



GME Group Holdings Limited
駿傑集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8188)

Interim Report
2025

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*This report, for which the directors (the “**Director(s)**”) of GME Group Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Chuang Chun Ngok Boris (*Chairman*)
Mr. Chuang Wei Chu

Non-executive Director

Ms. Chuang Yau Ka

Independent non-executive Directors

Mr. Lam Man Bun Alan
Mr. Lau Chun Fai Douglas
Ir Ng Wai Ming Patrick

Audit Committee

Mr. Lau Chun Fai Douglas (*Chairman*)
Mr. Lam Man Bun Alan
Ir Ng Wai Ming Patrick

Remuneration Committee

Mr. Lam Man Bun Alan (*Chairman*)
Mr. Chuang Chun Ngok Boris
Mr. Lau Chun Fai Douglas
Ir Ng Wai Ming Patrick

Nomination Committee

Ir Ng Wai Ming Patrick (*Chairman*)
Mr. Chuang Chun Ngok Boris
Mr. Lam Man Bun Alan
Mr. Lau Chun Fai Douglas
Ms. Chuang Yau Ka
(*appointed on 22 August 2025*)

Compliance Officer

Mr. Chuang Chun Ngok Boris

Company Secretary

Mr. Sze Kevin Chun Kit HKFCG(PE) FCPA
E-mail: companysecretary@gmehk.com
Fax: +852 3105 1881

Authorised Representatives

Mr. Chuang Chun Ngok Boris
Mr. Sze Kevin Chun Kit

Registered Office

4th Floor
Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

Headquarters and Principal Place of Business in Hong Kong

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333 Lockhart Road
Wan Chai, Hong Kong

Principal Share Registrar and Transfer Office

Harneys Fiduciary (Cayman) Limited
4th Floor
Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

Auditor

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

Legal Advisers as to Hong Kong Laws

CLKW LAWYERS LLP
1901A, 1902 & 1902A
19/F, New World Tower I
16-18 Queen's Road Central
Central
Hong Kong

Compliance Adviser

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

Principal Bankers

Bank of China (Hong Kong) Limited

Citibank, N.A., Hong Kong Branch

Dah Sing Bank, Limited

DBS Bank (Hong Kong) Limited

Standard Chartered Bank (Hong Kong) Limited

Company Website

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Stock Code

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Investor Relations

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Whistleblowing

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Financial Calendar

Date for the closure of the register of members
of the Company for the interim dividends
Thursday, 25 September 2025 to
Friday, 26 September 2025
(both days inclusive)

Payment date of proposed interim dividends
Friday, 31 October 2025

FINANCIAL HIGHLIGHTS (UNAUDITED)

The board of Directors (the “**Board**”) of the Company hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), together with the unaudited comparative figures for the corresponding period in 2024.

The Group’s revenue decrease from approximately HK\$492,499,000 for the six months ended 30 June 2024 to approximately HK\$434,835,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$57,664,000 or 11.7%. Such a decrease in revenue for the Reporting Period was mainly due to the combined effects of: (i) a decrease in revenue generated from public sector projects – tunnel construction services by approximately HK\$218,356,000, and (ii) an increase in revenue generated from public sector projects – utilities construction services and others by approximately HK\$162,524,000.

The gross profit and gross profit margin of the Group for the Reporting Period was approximately HK\$84,742,000 and 19.5%, respectively (for the six months ended 30 June 2024: approximately HK\$98,076,000 and 19.9%, respectively). The decrease in the Group’s gross profit was primarily attributable to the decrease in revenue from tunnel construction services. The gross profit margin remained substantially the same.

The Group’s profit and total comprehensive income for the period attributable to the owners of the Company (“**Net Profit**”) for the Reporting Period was approximately HK\$52,913,000 (for the six months ended 30 June 2024: approximately HK\$55,789,000), representing a decrease of approximately HK\$2,876,000. The aforementioned decrease was attributable to the decrease in both revenue and gross profit during the Reporting Period, as referenced above.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
	Notes		
Revenue	4	434,835	492,499
Cost of services		(350,093)	(394,423)
Gross profit		84,742	98,076
Other income	5	3,923	713
Provision of impairment loss on trade receivable and contract assets, net		(256)	(8,558)
Provision of impairment loss on deposits and other receivables, net		–	(2,916)
Administrative expenses		(23,437)	(18,218)
Finance costs		(1,532)	(1,779)
Profit before income tax expense	6	63,440	67,318
Income tax expense	7	(10,527)	(11,529)
Profit and total comprehensive income for the period		52,913	55,789
Profit and total comprehensive income for the period attributable to:			
Owners of the Company		52,913	55,789
Earnings per share			
– Basic and diluted (HK cents)	9	11.01	11.44

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	25,724	24,442
Goodwill		29	29
Other intangible assets		18,768	18,768
Deposits	12	637	572
		45,158	43,811
Current assets			
Contract assets	11	129,448	115,954
Trade and other receivables	12	144,331	127,382
Pledged bank deposits	13	3,000	6,000
Cash at banks and in hand	13	36,321	26,410
		313,100	275,746
Current liabilities			
Trade and other payables	14	49,732	55,182
Bank borrowings, secured	15	69,200	46,000
Promissory notes		7,850	3,925
Lease liabilities		2,944	3,214
Tax Payable		15,984	25,969
		145,710	134,290
Net current assets		167,390	141,456
Total assets less current liabilities		212,548	185,267
Non-current liabilities			
Promissory notes		–	3,925
Lease liabilities		4,372	5,398
Deferred tax liabilities		4,805	4,436
		9,177	13,759
NET ASSETS		203,371	171,508

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital	16	4,819	4,813
Reserves		198,552	166,695
TOTAL EQUITY		203,371	171,508

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to the owners of the Company							Non-controlling interests	Total
	Share capital HK\$'000 (unaudited)	Share premium HK\$'000 (unaudited)	Capital reserve HK\$'000 (unaudited)	Other reserve HK\$'000 (unaudited)	Share repurchase reserve HK\$'000 (unaudited)	Share-based payment reserve HK\$'000 (unaudited)	Retained earnings HK\$'000 (unaudited)	Total HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
For the six months ended 30 June 2025									
As at 1 January 2025	4,813	88,682	90	(36,104)	-	597	113,430	171,508	171,508
Profit for the period	-	-	-	-	-	-	52,913	52,913	52,913
Final dividend paid	-	-	-	-	-	-	(19,227)	(19,227)	(19,227)
Share repurchased	(34)	(2,252)	-	-	-	-	-	(2,286)	(2,286)
Share-based payments (note 20)	40	1,020	-	-	-	(597)	-	463	463
As at 30 June 2025	4,819	87,450	90	(36,104)	-	-	147,116	203,371	203,371
For the six months ended 30 June 2024									
As at 1 January 2024	4,878	90,753	90	(36,104)	-	-	71,070	130,687	131,071
Profit for the period	-	-	-	-	-	-	55,789	55,789	55,789
Final dividend paid	-	-	-	-	-	-	(24,390)	(24,390)	(24,390)
Share repurchased and yet to be cancelled	-	-	-	-	(305)	-	-	(305)	(305)
Share-based payments (note 20)	-	-	-	-	-	60	-	60	60
As at 30 June 2024	4,878	90,753	90	(36,104)	(305)	60	102,469	161,841	162,225

