



Sang Hing Holdings (International) Limited
生興控股(國際)有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 1472

INTERIM REPORT
2025

Contents

Corporate Information	2
Financial Highlights	4
Management Discussion and Analysis	5
Corporate Governance and Other Information	12
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	17
Condensed Consolidated Statement of Financial Position	18
Condensed Consolidated Statement of Changes in Equity	20
Condensed Consolidated Statement of Cash Flows	21
Notes to the Condensed Consolidated Financial Statements	23

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Lai Wai (*Chairman*)

Mr. Lai Ying Wah

Independent non-executive Directors

Prof. Leung Yee Tak

Mr. Ho Tai Tung

Ms. Tsang Wing Kiu

Mr. Choi Ho Yan

AUDIT COMMITTEE

Mr. Choi Ho Yan (*Chairman*)

Prof. Leung Yee Tak

Mr. Ho Tai Tung

Ms. Tsang Wing Kiu

REMUNERATION COMMITTEE

Prof. Leung Yee Tak (*Chairman*)

Mr. Ho Tai Tung

Ms. Tsang Wing Kiu

Mr. Choi Ho Yan

NOMINATION COMMITTEE

Mr. Lai Wai (*Chairman*)

Prof. Leung Yee Tak

Mr. Ho Tai Tung

Ms. Tsang Wing Kiu

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

REGISTERED OFFICE

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 215A-B, 2/F

Central Services Building

Nan Fung Industrial City

No. 18 Tin Hau Road

Tuen Mun, New Territories

Hong Kong

Corporate Information

SUSTAINABLE DEVELOPMENT COMMITTEE

Mr. Ho Tai Tung (*Chairman*)
Prof. Leung Yee Tak
Ms. Tsang Wing Kiu
Mr. Choi Ho Yan

INVESTMENT COMMITTEE

Mr. Lai Wai (*Chairman*)
Mr. Au Chun Wing
Mr. Shum Tsz Yeung

COMPANY SECRETARY

Ms. Chang Kam Lai

AUTHORISED REPRESENTATIVES

Mr. Lai Wai
Ms. Chang Kam Lai

LEGAL ADVISER

Khoo & Co.

AUDITOR

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Bank of Communications
(Hong Kong) Limited
Industrial and Commercial Bank of China
(Asia) Limited
Bank of China (Hong Kong) Limited
Shanghai Commercial Bank Ltd.

COMPANY WEBSITE

www.sang-hing.com.hk

STOCK CODE

1472

Financial Highlights

	Six months ended 30 September		
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)	Increase %
Revenue	132,880	89,731	48.1
EBITDA	(9,332)	(4,463)	109.1
Loss before tax	(13,200)	(7,973)	65.6
Loss for the period attributable to owners of the Company	(13,704)	(8,903)	53.9
Loss per share attributable to owners of the Company Basic and diluted (<i>HK cents</i>)	(1.37)	(0.89)	53.9

Management Discussion and Analysis

The board (the **“Board”**) of directors (the **“Directors”**) of Sang Hing Holdings (International) Limited (the **“Company”**) is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the **“Group”**) for the six months ended 30 September 2025, together with the comparative figures for the six months ended 30 September 2024.

BUSINESS REVIEW AND FINANCIAL RESULTS

The Group is an established main contractor with over 20 years of experience specialising in a variety of civil engineering works, including site formation, road and bridge construction, drainage and sewerage construction, watermain installation and slope works in Hong Kong. We are a Group C contractor under the **“Site Formation”** and **“Roads and Drainage”** categories with confirmed status and are qualified to tender for public works contracts of any values exceeding HK\$400 million.

The Group was awarded two tenders in March and May 2025 respectively for civil engineering projects in relation to site formation and infrastructure works for public housing development at three urban squatter areas in Kowloon East, Hong Kong, namely, Cha Kwo Ling Village, Chuk Yuen United Village and Ngau Chi Wan Village (Project W62), with contract sum of approximately HK\$668 million which the contract period is from March 2025 to October 2029, and in relation to site formation and infrastructure works for public housing development at A Kung Ngam Village, Eastern, Hong Kong (Project W63), with contract sum of approximately HK\$442 million which the contract period is from May 2025 to September 2029, total contract sum of the two projects are HK\$1,110 million.

