



Build King Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code : 00240)

Interim Report

2025





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Interim Financial Highlights

The board of directors (the “Board”) of Build King Holdings Limited (the “Company”) announces the interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025.

FINANCIAL PERFORMANCE HIGHLIGHTS

| | |
|--|-------------------|
| Percentage of increase in equity** per share | 1% |
| Equity | HK\$2,678 million |
| Equity per share | HK\$2.16 |
| Group revenue | HK\$6,900 million |
| Profit attributable to owners of the Company | HK\$179 million |
| Interim dividend per share | HK4 cents |

** equity refers to equity attributable to owners of the Company

INTERIM DIVIDEND

The Board declared an interim dividend of HK4 cents (six months ended 30 June 2024: HK3 cents) per ordinary share for the six months ended 30 June 2025.

Management Discussion and Analysis

BUSINESS REVIEW AND PROSPECTS

RESULTS

The Group's revenue increased by 7% to HK\$6.9 billion, while the profit attributable to the owners of the Company rose by 20% to HK\$179 million during the six months ended 30 June 2025 (the "Period"), as compared to the same period last year.

The gross profit for the Period decreased to HK\$454 million, compared with HK\$527 million in the same period last year. The decline was primarily due to certain projects approaching completion, while newly awarded projects were still at their early stages and had yet to make significant contributions. The impact of the lower gross profit was mitigated by reductions in administrative expenses, other losses and the share of loss from joint venture.

OPERATIONAL REVIEW

Hong Kong

The Group provides a full spectrum of construction services from building construction and civil engineering to foundation, electrical and mechanical, interior refurbishments and fitting out works in Hong Kong. Total revenue from construction services amounted to HK\$6.8 billion for the Period (2024: HK\$6.4 billion). After deducting directly attributable expenses, segment profit increased to HK\$214 million (2024: HK\$207 million).

Since the beginning of the year, the Group has secured new construction contracts with an attributable contract value of approximately HK\$8 billion. As of the date hereof, the value of outstanding contracts to be completed was approximately HK\$33.6 billion, comprising HK\$20 billion from the Civil Division, HK\$12.6 billion from the Building Division and HK\$1 billion from the Specialist Division.

Mainland China

The Group operates steam supply plants in Gansu and Hubei, providing steam to factories within industrial parks, and offers operational management services to a sewage treatment plant in Wuxi for processing both household and industrial wastewater. Total revenue generated from our environmental projects in Mainland China amounted to HK\$111 million for the Period (2024: HK\$109 million). The increase in revenue was primarily driven by steady improvements in the Group's steam plant operation. During the Period, the Group's operating plants supplied an average of 108 tons/hour of steam, representing a 19% increase compared to 91 tons/hour in the same period last year. After deducting directly attributable expenses, segment profit increased to HK\$14 million (2024: segment loss of HK\$14 million), mainly due to increased revenue and appreciation of Renminbi.

As announced on 24 January 2025, the Group exercised the redemption right under the investment agreement and reduced its interest in the urban redevelopment project known as Haitao Garden from 20% to 10%. The project, located at 58 Haitao Road, Yantian District, Shenzhen, is planned for residential and commercial development (the "Shenzhen Project"). During the Period, land contracts in respect of the Shenzhen Project have been entered into. Construction is expected to be completed in phases between 2027 and 2029.

Management Discussion and Analysis

Employees and Remuneration Policies

As at 30 June 2025, the Group had a total of 3,775 employees (at 31 December 2024: 3,784 employees). Total staff costs comprising directors' remuneration, other staff costs, and retirement benefit scheme contributions amounted to HK\$1,022 million (2024: HK\$939 million) for the Period.

Competitive remuneration packages are structured for each employee commensurate with individual responsibility, qualifications, experience, and performance. In addition, discretionary bonuses may be paid depending upon the financial performance of the Group as well as that of the individual.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2025, the Group had liquid assets of HK\$1,989 million (at 31 December 2024: HK\$1,992 million) comprising financial assets at fair value through profit or loss of HK\$45 million (at 31 December 2024: HK\$460 million), time deposits with an original maturity of not less than three months of HK\$1 million (at 31 December 2024: HK\$1 million) and bank balances and cash of HK\$1,943 million (at 31 December 2024: HK\$1,531 million).

As at 30 June 2025, the Group had total interest-bearing borrowings of HK\$131 million (at 31 December 2024: HK\$99 million) comprising bank loans of HK\$108 million (at 31 December 2024: HK\$76 million) and other creditors of HK\$23 million (at 31 December 2024: HK\$23 million). The maturity profile of the interest-bearing debts for both periods is as below.

| | At 30 June 2025 HK\$ million | At 31 December 2024 HK\$ million |
|--------------------------------------|------------------------------------|--|
| On demand or within one year | 91 | 73 |
| In the second year | 1 | 1 |
| In the third to fifth year inclusive | 39 | 25 |
| | 131 | 99 |

The Group's borrowings, bank balances and cash and financial assets at fair value through profit or loss were principally denominated in Hong Kong dollars. Hence, there is no exposure to foreign exchange rate fluctuations. During the Period, the Group did not enter any financial instrument for hedging purposes. As at 30 June 2025, total borrowings of HK\$41 million (at 31 December 2024: HK\$27 million) carried interest at a fixed rate.

Management Discussion and Analysis

Capital Structure and Gearing

As at 30 June 2025, total equity was HK\$2,690 million (at 31 December 2024: HK\$2,675 million) comprising ordinary share capital of HK\$124 million (at 31 December 2024: HK\$124 million), reserves of HK\$2,554 million (at 31 December 2024: HK\$2,538 million) and non-controlling interests of HK\$12 million (at 31 December 2024: HK\$13 million).