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit before income tax expense	63,440	67,318
Adjustments for:		
Depreciation of property, plant and equipment	6,346	6,287
Bank interest income	(67)	–
Provision of impairment loss on trade receivables, net	204	–
Provision of impairment loss on contract assets, net	52	8,558
Provision of impairment loss on deposits and other receivables, net	–	2,916
Share-based payment expenses	463	60
Finance costs	1,532	1,779
Gain on disposal of property, plant and equipment	(6)	(155)
Operating profit before working capital changes	71,964	86,763
Increase in contract assets	(13,546)	(15,594)
Increase in trade and other receivables	(17,218)	(18,091)
(Decrease)/increase in trade and other payables	(7,054)	21,222
Cash generated from operating activities	34,146	74,300
Interest received	67	–
Income tax paid	(20,143)	–
Net cash generated from operating activities	14,070	74,300
Cash flows from investing activities		
Purchases of property, plant and equipment	(6,686)	(9,389)
Proceeds from disposal of property, plant and equipment	6	160
Net project payments received from the vendor	30,681	–
Net project payments paid to the vendor	(29,557)	–
Net cash used in investing activities	(5,556)	(9,229)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cash flows from financing activities		
Repayment of bank borrowings	(56,943)	(116,859)
Proceeds from bank borrowings	80,143	100,089
Payment of lease liabilities	(1,987)	(1,039)
Decrease in amount due to a Director	–	(8,000)
Placement of pledged bank deposits	–	(3,000)
Release of pledged bank deposits	3,000	–
Interest paid on bank borrowings	(1,303)	(1,597)
Share repurchased	(2,286)	(305)
Dividend paid	(19,227)	(24,390)
Net cash generated from/(used in) financing activities	1,397	(55,101)
Net increase in cash and cash equivalents	9,911	9,970
Cash and cash equivalents at beginning of the period	26,410	4,467
Cash and cash equivalents at end of the period	36,321	14,437

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 18 January 2016, as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands. The registered office and principal place of business of the Company in Hong Kong are located at 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands and 41/F, United Asia Finance Centre, 333 Lockhart Road, Wan Chai, Hong Kong, respectively.

Mr. Chuang Wei Chu and Mr. Chuang Chun Ngok Boris, both of whom are also executive Directors, and their family members, Ms. To Yin Ping (the spouse of Mr. Chuang Wei Chu) and Ms. Chuang Yau Ka (a non-executive Director) entered into an acting in concert deed dated 21 March 2016 (the **"Acting in Concert Deed"**) as the controlling shareholders of the Company (the **"Controlling Shareholders"**). The Controlling Shareholders have agreed to consolidate their respective interests in the Company and to vote on any resolution to be passed at any shareholders' meeting of the Company in an unanimous manner. Each of Mr. Chuang Chun Ngok Boris, Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka is deemed to be interested in all the shares of the Company (the **"Share(s)"**) held by them in aggregate by virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the **"SFO"**). Mr. Chuang Chun Ngok Boris is the son of Mr. Chuang Wei Chu and Ms. To Yin Ping and the brother of Ms. Chuang Yau Ka.

The Shares were listed on GEM of the Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) on 22 February 2017.

The Company is an investment holding company and the Group is principally engaged in the provision of underground construction and engineering services in Hong Kong.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 (the **"Unaudited Condensed Consolidated Financial Statements"**) have been prepared in accordance with Hong Kong Financial Reporting Standards (**"HKFRS(s)"**), Hong Kong Accounting Standards (**"HKAS(s)"**) and Interpretations (hereinafter collectively referred to as the **"HKFRS"**) issued by the Hong Kong Institute of Certified Public Accountants (the **"HKICPA"**) and the applicable disclosures required by the GEM Listing Rules.

The Unaudited Condensed Consolidated Financial Statements do not include all of the information and disclosures required in the annual consolidated financial statements and hence should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2024 (the **"2024 Consolidated Financial Statements"**), which have been prepared in accordance with HKFRS and the disclosure requirements of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

The Unaudited Condensed Consolidated Financial Statements have not been audited by the Company's auditor, but have been reviewed by the audit committee of the Board (the "**Audit Committee**").

The Unaudited Condensed Consolidated Financial Statements have been prepared under the historical cost basis and in accordance with HKAS 34: Interim Financial Reporting issued by the HKICPA. The Unaudited Condensed Consolidated Financial Statements are presented in Hong Kong Dollars ("**HK\$**"), which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

The accounting policies applied and the method of computation used in the preparation of the Unaudited Condensed Consolidated Financial Statements are consistent with those adopted in the preparation of the 2024 Consolidated Financial Statements. The financial information relating to the year ended 31 December 2024 that is included in these Unaudited Condensed Consolidated Financial Statements as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that financial year but is derived from those consolidated financial statements.

The HKICPA has issued amendments to HKAS 21 and HKFRS 1 regarding the lack of exchangeability, which require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. These amendments take effect for the first time in this financial year. The adoption of these standards has no material impact on the Unaudited Condensed Consolidated Financial Statements. The Group has not adopted any new or revised HKFRS that are not yet effective during the Reporting Period.

3. SEGMENT INFORMATION

(a) *Operating segments*

The Group was principally engaged in the provision of underground construction and engineering services in Hong Kong. Information reported to the chief operating decision maker ("**CODM**") is further categorised into underground construction services and engineering services in Hong Kong, each of which is considered as a separate operating segment by the CODM. For the purpose of resources allocation and performance assessment, it focuses on the operating results 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 segment information is presented.

3. SEGMENT INFORMATION (Continued)

(b) Geographical information

All of the Group's revenue was derived from Hong Kong, based on the location of the customers, and all of its non-current assets were located in Hong Kong, based on the location of assets. Therefore, no geographical information is presented.

(c) Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's revenue during the Reporting Period is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Customer B	96,270	360,819
Customer M	156,635	53,037
Customer AG	111,745	–

4. REVENUE

Revenue from the provision of construction and engineering services is recognised over time using the output method, i.e. based on surveys of work completed by the Group to date, with the agreement from the customers evidenced through the progress certificates.

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Public tunnel projects	149,270	367,626
Public utilities construction services and other projects (Note)	284,933	122,409
Private projects	632	2,464
	434,835	492,499

Note: Public utilities construction services and other projects mainly comprise revenue from contracts for utilities construction services, which involve underground construction work.

5. OTHER INCOME

	Six months ended	
	30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Bank interest Income	67	59
Government grant (Note)	2,536	–
Rental income	129	163
Sundry income	83	336
Reimbursement from the main contractors	1,102	–
Gain on disposal of property, plant and equipment	6	155
	3,923	713

Note:

For the six months ended 30 June 2025, the government grants of approximately HK\$2,536,000 (For the six months ended 30 June 2024: nil) were received by Good Mind Engineering Limited ("**GMEHK**"), an indirectly wholly-owned subsidiary of the Company. Such grants were mainly from the Construction and Technology Fund (the "**CITF**").

The CITF was established by the Development Bureau of the Hong Kong Government (the "**Development Bureau**") of the Government of the Hong Kong Special Administrative Region of the People's Republic of China (the "**Hong Kong Government**") to encourage wider adoption of innovative construction methods and new technologies in the construction industry. The Construction Industry Council (the "**CIC**") is commissioned by the Development Bureau to be the implementation partner.

CIC reimbursed the cost of the prefabricated steel rebar of such amount to GMEHK as a subsidy for its adoption of innovative technology during the Reporting Period on a project from October 2023 to 2025.

6. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging/(crediting):

	Six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Included in cost of services:		
– Subcontracting costs	21,882	59,941
– Construction materials and supplies	179,399	132,464
Auditor's remuneration	403	394
Provision of impairment loss on trade receivables, net	204	–
Provision of impairment loss on contract assets, net	52	8,558
Provision of impairment loss on deposits and other receivables, net	–	2,916
Gain on disposal of property, plant and equipment	(6)	(155)
Depreciation charges:		
– Owned property, plant and equipment	4,160	4,462
– Right-of-use-assets included within		
– Leased properties	1,188	721
– Office equipment	12	6
– Plant and machinery	842	885
– Motor vehicles	144	213
Consultancy fees	1,346	1,674
Lease payment not included in the measurement of lease liabilities:		
– Leased properties (included in cost of services and administrative expenses)	216	216
– Short-term leases of plant and machinery (included in cost of services)	16,582	29,153
Finance costs:		
– Interest on bank borrowings	1,303	1,597
– Interest on lease liabilities	229	182
Employee benefit expenses, including Directors' remuneration	133,345	166,516

7. INCOME TAX EXPENSE

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

	Six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax – Hong Kong profits tax		
– charge for the Reporting Period	10,158	10,685
Deferred tax	369	844
Income tax expense	10,527	11,529

According to the Inland Revenue (Amendment) Bill 2017, which was substantively enacted after passing its Third Reading in the Legislative Council of the Hong Kong Government (the “**Legislative Council**”) on 28 March 2018, the two-tiered profits tax regime (the “**Regime**”) is first effective for the year of assessment 2018/19. The profits tax rate for the first HK\$2 million of assessable profits of the qualifying group entity is lowered to 8.25% with excess assessable profits continuing to be taxed at 16.5%. The profits of group entities that do not qualify for the Regime will continue to be taxed at a flat rate of 16.5%. The Hong Kong profits tax for the six months ended 30 June 2025 and 2024 is provided based on the Regime.

GMEHK was elected to two-tiered profits tax rates during the Reporting Period (for the six months ended 30 June 2024: two-tiered profits tax rates). Other entities in Hong Kong that are subject to the provision of Hong Kong profits tax are calculated at a tax rate of 16.5% during the Reporting Period (during the six months ended 30 June 2024: 16.5%).

8. DIVIDEND

The Board has declared the payment of an interim dividend of HK\$0.05 per Share for the year ending 31 December 2025 (an interim dividend for the year ended 31 December 2024: HK\$0.04).

9. EARNINGS PER SHARE

The calculation of the basic earnings per Share attributable to the ordinary equity holders of the Group is based on the following data:

	Six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Earnings:		
Earnings for the purpose of basic earnings per Share	52,913	55,789
	Number of	Number of
	Shares	Shares
	'000	'000
Weighted average number of ordinary Shares for the purpose of earnings per Share Calculation (Note)	480,406	487,808

Note:

No adjustment has been made to the basic earnings per Share and the diluted earnings per Share for the six months ended 30 June 2024 in respect of Share Repurchase (as defined below) and the Shares Awards (as defined below) as both events are insignificant to the earnings per Share during the six months ended 30 June 2024.

Diluted earnings per Share are the same as basic earnings per Share, as there were no dilutive potential Shares for the six months ended 30 June 2025.

10. PROPERTY, PLANT AND EQUIPMENT

During the Reporting Period, the Group acquired the property, plant and equipment of approximately HK\$7,628,000 (during the six months ended 30 June 2024: approximately HK\$9,389,000).

11. CONTRACT ASSETS

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Contract assets arising from:		
Construction services		
– Unbilled revenue	20,851	20,851
– Retention receivables from contracts with customers within the scope of HKFRS 15	125,982	112,436
	146,833	133,287
Less: impairment loss	(17,385)	(17,333)
	129,448	115,954

11. CONTRACT ASSETS (Continued)

The contract assets primarily relate to the Group's right to consideration for construction works completed but not yet billed to customers, and the retention receivables at the reporting date on 30 June 2025 (the **"Reporting Date"**). The contract assets are transferred to trade receivables when the rights become unconditional, that is, when the Group issues progress billings to customers based on the progress certificates agreed with the customers or when the retention receivables become unconditional.

Included within contract assets is an amount of approximately HK\$125,982,000 (as at 31 December 2024: approximately HK\$112,436,000), which relates to retention amounts withheld up to 5%-12.5% (as at 31 December 2024: 5% – 12.5%) of the contract sum under contractual terms from trade receivables from customers as the construction work progresses. The monies are generally released from the customers to certification of the completion of work and/or finalisation of contract accounts, or security is given to the customer (i.e., the contractor) in case the Group fails to adequately complete some or all of its obligations under the contract.

The expected timing of recovery or settlement for contract assets is as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Within one year	68,642	61,869
More than one year and less than five years	60,806	54,085
Total contract assets	129,448	115,954

The amount of contract assets expected to be recovered after more than one year is approximately HK\$60,806,000 as at the Reporting Date (as at 31 December 2024: approximately HK\$54,085,000), all of which relates to retention receivables. The other contract assets are expected to be recovered within one year.

11. CONTRACT ASSETS (Continued)

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
At beginning of period/year	17,333	8,805
Impairment loss	52	8,558
Reversal of impairment loss	–	(30)
At end of period/year	17,385	17,333

The estimated loss rates are based on historical observed default rates over the expected life of the debtors. They are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by the management of the Company (the “**Management**”) to ensure relevant information about specific debtors is updated. The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

The loss allowance for impairment of contract assets is as follows:

	As at 30 June 2025 % (Unaudited)	As at 31 December 2024 % (Audited)
Expected credit losses rate	11.80	13.00

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Gross carrying amount	146,833	133,287
Expected credit losses	17,385	17,333

12. TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Trade receivables (Note)	134,819	117,872
Less: impairment loss	(894)	(690)
	133,925	117,182
Prepayments, deposits and other receivables	14,309	14,038
Less: impairment loss	(3,266)	(3,266)
	11,043	10,772
	144,968	127,954
Non-current-deposits	(637)	(572)
Current	144,331	127,382

12. TRADE AND OTHER RECEIVABLES (Continued)

Note:

Trade receivables were mainly derived from the provision of underground construction and engineering services and are non-interest bearing. The Group does not hold any collateral or other credit enhancements over these balances. The credit period granted by the Group to its customers is generally 21 to 60 days.

The following is an analysis of trade receivables by age, presented based on invoice dates and net of loss allowance as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Less than 1 month	133,924	116,880
1 to 3 months	–	–
More than 3 months but less than 1 year	895	302
	134,819	117,182

The movements in provision for impairment of trade receivables is as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
At beginning of period/year	690	778
Impairment loss	204	–
Reversal of impairment loss	–	(88)
At end of period/year	894	690

13. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Cash at banks and in hand	36,321	26,410
Pledged bank deposits	3,000	6,000
	39,321	32,410
Less: pledged bank deposits	(3,000)	(6,000)
Cash and cash equivalents	36,321	26,410

Cash and cash equivalents of the Group represent cash at banks and in hand.

The effective interest rate of pledged bank deposits was 1.7% per annum during the Reporting Period (during the year ended 31 December 2024: 1.5% per annum).

14. TRADE AND OTHER PAYABLES

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Trade payables (Note (a))	17,287	16,009
Other payables and accruals (Note (b))	32,445	39,173
	49,732	55,182

14. TRADE AND OTHER PAYABLES (Continued)

Notes:

- (a) An ageing analysis of trade payables as at the Reporting Date, based on invoice dates, is as follows:

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Current or less than 1 month	8,847	6,345
1 to 3 months	6,954	5,758
More than 3 months but less than 1 year	1,041	3,424
More than 1 year	445	482
	17,287	16,009

The Group's trade payables are non-interest bearing and generally have payment terms of 0 to 30 days.

- (b) Other payables are non-interest bearing and have average payment terms of one to three months.

15. BANK BORROWINGS, SECURED

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Bank borrowings, secured and repayable within the year or on demand	69,200	46,000

Note:

As at 30 June 2025, the Group had bank facilities from two licensed banks in Hong Kong with a total amount of approximately HK\$86,143,000 (as at 31 December 2024: three licensed banks in Hong Kong with a total amount of HK\$84,000,000), which comprised of revolving term loans of HK\$54,000,000 (as at 31 December 2024: HK\$60,000,000), the export loans of HK\$12,000,000 (as at 31 December 2024: HK\$24,000,000) and a term loan of approximately HK\$20,143,000 (as at 31 December 2024: nil).