For the six months ended 30 September 2025, the Group’s revenue was approximately HK\$132.9 million (2024: approximately HK\$89.7 million), an increase of 48.1% as compared with the same corresponding period in 2024 which was due to increase in revenue from civil engineering works related services of Projects W61, W62 and W63. The loss attributable to owners of the Company for the six months ended 30 September 2025 was approximately HK\$13.7 million (2024: approximately HK\$8.9 million), representing an increase in loss of 53.9% as compared to the same corresponding period in 2024, which was mainly due to increase in staff costs included in administrative expenses and related costs regarding bidding of new tender works published by the Hong Kong Government.

Management Discussion and Analysis

Analysis of revenue and management fee income of each project during the six months ended 30 September 2025 was as follows:

Project Code	Type of works	Location	2025 HK\$'000	2024 HK\$'000
On-going projects				
W58	Construction of sewers and sewerage system	Northern Tuen Mun	83	9,249
W59	Site formation and infrastructure works for public housing development	Kam Tin South, Yuen Long	1,570	1,410
W61	Site formation and engineering infrastructure works	Hung Shui Kiu/ Ha Tsuen New Development Area	62,370	40,939
W62	Site formation and infrastructure works for public housing development	Three urban squatter areas in Kowloon East	30,791	–
W63	Site formation and infrastructure works for public housing development	A Kung Ngam Village, Eastern	37,420	–
Projects completed or substantially completed				
W57	Development of Long Valley Nature Park	North District	646	–
W60	Temporary construction waste sorting facilities	Tseung Kwan O and Tuen Mun	–	38,133
Total			132,880	89,731

During the six months ended 30 September 2025, we recognised revenue from 6 projects in total. The revenue for the six months ended 30 September 2025 was increased as compared with the same corresponding period in last year due to increase in revenue from Projects W61, W62 and W63 in which the contract period of Project W61 begun from June 2024, Project W62 begun from April 2025 and Project W63 begun from May 2025.

The gross profit margin for the six months ended 30 September 2025 was 2.5% (2024: 2.9%). The gross profit margin was kept at same level compared with the same corresponding period in 2024.

Management Discussion and Analysis

Other income and other gain or loss, net for the six months ended 30 September 2025 amounted to approximately HK\$1.2 million (2024: approximately HK\$0.9 million), representing an increase of 35.0% as compared with the same corresponding period in last year, which was due to increase in sundry income.

Administrative and operating expenses for the six months ended 30 September 2025 amounted to approximately HK\$17.5 million (2024: approximately HK\$11.3 million), representing an increase of 54.9% as compared with the same corresponding period in last year, which was mainly due to increase in staff costs and related costs in project bidding.

As at 30 September 2025, prepayments, deposits and other receivables mainly represented amounts paid for insurance and subcontracting fee prepayments, deposits for material purchases, deposits for rental and utilities and other receivables. During the period, prepayments, deposits and other receivables decreased by approximately HK\$5.0 million which was mainly utilised in Projects W61 and W63. The Group ensures that subcontractors or suppliers have the necessary funds to initiate work promptly, facilitating smoother project execution and reducing the risk of delays due to financial constraints. This proactive cash flow management is crucial for maintaining project timelines and ensuring that all stakeholders, including subcontractors and customers, are aligned and committed to the construction project's success.

The management considered the financial health of the subcontractors or suppliers that the Group has made payments to and for, and considered their creditworthiness and conducted cashflow analysis. In evaluating their financial stability and creditworthiness, the management reviewed their financial performance, credit ratings and other relevant financial indicators. The management also took into account such subcontractors' historical performance in terms of fulfilling contracts and ability to meet financial obligations, including repayment of receivables in order to reduce the credit risk.

Furthermore, as previously disclosed in the Company's announcements dated 26 March 2025 and 30 April 2025, the Group was awarded two new tenders in March and May 2025 respectively for Projects W62 and W63. As the Group's existing subcontractors or suppliers would participate in such projects, the management considers that the prepayments and payments previously made to them would be utilised in ensuring the reliable performance in such projects, thereby benefiting the Group in the long run.

