and 10 months.

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26. SHARE-BASED PAYMENT TRANSACTION *(Continued)*

Pursuant to the Share Option Scheme, the directors of the Company may invite Participants to take up options at a price determined by the Board provided that it shall be at least the highest of (a) the official closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities; (b) the average of the official closing prices of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (c) the nominal value of one share of the Company.

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptances of the options duly signed by the grantee, together with a remittance in favour of the Company of HK1.00 by way of consideration for the grant there of is received by the Company on or before the relevant acceptance date.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date.

The aggregate number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, and other schemes offered by the Company, as from the date of adoption of the Share Option Scheme, shall not exceed 10% of the shares in issue (i.e. 120,000,000 shares) on the listing date, representing approximately 3% of the total shares in issue as at the date of this annual report. The overall limit on the number of shares which shall be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme, and other schemes offered by the Company, shall not exceed 30% of the issued share capital of the Company from time to time.

The total number of shares issued, and to be issued, upon exercise of options granted in accordance with the Share Option Scheme to each Participant in any 12-month period shall not exceed 1% of the issued share capital of the Company.

The number of shares available for grant under the Share Option Scheme as at 1 January 2024 and 31 December 2024 was 118,100,000.

No share options were outstanding as at 31 December 2024 and 2023 and no share-based compensation expense was recognised for the years ended 31 December 2024 and 2023.

27. DERIVATIVE FINANCIAL INSTRUMENTS

	2024 **MOP'000**	2023 MOP'000
Foreign exchange forward contracts – liabilities	–	1,412
Analysis by:		
Current	–	1,412

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27. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

During the year ended 31 December 2024, the Group's derivative financial instruments have been matured and settled with the bank and a loss on fair value change of MOP474,000 (2023: MOP1,412,000) has been recognised at the date of maturity.

As at 31 December 2023, the Group's derivative financial instruments were secured by a pledged bank deposit of approximately MOP4,279,000.

28. RELATED PARTY TRANSACTIONS

Apart from details of the balances with related parties disclosed in the consolidated statement of financial position and other details disclosed elsewhere in the consolidated financial statements, the Group also entered into the following transactions with related parties during the year.

Name of related parties	Nature of transactions	2024 MOP'000	2023 MOP'000
Mr. Kuok and Ms. Wong Fong Peng (the spouse of Mr. Kuok)	Short-term office rental expenses paid	686	686
CSHK – CCM – EHY JV (note a)	Management expenses paid	270	382
	Construction contract income received	393	–
Sisint Engenharia Lda (note b)	Consultancy expenses paid	N/A	210

Notes:

(a) CSHK – CCM – EHY JV is an associate of the Group.

(b) Mr. Pedro Mereira dos Santoa, who holds 51% shareholding in MS E. Mobi, a former associate of the Group, has beneficial interests and control over the related company.

Compensation of key management personnel

The directors of the Company and senior management of the Group are identified as key management members of the Group. Their short-term benefits and post-employment benefits for the year ended 31 December 2024 are MOP15,299,000 (2023: MOP14,095,000) and MOP21,000 (2023: MOP21,000).

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29. CAPITAL COMMITMENTS

As at 31 December 2024, the Group had approximately MOP4,530,000 (2023: MOP63,874,000) capital commitments in respect of the construction works for setting up new manufacturing and research and development facilities at the site in Jiangmen, Guangdong Province, the PRC. This amount was contracted for but not provided in the consolidated financial statements.

30. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to its stakeholders and maintaining an adequate capital structure. The Group's overall strategy remained unchanged from prior year.

The capital structure of the Group consists of debts, which includes the borrowings and amounts due to related companies, net of bank balances and cash and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group regularly reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends and new shares issues as well as the issue of new debts.

