

AB BUILDERS GROUP LIMITED 奧邦建築集團有限公司

(Incorporated in the Cayman Islands with limited liability)

於開曼群島註冊成立的有限公司

Stock Code 股份代號 : 1615



2025

INTERIM REPORT
中期報告

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CORPORATE INFORMATION



BOARD OF DIRECTORS

Executive Directors

Mr. Lao Chio Seng (*Chairman*)
Ms. Lao Chao U (*Chief Executive Officer*)
Mr. Roberto Gnanavelu
Mr. Cheang Iek Wai
Mr. Ip Kin Wa

Independent Non-executive Directors

Mr. Chu Yat Pang Terry
Mr. Choy Wai Shek, Raymond, *MH, JP*
Mr. O'Yang Wiley

AUDIT COMMITTEE

Mr. O'Yang Wiley (*Chairman*)
Mr. Chu Yat Pang Terry
Mr. Choy Wai Shek, Raymond, *MH, JP*

REMUNERATION COMMITTEE

Mr. Chu Yat Pang Terry (*Chairman*)
Ms. Lao Chao U
Mr. Choy Wai Shek, Raymond, *MH, JP*

NOMINATION COMMITTEE

Mr. Choy Wai Shek, Raymond, *MH, JP* (*Chairman*)
Ms. Lao Chao U¹
Mr. O'Yang Wiley

COMPANY SECRETARY

Mr. Wong Wah

AUTHORISED REPRESENTATIVES

Ms. Lao Chao U
Mr. Cheang Iek Wai

ALTERNATE AUTHORISED REPRESENTATIVE TO CHEANG IEK WAI

Mr. Wong Wah

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN MACAU

10th Floor, Edf. Commercial I Tak
No. 126, Rua De Pequim
Macau

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

14 Floor
Harbour Commercial Building
122-124 Connaught Road Central
Hong Kong

Note:

1. Appointed as a member of the Nomination Committee on 30 June 2025.



AUDITOR

Baker Tilly Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKS

Luso International Banking Ltd.
Banco Nacional Ultramarino, S.A
Industrial and Commercial Bank of China (Macau)
Limited
Bank of China Limited, Macau Branch

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
2103B, 21/F, 148 Electric Road
North Point
Hong Kong

STOCK CODE

1615

COMPANY'S WEBSITE

www.abbuildersgroup.com



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2025, the global economic environment remained challenging amid geopolitical tensions and economic uncertainty. However, Macau's economy showed signs of recovery with the gaming and tourism sectors demonstrating resilience. According to market data, Macau's Gross Gaming Revenue for the first half of 2025 increased by 4% year-on-year to Hong Kong Dollars ("**HK\$**") 115.3 billion, while visitor arrivals reached 19.2 million, up 15% year-on-year, driven primarily by mainland Chinese visitors which grew by 19% year-on-year.

Despite the challenging macroeconomic environment, AB Builders Group Limited (the "**Company**") together with its subsidiaries (the "**Group**") achieved revenue growth during the six months ended 30 June 2025 (the "**Review Period**"). The Group recorded revenue of approximately MOP170.8 million, representing an increase of approximately MOP111.9 million or 190.0% compared to the corresponding period of 2024. This remarkable growth was primarily driven by the successful execution of fitting-out works projects and the expansion into construction materials trading.

The Group's core construction services segment continued to be the primary revenue driver, contributing MOP167.1 million or 97.8% of total revenue. During the Review Period, the Group was awarded 13 new fitting-out works projects. As at 30 June 2025, the Group had 21 on-going fitting out works projects (either in progress or yet to commence or substantially completed but pending finalisation or agreement of the final accounts).

A significant development during the period was the successful launch of our construction materials trading business, which contributed MOP3.7 million in revenue. This new business line represents our strategic diversification efforts and positions us to capitalise on the growing demand for quality construction materials in the Greater Bay Area market.

The Group's gross profit was approximately MOP10.2 million with a gross profit margin of 6.0%. While the margin was lower than the previous year's 20.1%, this was primarily due to the completion of certain lower-margin projects and variation orders.

The Group completed the acquisition of a Hong Kong-based company holding Securities and Futures Commission (SFC) Type 4 (advising on securities) and Type 9 (asset management) licenses. This acquisition, which was finalised during the period, marks our entry into the financial services sector and represents a significant milestone in our business diversification strategy.



BUSINESS REVIEW (Continued)

Outlook and Prospects

Looking ahead, we remain cautiously optimistic about the Group's prospects, supported by several positive developments in the regional economy and our strategic business initiatives. The Macau economy continues to show signs of recovery with the increasing visitor arrivals. The major integrated resort operators in Macau continue to invest in property enhancements and new developments. For instance, those major integrated resort operators are progressing with their new phases development targeting completion in the coming years. These ongoing and planned developments create a robust pipeline of potential construction and fitting-out opportunities for the Group. The gaming concessionaires' commitment to significant non-gaming investments over the coming decade provides substantial opportunities for construction services providers as well.

The building materials trading business represents a growth opportunity. We plan to leverage our extensive network within the construction industry to expand this business line in the coming future. The vertical integration of materials supply with our construction services will create synergies and improve overall project margins. We are exploring partnerships with reputable suppliers to ensure competitive pricing and reliable supply chains.

Following the acquisition of the SFC-licensed company, we are actively developing our financial services capabilities. The Type 4 and Type 9 licenses enable us to provide securities advisory and asset management services, opening new revenue streams in Hong Kong's dynamic financial services market. We plan to establish strategic partnerships to grow this business segment. The financial services division will target both institutional and high-net-worth individual clients, leveraging our corporate relationships and market expertise.