Management Discussion and Analysis

OUTLOOK

Looking forward to the second half of 2025/26, the Group will take part in tenders for projects from various government departments more rigorously and actively, especially those from the Civil Engineering and Development Department and Drainage Services Department, in order to secure more revenue from engineering projects. Due to the fierce competition in the market and the increased technical requirements of the clients for bidding projects, it has become increasingly more difficult to successfully win bids for projects. We will enhance the Group's bidding advantages and capabilities and strive for more successful bids for projects.

We expect that the Russia-Ukraine war and military conflict in Middle East area will continue, the global financial and energy markets will remain volatile and the prices of energy and raw materials will remain high. Geopolitical uncertainties may result in the disruption of the raw material supply chain, which in turn leads to a shortage of supply. Despite the Group's business suffering fewer adverse effects than other industries, we expect our operating cost to remain high and the price will continue to increase in the coming year. The Group will take all reasonable measures to save energy and enhance the efficiency of resource utilisation, so as to control costs.

The Group will capitalise on its competitive advantages after listing to secure more projects, and to actively participate in bidding for works of the Hong Kong Government to achieve increase revenue. In addition, the Group will also explore various chances in the construction industry to create greater value for shareholders.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The uses of cash of the Group are mainly for the financing of the operations and working capital requirements. The Group generally finances its operations with internally generated cash flows and banking facilities provided by its principal bankers. As at 30 September 2025, the Group had cash and cash equivalents of approximately HK\$33.3 million (31 March 2025: approximately HK\$28.7 million), bank overdraft of approximately HK\$5.5 million (31 March 2025: Nil) and pledged bank deposits of approximately HK\$4.6 million (31 March 2025: approximately HK\$4.5 million). The slightly decrease of approximately HK\$0.8 million in cash and cash equivalents was mainly attributable to purchases of property, plant and equipment. All of the bank balances were placed with banks in Hong Kong and are denominated in Hong Kong dollars. As at 30 September 2025, the Group had not experienced any liquidity problems in settling its payables in the normal course of business.

As at 30 September 2025, the Group had bank overdrafts of approximately HK\$5.5 million (31 March 2025: Nil). The bank overdrafts were denominated in Hong Kong dollars and repayable within one year. The bank overdrafts were secured by the pledged bank deposits and the interest rate on the bank overdrafts is 3% per annum over 1-month HIBOR.

Management Discussion and Analysis

Additionally, as at 30 September 2025, the Group had unutilised banking facilities amounting to approximately HK\$69.5 million (31 March 2025: approximately HK\$75.0 million).

There has been no change in the capital structure of the Company during the six months ended 30 September 2025. The capital of the Company only comprises of ordinary shares. As at 30 September 2025, the total number of issued ordinary shares of the Company was 1,000,000,000 of HK\$0.01 each.

GEARING RATIO

As at 30 September 2025, the Group's gearing ratio was approximately 3.5% (31 March 2025: approximately 0.2%). The gearing ratio is calculated by dividing the sum of bank overdrafts and lease liabilities by total equity and expressed as a percentage. With available bank balances and cash, the Directors are of the view that the Group has sufficient liquidity to satisfy the funding requirements.

TREASURY POLICY

The Directors will continue to follow a prudent policy in managing the Group's cash balances and maintain a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

FOREIGN EXCHANGE EXPOSURE

All of the revenue-generating operations of the Group were denominated in Hong Kong dollars. There was no exposure to foreign exchange rate fluctuations. As such, no hedging or other arrangements was made by the Group during the six months ended 30 September 2025 and 2024.

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

As at 30 September 2025, the Group did not have any significant investments. There was no future plan for material investments or additions of capital assets as at the date of this report.

Management Discussion and Analysis

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 September 2025, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

PLEDGE OF ASSETS

As at 30 September 2025, the Group pledged its bank deposits of approximately HK\$4.6 million (31 March 2025: approximately HK\$4.5 million) as securities for the Group's banking facilities (including letter of credit, bank overdrafts and performance bonds).

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any material contingent liabilities.

CAPITAL COMMITMENTS

As at 30 September 2025, the Group did not have any material capital commitments.