The final dividend of HK7.5 cents per ordinary share and special dividend of HK6.0 cents per ordinary share for the year ended 31 December 2024 totalling approximately HK\$168 million was approved by the shareholders of the Company on 21 May 2025 and reflected as an appropriation of reserves during the Period. Apart from the aforesaid dividend payment and the reported interim profit, there was no other significant movement in the reserves of the Group during the Period.

As at 30 June 2025, the gearing ratio, representing total interest-bearing borrowings as a percentage of total equity, was 5% (at 31 December 2024: 4%).

Pledge of Assets

As at 30 June 2025, bank deposits of the Group amounting to HK\$89 million (at 31 December 2024: HK\$81 million) were pledged to banks for securing banking facilities granted to the Group.



Dividend

INTERIM DIVIDEND

The Board has declared an interim dividend of HK4 cents (six months ended 30 June 2024: HK3 cents) per ordinary share for the six months ended 30 June 2025 to the shareholders of the Company whose names appear in the register of members of the Company on Friday, 12 September 2025.

It is expected that the payment of the interim dividend will be made on Monday, 29 September 2025.

CLOSURE OF REGISTER OF MEMBERS

The record date for the interim dividend will be Friday, 12 September 2025. The register of members of the Company will be closed from Thursday, 11 September 2025 to Friday, 12 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:00 p.m. on Wednesday, 10 September 2025.

Disclosure of Interests

DIRECTORS' INTERESTS

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

(I) The Company

Interests in Shares

| Name of Director | Nature of interest | Number of Shares held | | Percentage of shareholding (%) |
|--------------------------|--------------------|-----------------------|----------------|--------------------------------|
| | | Long position (Note) | Short position | |
| Zen Wei Peu, Derek | Personal | 119,775,228 | — | 9.64 |
| Lui Yau Chun, Paul | Personal | 1,683,092 | — | 0.14 |
| Tsui Wai Tim | Personal | 1,150,000 | — | 0.09 |
| Chan Chi Ming | Personal | 400,000 | — | 0.03 |
| David Howard Gem | Personal | 900,000 | — | 0.07 |
| Chang Kam Chuen, Desmond | Personal | 1,500,000 | — | 0.12 |

Note:

Long position in the Shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).

(II) Associated Corporations

Interests in Shares

| Name of Director | Name of company | Nature of interest | Number of shares held | | Percentage of shareholding (%) |
|--------------------|--|---------------------|------------------------|----------------|--------------------------------|
| | | | Long position (Note 1) | Short position | |
| Zen Wei Peu, Derek | Wai Kee Holdings Limited (“Wai Kee”) | Personal | 255,880,078 | — | 32.26 |
| | | Securities interest | 39,615,000 | — | 5.00 |
| | Build King (Zens) Engineering Limited (Note 2) | Personal | 2,000,000 | — | 10.00 |
| | Wai Luen Stone Products Limited | Personal | 30,000 | — | 37.50 |
| Lui Yau Chun, Paul | Wai Kee | Personal | 200,000 | — | 0.03 |

Notes:

- Long position in the shares (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).
- Formerly known as Wai Kee (Zens) Construction & Transportation Company Limited.

Disclosure of Interests

DIRECTORS' INTERESTS (Continued)

Save as disclosed above, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, none of the Directors nor their spouses or children under 18 years of age were granted or had exercised any rights to subscribe for any securities of the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2025, so far as was known to the Directors or the chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of the SFO:

| Name of substantial Shareholder | Nature of interest | Number of Shares held and percentage of shareholding | | | |
|---|--------------------------------------|--|-------|------------------|---|
| | | Long position (Note 1) | | Short position | |
| | | Number of Shares | % | Number of Shares | % |
| Top Horizon Holdings Limited ("Top Horizon") (Note 2) | Beneficial owner | 724,435,033 | 58.33 | — | — |
| Wai Kee (Zens) Holding Limited ("Wai Kee (Zens)") (Note 3) | Interest in a controlled corporation | 724,435,033 | 58.33 | — | — |
| Wai Kee (Note 4) | Interest in a controlled corporation | 724,435,033 | 58.33 | — | — |

Notes:

1. Long position in the Shares.
2. Top Horizon is a direct wholly-owned subsidiary of Wai Kee (Zens). Mr. Zen Wei Peu, Derek is a director of Top Horizon.
3. Wai Kee (Zens) is deemed to be interested in the Shares through its interests in Top Horizon. Mr. Zen Wei Peu, Derek is a director of Wai Kee (Zens).
4. Wai Kee (Zens) is a direct wholly-owned subsidiary of Wai Kee. Accordingly, Wai Kee is deemed to be interested in the Shares through its interests in Wai Kee (Zens). Mr. Zen Wei Peu, Derek is the Chairman, the Chief Executive Officer and an executive director of Wai Kee.

Save as disclosed above, as at 30 June 2025, no other person (other than Directors or chief executive of the Company) had an interest or a short position in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of Corporate Governance Code set out in Appendix C1 of the Listing Rules throughout the six months ended 30 June 2025, except for code provision C.2.1 in respect of the separate roles of the chairman and chief executive officer.

Mr. Zen Wei Peu, Derek has been both the Chairman and Chief Executive Officer of the Company. In addition to his responsibilities as Chairman overseeing the function of the Board and formulating overall strategies and policies of the Company, Mr. Zen has taken up the management of the Group's business and overall operation. However, the day-to-day running of the Company has been delegated to the divisional heads responsible for the different aspects of the business.

The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the business of the Group given that there are a strong and independent element on the Board and a clear division of responsibility in running the business of the Group. The Board believes that the structure outlined above is beneficial to the Company and its business.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' Securities Transactions. All Directors have confirmed, following specific enquiry, that they have complied with the Model Code throughout the six months ended 30 June 2025.

Other Information

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) for the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management, internal auditor and external auditor the accounting policies adopted by the Group and the unaudited interim financial information for the six months ended 30 June 2025.

