



BASETROPHY GROUP HOLDINGS LIMITED

基地錦標集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8460

2025

INTERIM REPORT

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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*This report, for which the directors (the “**Directors**”) of Basetrophy Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) 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. Leung Yat Fai Frankie Keith
(*Co-chairman*)

Mr. Chan Kui Ming (*Co-chairman*)
(appointed on 10 September 2025)

Ms. Fong Pui Yin Vivian

Mr. Li Aiming

Mr. Lau Chung Ho (*Chief Executive Officer*)
(resigned on 10 September 2025)

Independent Non-executive Directors:

Mr. Lam Chee-yau Timothy

Mr. Li Dewen

Mr. Ng Ki Man

Audit Committee

Mr. Ng Ki Man (*Chairman*)

Mr. Lam Chee-yau Timothy

Mr. Li Dewen

Remuneration Committee

Mr. Ng Ki Man (*Chairman*)

Mr. Lam Chee-yau Timothy

Mr. Li Dewen

Nomination Committee

Mr. Lam Chee-yau Timothy (*Chairman*)

Mr. Li Dewen

Mr. Ng Ki Man

Ms. Fong Pui Yin Vivian
(appointed on 10 September 2025)

Auditors

Infinity CPA Limited
Room 1501
15/F, Olympia Plaza
255 King's Road
North Point
Hong Kong

Company Secretary

Mr. Chan Kui Ming

Authorised Representatives

Mr. Chan Kui Ming

Mr. Leung Yat Fai Frankie Keith
(appointed on 10 September 2025)

Mr. Lau Chung Ho
(resigned on 10 September 2025)

Legal Advisors As To Hong Kong Laws

CFN Lawyers
Units 4101-04, 41/F
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Wan Chai
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Grand Cayman KY1-1108
Cayman Islands

Head Office And Principal Place Of Business In Hong Kong

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Park Fook Industrial Building
615-617 Tai Nan West Street
Cheung Sha Wan
Kowloon

Principal Share Registrar And Transfer Office In Cayman Islands

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

Principal Bankers

Dah Sing Bank, Limited
The Hongkong and Shanghai Banking
Corporation Limited
Standard Chartered Bank (Hong Kong) Limited

Company's Website

www.wbgroupfw.com.hk

Stock Code

8460

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

Unaudited interim results

The unaudited condensed consolidated results of the Group for the six months ended 30 June 2025, together with the unaudited comparative figures for the corresponding periods in 2024, are as follows:

		Unaudited	
		Six months ended 30 June	
	Note	2025 HK\$'000	2024 HK\$'000
Revenue	4	19,260	58,631
Cost of sales		(14,396)	(53,876)
Gross profit		4,864	4,755
Other income and other gain	4	197	1,864
Net reversal of impairment losses on financial assets and contract assets		–	118
Administrative and other operating expenses	5	(3,859)	(8,865)
Operating profit/(loss)		1,202	(2,128)
Finance costs	6	(309)	(795)
Profit/(loss) before tax		893	(2,923)
Income tax expense	7	(94)	(5)
Profit/(loss) for the period		799	(2,928)
Other comprehensive (expense)/income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(18)	37
Total comprehensive income/(expense)		781	(2,891)

		Unaudited	
		Six months ended 30 June	
	Note	2025 HK\$'000	2024 HK\$'000
Profit/(loss) attributable to:			
Equity holders of the Company		799	(2,784)
Non-controlling interests		—*	(144)
		799	(2,928)
Profit/(loss) and total comprehensive income/(expense) for the period attributable to:			
Equity holders of the Company		778	(2,746)
Non-controlling interests		3	(145)
		781	(2,891)
Earnings/(loss) per share attributable to owners of the Company for the period			
– Basic and diluted (<i>expressed in HK cents per share</i>)	8	0.36	(2.42)

* Less than HK\$1,000

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
	Note		
ASSETS			
Non-current assets			
Right-of-use assets		273	–
Payment for a life insurance policy		806	2,983
Property, plant and equipment	10	8,865	11,161
		9,944	14,144
Current assets			
Inventories		1,898	1,846
Trade and other receivables	12	67,199	72,194
Contract assets		5,019	3,598
Cash and bank balances		1,219	2,672
		75,335	80,310
Total assets		85,279	94,454
EQUITY			
Capital and reserves			
Share capital	13	22,134	22,134
Reserves		27,787	26,967
Equity attributable to owners of the Company		49,921	49,101
Non-controlling interests		463	502
Total equity		50,384	49,603

		Unaudited	Audited
	Note	30 June 2025 HK\$'000	31 December 2024 HK\$'000
LIABILITIES			
Non-current liabilities			
Borrowings	14	816	1,590
Lease liabilities		646	1,006
		1,462	2,596
Current liabilities			
Trade and other payables	15	30,278	34,934
Tax payable		94	22
Borrowings	14	1,702	5,969
Lease liabilities		1,363	1,330
		33,437	42,255
Total liabilities		34,899	44,851
Total equity and liabilities		85,283	94,454
Net current assets		41,898	38,055
Total assets less current liabilities		51,842	52,199