15. BANK BORROWINGS, SECURED (Continued)

Note: (Continued)

Details of the bank facilities are as follows:

- (a) The revolving term loan at an amount of HK\$18,000,000 (as at 31 December 2024: HK\$13,000,000) bears an interest rate at 1% per annum below the Hong Kong Prime Rate ("Prime Rate") (as at 31 December 2024: 1% per annum below Prime Rate) as at 30 June 2025. The loan was guaranteed by Mr. Chuang Chun Ngok, Boris, Mr. Chuang Wei Chu, Ms. Chuang Yau Ka and Ms. To Yin Ping. The balance will be matured in September and December 2025, according to the repayment schedule.
- (b) The revolving loan at an amount of HK\$30,000,000 (as at 31 December 2024: HK\$27,000,000) bears an interest rate of Prime Rate (as at 31 December 2024: 0.5% per annum below Prime Rate) as at 30 June 2025. The loan was guaranteed by Mr. Chuang Chun Ngok, Boris, Mr. Chuang Wei Chu and GME Group Holdings Limited. The balance will be matured in September 2025, according to the repayment schedule.
- (c) The revolving term loan at an amount of HK\$6,000,000 (as at 31 December 2024: HK\$6,000,000) bears an interest rate at 2.25% per annum over the bank's cost of fund (as at 31 December 2024: 2.25% per annum over the bank's cost of fund) as at 30 June 2025. The loan was guaranteed by GME Group Holdings Limited. The balance will be matured in September 2025, according to the repayment schedule.
- (d) The term loan at an amount of approximately HK\$15,200,000 (as at 31 December 2024: nil) bears an interest rate of 0.4% per annum below the Prime Rate (as at 31 December 2024: N/A) as at 30 June 2025. Mr. Chuang Chun Ngok Boris and GME Group Holdings Limited guaranteed the loan. The bank facility at an amount of approximately HK\$20,143,000 (as at 31 December 2024: nil) had a monthly principal and interest repayment of approximately HK\$1,723,000 and will mature in March 2026, according to the repayment schedule.

As at 30 June 2025, the Group had HK\$12,000,000 (as at 30 June 2024: HK\$38,000,000) unutilised banking facilities from two (as at 30 June 2024: three) banking facilities.

16. SHARE CAPITAL

	The Company Number of Shares	Amount HK\$'000
Authorised:		
Ordinary share of HK\$0.01 each		
As at 31 December 2024 (audited), 1 January 2025 (unaudited) and 30 June 2025 (unaudited)	2,000,000,000	20,000
Issued and fully paid:		
Ordinary share of HK\$0.01 each		
As at 31 December 2024 (audited), 1 January 2025	481,344,000	4,813
Share Awards (as defined below) on 16 June 2025 (Note 20)	4,000,000	40
Share repurchased and cancelled	(3,444,000)	(34)
As at 30 June 2025	481,900,000	4,819

17. CONTINGENT LIABILITIES

As at 30 June 2025, the Group had several labour claims lodged against it, arising from the ordinary course of its civil engineering construction business. No specific claim amount has been specified in the applications of these claims. It is anticipated that the outflow of resources required in settling these claims, if any, was remote, as these claims are usually covered by insurance maintained by the relevant main contractors. Therefore, the ultimate liability under these claims would not have a material adverse impact on the Group's financial position or performance. No provision for the contingent liabilities in respect of these claims is necessary.

18. RELATED PARTY TRANSACTIONS

(a) Transactions

The Group did not have any related party transactions during the Reporting Period (during the six months ended 30 June 2024: nil).

18. RELATED PARTY TRANSACTIONS (Continued)

(b) Key management personnel compensation

The key management personnel of the Group are the Directors. Details of the remuneration paid to them during the Reporting Period and corresponding amount paid for the six months ended 30 June 2024 are as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Fees	720	625
Salaries and benefits	1,402	1,136
Defined contribution retirement plan contributions	24	17
	2,146	1,778

19. CAPITAL COMMITMENTS

As at 30 June 2025, capital commitments of the Group for the acquisition of property, plant and equipment were nil (as at 31 December 2024: approximately HK\$176,000).

20. SHARE-BASED PAYMENT

Share Scheme

The share scheme was approved by the Shareholders at the extraordinary general meeting held on 24 May 2024 and adopted on 29 May 2024, the date on which the Company obtained listing approval from the Stock Exchange (the “Share Scheme”). The maximum number of Shares which may be issued in respect of all shares options and shares awarded to be granted under the Share Scheme shall not exceed 48,780,800 Shares, representing 10% of the Shares in issue as at the listing approval date of the Share Scheme unless the Company obtains a fresh approval from the Shareholders.

As set out in the announcement of the Company dated 14 June 2024 (the “Grant Date”), the Board had resolved to award and grant conditionally an aggregate of 4,600,000 new ordinary Shares of HK\$0.01 each in the share capital of the Company to nine selected employees as an incentive bonus (the “Shares Awards”). The fair value of the Award Shares was approximately HK\$1,219,000 (unaudited) on the Grand Date. All of the Shares Awards to each of the grantees have a vesting period of 12 months (vesting on 14 June 2025). The purchase price is HK\$0. The closing price of the shares at Stock Exchange on the date immediately before the date on which the Share Awards were vested was HK\$0.95 per shares on 13 June 2025.

20. SHARE-BASED PAYMENT (Continued)

Share Scheme (Continued)

The fair value of the Shares Awards was calculated based on the market price of the Company's shares at the respective grant date, which was to be expensed over the relevant vesting period. The Group determined that the fair value of each share award on the grant date of 14 June 2024 was HK\$0.265.

Movements in the number of shares held for the Share Scheme for the years are as follows:

	As at 30 June 2025 (Unaudited)		As at 31 December 2024 (Audited)	
	Weighted average price per share HK\$	Number of share awards	Weighted average price per share HK\$	Number of share awards
At beginning of the Reporting Period/year	0.265	4,300,000	–	–
Granted	–	–	0.265	4,600,000
Vested	0.265	(4,000,000)	–	–
Lapsed	0.265	(300,000)	0.265	(300,000)
At end of the Reporting Period/year	–	–	0.265	4,300,000

The Group recognised a net total expense of HK\$463,000 for the six months ended 30 June 2025 (for the six months ended 30 June 2024: HK\$60,000) in relation to the Share Awards by the Company.

The number of Shares of the limit of the Share Scheme, net the Shares Awards, was 44,180,800 as at 1 January 2025 and 30 June 2025.

21. EVENT AFTER THE REPORTING PERIOD

Subsequent to the Reporting Period, the Company repurchased 1,560,000 Shares on the Stock Exchange.

There is no other subsequent event subsequent to the Reporting Period up to the date of this report which would material affect the Group's operation and financial performance.

22. APPROVAL OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Unaudited Condensed Consolidated Financial Statements were approved and authorised for issue by the Board on 22 August 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established subcontractor engaged in civil engineering works and operating solely in Hong Kong. GMEHK, an indirect wholly-owned subsidiary of the Company, is a Group 2 Registered Specialist Trade Contractor with various trades qualification under the CIC. The Group is principally engaged in the provision of underground construction and engineering services.

GMEHK mainly serves main contractors in public sector infrastructure projects. Public sector projects refer to the projects in which the main contractors are employed by the Hong Kong Government, its statutory bodies or statutory corporations. GMEHK has also been involved in some private sector projects, which have covered all other types of engagements.

Best Build Construction Company Limited ("**Best Build**"), an indirect wholly-owned subsidiary of the Company, holds a license issued by the Development Bureau of the Hong Kong Government for carrying out Roads and Drainage Works (Group B) (the "**Licence**") which was acquired by the Group on 4 November 2024.