31. FINANCIAL INSTRUMENTS

31a. Categories of financial instruments

	2024 MOP'000	2023 MOP'000
Financial assets		
Amortised cost	**520,666**	589,960
Financial liabilities		
Amortised cost	**454,860**	484,588
Derivative financial instruments	**–**	1,412

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For the year ended 31 December 2024

31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies

The Group's major financial instruments include trade receivables and other receivables, amounts due from related companies, bank balances and pledged bank deposits, trade and other payables, retention payables, amounts due to related companies, bank overdrafts and bank borrowings. Details of these financial instruments are disclosed in the respective notes.

The risks associated with the Group's financial instruments and the policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group entities collect most of the revenue and incur most of the expenditures in their respective functional currency. The Group is exposed to currency risk primarily through sales proceeds received from customers that are denominated in currencies other than the group entities' functional currency. The currency giving rise to this risk is primarily HK$ and RMB. The management of the Group considers that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in HK$, and HK$ is pegged with MOP.

The Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group's currency risk mainly arises from the pledged bank deposits, bank balances and cash, trade and other receivables, amounts due from related companies, trade payables and retention payables denominated in HK$ and RMB, other than functional currency of the relevant group entities.

The carrying amounts of foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	2024 **MOP'000**	2023 MOP'000	**2024** **MOP'000**	2023 MOP'000
HK$	**244,647**	315,746	**205,341**	339,984
RMB	**–**	–	**316**	541

Sensitivity analysis

For the exposure to the fluctuation in HK$ and RMB against MOP, the directors of the Company are of opinion that such exposure is insignificant and no sensitivity analysis is presented.

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For the year ended 31 December 2024

31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Market risk (Continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and bank borrowings. The Group is also exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits and bank borrowings. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances, Prime rate and LPR arising from the Group's borrowings. The Group aims at keeping borrowings at variable rates. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in fixed and floating rates and ensure they are within reasonable range.

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2023: 50 basis points) increase or decrease in variable-rate bank borrowings are used and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points (2023: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2024 would decrease/increase by MOP902,000 (2023: decrease/increase by MOP814,000). Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant and no sensitivity analysis is presented.

Credit risk and impairment assessment

At 31 December 2024 and 2023, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of respective financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Trade receivables, trade-nature amounts due from related companies and contract assets arising from contracts with customers

At 31 December 2024, the Group has concentration risk on trade receivables, trade-nature amounts due from related companies and contract assets from the Group's top five customers 35% (2023: 44%). The major customers of the Group are certain reputable casino operators in Macau and construction companies in the PRC and Macau and the management of the Group considered that the credit risk is insignificant after considering their historical settlement and credit quality.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. In addition, the Group performs impairment assessment under ECL model upon application of IFRS 9 on trade balances individually.

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment (Continued)

Other receivables, non-trade nature amounts due from related companies, pledged bank deposits and bank balances

The Group performs impairment assessment under ECL model upon application of IFRS 9 on other receivables, non-trade nature amounts due from related companies, pledged bank deposits and bank balances based on 12m ECL.

The credit risk on other receivables and non-trade nature amounts due from related companies is limited because the counterparties have no historical default record and the directors expect that the general economic conditions will not significantly change from the 12 months after the reporting date.

The credit risk on pledged bank deposits and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Based on the Group's internal credit rating, no material impairment loss allowance is recognised for other receivables, non-trade nature amounts due from related companies, pledged bank deposits and bank balances.