DISCLOSURE PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Upon enquiry by the Company, save as disclosed below, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report:

| Name of Director | Details of changes |
|--------------------|--|
| Zen Wei Peu, Derek | Mr. Zen has been re-designated from the Vice Chairman to the Chairman of Wai Kee Holdings Limited with effect from 21 June 2025. Mr. Zen has entered into a service agreement with the Company for a term of three years commencing from 1 May 2025 to 30 April 2028. |

SUPPLEMENTAL INFORMATION FOR THE 2024 ANNUAL REPORT

Reference is made to the Company's annual report 2024. The Company would like to confirm that it has complied with the requirements in Chapter 14A of the Listing Rules in respect of the connected transactions as disclosed in the Note 46 to the consolidated financial statements of the Group for the year ended 31 December 2024.

APPRECIATION

I would like to take this opportunity to express my hearty gratitude to our shareholders, clients, business partners, directors and, not least, our staff for their hard work and loyalty.

By Order of the Board
Build King Holdings Limited
Zen Wei Peu, Derek
Chairman

Hong Kong, 26 August 2025

Report on Review of Condensed Consolidated Financial Statements



德勤

TO THE BOARD OF DIRECTORS OF BUILD KING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of Build King Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 12 to 35, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of these condensed consolidated financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

26 August 2025

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

| | NOTES | Six months ended 30 June | |
|--|-------|---------------------------------|---------------------------------|
| | | 2025 (Unaudited) HK\$'000 | 2024 (Unaudited) HK\$'000 |
| Revenue from services | 3 | 6,899,772 | 6,472,335 |
| Cost of sales | | (6,445,935) | (5,945,007) |
| Gross profit | | 453,837 | 527,328 |
| Investments and other income | 5 | 33,897 | 15,373 |
| Net (decrease) increase in fair value of financial assets at fair value through profit or loss ("FVTPL") | | (15,599) | 29,650 |
| Administrative expenses | | (264,880) | (311,611) |
| Other losses | 6 | — | (42,730) |
| Finance costs | 7 | (3,776) | (11,908) |
| Share of results of joint ventures | | (921) | (46,485) |
| Share of results of associates | | 2,123 | 8,271 |
| Profit before tax | 8 | 204,681 | 167,888 |
| Income tax expense | 9 | (28,061) | (22,253) |
| Profit for the period | | 176,620 | 145,635 |
| Profit (loss) for the period attributable to: | | | |
| Owners of the Company | | 178,559 | 148,198 |
| Non-controlling interests | | (1,939) | (2,563) |
| | | 176,620 | 145,635 |
| Earnings per share | 10 | HK cents | HK cents |
| – Basic | | 14.4 | 11.9 |

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

| | Six months ended 30 June | |
|--|---------------------------------|---------------------------------|
| | 2025 (Unaudited) HK\$'000 | 2024 (Unaudited) HK\$'000 |
| Profit for the period | 176,620 | 145,635 |
| Other comprehensive income (expense) | | |
| <i>Item that may be reclassified subsequently to profit or loss:</i> | | |
| Exchange differences arising on translation of foreign operations | 5,806 | (9,327) |
| Total comprehensive income for the period | 182,426 | 136,308 |
| Total comprehensive income (expense) for the period attributable to: | | |
| Owners of the Company | 183,476 | 139,747 |
| Non-controlling interests | (1,050) | (3,439) |
| | 182,426 | 136,308 |

Condensed Consolidated Statement of Financial Position

At 30 June 2025

| | NOTES | 30 June 2025 (Unaudited) HK\$'000 | 31 December 2024 (Audited) HK\$'000 |
|--|-------|--|--|
| Non-current assets | | | |
| Property, plant and equipment | 12 | 457,950 | 458,806 |
| Right-of-use assets | 12 | 56,589 | 55,858 |
| Intangible assets | | 201,228 | 216,839 |
| Goodwill | | 30,554 | 30,554 |
| Interests in joint ventures | 13 | 5,342 | 6,030 |
| Interests in associates | 14 | 37,541 | 35,430 |
| Financial assets at FVTPL | 15 | 328,559 | 328,559 |
| | | 1,117,763 | 1,132,076 |
| Current assets | | | |
| Inventories | 16 | 130,960 | 136,199 |
| Debtors, deposits and prepayments | 17 | 950,111 | 992,400 |
| Contract assets | 18 | 3,866,134 | 4,020,830 |
| Amounts due from fellow subsidiaries | | 3,390 | 3,193 |
| Amount due from a joint venture | | 379 | 312 |
| Amounts due from associates | | 14,792 | 62,989 |
| Amounts due from other partners of joint operations | | 43,207 | 46,284 |
| Financial assets at FVTPL | 15 | 44,754 | 460,162 |
| Tax recoverable | | 3,335 | 8,270 |
| Pledged bank deposits | | 89,446 | 80,507 |
| Time deposits with original maturity of not less than three months | | 610 | 1,343 |
| Bank balances and cash | | 1,942,969 | 1,530,568 |
| | | 7,090,087 | 7,343,057 |
| Current liabilities | | | |
| Creditors and accrued charges | 19 | 3,970,895 | 4,574,475 |
| Contract liabilities | | 1,219,017 | 966,170 |
| Lease liabilities | | 29,664 | 29,685 |
| Amount due to an intermediate holding company | | 21,170 | 20,748 |
| Amounts due to fellow subsidiaries | | 2,933 | 5,572 |
| Amounts due to other partners of joint operations | | 30,384 | 3,855 |
| Amounts due to non-controlling interests | | 1,098 | 1,098 |
| Amount due to an associate | | 25,368 | 24,317 |
| Tax payable | | 75,264 | 55,664 |
| Bank loans - due within one year | 20 | 107,971 | 75,696 |
| | | 5,483,764 | 5,757,280 |
| Net current assets | | 1,606,323 | 1,585,777 |
| Total assets less current liabilities | | 2,724,086 | 2,717,853 |