The aggregate consideration payable for the acquisition of 100% shares of Best Build was HK\$15,700,000, which comprised (a) a sum of HK\$7,850,000 paid in cash to the vendor on 4 November 2024; (b) 4% interest secured promissory note in the principal amount of HK\$3,925,000 (subject to adjustment) with the maturity date on 1 November 2025 issued by Jade Phoenix in favour of the vendor; and (c) 4% interest secured promissory note in the principal amount of HK\$3,925,000 (subject to adjustment) with the maturity date on 30 March 2026 or such other earlier date as Jade Phoenix in its sole and absolute discretion may determine issued by Jade Phoenix in favour of the vendor.

During the Reporting Period, the Group further injected capital of HK\$24,810,000 to Best Build.

The Group provides underground construction services, in particular, tunnel construction services (including excavation, shotcreting, shutter design and fabrication, tunnel lining services, shafts, advanced and structural works) and utility construction (mainly the construction and refurbishment of underground public utility works such as road and drainage works) and others (mainly structural works related to tunnel construction and construction of service buildings and support structure for the public). The Group also provides programme design, costing and management for underground construction services. As a result, the Group works routinely with its key clients in pre-tenders for various underground construction projects.

Since 2014, the Group has been focusing on the development of a complete suite of tunnel construction services, laying a solid foundation for the Group's growth and securing a strong competitive advantage in bidding for contracts. The Group is constantly evaluating opportunities within the underground construction industry and seeking profitable areas in which it can develop, broaden or commence operation. In addition to tunnel works, the Group has also participated in earthworks, bridge construction and the construction of service buildings during the Reporting Period. The Group considers diversification necessary under current market conditions and continues to explore opportunities in other fields of the construction industry. As at the date of this report, the Group had submitted a certain number of tenders to main contractors, the results of which were still pending.

During the six months ended 30 June 2025, the Group had secured ten public construction projects and a private sector project with the aggregate secured contract sum and variation orders of approximately HK\$407,494,000 and approximately HK\$264,000, respectively (the **"Newly Awarded Contracts"**).

Subsequent to the Reporting Period up to the date of this report, the Group also secured two newly awarded construction contracts with the contract sum of HK\$36,350,000. The construction works commence in August 2025.

During the six months ended 30 June 2025, the Group had been engaged in 64 public sector projects (during the six months ended 30 June 2024: 40) and six private sector projects (during the six months ended 30 June 2024: two), including the Newly Awarded Contracts commenced in 2025. Please refer to the subsection headed “Financial Review” of this report below for the analysis on the Group’s revenue. The total backlog of the Newly Awarded Contracts and contracts carried over from 2024 to be recognised as revenue after 30 June 2025 was approximately HK\$1,001,350,000.

To maintain consistent quality services for all customers, the Group has established a formal quality management system which is certified to comply with the requirements of ISO 9001:2015. The Group has in-house quality assurance requirements that specify, among other things, specific work procedures for performing various types of work, the responsibilities of personnel at different levels, and accident reporting. Compliance with these quality assurance requirements is mandatory for all workers of the Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is reliant on the availability of public sector civil engineering projects in Hong Kong, which by their nature are procured by a limited number of main contractors. Due to the non-recurring nature of civil engineering projects, there is no guarantee that the Group will be able to secure new business from past or existing customers on a recurring basis. Accordingly, the number and scale of projects, and the amount of revenue from public sector projects, may vary from period to period, which may make it difficult for the Group to forecast the volume of future business and the amount of revenue.

The Group operates solely in Hong Kong and reports no income outside Hong Kong during the Reporting Period. Accordingly, the Group’s business, financial results and prospects are affected by the policies of the Hong Kong Government, and the political environment, economic and legal developments in Hong Kong. The budgeting and funding approval process on public infrastructure and construction projects may be lengthened, and the expected timetable of projects may be delayed. The Hong Kong Government’s policy and public spending patterns on the civil engineering construction industry may also affect the availability of construction projects in Hong Kong.

The Group’s historical results may not be indicative of its future performance, which may vary from period to period in response to a variety of factors beyond the Group’s control, including general economic conditions, regulations pertaining to the underground construction industry in Hong Kong and the ability to secure new business in the future. Besides, adverse weather conditions, natural disasters, potential wars, terrorist attacks, riots, epidemics, pandemics and other disasters are beyond the Group’s control and may also affect the Group’s performance.

OUTLOOK OF TUNNEL AND CONSTRUCTION INDUSTRY IN HONG KONG

It is expected that there will be a continuous demand for tunnel and underground construction services in Hong Kong, given that construction works at the Northern Metropolis, the Mass Transit Railway (“**MTR**”) and Hong Kong International Airport and several cavern tunnels are gearing up.

The Hong Kong Government has announced the awards and commencement of a few infrastructure projects in the Northern Metropolis during the Reporting Period. These cover (i) Kwu Tung North New Development Area, Remaining Phase: Site Formation and Infrastructure Works (South), (ii) Improvement Works of Fanling Highway (Kwu Tung Portion) and Associated Works, (iii) Fanling North New Development Area, Remaining Phase: Site Formation and Infrastructure Works (East), (iv) Hung Shui Kiu/Ha Tsuen New Development Area Second Phase Development, and (v) San Tin Technopole. Projects related to the Northern Metropolis will be implemented gradually in the coming years.

MTR has embarked on a significant and new phase of railway investment and development, with plans to invest approximately HK\$100 billion in expanding its network and fostering new communities. These initiatives are expected to generate more workers’ employment opportunities and boost the local economy during construction. Additionally, MTR will allocate substantial resources for the maintenance, enhancement, and renewal of its railway assets, with expenditures exceeding HK\$65 billion over the next five years, starting from 2023. Five MTR new station projects have also been launched and are under construction since 2024. These include Tung Chung West Station and tunnel, Tung Chung Line extension, Kwu Tung Station on the East Railway Line, Oyster Bay Station and Tuen Mun South extension. The Group has already received tenders from its existing main contractor clients, and it is believed that the Group’s experience in previous MTR works will provide the Group with a good opportunity and a competitive edge in the successful tendering of these new projects.

The Hong Kong Airport Authority has unveiled its new development brand, ‘SKYTOPIA’, as part of its Airport City Blueprint. A substantial budget of HK\$100 billion is dedicated to leveraging land and marine resources near the Hong Kong International Airport. The project may introduce a driverless transportation system connecting to the Hong Kong Port of Hong Kong– Zhuhai– Macao Bridge, Tung Chung Station, and Airport City. Phase 2 development of AsiaWorld-Expo is also planned, along with marine sports, luxury hotels, promenades, and other sports complexes.

The Group will continue to focus on growing its tunnel construction services business, expecting this to be its major growth driver and a long-term, sustainable source of revenue. The Group is one of the selected few subcontractors experienced in tunnel construction in Hong Kong and is well prepared to capitalise on the opportunities from these public infrastructure projects.

FINANCIAL REVIEW

Revenue

The Group's revenue was primarily generated from public sector projects for the provision of (i) tunnel construction services; and (ii) utility construction services and others for the six months ended 30 June 2025. The following table sets out the breakdown of the Group's revenue by project types:

	For the six months ended 30 June			
	2025	2025	2024	2024
	HK\$'000	% of total	HK\$'000	% of total
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Public sector projects				
– Tunnel construction services	149,270	34.3	367,626	74.6
– Utility construction services and others	284,933	65.6	122,409	24.9
Sub-total	434,203	99.9	490,035	99.5
Private sector projects	632	0.1	2,464	0.5
Total	434,835	100	492,499	100.0

The Group's revenue decreased from approximately HK\$492,499,000 for the six months ended 30 June 2024 to approximately HK\$434,835,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$57,664,000 or 11.7%. Such decrease in revenue for the Reporting Period was due to combined effects of (i) a decrease in revenue generated from public sector projects – tunnel construction services from approximately HK\$367,626,000 for the six months ended 30 June 2024 to approximately HK\$149,270,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$218,356,000 or 59.4%; (ii) an increase in revenue generated from public sector projects – utility construction services and others from approximately HK\$122,409,000 for the six months ended 30 June 2024 to approximately HK\$284,933,000 for the six months ended 30 June 2025, representing an increase of approximately HK\$162,524,000 or 132.8%; and (iii) a decrease in revenue generated from private sector projects from approximately HK\$2,464,000 for the six months ended 30 June 2024 to approximately HK\$632,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$1,832,000 or 74.4%.