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company					Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000 (Note 13)	Share premium HK\$'000	Other reserve HK\$'000 (Note i)	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	
At 1 January 2025 (Audited)	22,134	49,458	1	38	(22,530)	49,101	49,603
Profit for the period	-	-	-	-	799	799	799
Exchange differences arising on translation of foreign operations	-	-	-	(21)	-	(21)	(18)
Total comprehensive income	-	-	-	(21)	799	778	781
At 30 June 2025 (Unaudited)	22,134	49,458	1	17	(21,731)	49,879	50,384

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Attributable to owners of the Company					Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000 (Note 13)	Share premium HK\$'000	Other reserve HK\$'000 (Note i)	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	
At 1 January 2024 (Audited)	11,500	48,256	1	15	(18,260)	41,512	41,976
Loss for the period	-	-	-	-	(2,784)	(2,784)	(2,928)
Exchange differences arising on translation of foreign operations	-	-	-	38	-	38	37
Total comprehensive expense	-	-	-	38	(2,784)	(2,746)	(2,891)
At 30 June 2024 (Unaudited)	11,500	48,256	1	53	(21,044)	38,766	39,085

Note:

- i) Other reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the reorganisation.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Cash flows from operating activities		
Net cash generated from operations	3,853	6,574
Overseas income tax paid	—	(5)
Net cash generated from operating activities	3,853	6,569
Cash flows from investing activities		
Purchases of property, plant and equipment	—	(612)
Proceeds from sale of property, plant and equipment	330	—
Interest received	204	1
Net cash generated from/(used in) investing activities	534	(611)
Cash flows from financing activities		
Drawdown of bank borrowings	—	26,235
Drawdown of other borrowings	—	550
Repayment of bank borrowings	(2,500)	(30,273)
Repayment of other borrowings	(2,541)	(3,580)
Repayment of lease liabilities	(490)	(913)
Interest paid on bank borrowings	(57)	(253)
Interest paid on other borrowings	(190)	(450)
Interest paid on lease liabilities	(62)	(92)
Net cash used in financing activities	(5,840)	(8,776)
Net decrease in cash and cash equivalents	(1,453)	(2,818)
Effects of foreign exchange rate changes	—*	—*
Cash and cash equivalents at the beginning of period	2,672	4,837
Cash and cash equivalents at end of period	1,219	2,019

* Less than HK\$1,000

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 General Information

The Company was incorporated in the Cayman Islands on 4 January 2016 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares were listed on GEM of the Stock Exchange on 27 June 2017. As at 30 June 2025, its parent and ultimate holding company is Brightly Ahead Limited ("**Brightly Ahead**"), a company incorporated in the British Virgin Islands ("**BVI**") and wholly-owned by Mr. Lau Chung Ho ("**Mr. Lau**"), the controlling party of the Company.

The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the Company's principal place of business is Flat B-31, 4/F, Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong. The Company is an investment holding company. The Group is principally engaged in provision of foundation and related works in Hong Kong and trading of alcoholic beverages in the People Republic of China (the "**PRC**").

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), unless otherwise stated.

2 Basis of preparation

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standards ("**HKAS**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). In addition, the unaudited condensed consolidated financial statements include the applicable disclosure provisions of the GEM Listing Rules and the Companies Ordinance (Chapter 622 of the laws of Hong Kong). The unaudited condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA, except for the new and revised HKFRSs and interpretations issued by HKICPA that are first effective for the current accounting period of the Company. There has been no significant change to the accounting policy applied in these unaudited condensed consolidated financial statements for the period presented as a result of adoption of these amendments. The unaudited condensed consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

3 Estimates

The preparation of the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2024.

4 Revenue, other income and other gain and segment information

The management has determined the operating segments based on the reports reviewed by the directors of the Company, which are used to assess performance and allocate resources.

The management assesses the performance of the following operating segments as below:

(i)	Foundation and related works business	Provides services of foundation and site formation works and other geotechnical engineering works to customers.
(ii)	Alcoholic beverages trading business	Trading and distribution of alcoholic beverages.