EVENTS AFTER REPORTING PERIOD

On 10 October 2025, Sang Hing Civil Contractors Company Limited ("**SHCC**"), an indirect wholly-owned subsidiary of the Company, placed the purchase order with Epiroc Hong Kong Limited for the acquisition of 3 Epiroc surface drill rigs (the "**Epiroc Machinery**") at a total consideration of HK\$6,450,000. On the same day, SHCC, as lessee, entered into the finance lease agreement with ORIX Asia Limited ("**Orix**"), as lessor, pursuant to which Orix shall purchase the Epiroc Machinery from SHCC for a total consideration of HK\$5,000,000, and the Epiroc Machinery would then be leased back to SHCC for a lease term of 36 months.

On 10 October 2025, SHCC placed the purchase order with South Wing Machinery Company Limited for the acquisition of 2 Sumitomo hydraulic excavators (the "**Sumitomo Machinery**") at a total consideration of HK\$6,200,000. On the same day, SHCC, as lessee, entered into the finance lease agreement with Orix, as lessor, pursuant to which Orix shall purchase the Sumitomo Machinery from SHCC for a total consideration of HK\$5,000,000, and the Sumitomo Machinery would then be leased back to SHCC for a lease term of 36 months.

Management Discussion and Analysis

Details of the acquisitions of machinery and finance lease agreements were set out in the Company's announcements dated 10 October 2025 and 16 October 2025.

Save as disclosed above, there was no other important event affecting the Group which has occurred since the end of the reporting period and up to the date of this report.

EMPLOYEE AND REMUNERATION POLICY

As at 30 September 2025, the Group had a total of 165 employees (31 March 2025: 147) who were directly employed by the Group in Hong Kong. The staff costs, including Directors' emoluments, of the Group amounted to approximately HK\$32.4 million for the six months ended 30 September 2025 (six months ended 30 September 2024: approximately HK\$21.4 million).

The remuneration package the Group offered to the employees includes salary, bonuses and other cash subsidies. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. Share options are also available to the Group's employees. The Group provides various types of trainings to the employees and sponsor the employees to attend various training courses, including those on occupational health and safety in relation to the works. Such training courses include the internal training as well as courses organised by external parties such as the Construction Industry Council and the Occupational Safety and Health Council. The safety officers also provide training to the workers before commencement of works.

Corporate Governance and Other Information

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) throughout the six months ended 30 September 2025, except for the following deviations:

Under code provision C.1.5 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Prof. Leung Yee Tak, the independent non-executive Director, was unable to attend the annual general meeting of the Company held on 4 September 2025 due to his other business engagements.

Under code provision D.1.2 of the CG Code, the management should provide all members of the Board with, and the Board and each director are entitled to and should request for, monthly updates giving a balanced and understandable assessment of the Company’s financial and operating performance, position and prospects in sufficient details. During the six months ended 30 September 2025, the management has provided all members of the Board updates on any material changes to the performance, position and prospects of the Company and sufficient information for matters brought before the Board.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and the Company’s senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company’s securities.

The Company has made specific enquiries to all the Directors and all the Directors have confirmed their compliance with the Model Code during the six months ended 30 September 2025. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Company during the six months ended 30 September 2025.

Corporate Governance and Other Information

CHANGES IN DIRECTORS' INFORMATION

During the six months ended 30 September 2025 and up to the date of this report, there is no change in information of the Directors or chief executives that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INTERIM DIVIDEND

The Board did not declare the payment of an interim dividend for the six months ended 30 September 2025 (2024: Nil).

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

As at 30 September 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have taken under such provisions of the SFO), or were recorded in the register required to be kept under section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Long position in the issued ordinary shares of the Company (the "Shares")

Name of Director	Capacity/ Nature of interest	Number of Shares held	Percentage of shareholding in the Company
Mr. Lai Wai	Interest in a controlled corporation ^(Note 1)	600,000,000	60.0%

Note:

1. Mr. Lai Wai directly holds the entire issued share capital of Worldwide Intelligence Group Limited ("Worldwide Intelligence") and is therefore deemed to be interested in the same number of Shares in which Worldwide Intelligence is interested.