Cost of services

The Group's cost of services consisted of (i) staff costs; (ii) construction materials and supplies; (iii) short-term leases of plant and machinery; (iv) subcontracting costs; (v) depreciation charges; and (vi) other expenses.

The Group's cost of services decreased from approximately HK\$394,423,000 for the six months ended 30 June 2024 to approximately HK\$350,093,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$44,330,000 or 11.2%. Such decrease was mainly due to combined effects of (i) a decrease in the staff costs from approximately HK\$157,947,000 for the six months ended 30 June 2024 to approximately HK\$119,822,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$38,125,000 or 24.1%; (ii) an increase in the construction materials and supplies from approximately HK\$132,464,000 for the six months ended 30 June 2024 to approximately HK\$179,399,000 for the six months ended 30 June 2025, representing an increase of approximately HK\$46,935,000 or 35.4%; and (iii) a decrease in the subcontracting costs from approximately HK\$59,941,000 for the six months ended 30 June 2024 to approximately HK\$21,882,000 for the six months ended 30 June 2025, representing a decrease of approximately HK\$38,059,000 or 63.5%.

The purchase arrangement of construction materials and supplies, short-term leases of plant and machinery and engagement of the subcontractors depend on the terms of the contracts, which may vary on a project-by-project basis. The decrease in staff costs was due to the decrease in number of skilled workers during the Reporting Period.

Gross profit and gross profit margin

The gross profit and gross profit margin of the Group for the six months ended 30 June 2025 was approximately HK\$84,742,000 and 19.5%, respectively (for the six months ended 30 June 2024: approximately HK\$98,076,000 and 19.9%, respectively). The decrease in gross profit was primarily attributable to the decrease in revenue from tunnel construction services. The gross profit margin remained substantially the same.

Other income

The Group's other income increased from approximately HK\$713,000 for the six months ended 30 June 2024 to approximately HK\$3,923,000 for the six months ended 30 June 2025, representing an increase of approximately HK\$3,210,000. The increase in the Group's other income was mainly attributable to the increase in government grants during the Reporting Period.

Provision of the impairment loss on trade receivables and contract assets, net

During the Reporting Period, the provision of the impairment loss on trade receivables and contract assets was approximately HK\$256,000 (for the six months ended 30 June 2024: approximately HK\$8,558,000), based on the impairment assessment under the requirements of HKFRS 9 Financial Instruments.

Provision for impairment loss on deposits and other receivables, net

During the Reporting Period, the provision of the impairment loss on deposits and other receivables was nil (for the six months ended 30 June 2024: approximately HK\$2,916,000), based on the impairment assessment under the requirements of HKFRS 9 Financial Instruments.

Administrative expenses

The Group's administrative expenses mainly comprised (i) staff costs and benefits; (ii) Directors' remuneration; (iii) consultancy fee; and (iv) depreciation expenses.

The Group's administrative expenses increased from approximately HK\$18,218,000 for the six months ended 30 June 2024 to approximately HK\$23,437,000 for the six months ended 30 June 2025, representing an increase of approximately HK\$5,219,000 or 28.6%. The staff costs and benefits for the six months ended 30 June 2025 was approximately HK\$11,377,000 (for the six months ended 30 June 2024: approximately HK\$6,791,000), representing an increase of approximately HK\$4,586,000 or 67.5%. The Directors' remuneration for the six months ended 30 June 2025 was approximately HK\$2,146,000 (for the six months ended 30 June 2024: approximately HK\$1,778,000). The increase in staff costs and benefits was mainly due to the salary increment, the increased number of administrative, accounting and human resources staff with regard to the enhanced business operations, and the recognition of share-based payment expenses in relation to the share awards granted to nine grantees on 14 June 2024 of approximately HK\$463,000 (for the six months ended 30 June 2024: HK\$60,000).

Finance costs

The Group's finance costs decreased from approximately HK\$1,779,000 for the six months ended 30 June 2024 to approximately HK\$1,532,000 for the six months ended 30 June 2025 mainly due to the decrease in interest expenses on the bank borrowings.

Income tax

The Group generated income only in Hong Kong and was subject only to Hong Kong profits tax.

The income tax for the six months ended 30 June 2025 resulted from the movement of accelerated tax depreciation and the increase in assessable profits of GMEHK during the Reporting Period.

Net Profit

The Group's Net Profit for the six months ended 30 June 2025 was approximately HK\$52,913,000 (for the six months ended 30 June 2024: approximately HK\$55,789,000). Such decrease in Net Profit was mainly due to decrease in revenue and gross profit during the Reporting Period as discussed above.

Dividend

The Board has declared the payment of an interim dividend of HK\$0.05 per Share for the year ending 31 December 2025 (interim dividend for the year ended 31 December 2024: HK\$0.04).

Liquidity, financial resources and funding

As at 30 June 2025, the Group's cash at banks and in hand and pledged bank deposits amounted to approximately HK\$36,321,000 (as at 31 December 2024: approximately HK\$26,410,000) and approximately HK\$3,000,000, respectively (as at 31 December 2024: approximately HK\$6,000,000), which were denominated in Hong Kong dollar. The increase in cash and cash equivalents was mainly due to the cashflow generated from operating activities during the Reporting Period.

On 23 August 2021, GMEHK received a banking facility letter of a revolving loan granted by a licensed bank in Hong Kong of HK\$18,000,000 at an interest rate of 1% per annum below the Hong Kong Prime Rate under the SME Financing Guarantee Scheme, which is secured by personal guarantees executed by Mr. Chuang Chun Ngok Boris, Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka. On 9 December 2022, GMEHK entered into another bank facility letter with the same bank, for which the bank provided bank facilities of revolving loan and import invoice discounting for two construction contracts of GMEHK up to an aggregate amount of HK\$30,000,000 at an interest rate of 0.5% per annum below the Hong Kong Prime Rate. The bank increased its interest rate to the Hong Kong Prime Rate on 4 November 2024, which is secured by personal guarantees executed by Chuang Chun Ngok Boris and Mr. Chuang Wei Chu, the executive Directors, and a corporate guarantee by the Company. Pursuant to this facility letter, the Controlling Shareholders shall at all time collectively maintain not less than 50% of the issued share capital of the Company. Besides, Mr. Chuang Chun Ngok Boris shall remain as the chairman of the Company.

During the year ended 31 December 2024, another licensed bank in Hong Kong granted bank facilities of (i) an export invoice financing of HK\$12,000,000 at an interest rate of 2.00% per annum over the bank's cost of funding and (ii) a revolving short-term loan of HK\$6,000,000 at an interest rate of 2.25% per annum over the bank's cost of funding. These banking facilities are secured by the corporate guarantee by the Company, pledged bank deposits of HK\$3,000,000, and fixed and floating charges over receivables of a construction project of GMEHK.

During the Reporting Period, the Group obtained a term loan of approximately HK\$20,143,000 from a licensed bank in Hong Kong for the purpose of paying profits tax. As at the Reporting Date, the outstanding balance of the term loan was approximately HK\$15,200,000 (as at 31 December 2024: nil), bearing an interest rate of 0.4% per annum below the Prime Rate (as at 31 December 2024: N/A). Mr. Chuang Chun Ngok Boris and GME Group Holdings Limited provided for the loan. The principal and interest expense will be repaid of approximately HK\$1,723,000 per month and will mature in March 2026, according to the repayment schedule.