The Group is exposed to concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ trade-nature amounts due from related companies/ contract assets	Other financial assets/other items
Low risk	The counterparty has a low risk of default or does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle after due date	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and contract assets, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m ECL or lifetime ECL	2024 Gross carrying amount MOP'000	2023 Gross carrying amount MOP'000
Contract assets	17	N/A	Note	Lifetime ECL (not credit-impaired)	66,360	112,967
	17	N/A	Loss	Lifetime ECL (credit-impaired)	1,221	1,221
Trade receivables	18	N/A	Note	Lifetime ECL (not credit-impaired)	377,938	455,442
	18	N/A	Loss	Lifetime ECL (credit-impaired)	23,644	24,044
Other receivables	18	N/A	Low risk	12m ECL (not credit-impaired)	3,757	1,060
	18	N/A	Watch list	12m ECL	50,042	56,442
Amounts due from related companies (trade-nature)	19	N/A	Note	Lifetime ECL (not credit-impaired)	1,131	–
Amounts due from related companies (non-trade nature)	19	N/A	Low risk	12m ECL	4,989	5,056
Bank balances, and pledged bank deposits	20	Baa3 to Aaa	N/A	12m ECL	89,243	82,405

Note: For trade receivables, trade-nature amounts due from related companies and contract assets, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected loss individually for each debtor.

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment (Continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its operation. The following table provides information about the exposure to credit risk for trade receivables, trade-nature amounts due from related companies, contract assets and other receivables which are assessed individually at 31 December 2024.

Internal credit rating	2024 Average loss rate	2024 Trade receivables MOP'000	2024 Other receivables MOP'000	2024 Contract assets MOP'000	2023 Average loss rate	2023 Trade receivables MOP'000	2023 Other receivables MOP'000	2023 Contract assets MOP'000
Low risk	0.57%	21,675	3,757	35,984	0.77%	83,196	1,060	108,662
Watch list	1.13%	348,698	50,042	5,324	1.31%	355,626	56,442	4,161
Doubtful	16.75%	7,565	–	25,052	16.23%	16,620	–	144
Loss	100%	23,644	–	1,221	100%	24,044	–	1,221
		401,582	53,799	67,581		479,486	57,502	114,188

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

During the year ended 31 December 2024, the Group reversed MOP1,636,000 (2023: recognised MOP27,058,000) for impairment allowances for trade receivables, trade-nature amounts due from related companies, contract assets and other receivables.

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables, trade-nature amounts due from related companies and contract assets under the simplified approach.

	Trade receivables		Other receivables	Trade-nature amounts due from related companies	Contracts assets		
	Lifetime ECL (not credit-impaired) MOP'000	Lifetime ECL (credit-impaired) MOP'000	12m ECL MOP'000	Lifetime ECL (not credit-impaired) MOP'000	Lifetime ECL (not credit-impaired) MOP'000	Lifetime ECL (credit-impaired) MOP'000	Total MOP'000
As at 1 January 2023	8,535	–	–	42	1,619	–	10,196
Changes due to financial instruments recognised as at 1 January 2023:							
– Transfer to credit-impaired	(24,044)	24,044	–	–	(1,221)	1,221	–
– Impairment losses recognised	28,262	–	909	–	1,154	–	30,325
– Impairment losses reversed	(5,371)	–	–	(42)	(729)	–	(6,142)
New financial assets originated	2,154	–	–	–	721	–	2,875
As at 31 December 2023	9,536	24,044	909	–	1,544	1,221	37,254
Changes due to financial instruments recognised as at 1 January 2024:							
– Impairment losses recognised	1,848	–	–	–	3,533	–	5,381
– Impairment losses reversed	(8,395)	(400)	(268)	–	(801)	–	(9,864)
New financial assets originated	2,804	–	10	14	19	–	2,847
Exchange difference	(24)	–	–	–	–	–	(24)
As at 31 December 2024	5,769	23,644	651	14	4,295	1,221	35,594

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment (Continued)

Changes in the loss allowance for trade receivables are mainly due to:

	2024 Increase (decrease) in lifetime ECL		2023 Increase (decrease) in lifetime ECL	
	Not credit-impaired MOP'000	**Credit-impaired MOP'000**	Not credit-impaired MOP'000	Credit-impaired MOP'000
One trade debtor with a gross carrying amount of Nil (2023: MOP24,044,000) defaulted and transferred to credit-impaired	**–**	**–**	(24,044)	24,044
Additional impairment losses recognised with gross carrying amount of MOP166,158,000 (2023: MOP251,409,000)	**1,848**	**–**	28,262	–
Settlement in full of trade debtors with gross carrying amount of MOP313,328,000 (2023: MOP199,133,000)	**(8,395)**	**(400)**	(5,371)	–
New trade receivables with gross carrying amount of MOP235,424,000 (2023: MOP228,077,000)	**2,804**	**–**	2,154	–