Condensed Consolidated Statement of Financial Position

At 30 June 2025

| | NOTES | 30 June 2025 (Unaudited) HK\$'000 | 31 December 2024 (Audited) HK\$'000 |
|--|-------|--|--|
| Capital and reserves | | | |
| Ordinary share capital | 21 | 124,188 | 124,188 |
| Reserves | | 2,553,862 | 2,538,040 |
| Equity attributable to owners of the Company | | 2,678,050 | 2,662,228 |
| Non-controlling interests | | 11,730 | 12,780 |
| Total equity | | 2,689,780 | 2,675,008 |
| Non-current liabilities | | | |
| Deferred tax liabilities | 22 | 5,750 | 8,665 |
| Obligations in excess of interests in joint ventures | 13 | 686 | 453 |
| Obligations in excess of interests in associates | 14 | 9,378 | 13,410 |
| Amount due to an associate | | — | 671 |
| Lease liabilities | | 18,492 | 19,646 |
| | | 34,306 | 42,845 |
| | | 2,724,086 | 2,717,853 |

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

| | Attributable to owners of the Company | | | | | | | | Non-controlling interests | Total equity |
|--|---------------------------------------|----------|-------------|----------|----------|-------------|-----------|-----------|---------------------------|--------------|
| | Ordinary | Share | Translation | Other | Special | Asset | Retained | Sub-total | | |
| | share | premium | reserve | reserve | reserve | revaluation | profits | | | |
| | capital | | | | | | | | | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | | | |
| | | | | (Note a) | (Note b) | | | | | |
| At 1 January 2024 (audited) | 124,188 | 14,186 | (9,451) | (35,313) | (63,141) | 4,290 | 2,341,711 | 2,376,470 | 25,758 | 2,402,228 |
| Profit (loss) for the period | — | — | — | — | — | — | 148,198 | 148,198 | (2,563) | 145,635 |
| Exchange differences arising on translation of foreign operations | — | — | (8,451) | — | — | — | — | (8,451) | (876) | (9,327) |
| Total comprehensive (expense) income for the period | — | — | (8,451) | — | — | — | 148,198 | 139,747 | (3,439) | 136,308 |
| Dividend paid | — | — | — | — | — | — | (99,350) | (99,350) | — | (99,350) |
| At 30 June 2024 (unaudited) | 124,188 | 14,186 | (17,902) | (35,313) | (63,141) | 4,290 | 2,390,559 | 2,416,867 | 22,319 | 2,439,186 |
| At 1 January 2025 (audited) | 124,188 | 14,186 | (21,083) | (35,313) | (63,141) | 4,290 | 2,639,101 | 2,662,228 | 12,780 | 2,675,008 |
| Profit (loss) for the period | — | — | — | — | — | — | 178,559 | 178,559 | (1,939) | 176,620 |
| Exchange differences arising on translation of foreign operations | — | — | 4,917 | — | — | — | — | 4,917 | 889 | 5,806 |
| Total comprehensive income (expense) for the period | — | — | 4,917 | — | — | — | 178,559 | 183,476 | (1,050) | 182,426 |
| Dividend paid | — | — | — | — | — | — | (167,654) | (167,654) | — | (167,654) |
| At 30 June 2025 (unaudited) | 124,188 | 14,186 | (16,166) | (35,313) | (63,141) | 4,290 | 2,650,006 | 2,678,050 | 11,730 | 2,689,780 |

Notes:

- The other reserve represents (i) the excess of the consideration paid over the additional interests in net assets of respective acquired subsidiaries and (ii) the capital contribution paid on behalf of the non-controlling interest.
- The special reserve represents adjustment in share capital on the reverse acquisition of the Company in 2004.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

| | Six months ended 30 June | |
|---|---------------------------------|---------------------------------|
| | 2025 (Unaudited) HK\$'000 | 2024 (Unaudited) HK\$'000 |
| Net cash from operating activities | 155,425 | 33,068 |
| Investing activities | | |
| Placement of time deposits | (12) | (513) |
| Withdrawal of time deposits | 765 | 35,100 |
| Purchases of property, plant and equipment | (26,530) | (42,807) |
| Repayments from (advances to) associates | 48,197 | (22) |
| Proceeds from disposal of property, plant and equipment | 2,678 | 1,206 |
| (Advances to) repayment from a joint venture | (53) | 318 |
| Placement of pledged bank deposits | (8,939) | (12,296) |
| Redemption of shareholder loan | 400,000 | — |
| Net cash from (used in) investing activities | 416,106 | (19,014) |
| Financing activities | | |
| New bank loans raised | 70,048 | 100,057 |
| Advance from an intermediate holding company | 422 | 290 |
| Repayments of bank loans | (39,424) | (158,379) |
| Dividend paid | (167,654) | (99,350) |
| Repayments of lease liabilities | (14,681) | (16,641) |
| Interest paid | (2,936) | (10,802) |
| Interest paid on lease liabilities | (460) | (735) |
| Net cash used in financing activities | (154,685) | (185,560) |
| Net increase (decrease) in cash and cash equivalents | 416,846 | (171,506) |
| Cash and cash equivalents at beginning of the period | 1,530,568 | 1,299,649 |
| Effect of foreign exchange rate changes, net | (4,445) | 3,105 |
| Cash and cash equivalents at end of the period | 1,942,969 | 1,131,248 |
| Represented by: | | |
| Bank balances and cash | 1,942,969 | 1,131,248 |

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. GENERAL INFORMATION

Build King Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Top Horizon Holdings Limited, a company incorporated in the British Virgin Islands with limited liability. The directors of the Company (the “Directors”) consider Wai Kee Holdings Limited (“Wai Kee”), also incorporated in Bermuda as an exempted company with limited liability and its shares being listed on the Stock Exchange, as the Company’s ultimate holding company.