Corporate Governance and Other Information

(ii) Long position in the shares of associated corporation of the Company

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Number of shares held	Percentage of shareholding
Mr. Lai Wai	Worldwide Intelligence	Beneficial owner	1	100%

Save as disclosed above, as at 30 September 2025, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Corporate Governance and Other Information

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

So far as the Directors are aware, as at 30 September 2025, the following person (other than the Directors or chief executive of the Company the interests of which were disclosed above) or corporation had interest or short position in the Shares which were required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register of the Company required to be kept pursuant to section 336 of the SFO:

Long positions in the Shares

Name of substantial shareholder	Capacity/ Nature of interest	Number of Shares held	Percentage of shareholding in the Company
Worldwide Intelligence	Beneficial owner	600,000,000	60.0%
Ms. Dun Xin Chun <i>(Note 1)</i>	Interest of spouse	600,000,000	60.0%

Note:

1. Ms. Dun Xin Chun is cohabiting with Mr. Lai Wai as spouse. By virtue of the SFO, Ms. Dun Xin Chun is deemed, or taken to be, interested in all the Shares in which Mr. Lai Wai is deemed to be interested.

Save as disclosed above, as at 30 September 2025, the Directors were not aware of any person (other than the Directors and the chief executive of the Company) who has an interest or short position in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, which were recorded in the register of the Company required to be kept pursuant to section 336 of the SFO.

Corporate Governance and Other Information

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the **"Share Option Scheme"**) on 29 January 2020.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since the date of its adoption and there was no share option outstanding as at 30 September 2025. As at 1 April 2025 and 30 September 2025, the total number of share options available for grant under the scheme mandate of the Share Option Scheme is 100,000,000.

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

During the six months ended 30 September 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined in the Listing Rules)).

AUDIT COMMITTEE

The audit committee of the Board (the **"Audit Committee"**) consists of four members, namely, Prof. Leung Yee Tak, Mr. Ho Tai Tung, Ms. Tsang Wing Kiu and Mr. Choi Ho Yan, all being independent non-executive Directors. Mr. Choi Ho Yan is the chairman of the Audit Committee.

The Audit Committee has reviewed with the management the Group's unaudited condensed consolidated financial statements for the six months ended 30 September 2025. The Audit Committee is of the view that the applicable accounting standards and requirements have been complied with by the Company and that appropriate disclosures have been made.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

		Six months ended 30 September	
	Note	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	3	132,880	89,731
Cost of services		(129,504)	(87,103)
Gross profit		3,376	2,628
Other income and other gain or loss, net	5	1,207	894
Administrative and operating expenses		(17,523)	(11,327)
Loss from operations		(12,940)	(7,805)
Finance costs	6	(260)	(168)
Loss before tax	7	(13,200)	(7,973)
Income tax	8	(504)	(930)
Loss and total comprehensive loss for the period		(13,704)	(8,903)
Loss and total comprehensive loss for the period attributable to owners of the Company		(13,704)	(8,903)
Loss per share attributable to owners of the Company			
Basic and diluted (HK cents)	9	(1.37)	(0.89)

Condensed Consolidated Statement of Financial Position

At 30 September 2025

	Note	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	11	23,603	22,044
Right-of-use assets	11	4,485	1,161
Contract assets	13	1,655	538
		29,743	23,743
Current assets			
Trade receivables	12	22,868	14,186
Contract assets	13	79,476	90,131
Prepayments, deposits and other receivables	14	164,647	169,606
Financial assets at fair value through profit or loss		593	527
Pledged bank deposits		4,568	4,494
Cash and cash equivalents		33,346	28,691
		305,498	307,635
Current liabilities			
Trade and retention payables	15	30,297	26,029
Other payables and accruals	16	8,448	7,247
Contract liabilities		3,609	1,289
Lease liabilities		1,168	385
Bank overdrafts		5,465	–
		48,987	34,950
Net current assets		256,511	272,685
Total assets less current liabilities		286,254	296,428

Condensed Consolidated Statement of Financial Position

At 30 September 2025

	Note	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Non-current liabilities			
Deferred tax liabilities		2,823	2,319
Lease liabilities		3,202	176
		6,025	2,495
Net assets		280,229	293,933
Capital and reserves			
Share capital	17	10,000	10,000
Reserves		270,229	283,933
Total equity attributable to owners of the Company		280,229	293,933