The Group writes off trade receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities which has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate %	Repayable on demand or less than 3 months MOP'000	3 months to 1 year MOP'000	1 to 5 years MOP'000	Total undiscounted cash flows MOP'000	Total carrying amount MOP'000
At 31 December 2024						
Non-derivative financial liabilities						
Trade payables	–	132,378	37,507	2,742	172,627	172,627
Bills payables	–	963	–	–	963	963
Other payables	–	20	–	–	20	20
Retention payables	–	21,077	–	3,261	24,338	24,338
Amount due to a related company	–	178	–	–	178	178
Bank borrowings	3.15 – 4.45	54,752	115,824	97,291	267,867	257,697
Lease liabilities	10.00	82	198	288	568	482
		209,450	153,529	103,582	466,561	456,305

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31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Liquidity risk (Continued)

	Weighted average effective interest rate %	Repayable on demand or less than 3 months MOP'000	3 months to 1 year MOP'000	1 to 5 years MOP'000	Total undiscounted cash flows MOP'000	Total carrying amount MOP'000
At 31 December 2023						
Non-derivative financial liabilities						
Trade payables	–	42,509	101,489	26,424	170,422	170,422
Other payables	–	435	–	–	435	435
Retention payables	–	24,326	–	8,810	33,136	33,136
Amount due to a related company	–	147	–	–	147	147
Bank overdrafts	4.75	157	13,426	–	13,583	13,250
Bank borrowings	3.40 – 5.13	96,334	145,155	33,324	274,813	267,198
Lease liabilities	10.00	52	156	176	384	354
		163,960	260,226	68,734	492,920	484,942

Derivative financial instruments

The following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash inflows and (outflows) on derivative instruments that settle on a net basis. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual settlement dates as the management of the Group considers that the settlement dates are essential for an understanding of the timing of the cash flows of derivatives.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

31. FINANCIAL INSTRUMENTS *(Continued)*

31b. Financial risk management objectives and policies *(Continued)*

Liquidity risk (Continued)

Derivative financial instruments (Continued)

	Within 1 year MOP'000	Total undiscounted cash flows MOP'000	Carrying amount MOP'000
At 31 December 2023			
Foreign exchange forward			
Contract – net settlement			
– outflow	(1,412)	(1,412)	(1,412)

31c. Fair value measurements of financial instruments and derivatives

The fair value of the Group's derivative financial instruments as at 31 December 2023 was determined under Level 2 fair value hierarchy and the discounted cash flows in which future cash flows was estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

32. PERFORMANCE BONDS AND CONTINGENT LIABILITY

Certain customers of construction contracts undertaken by the Group require the group entities to issue guarantees for the performance of contract works in the form of performance bonds and secured by pledged bank deposits (note 20), promissory notes and corporate guarantee. The performance bonds are released when the construction contracts are completed or substantially completed.

At the end of the reporting period, the Group had outstanding performance bonds as follows:

	2024 **MOP'000**	2023 MOP'000
Issued to the Group by banks	**60,052**	56,583

At 31 December 2024, the Group has obtained total credit facilities of approximately MOP113,300,000 (2023: MOP133,900,000) for the issuance of performance bonds and these credit facilities were secured by (i) the pledged bank deposits of approximately MOP18,084,000 (2023: MOP20,409,000); (ii) the promissory notes of approximately MOP309,000,000 (31 December 2023: MOP309,000,000); and (iii) the corporate guarantee provided by the Company.