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

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than changes in accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standard (“HKFRS”) Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

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

Amendments to HKAS 21

Lack of Exchangeability

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE FROM SERVICES

Disaggregation of revenue from contracts with customers

| | Other regions in the People's Republic of China (the "PRC") | | |
|--------------------------------------|---|----------|--------------------------|
| | Hong Kong HK\$'000 | HK\$'000 | Consolidated HK\$'000 |
| Six months ended 30 June 2025 | | | |
| Types of service | | | |
| Construction contract | 6,789,268 | — | 6,789,268 |
| Sewage treatment plant operation | — | 11,304 | 11,304 |
| Steam fuel plant operation | — | 99,200 | 99,200 |
| Total revenue | 6,789,268 | 110,504 | 6,899,772 |
| Timing of revenue recognition | | | |
| Over time | 6,789,268 | 110,504 | 6,899,772 |
| Six months ended 30 June 2024 | | | |
| Types of service | | | |
| Construction contract | 6,363,753 | — | 6,363,753 |
| Sewage treatment plant operation | — | 24,455 | 24,455 |
| Steam fuel plant operation | — | 84,127 | 84,127 |
| Total revenue | 6,363,753 | 108,582 | 6,472,335 |
| Timing of revenue recognition | | | |
| Over time | 6,363,753 | 108,582 | 6,472,335 |

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENTAL INFORMATION

The Group is mainly engaged in construction work. Information reported to the Company's chief operating decision maker (i.e. the executive directors) for the purposes of resource allocation and assessment of performance is focused on geographical location of its customers including Hong Kong and the PRC. No operating segments have been aggregated in arriving at the reporting segment of the Group. The Group's reportable segments under HKFRS 8 "Operating Segments" are as follows:

Six months ended 30 June 2025

| | Hong Kong HK\$'000 | The PRC HK\$'000 | Total HK\$'000 |
|---|-----------------------|---------------------|-------------------|
| Results | | | |
| Segment revenue | 6,789,268 | 110,504 | 6,899,772 |
| Segment profit | 213,571 | 13,812 | 227,383 |
| Unallocated expenses | | | (4,700) |
| Investments income | | | 171 |
| Net decrease in fair value of financial assets at FVTPL | | | (15,599) |
| Share of results of joint ventures | | | (921) |
| Share of results of associates | | | 2,123 |
| Finance costs | | | (3,776) |
| Profit before tax | | | 204,681 |

Six months ended 30 June 2024

| | Hong Kong HK\$'000 | The PRC HK\$'000 | Total HK\$'000 |
|---|-----------------------|---------------------|-------------------|
| Results | | | |
| Segment revenue | 6,363,753 | 108,582 | 6,472,335 |
| Segment profit (loss) | 206,636 | (13,906) | 192,730 |
| Unallocated expenses | | | (4,993) |
| Investments income | | | 623 |
| Net increase in fair value of financial assets at FVTPL | | | 29,650 |
| Share of results of joint ventures | | | (46,485) |
| Share of results of associates | | | 8,271 |
| Finance costs | | | (11,908) |
| Profit before tax | | | 167,888 |

There are no inter-segment sales for both periods.

All of the segment revenue reported above is from external customers.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENTAL INFORMATION (Continued)

Segment profit (loss) represents the profit earned (loss incurred) by each segment without allocation of dividends from financial assets at FVTPL, interest on financial assets at FVTPL, change in fair value of financial assets at FVTPL, share of results of joint ventures and associates, finance costs and unallocated expenses.

5. INVESTMENTS AND OTHER INCOME

| | Six months ended 30 June | |
|---|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Investments and other income include: | | |
| Interest on bank deposits | 9,460 | 7,389 |
| Interest on other receivables | — | 1,447 |
| Interest on other financial asset at amortised cost | — | 341 |
| Interest on financial assets at FVTPL | 47 | 519 |
| Interest on loan to an associate | — | 32 |
| Dividends from financial assets at FVTPL | 124 | 104 |

6. OTHER LOSSES

| | Six months ended 30 June | |
|---|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Impairment loss recognised on interest in a joint venture | — | 6,691 |
| Written down to net realisable value of inventory | — | 36,039 |
| | — | 42,730 |

7. FINANCE COSTS

| | Six months ended 30 June | |
|--|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Interests on: | | |
| Bank borrowings | 2,480 | 10,123 |
| Other borrowings | 456 | 679 |
| Lease liabilities | 460 | 735 |
| Imputed interest expense on non-current amount due to an associate | 380 | 371 |
| | 3,776 | 11,908 |

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

8. PROFIT BEFORE TAX

| | Six months ended 30 June | |
|---|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Profit before tax has been arrived at after charging (crediting): | | |
| Depreciation of property, plant and equipment | 37,197 | 32,998 |
| Depreciation of right-of-use assets | 13,365 | 15,840 |
| Amortisation of intangible assets | 20,850 | 6,802 |
| Net foreign exchange (gains) losses | (18,100) | 10,793 |
| Loss (gain) on disposal of property, plant and equipment | 197 | (1,130) |

9. INCOME TAX EXPENSE

| | Six months ended 30 June | |
|--|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Current tax: | | |
| Hong Kong | 27,935 | 18,016 |
| The PRC | 3,417 | 1,928 |
| | 31,352 | 19,944 |
| (Over) under provision in prior years: | | |
| Hong Kong | (376) | (15) |
| The PRC | — | 2,324 |
| | (376) | 2,309 |
| Deferred tax (Note 22) | (2,915) | — |
| | 28,061 | 22,253 |

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated weighted average annual tax rate used is 16.5% for both periods.

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10. EARNINGS PER SHARE

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

| | Six months ended 30 June | |
|--|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Profit for the period attributable to the owners of the Company and earnings for the purpose of basic earnings per share | 178,559 | 148,198 |

| | Number of shares | |
|--|------------------|-----------|
| | '000 | '000 |
| Weighted average number of ordinary shares for the purpose of basic earnings per share | 1,241,878 | 1,241,878 |

The Company has no potential ordinary shares outstanding during both periods.