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Share capital HK\$'000	Share premium* HK\$'000	Other reserves* HK\$'000 (note)	Retained profits* HK\$'000	Total HK\$'000
At 1 April 2024 (audited)	10,000	91,979	21,149	179,900	303,028
Loss and total comprehensive loss for the period	–	–	–	(8,903)	(8,903)
At 30 September 2024 (unaudited)	10,000	91,979	21,149	170,997	294,125
At 1 April 2025 (audited)	10,000	91,979	21,149	170,805	293,933
Loss and total comprehensive loss for the period	–	–	–	(13,704)	(13,704)
At 30 September 2025 (unaudited)	10,000	91,979	21,149	157,101	280,229

* These reserve accounts comprise the consolidated reserves of approximately HK\$270,229,000 (31 March 2025: HK\$283,933,000) in the consolidated statement of financial position.

Note: Other reserve represented the difference between the Group's share of nominal values of the paid-up capital of the subsidiary acquired over the Group's cost of acquisition of the subsidiary under common control upon the corporate reorganisation of the Group in preparation for the listing.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Operating activities		
Loss before tax	(13,200)	(7,973)
Adjustments for:		
Depreciation of property, plant and equipment	2,853	2,809
Depreciation of right-of-use assets	755	533
Bank interest income	(81)	(228)
Dividend income from equity securities listed in Hong Kong	(13)	(12)
Finance costs	260	168
Gain on changes in fair value of financial assets at fair value through profit or loss	(66)	(61)
Loss on disposal of property, plant and equipment	1,104	–
Allowance for expected credit losses on financial assets at amortised cost	985	156
Operating cash outflow before movements in working capital	(7,403)	(4,608)
Increase in trade receivables	(8,682)	(1,664)
Decrease/(increase) in contract assets	9,538	(12,738)
Decrease in prepayments, deposits and other receivables	3,974	1,405
Increase/(decrease) in trade and retention payables	4,268	(264)
Increase in other payables and accruals	1,201	591
Increase in contract liabilities	2,320	6,412
Net cash generated from/(used in) operating activities	5,216	(10,866)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Investing activities		
Interest received	81	228
Dividend income from equity securities listed in Hong Kong	13	12
Purchases of property, plant and equipment	(6,307)	(5,901)
Proceeds from disposal of property, plant and equipment	791	–
Placement of pledged bank deposit	(74)	(79)
Net cash used in investing activities	(5,496)	(5,740)
Financing activities		
Capital element of lease rentals paid	(270)	(566)
Interest paid	(260)	(168)
Net cash used in financing activities	(530)	(734)
Net decrease in cash and cash equivalents	(810)	(17,340)
Cash and cash equivalents at beginning of the period	28,691	42,263
Cash and cash equivalents at end of the period	27,881	24,923
Analysis of balances of cash and cash equivalents		
Cash and bank balances	33,346	24,923
Bank overdrafts	(5,465)	–
	27,881	24,923

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 25 June 2018 and its shares have been listed (the “**Listing**”) on the Main Board of the Stock Exchange on 17 March 2020. The registered office address and principal place of business in Hong Kong of the Company are Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands and Room 215A-B, 2/F, Central Services Building, Nan Fung Industrial City, No. 18 Tin Hau Road, Tuen Mun, New Territories, Hong Kong, respectively.

The Company’s immediate and ultimate holding company is Worldwide Intelligence Group Limited (“**Worldwide Intelligence**”), a company incorporated in the British Virgin Islands. Worldwide Intelligence is controlled by Mr. Lai Wai who is the chairman and executive director of the Company. Worldwide Intelligence and Mr. Lai Wai are referred to as the controlling shareholders of the Company.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are provision of civil engineering works service and related services.

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Group. All values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The condensed consolidated financial statements have not been audited by the Company’s auditor, but have been reviewed by the audit committee of the Company.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

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.

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

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

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 mandatory effective for the Group's annual period beginning on or after 1 April 2025 for the preparation of the condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

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

3. REVENUE

The Group's revenue represents the amount received and receivable for revenue arising on civil engineering works services and related management services which is recognised over time.