33. RETIREMENT BENEFIT PLANS

Eligible employees of the Group are covered by a government-mandated defined contribution plan pursuant to which a fixed amount of retirement benefit would be determined and paid by The Government of the Macau Special Administrative Region. Contributions are generally made by both employees and employers by paying a fixed amount on a monthly basis to the Social Security Fund Contribution managed by the Macau Government. The Group funds the entire contribution and has no further commitments beyond its monthly contributions.

The plans for employees in Hong Kong are a Mandatory Provident Fund Scheme ("MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group in funds under the control of trustees. For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme subject only to the maximum level of payroll costs of HK$30,000 per employee per month, which contribution is matched by the employees.

Employees of the subsidiaries in the PRC are members of pension schemes operated by the Chinese local government. The subsidiaries are required to contribute a certain percentage of the relevant part of the payroll of these employees to the pension schemes to fund the benefits. The only obligation for the Group with respect to the pension schemes is the required contributions under the pension schemes.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

33. RETIREMENT BENEFIT PLANS *(Continued)*

During the year ended 31 December 2024, a total cost of MOP3,756,000 (2023: MOP2,279,000) was charged to profit or loss representing contribution paid or payable to the above retirement benefit plans by the Group.

At the end of the reporting period, the Group had no significant obligation apart from the contribution as stated above.

During the years ended 31 December 2024 and 2023, the Group had no forfeited contributions under the retirement benefits scheme utilised to reduce future contributions.

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Amount due to a related company MOP'000	**Bank borrowings** MOP'000	**Bank overdrafts** MOP'000	**Lease liabilities** MOP'000	**Total** MOP'000
At 1 January 2023	267	90,640	–	–	90,907
Financing cash flows (note)	(120)	168,873	13,250	(35)	181,968
New lease entered	–	–	–	376	376
Interest expenses	–	7,842	–	6	7,848
Exchange difference	–	(157)	–	7	(150)
At 31 December 2023	147	267,198	13,250	354	280,949
Financing cash flows (note)	31	(16,426)	(13,250)	(231)	(29,876)
New lease entered	–	–	–	377	377
Interest expenses	–	10,053	–	12	10,065
Exchange difference	–	(3,128)	–	(30)	(3,158)
At 31 December 2024	**178**	**257,697**	**–**	**482**	**258,357**

Note: The cash flows make up the net amount of advances from and repayment to related companies, bank borrowings, bank overdrafts and lease liabilities in the consolidated statement of cash flows.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2024 MOP'000	2023 MOP'000
Non-current asset		
Investments in subsidiaries	147,204	147,204
Current assets		
Other receivables	613	713
Amounts due from subsidiaries	230,561	228,135
Cash and cash equivalents	1,291	570
	232,465	229,418
Current liabilities		
Accrued charges	1,863	2,178
Dividend payable	2	2
	1,865	2,180
Net current assets	230,600	227,238
Net assets	377,804	374,442
Capital and reserves		
Share capital	41,008	41,056
Reserves	336,796	333,386
Total equity	377,804	374,442

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Movement on the Company's reserves

	Share premium MOP'000	**(Accumulated losses) retained earnings** MOP'000	**Total** MOP'000
At 1 January 2023	354,746	2,563	357,309
Loss and total comprehensive expense for the year	–	(4,701)	(4,701)
Shares repurchased and cancelled	(5,110)	–	(5,110)
Bonus issue of shares	(13,720)	–	(13,720)
Transaction costs attributable to issue of bonus shares	(108)	–	(108)
Exercise of bonus warrants	293	–	293
Transaction costs attributable to exercise of bonus warrants	(577)	–	(577)
At 31 December 2023	335,524	(2,138)	333,386
Profit and total comprehensive income for the year	–	4,212	4,212
Shares repurchased and cancelled	(861)	–	(861)
Exercise of bonus warrants	59	–	59
At 31 December 2024	**334,722**	**2,074**	**336,796**