To develop the Group for sustainable long-term growth, we will continue to evaluate strategic acquisition opportunities and partnerships that complement our existing capabilities and expand our market reach across Macau, Hong Kong, the Greater Bay Area and Asia Pacific Regions.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The table below sets forth a breakdown of the Group's revenue for the six months ended 30 June 2025 and 2024:

	Six months ended 30 June			
	2025		2024	
	MOP'000	%	MOP'000	%
Fitting-out works	167,117	97.8	58,923	100
Others	3,717	2.2	—	—
Total	170,834	100	58,923	100

During the Review Period, the Group's revenue increased by approximately MOP111.9 million or 190.0% as compared with the corresponding period of the last year. Such increase was mainly attributable to the increase in revenue generated from fitting out works projects of approximately MOP108.2 million or 183.6%. The increase was also attributed to the expansion of the sales of construction materials in Macau, amounting to an increase in revenue of approximately MOP3.7 million or 100% as compared with the corresponding period last year.

Gross profit and gross profit margin

The following table sets forth a breakdown of the Group's gross profit and gross profit margin by types of revenue for the six months ended 30 June 2025 and 2024:

	Six months ended 30 June			
	2025		2024	
	Gross profit	Gross profit	Gross profit	Gross profit
	MOP'000	margin	MOP'000	margin
		%		%
Fitting-out works	9,865	5.9	12,061	20.5
Others	308	8.3	(210)	—
Total	10,173	6.0	11,851	20.1

During the Review Period, the Group's gross profit decreased by approximately MOP1.7 million when compared with the corresponding period of the last year.

MANAGEMENT DISCUSSION AND ANALYSIS



FINANCIAL REVIEW (Continued)

Gross profit and gross profit margin (Continued)

The gross profit margin decreased by 14.1 percentage point from approximately 20.1% for the six months ended 30 June 2024 to 6.0% for the six months ended 30 June 2025. The decrease was mainly due to the recognition of workdone of fitting-out works projects amounted to a decrease of approximately MOP2.2 million or 14.6%. The negative effect was slightly offset by the gross profit of the sales of construction materials in Macau of approximately MOP0.3 million as compared with the corresponding period last year.

Other income

For the six months ended 30 June 2025, the other income of approximately MOP2.9 million mainly consisted of the bank interest income which amounted to approximately MOP2.6 million. For the six months ended 30 June 2024, the other income of approximately MOP6.7 million mainly consisted of the bank interest income and insurance claim. The decrease was mainly attributable to the decrease in insurance claim.

Other gains and losses

For the six months ended 30 June 2025, the other gains of approximately MOP0.9 million mainly consisted of net exchange gains and the gains from the fair value change of the financial asset at FVTPL. For the six months ended 30 June 2024, the other losses of approximately MOP1.0 million mainly consisted of net exchange losses and the losses from the fair value change of the financial asset at FVTPL.

Impairment losses under expected credit loss model, net of reversal

The impairment losses mainly consisted of impairment losses on trade receivables, other receivables and contract assets. It was decreased by approximately MOP2.0 million or 159.5% in view of the settlement of some long-aged receivables during the Review Period.

Administrative expenses

Administrative expenses remained flat for the six months ended 30 June 2025 which was approximately MOP13.5 million as compared with the corresponding period last year, primarily due to the growth in new business areas was balanced by the wind-down of certain non-core activities.

Profit for the period

The profit for the six months ended 30 June 2025 was approximately MOP0.5 million which decreased of approximately MOP2.0 million as compared to the six months ended 30 June 2024. Such change was mainly due to the combined effect of the aforementioned items.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Continued)

Dividend

No dividend was paid, declared or proposed during the six months ended 30 June 2025. The directors of the Company have not recommended the payment of an interim dividend for both interim periods.

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and financial resources

The Group's capital expenditure and daily operations during the six months ended 30 June 2025 were mainly funded by cash generated from its operations.

The total cash and bank balances together with the pledged bank deposits as at 30 June 2025 was approximately MOP146 million, compared to approximately MOP117 million as at 31 December 2024. The increase of approximately MOP29 million was mainly related to the operating cash inflow.

Our gearing ratio (calculated as debt over total equity) as at 30 June 2025 was 5.2% (31 December 2024: 9.2%) which was mainly attributable to the decrease in bank overdraft by approximately MOP7.8 million.

As at 30 June 2025, the Group had unutilised banking facilities of approximately MOP154.7 million (31 December 2024: MOP157.2 million).

The current ratio of our Group as at 30 June 2025 was 1.9 times (31 December 2024: 2.0 times).

Capital structure

The capital structure of the Group consists of equity attributable to the owners of the Company comprising issued share capital, share premium, legal reserve, share-based payments reserve, exchange reserve, other reserve and retained earnings. There has been no change in share capital of the Company and the capital structure of the Group during the six months ended 30 June 2025.

Future plans for material investments and capital assets

Save as disclosed in the prospectus of the Company dated 27 August 2018 and in this report, the Group did not have other plans for material investments or capital assets.

Pledge of assets

As at 30 June 2025, the Group's office premise of approximately MOP34.4 million (31 December 2024: MOP35.1 million) and certain bank deposits of approximately MOP72.3 million (31 December 2024: MOP72.1 million) were pledged with banks to secure the banking facilities including performance guarantees and bid bonds issued by the banks.

MANAGEMENT DISCUSSION AND ANALYSIS



CORPORATE FINANCE AND RISK MANAGEMENT (Continued)

Capital commitment

As at 30 June 2025, the Group has an obligation to settle an amount of Renminbi (“**RMB**”) 38.0 million (equivalent to approximately MOP42.9 million) as a capital contribution to Jiangmen Jinying Construction and Engineering Company Limited (31 December 2024: RMB39.0 million (equivalent to approximately MOP42.7 million)).

Significant investments, acquisition and disposals

As of March 2025, the Group has completed the acquisition of a company incorporated in Hong Kong with limited liability which possesses the SFC Type 4 (advising on securities) & Type 9 (asset management) licenses, which is expected to help the Group to further diversify and expand its business portfolio. By venturing into the financial services industry of Hong Kong, the Group will tap into new revenue streams. Please refer to the announcements dated 14 March 2024 for details of the transaction.

Save as the above, during the six months ended 30 June 2025, the Group did not have any significant investment, acquisition and disposal.