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue from civil engineering works and related management services	132,880	89,731

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION

(i) Operating segment information

The Group's most senior executive management has been identified as the executive directors who review the Group's internal reporting in order to assess performance and allocate resources. The Group's most senior executive management has determined the operating segments based on these reports.

The Group's most senior executive management assesses performance based on a measure of profit after income tax and considers all businesses to be included in a single operating segment.

The Group is principally engaged in the business of civil engineering works service and related management services in Hong Kong. Information reported to the Group's most senior executive management for the purpose of resources allocation and performance assessment, focuses on the operating result of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating and geographical segment information is presented.

(ii) Information about major customers

Revenue from customers during the six months ended 30 September 2025 and 2024 contributing individually over 10% of the Group's revenue is as follows:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Customer A	132,797	80,482
Customer B	N/A*	9,249

* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the six months ended 30 September 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

5. OTHER INCOME AND OTHER GAIN OR LOSS, NET

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Bank interest income	81	228
Gain on changes in fair value of financial assets at fair value through profit or loss	66	61
Loss on disposal of property, plant and equipment	(1,104)	–
Management fee income	403	65
Dividend income from equity securities listed in Hong Kong	13	12
Compensation from insurance	–	454
Sundry income	1,105	74
Government grants (note (i))	643	–
	1,207	894

Note:

- (i) The amount of approximately HK\$643,000 related to other subsidy under EX-gratia Payment Scheme provided by the Government of the Hong Kong Special Administrative Region. There are no unfulfilled conditions or contingencies relating to these subsidies.

6. FINANCE COSTS

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Interest on bank overdrafts	170	135
Interest on lease liabilities	90	33
	260	168

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

7. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Auditor's remuneration	250	250
Depreciation of property, plant and equipment	2,853	2,809
Depreciation of right-of-use assets	755	533
Less: amounts included in cost of services	(2,968)	(2,670)
	640	672
Directors' remuneration		
– Other emoluments (fees, salaries, allowance, bonus and benefits in kind)	1,050	1,050
– Retirement benefit scheme contributions	–	–
Staff costs (excluding Directors' remuneration)		
– Wages, salaries, allowance and bonus	30,451	19,945
– Retirement benefit scheme contributions	923	424
	31,374	20,369
Less: amounts included in cost of services	(18,641)	(11,867)
	12,733	8,502
Subcontracting costs	59,160	52,184
Allowance for expected credit losses on financial assets at amortised cost	985	156
Short-term lease expenses	51	50

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

8. INCOME TAX

No provision for taxation has been recognised for companies incorporated in the Cayman Islands and the British Virgin Islands as they are not subject to any tax during the period.

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2024: 16.5%) of the estimated assessable profits arising in Hong Kong during the period.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Provision for Hong Kong profits tax:		
– Current tax	–	–
Deferred taxation	504	930
Tax charge for the period	504	930

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

9. LOSS PER SHARE

The calculation of basic loss per share attributable to the owners of the Company is based on the loss for the period of approximately HK\$13,704,000 (six months ended 30 September 2024: approximately HK\$8,903,000) and the weighted average number of ordinary shares of the Company in issue during the periods:

	Six months ended 30 September	
	2025 (Unaudited)	2024 (Unaudited)
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	1,000,000,000	1,000,000,000

No diluted loss per share is presented as there was no dilutive potential ordinary shares in issue during both periods.

10. DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 September 2025. The Board did not declare the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 September 2025, the Group's acquired property, plant and equipment at a total cost of approximately HK\$6,307,000 (six months ended 30 September 2024: approximately HK\$5,901,000).

In addition, during the six months ended 30 September 2025, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of approximately HK\$1,895,000 for cash proceeds of approximately HK\$791,000, resulting in a loss on disposal of approximately HK\$1,104,000.

During the six months ended 30 September 2025, the Group entered into new lease agreements for the use of office premises for 2 to 4 years. The Group is required to make fixed monthly payments. On lease commencement, the Group recognised approximately HK\$4,079,000 of right-of-use assets and approximately HK\$4,079,000 of lease liabilities.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

12. TRADE RECEIVABLES

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Trade receivables	22,868	14,186

The average credit period on construction works is 30 days.