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

36. INVESTMENTS IN AND PARTICULARS OF SUBSIDIARIES

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

Name of subsidiaries	Place of operation	Place and the date of incorporation/ establishment	Paid up issued/ registered capital	Equity interest attributable to the Company as at 31 December 2024	31 December 2023	Principal activities
Directly held:						
MECOM EHY	British Virgin Islands ("BVI")	BVI 10 May 2017	HK$1	100%	100%	Investment holding
MU Charging Global Limited	BVI	BVI 10 May 2017	HK$1	100%	100%	Investment holding
MECOM Sun Hung Yip	BVI	BVI 10 May 2017	HK$1	100%	100%	Investment holding
MECOM Investment (BVI) Limited	BVI	BVI 14 September 2021	HK$1	100%	100%	Investment holding
MECOM EHY (Cyprus) Limited	BVI	BVI 30 November 2022	HK$1	100%	100%	Investment holding
Indirectly held:						
EHY	Macau	Macau 7 September 2010	MOP1,100,000	100%	100%	Provision of construction services and facilities management services
SHY	Macau	Macau 12 March 2008	MOP50,000	100%	100%	Provision of construction services
MU (Hong Kong) Limited	Hong Kong	Hong Kong 20 November 2020	HK$100	100%	100%	Dormant
MUCHARGING (Macau) Limited	Macau	Macau 7 December 2020	MOP50,000	100%	100%	Provision of EV charging services
自由充(廣東)新能源汽車有限公司 (MU (Guangdong) New Energy Vehicle Co., Ltd.)*^	The PRC	The PRC 26 February 2021	HK$6,000,000	100%	100%	Provision of EV charging services

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

36. INVESTMENTS IN AND PARTICULARS OF SUBSIDIARIES *(Continued)*

Name of subsidiaries	Place of operation	Place and the date of incorporation/ establishment	Paid up issued/ registered capital	Equity interest attributable to the Company as at 31 December 2024	Equity interest attributable to the Company as at 31 December 2023	Principal activities
澳能智匯能源科技(廣州)有限公司 (MECOM Zhihui Energy Technology (Guangzhou) Co., Ltd.)*^	The PRC	The PRC 18 March 2021	RMB10,000,000	100 %	100%	Supplying and operating battery-swapping systems for electric bikes
MECOM Investment Limited	Hong Kong	Hong Kong 24 September 2021	HK$100	100%	100%	Investment holding and trading of construction materials and equipment
澳能國際新材料科技(廣東)有限公司 (MECOM International New Material Technology (Guangdong) Co., Ltd.)*^	The PRC	The PRC 10 November 2021	HK$200,000,000	60%	60%	Trading of construction materials and equipment
Ao Gang Construction (Macau) Limited	Macau	Macau 17 February 2022	MOP50,000	60%	60%	Trading of construction materials and equipment
Ao Gang Construction (Hong Kong) Limited	Hong Kong	Hong Kong 14 April 2022	HK$100	60%	60%	Trading of construction materials and equipment
EHY (Cyprus) Limited	Cyprus	Cyprus 10 March 2023	EUR200,000	100%	100%	Provision of facilities management services
MECOM Greenbuild (Singapore) Pte Ltd.	Singapore	Singapore 6 June 2023	SGD1,000,000	42%	42%	Trading of construction materials and equipment
江門科沛達金屬材料有限責任公司 (Jiangmen Kepeida Metal Materials Co., Ltd.)* ^	The PRC	The PRC 1 September 2023	HKD1,000,000	60%	60%	Trading of construction materials and equipment

None of the subsidiaries had issued any debt securities at the end of the year.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

36. INVESTMENTS IN AND PARTICULARS OF SUBSIDIARIES *(Continued)*

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2024	2023	2024 MOP'000	2023 MOP'000	2024 MOP'000	2023 MOP'000
Ao Gang Construction (Macau) Limited	Macau	40%	40%	4,257	17,901	33,007	28,566
澳能國際新材料科技(廣東)有限公司 (MECOM International New Material Technology (Guangdong) Co., Ltd.)*^	The PRC	40%	40%	1,229	(120)	74,496	73,602
Individually immaterial subsidiaries with non-controlling interests				1,707	(630)	3,312	1,683
				7,193	17,151	110,815	103,851

* the English translation of the companies' names is for reference only. The official name of these companies is in Chinese.