Exposure to exchange rate fluctuation

The Group entities collect most of its revenue and incur most of its expenditures in their respective functional currencies. The Group is exposed to currency risks primarily through purchase of raw materials, sale proceeds received from its customers, and investments in other financial assets that are denominated in a currency other than the Group’s functional currency. The currencies giving rise to this risk are primarily HK\$, RMB and United States dollars. The Group currently does not have a foreign currency hedging policy. However, the management regularly monitors the relevant foreign currency exposure and will consider taking appropriate measures to control the risk arising from significant exchange fluctuations.

Employee and remuneration policies

As at 30 June 2025, the Group had 232 (31 December 2024: 159) full time employees. The increase in the number of employees was mainly due to the increasing needs of resources to support the newly awarded fitting out works projects in the Macau market. The Group adjusted the number of direct labour based on the progress and expected workload of our construction works and the expected completion dates of work projects.

The remuneration package offered to employees includes salary and other employee benefits such as bonus. In general, the Group determines the salaries of its employees based on their individual performance, qualifications, position and seniority. The Group conducts annual salary and promotion review in order to attract and retain employees. In addition, the Group provides various types of training to its employees to promote overall efficiency, employee loyalty and retention. Total staff costs for the period ended 30 June 2025 were approximately MOP14.5 million (30 June 2024: MOP8.8 million).



MANAGEMENT DISCUSSION AND ANALYSIS

CORPORATE FINANCE AND RISK MANAGEMENT (Continued)

Compliance with laws and regulations

The Group mainly carries out its business in Macau, Hong Kong and the PRC. To the best of the Directors' knowledge, the Group has complied with all relevant laws and regulations in Macau, Hong Kong and the PRC during the six months ended 30 June 2025.

Principal risk and uncertainties

The Group believes that the risk management practices are important and use its best effort to ensure it is sufficient to mitigate the risks present in our operations and financial position as efficiently and effectively as possible.

- Material changes in the cost of construction materials and labour costs may result in cost overrun, which could materially affect our results of operation and financial performance;
- Mismanagement or delay of our projects will materially affect our reputation and also our financial performance as penalties and/or additional costs may be incurred;
- Cash flow of our projects may fluctuate;
- We rely on subcontractors to help complete our projects. Underperformance by our subcontractors or unavailability of subcontractors may adversely affect our operations, profitability and reputation;
- Our success significantly depends on the key management and our ability to attract and retain technical and management staff; and
- The uncertainties on the worldwide economy due to the tension between the PRC, the United States and the European Union.

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event regarding the disclosure that has taken place subsequent to 30 June 2025 and up to the date of this report.



DIRECTORS' AND THE CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2025, the interests or short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), were set out below:

Name of director	Capacity/ Nature of interest	Number of ordinary shares (Note 1)	Approximate percentage of shareholding in the Company
Mr. Lao Chio Seng (" Mr. Lao ") (Note 2)	Interest in a controlled corporation and interest of spouse	390,000,000 (L)	65%
Mr. Ip Kin Wa	Beneficial owner	60,000,000 (L)	10%

Notes:

- The letter "L" denotes the director's long position in the shares.
- Shares in which Mr. Lao is interested consist of (i) 255,000,000 shares held by Laos International Holdings Limited ("**Laos International**"), a company wholly owned by Mr. Lao, in which Mr. Lao is deemed to be interested under the SFO; and (ii) 135,000,000 shares held by his spouse, Ms. Wong Hio Mei ("**Mrs. Lao**") (through her wholly-owned corporation, WHM Holdings Limited ("**WHM Holdings**"), in which Mr. Lao is deemed to be interested in such Shares under the SFO.

Save as disclosed above, none of the directors, chief executives of the Company or their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations as defined in Part XV of the SFO as recorded in the register to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at the date of this report.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES, AND DEBENTURES OF THE COMPANY

As at 30 June 2025, so far as was known to any Directors or chief executive of the Company, the following interests (other than those of Directors and the chief executive) of which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who were deemed to be directly or indirectly interested in 5% or more of the issued capital of the Company, or which were recorded in the register of interests required to be kept under Section 336 of the SFO or have notified to the Company were as follows:

Name of Shareholders	Capacity/ Nature of interest	Number of ordinary shares (Note 1)	Approximate percentage of shareholding in the Company
Mrs. Lao (Note 2)	Interest in a controlled corporation and interest of spouse	390,000,000 (L)	65%
Laos International (Note 3)	Beneficial owner	255,000,000 (L)	42.5%
WHM Holdings (Note 4)	Beneficial owner	135,000,000 (L)	22.5%

Notes:

1. The letter "L" denotes the substantial shareholders' long position in the shares.
2. Shares in which Mrs. Lao is interested consist of (i) 135,000,000 shares held by WHM Holdings, a company wholly owned by Mrs. Lao, in which Mrs. Lao is deemed to be interested under the SFO; and (ii) 255,000,000 shares held by her spouse, Mr. Lao, in which Mrs. Lao is deemed to be interested in such shares under the SFO.
3. Laos International is wholly owned by Mr. Lao, the controlling shareholder, Chairman and executive Director of the Company.
4. WHM Holdings is wholly owned by Mrs. Lao, the controlling shareholder of the Company.

Save as disclosed above, as at 30 June 2025, no person had registered an interest or short position in the Shares or underlying Shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

CHANGE OF INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

The following changes have been made in the composition of the nomination committee of the Company (the “**Nomination Committee**”) with effect from 30 June 2025:

- a) Mr. Cheang Iek Wai, an executive Director, an authorised representative and a member of the Nomination Committee, has ceased to be the member of the Nomination Committee; and
- b) Ms. Lao Chao U, an executive Director, the chief executive officer, an authorised representative and a member of the remuneration committee of the Company, has been appointed as a member of the Nomination Committee.

Details of the change in the composition of the Nomination Committee has been set on in the announcement of the Company dated 30 June 2025.

Save as disclosed above, there is no other change in the Directors’ and chief executive’s information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

OTHER INFORMATION

SHARE OPTION SCHEMES

The Company has conditionally adopted a share option scheme (the “**Scheme**”) on 17 August 2018 which was effective on 10 September 2018. The Scheme shall be valid for a period of 10 years commencing on the adoption date, i.e., 17 August 2018. The purpose of the Scheme is to enable the Group to grant share options to eligible participants as incentives or rewards for their contribution to the Group. The particulars of the Scheme were set out in the 2024 Annual Report of the Company.