11. DIVIDEND

| | Six months ended 30 June | |
|--|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Dividend paid and recognised as distribution during the period: | | |
| 2024 final dividend - HK7.5 cents per share (six months ended 30 June 2024: 2023 final dividend - HK8.0 cents per share) | 93,141 | 99,350 |
| 2024 special dividend - HK6.0 cents per share (six months ended 30 June 2024: nil) | 74,513 | — |
| | 167,654 | 99,350 |

An interim dividend of HK4 cents (six months ended 30 June 2024: HK3 cents) per ordinary share, totalling approximately HK\$49,675,000 (six months ended 30 June 2024: HK\$37,256,000) was declared by the Board on 26 August 2025. The interim dividend has not been included as a liability in these condensed consolidated financial statements as it was declared after the end of the reporting period.

The amount of the interim dividend was calculated on the basis of 1,241,877,992 shares in issue as at 26 August 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the period, the Group has additions of HK\$26,530,000 (six months ended 30 June 2024: HK\$42,807,000) and HK\$18,972,000 (six months ended 30 June 2024: HK\$3,843,000) on property, plant and equipment and right-of-use assets respectively.

13. INTERESTS IN JOINT VENTURES/OBLIGATIONS IN EXCESS OF INTERESTS IN JOINT VENTURES

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--|-----------------------------|---------------------------------|
| Cost of investments in unlisted joint ventures | 40,956 | 40,956 |
| Less: Impairment loss recognised | (40,956) | (40,956) |
| | — | — |
| Share of post-acquisition profits and other comprehensive income, net of dividends received | 4,656 | 5,577 |
| | 4,656 | 5,577 |
| Included in: | | |
| Non-current assets | 5,342 | 6,030 |
| Non-current liabilities | (686) | (453) |
| | 4,656 | 5,577 |

At 30 June 2025, the Group has contractual obligations to share the net liabilities of a joint venture amounting to HK\$686,000 (31 December 2024: HK\$453,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14. INTERESTS IN ASSOCIATES/OBLIGATIONS IN EXCESS OF INTERESTS IN ASSOCIATES

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--|-----------------------------|---------------------------------|
| Cost of investments in unlisted associates | 42,409 | 42,425 |
| Share of post-acquisition losses and other comprehensive expenses, net of dividend received | (14,246) | (20,405) |
| | 28,163 | 22,020 |
| Included in: | | |
| Non-current assets | 37,541 | 35,430 |
| Non-current liabilities | (9,378) | (13,410) |
| | 28,163 | 22,020 |

At 30 June 2025, the Group has contractual obligations to share the net liabilities of certain associates amounting to HK\$9,378,000 (31 December 2024: HK\$13,410,000).

15. FINANCIAL ASSETS AT FVTPL

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|---|-----------------------------|---------------------------------|
| Financial assets mandatorily measured at FVTPL: | | |
| Listed securities in Hong Kong (Note (a)) | 4,975 | 5,495 |
| Unlisted equity investment in Hong Kong (Note (b)) | 1,220 | 1,220 |
| Quoted debt securities (Note (c)) | 7,177 | 9,391 |
| Unlisted investment fund (Note (d)) | 32,602 | 45,276 |
| Investment in a property company (Note (e)) | 327,339 | — |
| Shareholder loan to an associate with redemption right (Note (e)) | — | 727,339 |
| | 373,313 | 788,721 |
| Analysed for reporting purposes as: | | |
| Non-current assets | 328,559 | 328,559 |
| Current assets | 44,754 | 460,162 |
| | 373,313 | 788,721 |

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15. FINANCIAL ASSETS AT FVTPL (Continued)

Notes:

- (a) The listed securities in Hong Kong are measured at fair value at recurring basis, by reference to market bid price in an active market.
- (b) The unlisted equity investment represents investment in a private entity incorporated in Hong Kong. The fair value of the investment is measured with reference to the net asset value of the private entity.
- (c) The quoted debt securities represent investment in unlisted bonds issued by listed entities. It has been acquired principally for the purpose of selling in the near term, thus classified as held for trading.
- (d) The unlisted investment fund represents investment in equity investment fund issued by a private entity incorporated in Hong Kong. The fair value of the investment is measured with reference to the net asset value of the investment fund.
- (e) In 2023, the Group acquired 20% of the issued shares of Rainbow Triumph Limited ("RTL") at a price of HK\$15,700 and the shareholder loan due from RTL in the principal amount of HK\$800,000,000 at a total consideration of HK\$800,015,700. RTL is an investment holding company incorporated in the British Virgin Islands, and is a subsidiary of Road King Infrastructure Limited ("Road King"), a company incorporated in Bermuda as an exempted company with its shares listed on the Stock Exchange. Road King is an associate of Wai Kee. The Group has the right to require RTL to repay (i) up to 50% of the shareholder loan due to the Group on the first anniversary of the acquisition's completion date; and (ii) up to the balance of shareholder loan due to the Group on 28 February 2025, at the redemption price based on adjustments related to the market value of properties held by RTL. The fair value of the redemption right has been arrived on the basis of a valuation carried out on the date by an independent and qualified property valuer not connected to the Group. The Group did not exercise the right on the first anniversary of the completion date within the timeframe as stated in the agreement.

The Directors consider that the redemption right is a derivative embedded in the shareholder loan. The entire shareholder loan including principal, interest and redemption right are accounted for as financial assets at FVTPL.