Ageing analysis of trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
0-30 days	22,868	14,186

Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

13. CONTRACT ASSETS

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Unbilled receivables (note (i))	79,476	88,473
Retention receivables (note (ii))	1,655	2,196
	81,131	90,669
Less: non-current portion of retention receivables	(1,655)	(538)
	79,476	90,131

Notes:

- (i) Unbilled receivables included in contract assets represents the Group's right to receive consideration for work completed and 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.
- (ii) Retention receivables included in contract assets represents the Group's right to consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over the maintenance period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically after the expiry date of the maintenance period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Prepayments (note (a))	101,304	98,690
Deposits	5,482	2,200
Other receivables (note (b))	49,739	63,872
Amount due from other joint operator of a joint operation (note (c))	10,366	6,103
	166,891	170,865
Less: allowance for expected credit losses	(2,244)	(1,259)
	164,647	169,606

Notes:

- (a) As at 30 September 2025, the prepayments mainly represent subcontractor charge of amount approximately HK\$90,734,000 (31 March 2025: approximately HK\$94,637,000) which were prepaid to independent third parties.
- (b) As at 30 September 2025, included in the other receivables was an aggregate amount of approximately HK\$49,325,000 (31 March 2025: approximately HK\$63,456,000) representing the contra charges paid on behalf of and advance payment to the subcontractors.
- (c) The amount due from other joint operator of a joint operation is unsecured, interest-free and recoverable on demand.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

15. TRADE AND RETENTION PAYABLES

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Trade payables	28,391	24,132
Retention payables	1,906	1,897
	30,297	26,029

The credit period on trade payables is up to 60 days. Ageing analysis of trade payables at the end of each reporting period, based on invoice dates, is as follows:

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
0 – 30 days	10,326	13,837
31 – 60 days	2,538	2,890
61 – 90 days	6,144	155
Over 90 days	9,383	7,250
	28,391	24,132

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

16. OTHER PAYABLES AND ACCRUALS

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Other payables and accruals	2,775	2,482
Accrued staff costs	5,173	4,265
Employee benefit obligations	500	500
	8,448	7,247

17. SHARE CAPITAL

	Number of shares	Share capital HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024 (audited), 31 March 2025 (audited), 1 April 2025 (audited) and 30 September 2025 (unaudited)	10,000,000,000	100,000
Issued and fully paid:		
At 1 April 2024 (audited), 31 March 2025 (audited), 1 April 2025 (audited) and 30 September 2025 (unaudited)	1,000,000,000	10,000

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

The Group's financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period. The following gives information about how the fair values of these financial assets are determined, as well as the level of the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets 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).

Fair value hierarchy as at 30 September 2025 (Unaudited)

Financial assets	Fair value as at 30 September 2025	Fair value hierarchy	Valuation technique and key input
Financial assets at fair value through profit or loss – Held for trading-listed equity securities	HK\$593,000	Level 1	Quoted bid price in an active market

Fair value hierarchy as at 31 March 2025 (Audited)

Financial assets	Fair value as at 31 March 2025	Fair value hierarchy	Valuation technique and key input
Financial assets at fair value through profit or loss – Held for trading-listed equity securities	HK\$527,000	Level 1	Quoted bid price in an active market

There were no transfers between Level 1 and Level 2 for the six months ended 30 September 2025 and year ended 31 March 2025.

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

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

19. MATERIAL RELATED PARTIES TRANSACTIONS

Material related party transactions identified during the periods are summarised as follows:

(a) Transactions with related parties

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Interest on lease liabilities to Mr. Lai Hoi Kan (note (i))	5	2
Interest on lease liabilities to Mr. Lai Hoi Chun (note (i))	5	2

Notes:

- (i) Mr. Lai Hoi Kan and Mr. Lai Hoi Chun are the family members of Mr. Lai Wai, an executive director and controlling shareholder of the Company.

(b) Key management personnel remuneration

The emoluments of the Directors and senior management of the Group, who represent the key management personnel during the periods are as follows:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Salaries, fees and allowances	3,402	2,940
Retirement benefit	51	45
	3,453	2,985