The particulars of the share options under the Scheme during the six months ended 30 June 2025 are as follows:

Category of participant	Date of grant	Vesting date	Vesting Period	Validity period	Exercise price per share	Outstanding as at 1 January 2025	Number of share options				Outstanding as at 30 June 2025	Exercisable at 30 June 2025
							Granted during the Review Period	Exercised during the Review Period	Lapsed/ Cancelled/ Forfeited during the Review Period			
Senior management	24 February 2022	29 May 2022	24 February 2022 to 28 May 2022	24 February 2022 to 16 August 2028	HK\$0.272	1,000,000	—	—	—	1,000,000	1,000,000	
	24 February 2022	29 November 2022	24 February 2022 to 28 November 2022	24 February 2022 to 16 August 2028	HK\$0.670	1,000,000	—	—	—	1,000,000	1,000,000	
	24 February 2022	29 November 2023	24 February 2022 to 28 November 2023	24 February 2022 to 16 August 2028	HK\$0.670	1,000,000	—	—	—	1,000,000	1,000,000	
						3,000,000	—	—	—	3,000,000	3,000,000	

Notes:

- (1) On 24 February 2022, the Company granted 3,000,000 options to subscribe for shares to Mr. Fan Chi Chiu, the chief investment officer of the Company, in accordance with the terms of the Scheme. The share options were vested in three tranches, with each tranche covering one-third of the relevant options, i.e. exercisable to the extent of one-third of the relevant options with the 1st, 2nd and 3rd tranche becoming exercisable from 29 May 2022, 29 November 2022 and 29 November 2023 respectively to 16 August 2028; at exercise price of HK\$0.272, HK\$0.670 and HK\$0.670 per Share respectively. The closing price of the Company’s shares immediately before 24 February 2022, the date of grant, was HK\$0.255. Please refer to the announcement issued by the Company on 24 February 2022 for further details of share options granted.
- (2) The vesting of the share options granted are not subject to any performance targets.

OTHER INFORMATION



No equity-settled share-based payments recognised by the Group during the six-months ended 30 June 2025 (2024: nil) in relation to share options granted by the Company. The fair value of the options determined at the dates of grant using the Binomial option pricing model was HK\$264,000 (equivalent to approximately MOP272,000). The variables and assumptions used in computing the fair value of the share options are based on the valuer's best estimate. Changes in variables and assumptions may result in changes in the fair value of the options. The following assumptions were used to calculate the fair value of share options:

Measurement date	24 February 2022
Spot price	HK\$0.245
Exercise price	HK\$0.272–HK\$0.670
Expected volatility	55.92%
Expected dividend yield	0%
Risk-free rate	1.57%

The number of options available for grant under the Share Option Scheme was 57,000,000 as at 1 January 2025 and 57,000,000 as at 30 June 2025. The number of shares that may be issued in respect of options granted (i.e. 3,000,000) under the Share Option Scheme during the period ended 30 June 2025 divided by the weighted average number of issued shares of the Company for the year was 0.5%.

CONTINGENT LIABILITIES

On 20 February 2023, Lap Polly Engineering Company Limited received a notice of arbitration regarding to an alleged claim by joint and several liquidators. The alleged claim arose from disputes prior to the acquisition of Lap Polly on 10 September 2019. As at 30 June 2025, taken into account the advice of an independent legal advisor, the management of the Group considered that the potential legal risk to the Group arising from the claim is considered as low.

CORPORATE GOVERNANCE

The Company has applied the principles and the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange as its own code of corporate governance. During the six months ended 30 June 2025, to the best knowledge of the Board, the Company has complied with all the applicable code provisions set out in the CG code.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined in the Listing Rules), if any). The Company did not have any treasury shares (as defined in the Listing Rules) as at 30 June 2025.



OTHER INFORMATION

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the “**Model Code**”), as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiries of all directors, all directors confirmed that they have complied with the required standards as set out in the Model Code throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The Company established an audit committee on 17 August 2018 in compliance with Rule 3.21 of the Listing Rules. Written terms of reference in compliance with paragraph D.3.3 of the CG Code has been adopted and are available on the websites of the Stock Exchange and the Company. The primary roles of the audit committee include, but are not limited to, (a) making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor; (b) monitoring integrity of the financial statements and reviewing significant financial reporting judgements contained in them; and (c) reviewing financial controls, internal control and risk management systems. The audit committee consists of three independent non-executive directors, namely Mr. O’Yang Wiley, Mr. Chu Yat Pang Terry and Mr. Choy Wai Shek, Raymond, *MH, JP*. Mr. O’Yang Wiley is the chairman of the audit committee.

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 have been reviewed by the audit committee and the Group’s auditor, Baker Tilly Hong Kong Limited.

By order of the Board

Lao Chio Seng

Chairman and Executive Director

Macau, 28 August 2025

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



To the shareholders of AB Builders Group Limited
奧邦建築集團有限公司
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of AB Builders Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 19 to 43, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related 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 International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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



REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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 IAS 34.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong

Li Man Chun Jesse

Practising certificate number P08302

28 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025



		Six months ended 30 June	
	Notes	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Revenue	3	170,834	58,923
Cost of sales		(160,661)	(47,072)
Gross profit		10,173	11,851
Other income	5	2,892	6,665
Other gains and losses		942	(1,000)
Impairment losses under expected credit loss model, net of reversal	14	740	(1,243)
Administrative expenses		(13,513)	(13,456)
Finance costs		(396)	(397)
Profit before taxation		838	2,420
Income tax (expense) credit	6	(362)	62
Profit for the period	7	476	2,482
Other comprehensive income (expense) for the period			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		236	(382)
Total comprehensive income for the period		712	2,100
Profit (loss) for the period attributable to:			
Owners of the Company		314	3,827
Non-controlling interests		162	(1,345)
		476	2,482
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		550	3,445
Non-controlling interests		162	(1,345)
		712	2,100
Earnings per share	9	MOP cents	MOP cents
— Basic		0.05	0.64
— Diluted		0.05	0.64