On 24 January 2025, the Group served notice to RTL to exercise the loan redemption right in respect of the principal amount of HK\$400,000,000 and transfer 10% of the issued shares to Shine Precious Limited, an indirect wholly owned subsidiary of Road King. The final redemption price of HK\$400,000,000 is classified as current asset at 31 December 2024, and was settled on 28 February 2025. Following the completion of the loan redemption, the remaining financial assets of FVTPL of HK\$327,339,000 comprising 10% of the issued shares in RTL and the remaining shareholder loan is classified as non-current asset at 31 December 2024 and 30 June 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

16. INVENTORIES

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|------------------------------------|-----------------------------|---------------------------------|
| Property under development | | |
| Freehold land in Malaysia (Note) | 52,430 | 49,523 |
| Uninstalled construction materials | 78,530 | 86,676 |
| | 130,960 | 136,199 |

Note: The carrying amount of freehold land is stated at lower of cost and net realisable value.

17. DEBTORS, DEPOSITS AND PREPAYMENTS

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--|-----------------------------|---------------------------------|
| Trade receivables from contracts with customers analysed by age: | | |
| 0 to 60 days | 663,129 | 591,610 |
| 61 to 90 days | 1,796 | — |
| Over 90 days | 64,386 | 58,770 |
| | 729,311 | 650,380 |
| Bills receivables | 2,919 | 3,254 |
| Other debtors | 100,408 | 83,435 |
| Consideration receivable from disposal of a subsidiary | 13,243 | 132,449 |
| Deposits | 100,104 | 120,494 |
| Prepayment | 4,126 | 2,388 |
| | 950,111 | 992,400 |

The Group allows an average credit period of 60 days to its trade customers.

Bills receivables of the Group normally mature within 90 days from the bills receipt date.

As part of the internal credit risk management, the Group applies internal credit rating for its customers in relation to construction contracts. The exposure to credit risk and expected credit losses ("ECL") for trade receivables are assessed individually as at 30 June 2025. After the assessment of the Group, the impairment allowance on trade receivables is insignificant to the Group for the current interim period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

18. CONTRACT ASSETS

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--|-----------------------------|---------------------------------|
| Analysed as current: | | |
| Unbilled revenue of construction contracts (Note (a)) | 2,919,399 | 3,157,219 |
| Retention receivables of construction contracts (Note (b)) | 946,735 | 863,611 |
| | 3,866,134 | 4,020,830 |
| Retention receivables of construction contracts | | |
| Due within one year | 239,861 | 325,047 |
| Due more than one year | 706,874 | 538,564 |
| | 946,735 | 863,611 |

Notes:

- (a) Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed but not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.
- (b) Retention receivables included in contract assets represents the Group's right to receive consideration for work performed but not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group. For retention receivables in respect of construction contracts, the due dates are usually one year after the completion of the construction work.

As part of the internal credit risk management, the Group applies internal credit rating for its customers in relation to construction contracts. The exposure to credit risk and ECL for contract assets are assessed individually as at 30 June 2025. After the assessment of the Group, the impairment allowance on contract assets is insignificant to the Group for the current interim period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. CREDITORS AND ACCRUED CHARGES

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--|-----------------------------|---------------------------------|
| Trade creditors analysed by age: | | |
| 0 to 60 days | 271,698 | 637,931 |
| 61 to 90 days | 77,527 | 92,108 |
| Over 90 days | 35,309 | 21,273 |
| | 384,534 | 751,312 |
| Retention payables | 1,306,483 | 1,247,804 |
| Accrued project costs | 2,122,790 | 2,423,437 |
| Other creditors and accrued charges (Note) | 157,088 | 151,922 |
| | 3,970,895 | 4,574,475 |
| Retention payables: | | |
| Repayable within one year | 529,261 | 603,813 |
| Repayable more than one year | 777,222 | 643,991 |
| | 1,306,483 | 1,247,804 |

Note: Including in the other creditors and accrued charges are other creditors of HK\$23,000,000 (31 December 2024: HK\$23,000,000) which are unsecured interest bearing at 4% fixed rate per annum and variable interest with special condition as per the respective loan agreements and will be fully repaid before 31 December 2025.

For retention payables in respect of construction contracts, the due dates are usually one year after the completion of the construction work and are expected to be settled within the Group's normal operating cycle.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20. BANK LOANS

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|---|-----------------------------|---------------------------------|
| The maturity of bank loans that based on repayment schedule of respective loan agreements is as follows: | | |
| Within one year | 67,659 | 50,068 |
| In the second year | 1,097 | 1,060 |
| In the third to fifth year inclusive | 39,215 | 24,568 |
| | 107,971 | 75,696 |
| Less: Amounts due within one year or contain a repayable on demand clause shown under current liabilities | (107,971) | (75,696) |
| Amounts shown under non-current liabilities | — | — |
| Secured bank loans | 57,971 | 47,678 |
| Unsecured bank loans | 50,000 | 28,018 |
| | 107,971 | 75,696 |

As at 30 June 2025, the Group has bank loans in the amount of HK\$107,971,000 (31 December 2024: HK\$75,696,000) contain a repayable on demand clause and accordingly related bank loans that are repayable more than one year after the end of reporting period with aggregate carrying amount of HK\$40,312,000 (31 December 2024: HK\$25,628,000) had been classified as current liabilities.

As at the end of the reporting period, the Group has undrawn borrowing facilities of HK\$1,411,135,000 (31 December 2024: HK\$1,403,421,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

21. ORDINARY SHARE CAPITAL

| | Number of shares | Amount HK\$'000 |
|--|---------------------|--------------------|
| Authorised: | | |
| Ordinary shares of HK\$0.1 each | | |
| At 1 January 2024, 31 December 2024 and 30 June 2025 | 1,700,000,000 | 170,000 |
| Issued and fully paid: | | |
| Ordinary shares of HK\$0.1 each | | |
| At 1 January 2024, 31 December 2024 and 30 June 2025 | 1,241,877,992 | 124,188 |

22. DEFERRED TAX LIABILITIES

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--------------------------|-----------------------------|---------------------------------|
| Deferred tax liabilities | 5,750 | 8,665 |

The deferred tax liabilities recognised by the Group represent fair value of intangible assets arising from the acquisition of a subsidiary during the year ended 31 December 2005 and acquisition of a business during the year ended 31 December 2024.

| | HK\$'000 |
|-----------------------------------|----------|
| At 1 January 2025 | 8,665 |
| Credit to profit or loss (Note 9) | (2,915) |
| At 30 June 2025 | 5,750 |

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

23. PLEDGE OF ASSETS

As at 30 June 2025, bank deposits amounting to approximately HK\$89,446,000 (31 December 2024: approximately HK\$80,507,000) of the Group were pledged to banks for securing the banking facilities granted to the Group.