As at 30 June 2025, the total available bank facilities of the above was HK\$86,143,000 (as at 31 December 2024: HK\$84,000,000), and the total drawdown from the bank facility letters was approximately HK\$74,143,000 (as at 31 December 2024: HK\$46,000,000). The Group had unutilised bank facilities of HK\$12,000,000 as at 30 June 2025 (as at 31 December 2024: HK\$38,000,000).

As at 30 June 2025, the lease liabilities amounted to approximately HK\$7,316,000 (as at 31 December 2024: approximately HK\$8,612,000), which represented the lease arrangement of the Group's office equipment, leased buildings, machinery and motor vehicles.

The Group's gearing ratio, which is calculated by total debts divided by total equity, was approximately 57% as at 30 June 2025 (as at 31 December 2024: 59%). Total debts are the total of other payables, bank borrowings, promissory notes and lease liabilities.

Capital structure

As at 30 June 2025, the capital structure of the Company comprised issued share capital and reserves.

Commitments

As at 30 June 2025, the capital commitments of the Group for the acquisition of property, plant and equipment were nil (as at 31 December 2024: approximately HK\$176,000).

Significant investments, material acquisitions or disposal of subsidiaries and associated companies

There was no significant investments, material acquisitions or disposal of subsidiaries and associated companies by the Company for the six months ended 30 June 2025.

Contingent liabilities

Save as disclosed in note 19 to the Unaudited Condensed Consolidated Financial Statements, there were no other contingent liabilities as at 30 June 2025.

Foreign currency exposure

The Group's reporting currency is Hong Kong dollar. During the six months ended 30 June 2025 and 2024, the Group's transactions were denominated in Hong Kong dollar. The Group had no material exposure to foreign currency risk.

Future plans for material investments and capital assets

The Group did not have other plans for material investment or capital assets as at 30 June 2025.

Charge on the Group's assets

As at 30 June 2025, the Group had pledged bank deposits of approximately HK\$3,000,000 (as at 31 December 2024: approximately HK\$6,000,000) to secure the banking facility letters mentioned above. Saved for the foregoing, the Group did not have any charges on its assets as at 30 June 2025.

Information on employees

As at 30 June 2025, the Group had 814 employees which comprises management, technical staff, administration, accounting and human resources staff and workers (as at 30 June 2024: 800 employees) in Hong Kong. The total staff costs (included in cost of services and administrative expenses) and Directors' remuneration amounted to approximately HK\$133,345,000 for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately HK\$166,516,000), of which such decrease was mainly due to the decrease in number of skilled workers headcount which have high salary rate during the Reporting Period.

Employee remuneration package is based on previous working experience and actual performance of each individual employee. Apart from the basic salary, share award, discretionary bonus and allowance will be granted to employees based on their individual performance subject to the executive Directors' approval. Depending on the nature of works and the need of the projects, the Group will provide training to its employees from time to time. The Group's customers sometimes require the employees to attend their own on-site occupational safety trainings.

Event after the Reporting Period

Saved as disclosed in note 21 of the Unaudited Condensed Consolidated Financial Statements, there is no significant event subsequent to 30 June 2025 and up to the date of this report which would materially affect the Group's operating and financial performance.

OTHER INFORMATION

Purchase, Sales or Redemption of the Company's Listed Shares

Shares Cancellation during the Reporting Period

During the Reporting Period, the Company repurchased a total of 3,444,000 Shares on the Stock Exchange ("**Share Repurchase**"). Such Repurchase Shares were subsequently cancelled during the Reporting Period. Details of those transactions are as follows:

Month of Share repurchase	Number of Shares repurchased	Price per Share		Total price paid (excluding the brokerage fees and other expenses) HK\$
		Highest HK\$	Lowest HK\$	
January 2025	680,000	0.395	0.38	261,900
March 2025	100,000	0.51	0.51	51,000
April 2025	600,000	0.61	0.51	329,000
May 2025	704,000	0.81	0.62	479,200
June 2025	1,360,000	0.89	0.83	1,165,160
	3,444,000			2,286,260

Subsequent to the Reporting Date and up to the date of this report, the Company further repurchased a total of 1,560,000 Shares on the Stock Exchange. Details of this transaction is as follows:

Shares Repurchase Subsequent to the Reporting Date and up to the date of this report:

Month of Share repurchase	Number of Shares repurchased	Price per Share		Total price paid (excluding the brokerage fees and other expenses)
		Highest	Lowest	
		HK\$	HK\$	HK\$
July 2025	1,560,000	0.93	0.85	1,397,840

The Share Repurchase disclosed above was effected by the Directors pursuant to the general mandates granted by the Shareholders at the annual general meeting of the Company held on 24 May 2024 and the annual general meeting of the Company held on 23 May 2025, with a view to benefiting the Shareholders as a whole by enhancing the net asset value per Share of the Group.

Except as disclosed above, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period.

Directors' and Chief Executives' Interest and Short Positions in Shares, Underlying Shares and Debentures

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 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 or short positions in which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long Position in Shares

Name of Directors	Notes	Directly beneficially owned	Through spouse	Acting in concert	Total	Percentage of Company's issued share capital
Mr. Chuang Chun Ngok Boris	(a)	103,000,000	–	187,120,000	290,120,000	60.2
Mr. Chuang Wei Chu	(b)	103,000,000	49,620,000	137,500,000	290,120,000	60.2
Ms. Chuang Yau Ka	(c)	34,500,000	–	255,620,000	290,120,000	60.2

Notes:

- (a) Mr. Chuang Chun Ngok Boris (i) personally holds 103,000,000 Shares; and (ii) is a party to the Acting in Concert Deed pursuant to which each of Mr. Chuang Wei Chu, Mr. Chuang Chun Ngok Boris, Ms. To Yin Ping and Ms. Chuang Yau Ka has agreed to consolidate their respective interests in the Company and to vote on any resolution to be passed at any Shareholders' meeting of the Company in a unanimous manner. Mr. Chuang Chun Ngok Boris is therefore deemed to be interested in the Shares held by Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka respectively under the SFO. Each of Mr. Chuang Chun Ngok Boris, Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Mr. Chuang Chun Ngok Boris is the son of Mr. Chuang Wei Chu and Ms. To Yin Ping and the brother of Ms. Chuang Yau Ka.
- (b) Mr. Chuang Wei Chu (i) personally holds 103,000,000 Shares; (ii) is the spouse of Ms. To Yin Ping, who personally holds 49,620,000 Shares and is deemed to be interested in the Shares personally interested by Ms. To Yin Ping; and (iii) is a party to the Acting in Concert Deed pursuant to which each of Mr. Chuang Wei Chu, Mr. Chuang Chun Ngok Boris, Ms. To Yin Ping and Ms. Chuang Yau Ka has agreed to consolidate their respective interests in the Company and to vote on any resolution to be passed at any Shareholders' meeting of the Company in a unanimous manner. Mr. Chuang Wei Chu is therefore deemed to be interested in the Shares held by Mr. Chuang Chun Ngok Boris, Ms. To Yin Ping and Ms. Chuang Yau Ka respectively under the SFO. Each of Mr. Chuang Chun Ngok Boris, Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Mr. Chuang Wei Chu is the father of Mr. Chuang Chun Ngok Boris and Ms. Chuang Yau Ka.
- (c) Ms. Chuang Yau Ka (i) personally holds 34,500,000 Shares; and (ii) is a party to the Acting in Concert Deed pursuant to which each of Mr. Chuang Chun Ngok Boris, Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka has agreed to consolidate their respective interests in the Company and to vote on any resolution to be passed at any Shareholders' meeting in an unanimous manner. Ms. Chuang Yau Ka is therefore deemed to be interested in the Shares held by Mr. Chuang Wei Chu, Ms. To Yin Ping and Mr. Chuang Chun Ngok Boris respectively under the SFO. Each of Mr. Chuang Wei Chu, Mr. Chuang Chun Ngok Boris, Ms. To Yin Ping and Ms. Chuang Yau Ka is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Ms. Chuang Yau Ka is the daughter of Mr. Chuang Wei Chu and Ms. To Yin Ping and the sister of Mr. Chuang Chun Ngok Boris.