^ These subsidiaries are foreign owned enterprise established in the PRC.

Financial Summary

	Year ended 31 December				
	2024 MOP'000	2023 MOP'000	2022 MOP'000	2021 MOP'000	2020 MOP'000
RESULTS					
Revenue	**1,506,571**	1,496,393	1,341,916	911,982	707,313
Profit before tax	**7,620**	11,086	102,537	144,504	56,958
Income tax expense	**(3,529)**	(5,520)	(10,870)	(18,038)	(6,038)
Profit for the year	**4,091**	5,566	91,667	126,466	50,920
Attributable to:					
Owners of the Company	**(3,102)**	(11,585)	81,344	126,466	50,920
Non-controlling interests	**7,193**	17,151	10,323	–	–
	4,091	5,566	91,667	126,466	50,920
Basic (loss) earnings per share (MOP cents)	**(0.08)**	(0.29)	2.03	4.72	2.84
Diluted (loss) earnings per share (MOP cents)	**(0.08)**	(0.29)	2.03	4.72	2.84

	At 31 December				
	2024 MOP'000	2023 MOP'000	2022 MOP'000	2021 MOP'000	2020 MOP'000
ASSETS AND LIABILITIES					
Total assets	**1,139,104**	1,088,292	995,433	682,787	610,593
Total liabilities	**(657,189)**	(608,327)	(512,034)	(235,259)	(171,561)
Net assets	**481,915**	479,965	483,399	447,528	439,032
CAPITAL AND RESERVES					
Share capital	**41,008**	41,056	27,440	18,358	12,295
Reserves	**330,092**	335,058	369,203	429,170	426,737
Non-controlling interests	**110,815**	103,851	86,756	–	–
Total equity	**481,915**	479,965	483,399	447,528	439,032

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Kuok Lam Sek *(Chairman)*
Mr. Sou Kun Tou *(Chief Executive Officer and Deputy Chairman)*

Independent Non-executive Directors

Ms. Chan Po Yi, Patsy
Mr. Cheung Kiu Cho, Vincent
Mr. Lio Weng Tong

AUDIT COMMITTEE

Ms. Chan Po Yi, Patsy *(Chairlady)*
Mr. Cheung Kiu Cho, Vincent
Mr. Lio Weng Tong

REMUNERATION COMMITTEE

Mr. Lio Weng Tong *(Chairman)*
Ms. Chan Po Yi, Patsy
Mr. Cheung Kiu Cho, Vincent

NOMINATION COMMITTEE

Mr. Cheung Kiu Cho, Vincent *(Chairman)*
Mr. Lio Weng Tong
Ms. Chan Po Yi, Patsy

COMPANY SECRETARY

Ms. Tam Wing Yee

AUTHORISED REPRESENTATIVES

Mr. Sou Kun Tou
Ms. Tam Wing Yee

REGISTERED OFFICE

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Cayman Islands

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Kin Fu Kuok
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Macau

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272-284 Des Voeux Road Central
Sheung Wan, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Cayman Islands

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
and Registered Public Interest Entity Auditor
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Corporate Information

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Macau

As to Cayman Islands law:
Conyers Dill & Pearman
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Hutchins Drive
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Grand Cayman
Cayman Islands

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of Communications Co., Ltd.
China Guangfa Bank Co. Ltd, Macau Branch
Dah Sing Bank, Limited
Tai Fung Bank Limited

STOCK CODE

1183

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