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Notes	As at 30 June 2025 MOP'000 (unaudited)	As at 31 December 2024 MOP'000 (audited)
Non-current assets			
Property, plant and equipment	10	34,585	35,409
Right-of-use assets	10	1,388	1,766
Intangible assets		1,967	2,292
Goodwill	11	1,462	—
Financial assets at fair value through profit or loss ("FVTPL")	21	14,191	11,585
Other financial assets		32,330	31,968
		85,923	83,020
Current assets			
Trade and other receivables	12	72,195	44,842
Contract assets	13	19,025	62,066
Pledged bank deposits		72,343	72,151
Bank balances and cash		74,129	44,581
		237,692	223,640
Current liabilities			
Trade and other payables	15	115,106	91,042
Tax payable		1,437	978
Lease liabilities		793	770
Bank borrowings		10,051	17,855
		127,387	110,645
Net current assets		110,305	112,995
Total assets less current liabilities		196,228	196,015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025



	Note	As at 30 June 2025 MOP'000 (unaudited)	As at 31 December 2024 MOP'000 (audited)
Non-current liabilities			
Lease liabilities		707	1,109
Deferred tax liabilities		476	573
		1,183	1,682
Net assets		195,045	194,333
Capital and reserves			
Share capital	16	6,189	6,189
Reserves		206,004	205,454
Equity attributable to owners of the Company		212,193	211,643
Non-controlling interests		(17,148)	(17,310)
Total equity		195,045	194,333

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

Attributable to owners of the Company

	Share capital MOP'000	Share premium MOP'000	Legal reserve MOP'000 (Note (i))	Share-based payments reserve MOP'000	Exchange reserve MOP'000	Other reserve MOP'000 (Note (ii))	Retained earnings MOP'000	Sub-total MOP'000	Non- controlling interests MOP'000	Total MOP'000
At 1 January 2024 (audited)	6,189	82,564	6,000	255	(631)	(86,724)	194,933	202,586	(15,348)	187,238
Profit (loss) for the period	—	—	—	—	—	—	3,827	3,827	(1,345)	2,482
Exchange differences arising on translation of foreign operations	—	—	—	—	(382)	—	—	(382)	—	(382)
Total comprehensive (expense) income for the period	—	—	—	—	(382)	—	3,827	3,445	(1,345)	2,100
Recognition of equity-settled share-based payments	—	—	—	17	—	—	—	17	—	17
At 30 June 2024 (unaudited)	6,189	82,564	6,000	272	(1,013)	(86,724)	198,760	206,048	(16,693)	189,355
At 1 January 2025 (audited)	6,189	82,564	6,000	272	(998)	(86,724)	204,340	211,643	(17,310)	194,333
Profit for the period	—	—	—	—	—	—	314	314	162	476
Exchange differences arising on translation of foreign operations	—	—	—	—	236	—	—	236	—	236
Total comprehensive income for the period	—	—	—	—	236	—	314	550	162	712
At 30 June 2025 (unaudited)	6,189	82,564	6,000	272	(762)	(86,724)	204,654	212,193	(17,148)	195,045

Notes:

- (i) In accordance with the Article 377 of the Commercial Code of Macau Special Administrative Region, the subsidiaries registered in Macau are required to transfer part of their profits of each accounting period of not less than 25% to legal reserve, until the amount reaches an amount equal to half of the respective share capital.
- (ii) Other reserve includes (a) deemed distribution made to Mr. Lao Chio Seng ("Mr. Lao"), chairman and executive director of the Company, resulting from the provision of interest-free loans to Mr. Lao and an entity controlled by Mr. Lao in prior years of MOP85,599,000; and (b) a net loss on disposal of subsidiaries and a joint venture of MOP1,125,000 to companies controlled by Mr. Lao and Ms. Wong Hio Mei ("Mrs. Lao"), spouse of Mr. Lao, arising as part of a group reorganisation completed in September 2017, which were regarded as equity transactions. Mr. Lao and Mrs. Lao are the ultimate controlling shareholders of the Company.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



	Note	Six months ended 30 June	
		2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Operating cash flows before movements in working capital		1,004	2,361
Increase in trade and other receivables		(26,496)	(771)
Decrease in contract assets		42,194	1,548
Increase (decrease) in trade and other payables		23,962	(19,263)
Increase in contract liabilities		—	2,030
Net change in other working capital items		—	(36)
Net cash from (used in) operating activities		40,664	(14,131)
Investing activities			
Proceeds from disposal of other financial assets		—	32,763
Release of short-term bank deposits		—	20,630
Interest received		1,719	3,107
Release of pledged bank deposits		—	1,150
Placement of pledged bank deposits		(192)	(246)
Purchase of property, plant and equipment		(18)	(2)
Net cash outflow on acquisition of a subsidiary	19	(1,484)	—
Purchase of financial assets at FVTPL		(2,011)	—
Net cash (used in) from investing activities		(1,986)	57,402
Financing activities			
Repayment of bank borrowings		(8,154)	(25,827)
Capital element of lease liabilities paid		(379)	—
Interest element of lease liabilities paid		(50)	—
Bank interest paid		(346)	(387)
New bank borrowing raised		350	—
Net cash used in financing activities		(8,579)	(26,214)
Net increase in cash and cash equivalents		30,099	17,057
Cash and cash equivalents at the beginning of the period		44,581	38,008
Effect of foreign exchange rate changes, net		(551)	(281)
Cash and cash equivalents at the end of period, representing by bank balances and cash		74,129	54,784



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1 GENERAL INFORMATION AND BASIS OF PREPARATION

AB Builders Group Limited (the “**Company**”) was incorporated in the Cayman Islands with limited liability on 23 February 2017 and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 10 September 2018.