As at 30 June 2025, none of the Directors and chief executives of the Company had any interests in the underlying shares in respect of physically settled, cash settled or other equity derivatives of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Saved as disclosed above, as at 30 June 2025, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be 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 in which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial Shareholders' and other Persons' Interests and Short Positions in Shares or Underlying Shares

As at 30 June 2025, so far as is known to the Directors, the following persons' interests and short positions of the share capital and underlying shares of the Company, other than a Director or chief executive of the Company, were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long Position in Shares

Name of Shareholders	Note	Nature of interest	Total	Percentage of Company's issued share capital
Ms. To Yin Ping	(a)	Beneficial owner, interest held jointly with another person and interest of spouse	290,120,000	60.2
Mr. Ng Kwok Lun		Beneficial owner	39,500,000	8.2

Note:

- (a) Ms. To Yin Ping (i) personally holds 49,620,000 Shares; (ii) is the spouse of Mr. Chuang Wei Chu and is deemed to be interested in the Shares which are deemed to be interested by Mr. Chuang Wei Chu under the SFO; and (iii) is a party to the Acting in Concert Deed pursuant to which each of Mr. Chuang Chun Ngok Boris, Mr. Chuang Wei Chu, Ms. To Yin Ping and Ms. Chuang Yau Ka has agreed to consolidate their respective interests in the Company and to vote on any resolution to be passed at any Shareholders' meeting in an unanimous manner. Ms. To Yin Ping is therefore deemed to be interested in the Shares held by Mr. Chuang Wei Chu, Mr. Chuang Chun Ngok Boris and Ms. Chuang Yau Ka respectively under the SFO. Each of Mr. Chuang Wei Chu, Mr. Chuang Chun Ngok Boris, Ms. To Yin Ping and Ms. Chuang Yau Ka deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Ms. To Yin Ping is the mother of Mr. Chuang Chun Ngok Boris and Ms. Chuang Yau Ka.

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any person who had an interest or short positions in any Shares, underlying Shares and debenture of the Company as recorded in the register required to be kept pursuant to section 336 of the SFO.

Closure of the Register of Members

To ascertain entitlement to the interim dividends, the register of members of the Company will also be closed from Thursday, 25 September 2025 to Friday, 26 September 2025, both days inclusive. In order to qualify for the interim dividends, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Wednesday, 24 September 2025.

Share Scheme

The Company adopted the Share Scheme on 29 May 2024. Unless otherwise cancelled or amended, the Share Scheme will remain in force for a period of 10 years from the date of its adoption. A summary of the principal terms of the Share Scheme was contained in Appendix I to the Company's circular dated 9 May 2024.

As set out in the announcement and circular of the Company dated 14 June 2024, the Board had resolved to award conditionally an aggregate of 4,600,000 awarded Shares to nine selected employee participants. All awarded Shares to each of the selected employee participants have a vesting period of 12 months (vesting on 14 June 2025).

With effect from 29 May 2024 and up to the date of this report, (i) no share option was granted by the Company and there was no share option outstanding under the Share Scheme as at 30 June 2025; and (ii) 4,600,000 share awards were granted under the Share Scheme as at 14 June 2024, of which 4,000,000 awarded shares had been vested as at 30 June 2025.

Share Awards

Details of the share awards of the Group are set out in note 20 to the Unaudited Condensed Consolidated Financial Statements of the Group for the Reporting Period.

Corporate Governance

The Company considers the maintenance of a high standard of corporate governance important to the continuous growth of the Group. The Company's corporate governance practices are based on the code provisions as set out in the Corporate Governance Code (the **"CG Code"**) as contained in Part 2 of Appendix C1 to the GEM Listing Rules. The Shares were listed on GEM of the Stock Exchange on 22 February 2017 (the **"Listing Date"**). The Company has since then adopted and complied with, where applicable, the CG Code from the Listing Date up to the date of this report to ensure that the Group's business activities and decision making processes are regulated in a proper and prudent manner.

During the Reporting Period, the Board has reviewed the Group's corporate governance practices and is satisfied that the Company has complied with the code provisions of the CG Code as set out in Part 2 of Appendix C1 to the GEM Listing Rules. The Board will continue to review and enhance its corporate governance practices from time to time to comply with statutory requirements and regulations.

Code of Conduct for Securities Transactions by Directors

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the **"Required Standard of Dealings"**) as the code of conduct regarding securities transactions by the Directors in respect of the Shares (the **"Code of Conduct"**).

The Company has made specific enquiry with the Directors, senior management of the Company and relevant parties (including family members) and all of them confirmed that they had fully complied with the required standard of dealings set out in the Code of Conduct and there was no event of non-compliance during the Reporting Period.

Audit Committee

The Group has established an Audit Committee pursuant to a resolution of the Board passed on 10 February 2017 in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and with written terms of reference in compliance with the Corporate Governance Code set out in Appendix C1 of the GEM Listing Rules.

The Audit Committee currently consists of all three of the independent non-executive Directors, namely Mr. Lau Chun Fai Douglas, Ir Ng Wai Ming Patrick and Mr. Lam Man Bun Alan and the chairman is Mr. Lau Chun Fai Douglas, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The interim report of the Group for the six months ended 30 June 2025 had been reviewed by the Audit Committee, which was of the opinion that such interim report has been prepared in compliance with the applicable accounting standards and the GEM Listing Rules.

Competing Interests

As far as the Directors are aware of, during the six months ended 30 June 2025, none of the Directors and their respective associates (as defined in the GEM Listing Rules) or the Controlling Shareholders (as defined in the GEM Listing Rules) have any interests in a business which competed or may compete (directly or indirectly) with the business of the Group.

Disclosures Pursuant to Rule 17.23 of the GEM Listing Rules

In accordance with the disclosure requirements of Rule 17.23 of the GEM Listing Rules, the following disclosures are included in this report, where GMEHK entered into a facility letter with a licensed bank in Hong Kong which is effective and ready to be used on 21 December 2022 (the “**Letter**”), which contains covenants requiring specific performance obligations of the Controlling Shareholders. Pursuant to the Letter, a termination event would arise if the Controlling Shareholders maintain less than 50% of the issued Shares. Besides, Mr. Chuang Chun Ngok Boris shall remain as the chairman of the Company. For more information, please refer to the Company’s announcement dated 21 December 2022.

Interest of the Compliance Adviser

As at the date of this report, except for (i) the participation of Altus Capital Limited (“**Altus**”) as the sponsor in relation to the listing of the Company on GEM; (ii) the compliance adviser agreement entered into between the Company and Altus dated 26 April 2016 and subsequently extended on 31 March 2020, 14 August 2020, 24 March 2021, 11 August 2021, 24 March 2022, 16 August 2022, 31 March 2023, 16 August 2023, 9 April 2024, 27 August 2024 and 10 April 2025; and (iii) the financial advisory mandate entered into between the Company and Altus dated 6 March 2017, neither Altus nor any of its directors, employees or associates had any interests in relation to the Group.

By order of the Board
GME Group Holdings Limited
Chuang Chun Ngok Boris
Chairman and executive Director

Hong Kong, 22 August 2025

As at the date of this report, the executive Directors are Mr. Chuang Chun Ngok Boris and Mr. Chuang Wei Chu, the non-executive Director is Ms. Chuang Yau Ka, and the independent non-executive Directors are Mr. Lam Man Bun Alan, Mr. Lau Chun Fai Douglas and Ir Ng Wai Ming Patrick.