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

| Material financial assets | Fair value as at | | Fair value hierarchy | Valuation technique(s) and key input(s) | Significant unobservable inputs | Relationship of unobservable inputs for fair value |
|--|--------------------------|------------------------------|----------------------|--|---------------------------------|--|
| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 | | | | |
| i) Listed equity securities in Hong Kong | 4,975 | 5,495 | Level 1 | Quoted bid price in an active market | N/A | N/A |
| ii) Unlisted equity investment in Hong Kong | 1,220 | 1,220 | Level 3 | Net asset value of the private entity | N/A | N/A |
| iii) Quoted debt securities | 7,177 | 9,391 | Level 1 | Quoted price in an active market | N/A | N/A |
| iv) Unlisted investment fund | 32,602 | 45,276 | Level 3 | Net asset value of the investment fund | N/A | N/A |
| v) Investment in a property company | 327,339 | — | Level 3 | Net asset value of the private entity | N/A | N/A |
| vi) Shareholder loan to an associate with redemption right | — | 727,339 | Level 3 | Redemption price and net asset value of the private entity | N/A | N/A |

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

Reconciliation of Level 3 fair value measurements of financial assets

| | Investment in a property company HK\$'000 | Shareholder loan to an associate with redemption right HK\$'000 | Unlisted equity investment in Hong Kong HK\$'000 | Unlisted investment fund HK\$'000 | Total HK\$'000 |
|-----------------------------------|---|---|---|--|-------------------|
| At 1 January 2024 | — | 734,734 | 1,220 | 29,004 | 764,958 |
| Fair value gain in profit or loss | — | 36,825 | — | 1,902 | 38,727 |
| Exchange loss | — | — | — | (4) | (4) |
| At 30 June 2024 | — | 771,559 | 1,220 | 30,902 | 803,681 |
| At 1 January 2025 | — | 727,339 | 1,220 | 45,276 | 773,835 |
| Fair value loss in profit or loss | — | — | — | (13,040) | (13,040) |
| Exchange gain | — | — | — | 366 | 366 |
| Loan redemption | — | (400,000) | — | — | (400,000) |
| Transfer | 327,339 | (327,339) | — | — | — |
| At 30 June 2025 | 327,339 | — | 1,220 | 32,602 | 361,161 |

Fair value measurements and valuation processes

The directors of the Company have closely monitored and determined the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages independent professional valuer to perform the valuation. Management of the Group works closely with the independent professional valuer to establish the appropriate valuation techniques and inputs to the model on a regular basis, or when needs arise and will report the significant results and findings to the board of directors of the Company. The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of the financial instrument.

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated statement of financial position approximate to their fair values.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

25. CAPITAL COMMITMENTS

| | 30 June 2025 HK\$'000 | 31 December 2024 HK\$'000 |
|--|-----------------------------|---------------------------------|
| Capital expenditure in respect of the acquisition of property, plant and equipment, contracted for but not provided in the condensed consolidated financial statements | 6,018 | 16,703 |

26. RELATED PARTY TRANSACTIONS

| | Six months ended 30 June | |
|---|--------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| <u>Fellow subsidiaries</u> | | |
| Purchase of construction materials | 157,349 | 154,421 |
| Land plant hire income | 18 | 59 |
| Supply of rock | 738 | 117 |
| Construction contract revenue | 22,799 | 21,234 |
| <u>An associate of ultimate holding company</u> | | |
| Construction contract revenue | 5,082 | — |
| <u>Compensation of key management personnel</u> | | |
| Short-term employee benefits | 57,314 | 71,169 |
| Post-employment benefits | 1,917 | 1,960 |
| | 59,231 | 73,129 |

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Zen Wei Peu, Derek
*(Chairman, Chief Executive Officer
and Managing Director)*

Lui Yau Chun, Paul

Tsui Wai Tim

Chan Chi Ming

Non-executive Directors

David Howard Gem

Chan Chi Hung, Anthony

Chang Kam Chuen, Desmond

Independent Non-executive Directors

Ho Tai Wai, David

Ling Lee Ching Man, Eleanor

Lo Yiu Ching, Dantes

Ng Cheuk Hei, Shirley

AUDIT COMMITTEE

Ho Tai Wai, David *(Chairman)*

Ling Lee Ching Man, Eleanor

Lo Yiu Ching, Dantes

Ng Cheuk Hei, Shirley

NOMINATION COMMITTEE

Lo Yiu Ching, Dantes *(Chairman)*

Ho Tai Wai, David

Ling Lee Ching Man, Eleanor

Ng Cheuk Hei, Shirley

Zen Wei Peu, Derek

REMUNERATION COMMITTEE

Ling Lee Ching Man, Eleanor *(Chairwoman)*

Ho Tai Wai, David

Lo Yiu Ching, Dantes

Ng Cheuk Hei, Shirley

Zen Wei Peu, Derek

COMPANY SECRETARY

Chan Chi Ming

AUDITOR

Deloitte Touche Tohmatsu
*Certified Public Accountants
Registered Public Interest Entity Auditors*

SOLICITORS

Reed Smith Richards Butler
Conyers Dill & Pearman

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
Standard Chartered Bank (Hong Kong) Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Units 601-605A, 6th Floor, Tower B
Manulife Financial Centre
223 Wai Yip Street
Kwun Tong, Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street
Hamilton HM11
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

STOCK CODE

00240

WEBSITE

www.buildking.hk



Build King Holdings Limited