The Company acts as investment holding company and its subsidiaries are principally engaged in provision of construction services and sales of construction materials. The Company and its subsidiaries are hereinafter collectively referred to as the “**Group**”.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“**IASB**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The presentation and functional currency of the Company is Macau Pataca (“**MOP**”).

2 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, as appropriate.

Other than additional/changes in accounting policies resulting from application of amendments to IFRS Accounting Standards, and application of certain accounting policies which became relevant to the Group in the current interim period, 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 financial statements for the year ended 31 December 2024.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, 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 IAS 21	<i>Lack of Exchangeability</i>
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The application of the amendments to IFRS 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



2 ACCOUNTING POLICIES (Continued)

New material accounting policy information

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash generating unit (or the group of cash-generating units) retained.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

3 REVENUE

Revenue represents the aggregate of the amounts received and receivable for construction contracts of fitting-out works rendered for provision by the Group and sales of construction materials to customers.

An analysis of the Group's revenue from contracts with customers is as follow:

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Recognised over time		
Contract revenue from provision of fitting-out works	167,117	58,923
Recognised at a point in time		
Revenue from sales of construction materials	3,717	—
Total	170,834	58,923

Fitting-out works represent performance obligations that the Group satisfies over time for each respective contract. The period of fitting-out works varies from 1 to 2 years (six months ended 30 June 2024: from 1 to 2 years).

The Group's disaggregation of revenue from contracts with customers by geographical location is same as the geographical information of revenue from external customers as disclosed in note 4.

Transaction price allocated to the remaining performance obligations

The following table sets out the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

	As at 30 June 2025 MOP'000 (unaudited)	As at 31 December 2024 MOP'000 (audited)
Provision of fitting-out works	114,280	90,998

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



3 REVENUE (Continued)

Based on the information available to the Group at the end of the reporting period, management of the Group expects the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts as of 30 June 2025 will be recognised as revenue during the years ending 31 December 2025 and 2026 in respect of provision of fitting-out works (31 December 2024: during the year ending 31 December 2025).

For sales of construction materials, the Group applies the practical expedient that information regarding the transaction prices allocated to the remaining performance obligation for contracts with customer is not disclosed as the original expected duration of the contracts are less than one year.

4 SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the “**CODM**”), being the Chief Executive Officer of the Group, in order for the CODM to allocate resources and to assess performance.

Prior to 1 January 2025, there were three operating segments, namely (i) fitting-out works, (ii) structural works and (iii) air purification business.

From 1 January 2025, management has changed the presentation of the information reported to the CODM, and segment reporting is updated to conform to this change. The Group’s management is of the view that this change of segment disclosure better reflects the Group’s updated business strategies, the development phases of various businesses and the financial performance, and better aligns with the Group’s resource allocation.

The updated reportable segment of construction services now comprises the former fitting-out works and structural works operating segments. The Group’s management periodically reviews their developments, and dynamically adjust resource allocation and strategies.

Specifically, the Group’s only reportable segment under IFRS 8 “Operating Segments” is construction services.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4 SEGMENT INFORMATION (Continued)

Other operating segments include sales of construction materials and sale of air purification unit/system, of which sales of air purification unit/system was being reported as separate segment in prior years. None of these segments met the quantitative thresholds for the reportable segments in both current and prior periods. Accordingly, these were grouped in "Others". Prior year segment disclosures have been re-presented to conform with the current period's presentation.

The CODM makes decisions according to the operating results of each segment. No analysis of segment assets and segment liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

For the period ended 30 June 2025 (unaudited)

	Construction services MOP'000 (unaudited)	Others MOP'000 (unaudited)	Total MOP'000 (unaudited)
Segment revenue — external	167,117	3,717	170,834
Segment results	9,865	308	10,173
Other income and other gains and losses			3,834
Impairment losses under expected credit loss model, net of reversal			740
Administrative expenses			(13,513)
Finance costs			(396)
Profit before taxation			838

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



4 SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the period ended 30 June 2024 (unaudited)

	Construction services MOP'000 (unaudited)	Others MOP'000 (unaudited)	Total MOP'000 (unaudited)
Segment revenue — external	58,923	—	58,923
Segment results	12,061	(210)	11,851
Other income and other gains and losses			5,665
Impairment losses under expected credit loss model, net of reversal			(1,243)
Administrative expenses			(13,456)
Finance costs			(397)
Profit before taxation			2,420

Segment results represent the profit before taxation resulted from each segment without allocation of other income and other gains and losses, impairment losses under expected credit loss model (net of reversal), administrative expenses and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4 SEGMENT INFORMATION (Continued)

Geographical information

Information about the Group's revenue from external customers is presented based on the location of the operation. Information about the Group's non-current assets (excluding financial assets at FVTPL and other financial assets) is presented based on the geographical location of those assets.

	Revenue from external customers Six months ended 30 June		Non-current assets	
	2025 MOP'000	2024 MOP'000	At 30 June 2025 MOP'000	At 31 December 2024 MOP'000
Macau	134,297	33,563	34,459	35,152
Hong Kong	36,537	25,360	2,914	2,477
The People's Republic of China (the "PRC")	—	—	2,029	1,838
	170,834	58,923	39,402	39,467

5 OTHER INCOME

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Bank interest income	2,564	3,973
Compensation income (Note)	—	2,271
Others	328	421
	2,892	6,665

Note: During the period ended 30 June 2024, the Group recognised compensation income of MOP2,271,000 (six months ended 30 June 2025: nil) from insurance claim in relation to a construction project.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



6 INCOME TAX (EXPENSE) CREDIT

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Current tax		
Macau Complementary Tax	(459)	—
PRC Enterprise Income Tax	—	(36)
	(459)	(36)
Deferred tax credit	97	98
Income tax (expense) credit	(362)	62

Macau Complementary Tax is calculated at 12% of the estimated assessable profits exceeding MOP600,000 for both periods. No provision for Macau Complementary Tax has been made for prior period as the assessable profit has been absorbed by unused tax losses.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the PRC Enterprise Income Tax is calculated at 25% of the assessable profit for the subsidiary established in the PRC for both periods. No provision for PRC Enterprise Income Tax has been made as the relevant group entities have no assessable profits for current period.

No provision for Hong Kong Profits Tax has been made as the relevant group entities have no assessable profits for both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

7 PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Profit for the period has been arrived at after charging:		
Contract costs of fitting-out works recognised as expense (Note)	157,252	46,862
Cost of inventories recognised as expense (including write-down of inventory of nil (six months ended 30 June 2024: MOP210,000))	—	210
Depreciation of property, plant and equipment	726	760
Depreciation of right-of-use assets	378	34
Amortisation of intangible assets	389	393
Expenses related to short-term leases	166	750

Note: Included in contract costs was a reversal of provision of onerous contracts of MOP405,000 (six months ended 30 June 2024: nil) recognised for provision of fitting-out works during the six months ended 30 June 2025.

8 DIVIDENDS

No dividend was paid, declared or proposed during both interim periods, nor has any dividend been proposed since the end of each reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



9 EARNINGS PER SHARE

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

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Profit for the period attributable to the owners of the Company	314	3,827

	Six months ended 30 June	
	2025 '000	2024 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	600,000	600,000
Effect of dilutive potential ordinary shares:		
Share options	—	143
Weighted average number of ordinary shares for the purpose of diluted earnings per share	600,000	600,143

The computation of diluted earnings per share does not assume the exercise of all (six months ended 30 June 2024: certain) Company's share options because the exercise price of those share options was higher than the average market price of shares for the six months ended 30 June 2025. Save as share options mentioned above, there were no other dilutive potential ordinary shares in existence during the six months ended 30 June 2025 and 2024.

10 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, the Group entered into a new lease agreement with lease term of 3 years. On date of lease commencement, the Group recognised right-of-use asset of MOP1,949,000 (six months ended 30 June 2025: nil) and lease liabilities of MOP1,949,000 (six months ended 30 June 2025: nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

11 GOODWILL

	MOP'000
COST	
At 1 January 2024 (audited) and 31 December 2024 (audited)	—
Arising from acquisition of a subsidiary (note 19)	1,462
At 30 June 2025 (unaudited)	1,462
CARRYING VALUES	
At 30 June 2025 (unaudited)	1,462
At 31 December 2024 (audited)	—

12 TRADE AND OTHER RECEIVABLES

	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
Trade receivables, net of loss allowance	55,332	25,103
Advances paid to subcontractors and suppliers	5,350	7,776
Consideration receivable	—	2,061
Other receivables, prepayment and deposits (Note)	11,513	9,902
Total trade and other receivables	72,195	44,842

Note: As at 30 June 2025, included in other receivables, prepayments and deposits, an amount of Renminbi ("RMB") 1,493,000 (equivalent to approximately MOP1,684,000) (31 December 2024: RMB1,493,000 (equivalent to approximately MOP1,633,000)) is secured by an account receivable with principal amount of RMB38,687,000 (equivalent to approximately MOP43,631,000) (31 December 2024: RMB38,687,000 (equivalent to approximately MOP42,304,000)) held by the former shareholders of Jiangmen Jinying Construction and Engineering Company Limited ("Jinying"). The amount is interest free and repayable on demand.

Trade receivables represent amounts receivable for work certified in relation to provision of fitting-out works after deduction of retention money.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



12 TRADE AND OTHER RECEIVABLES (Continued)

The Group generally allows a credit period for 30 days (31 December 2024: 30 days) to its customers. The following is an aged analysis of trade receivables, presented based on dates of work certified at the end of the reporting period, net of loss allowance.

	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
1–30 days	49,989	932
31–60 days	3,274	14,862
61–90 days	—	6,407
Over 90 days	2,069	2,902
	55,332	25,103

13 CONTRACT ASSETS

	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
Contract assets	19,025	62,066

As at 30 June 2025, contract assets include retention receivables held by customers for contract works amounting to MOP13,074,000 (31 December 2024: MOP13,467,000).

Retention receivables represent the money retained by the Group's customers to secure the due performance of the contracts. The customers normally withhold 10% of the certified amount payable to the Group as retention money, 50% of which is normally recoverable upon completion of respective project and the remaining 50% is recoverable after the completion of defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts, ranging from 3 months to 2 years from the date of completion of respective projects. The amount is unsecured and interest-free.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

14 IMPAIRMENT LOSS UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Impairment loss recognised (reversed) on:		
Trade receivables	112	1,335
Other receivables	(2)	—
Contract assets	(847)	13
Other financial assets	(3)	(105)
Total	(740)	1,243

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

During the current interim period, the Group provided impairment allowance of MOP317,000 (six months ended 30 June 2024: MOP1,694,000), of which no provision (six months ended 30 June 2024: MOP54,000) has been made for credit-impaired debtors.

During the current interim period, the Group reversed impairment allowance of MOP1,057,000 (six months ended 30 June 2024: MOP451,000), of which a reversal of MOP96,000 (six months ended 30 June 2024: nil) has been made for credit-impaired debtors.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



15 TRADE AND OTHER PAYABLES

Trade and other payables at the end of the reporting period comprise amounts outstanding for trade purposes and daily operating costs. The credit period on trade purchase is 7 to 60 days (31 December 2024: 7 to 60 days).

	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
Trade payables	45,450	26,117
Retention payables	31,796	25,443
Accrued contract costs	27,849	29,595
Provision of onerous contracts	1,088	1,493
Accruals and other payables	8,923	8,394
Total trade and other payables	115,106	91,042

The following is an aged analysis of trade payables, presented based on the dates of work certified at the end of the reporting period:

	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
1–30 days	41,232	22,226
Over 60 days	4,218	3,891
	45,450	26,117

Retention payables to sub-contractors of contract works are interest-free and payable by the Group after the completion of maintenance period of the relevant contracts or in accordance with the terms specified in the relevant contracts, ranging from 3 months to 2 years from the completion date of the respective service contracts.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

16 SHARE CAPITAL

	Number of shares '000	Share capital MOP'000
Ordinary shares of Hong Kong Dollars 0.01 each		
Authorised:		
At 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	10,000,000	103,150
Issued and fully paid:		
At 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	600,000	6,189

17 SHARE OPTION SCHEME

The Company's share option scheme (the "**Scheme**") was conditionally adopted by the written resolutions of the shareholders of the Company passed on 17 August 2018. Under the Scheme, the board of directors of the Company may, at their absolute discretion, at any time within a period of ten years commencing from the effective date offer to grant to any eligible persons, including employees, directors, consultants, suppliers, customers and shareholders of any member of the Group, options to subscribe for shares.

	Number of share options
Outstanding as at 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	3,000,000

No share options have been granted, forfeited, exercised or expired for both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



18 PERFORMANCE GUARANTEES

As at 30 June 2025, performance guarantees of MOP20,892,000 (31 December 2024: MOP20,892,000) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance guarantees have been given, such customers may demand the banks to pay to them the sum or sum stipulated in such demand. The Group will become liable to compensate such banks accordingly. The performance guarantees will be released upon completion of the contract works. The performance guarantees were granted under the banking facilities of the Group which were secured by:

- (i) a legal charge over the office premises of the Group with carrying amount of MOP34,423,000 (31 December 2024: MOP35,125,000); and
- (ii) pledged bank deposits of MOP72,343,000 (31 December 2024: MOP72,151,000).

Management of the Group do not consider it is probable that a claim will be made against the Group in respect of the above performance guarantees.

19 ACQUISITION OF A SUBSIDIARY

On 14 March 2024, AB Investment Limited ("**ABI**"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with two independent third parties (the "**Vendors**"), pursuant to which the Vendors agreed to sell and ABI agreed to acquire the entire interest in Delphinium Capital Partners Limited ("**Delphinium**") at a cash consideration of HK\$1,821,000 (equivalent to approximately MOP1,878,000) (the "**Acquisition**").

On 5 March 2025, the Acquisition was completed and has been accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations" as the directors of the Company consider that the acquired items constitute a business in accordance with IFRS 3. Delphinium is a licensed corporation under the Securities and Futures Ordinance and is authorised to engage in the following regulated activities: (i) Type 4: Advising on securities; and (ii) Type 9: Asset management. Management of the Group considers that such acquisition will enable the Group to diversify its business.

MOP'000

Consideration transferred

Cash paid	1,878
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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



19 ACQUISITION OF A SUBSIDIARY (Continued)

Assets acquired and liabilities recognised of Delphinium at the date of completion of the Acquisition are as follows:

	MOP'000
Other receivables	124
Bank balances and cash	394
Other payables	(102)
Net assets acquired	416

The receivables acquired (which principally comprised other receivables) with a fair value of MOP124,000 at the date of acquisition had gross contractual amounts of MOP124,000.

Goodwill arising on the Acquisition:

	MOP'000
Consideration transferred	1,878
Less: net assets acquired	(416)
Goodwill arising on the Acquisition	1,462

None of the goodwill arising on the Acquisition is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Delphinium:

	MOP'000
Consideration paid in cash	1,878
Less: cash and cash equivalents acquired	(394)
	1,484

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



20 RELATED PARTY TRANSACTIONS

Save for the remuneration of key management personnel as disclosed below, the Group had no other significant transactions and balances with related party during the six months ended 30 June 2025 and 2024.

Remuneration of key management personnel

The remuneration of key management personnel (including the directors of the Company) of the Group during the period is as follows:

	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Fee	371	371
Salaries and other allowances	2,731	2,431
Retirement benefits scheme contributions	4	3
	3,106	2,805

The remuneration of key management personnel is determined with regard to the performance of individuals and market trends.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

21 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Financial assets	Fair values as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input
	30 June 2025 MOP'000 (unaudited)	31 December 2024 MOP'000 (audited)			
Financial assets at FVTPL					
— Unlisted investment fund	12,180	11,585	Level 3	Market approach with key inputs of discount for lack of marketability ("DLOM")	DLOM of 14.9% (31 December 2024: 15.21%) (Note 1)
— Unlisted investment fund	2,011	—	Level 3	Recent transaction price	Note 2

Notes:

- 1 A significant increase in the discount rate would result in a significant decrease in the fair value of the investment fund, and vice versa.
- 2 The fair value of the unlisted investment fund is based on a recent transaction price which involved significant unobservable inputs.

There were no transfers into or out of Level 3 during the period.

The fair values of financial assets, except for financial asset at FVTPL, and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025



21 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements of financial assets

	MOP'000
At 1 January 2024 (audited)	12,280
Change in fair value	(526)
Exchange adjustments	(334)
At 30 June 2024 (unaudited)	11,420
At 1 January 2025 (audited)	11,585
Change in fair value	231
Exchange adjustments	364
Purchased	2,011
At 30 June 2025 (unaudited)	14,191

22 CONTINGENT LIABILITIES

On 20 February 2023, Lap Polly Engineering Company Limited ("Lap Polly") received a notice of arbitration regarding to an alleged claim by joint and several liquidators. The alleged claim arose from disputes prior to the acquisition of Lap Polly on 10 September 2019. As at 30 June 2025, taken into account the advice of an independent legal advisor, the management of the Group considered that the potential legal risk to the Group arising from the claim is considered as low.

23 CAPITAL COMMITMENTS

At the end of the reporting period, the outstanding capital commitments of the Group not provided for in the financial statements was as follows:

	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
Commitments in respect of investments in subsidiaries — authorised and contracted for	42,902	42,690

FINANCIAL HIGHLIGHTS



	Six months ended 30 June	
	2025 MOP'000 (unaudited)	2024 MOP'000 (unaudited)
Results		
Revenue	170,834	58,923
Cost of sales	(160,661)	(47,072)
Gross profit	10,173	11,851
Profit before taxation	838	2,420
Profit for the period	476	2,482
	At 30 June 2025 MOP'000 (unaudited)	At 31 December 2024 MOP'000 (audited)
Assets and liabilities		
Total assets	323,615	306,660
Total liabilities	(128,570)	(112,327)
Net assets	195,045	194,333

AB BUILDERS GROUP LIMITED
奧邦建築集團有限公司