Revenue and other income and other gain recognised during the respective periods are follows:

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Revenue		
Foundation and related works	19,238	58,209
Sales of alcoholic beverages	22	422
	19,260	58,631

4 Revenue, other income and other gain and segment information (Continued)

Unaudited

Six months ended 30 June

	2025 HK\$'000	2024 HK\$'000
Timing of revenue recognition:		
At a point in time	22	422
Over time	19,238	58,209
	19,260	58,631

Unaudited

Six months ended 30 June

	2025 HK\$'000	2024 HK\$'000
Other income and other gain		
Fair value change on assets at fair value through profit or loss	–	48
Others	197	1,816
	197	1,864

4 Revenue, other income and other gain and segment information (Continued)

The segment revenue and results for the six months ended 30 June 2025 are as follows:

	Foundation and related works HK\$'000	Alcoholic beverages trading HK\$'000	Unallocated HK\$'000	Total HK\$'000
Revenue from external customers	19,238	22	–	19,260
Segment results	1,441	(239)	–	1,202
Finance costs				(309)
Profit before tax				893
Income tax expense				(94)
Profit for the period				799
Other segment items included in the consolidated statement of profit or loss are as follows:				
Depreciation of property, plant and equipment	1,810	–	–	1,810
Depreciation of right-of-use assets	12	–	–	12

4 Revenue, other income and other gain and segment information (Continued)

The segment revenue and results for the six months ended 30 June 2024 are as follows:

	Foundation and related works HK\$'000	Alcoholic beverages trading HK\$'000	Unallocated HK\$'000	Total HK\$'000
Revenue from external customers	58,209	422	–	58,631
Segment results	2,185	(1,113)	(3,200)	(2,128)
Finance costs				(795)
Loss before tax				(2,923)
Income tax expense				(5)
Loss for the period				(2,928)
Other segment items included in the consolidated statement of profit or loss are as follows:				
Fair value gain on assets at fair value through profit or loss	–	–	48	48
Depreciation of property, plant and equipment	2,234	23	34	2,291
Depreciation of right-of-use assets	878	–	–	878
Provision for impairment of trade receivables	14	–	–	14
Reversal of impairment of contract assets	(132)	–	–	(132)

4 Revenue, other income and other gain and segment information (Continued)

The following is an analysis of the Group's assets and liabilities by reportable segment:

Unaudited		
Six months ended 30 June		
	2025 HK\$'000	2024 HK\$'000
Segment assets		
Foundation and related works	79,909	93,872
Alcoholic beverages trading	3,345	5,139
Total reportable segment assets	83,254	99,011
Unallocated corporate assets	2,025	3,355
Consolidated assets	85,279	102,366

Note: All assets are allocated to operating segments other than certain cash and bank balances and payment for a life insurance policy.

Unaudited		
Six months ended 30 June		
	2025 HK\$'000	2024 HK\$'000
Segment liabilities		
Foundation and related works	28,168	51,704
Alcoholic beverages trading	6,356	6,617
Total reportable segment liabilities	34,524	58,321
Unallocated corporate liabilities	375	4,960
Consolidated liabilities	34,899	63,281

Note: All liabilities are allocated to operating segments other than certain other payables and accruals and deferred tax liabilities and tax payable.

4 Revenue, other income and other gain and segment information (Continued)

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

	Revenue from external customers		Non-current assets	
	Unaudited		As at 30 June	
	Six months ended 30 June		As at 30 June	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
The PRC	22	422	173	–
Hong Kong	19,238	58,209	8,965	24,408
	19,260	58,631	9,138	24,408

Note: Non-current assets excluded payment for a life insurance policy.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	Unaudited	
	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Customer A	–*	12,981
Customer B	–*	6,598
Customer C	8,066	18,284
Customer D	3,476	–*
Customer E	3,326	–*
Customer F	2,013	–*

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

5 Administrative and other operating expenses

	Unaudited	
	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Auditors' remuneration	300	300
Depreciation of property, plant and equipment	257	24
Depreciation of right-of-use assets	12	579
Short term lease expense	10	99
Staff costs, including directors' emoluments	1,516	1,830
Other expenses	1,764	6,033
	3,859	8,865

6 Finance costs

	Unaudited	
	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Interest on bank and other borrowings	247	703
Interest on lease liabilities	62	92
	309	795

7 Income tax expense

Hong Kong profits tax has been provided at the rate of 8.25% for the first HK\$2 million of assessable profits and 16.5% for the assessable profits above HK\$2 million for the last period.

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

7 Income tax expense (Continued)

The amount of income tax expense charged to the condensed consolidated statement of profit or loss and other comprehensive income represents:

	Unaudited	
	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Current income tax – Hong Kong profits tax	94	5
Deferred income tax (Note 11)	–	–
Income tax expense	94	5

8 Earnings/(loss) per share

	Unaudited	
	Six months ended 30 June	
	2025	2024
Profit/(loss) for the period attributable to (HK\$'000):		
Equity holders of the Company	799	(2,784)
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share (in thousand)	221,340	115,000
Basic earnings/(loss) per share (HK cent)	0.36	(2.42)

Diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there was no dilutive potential shares.

9 Dividends

The board of Directors (the “**Board**”) of the Company does not recommend a payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

10 Property, plant and equipment

During the six months ended 30 June 2025, the Group did not purchase property, plant and equipment (2024: HK\$0.6 million).

11 Deferred tax liabilities

The components of deferred tax liabilities recognised in the condensed consolidated statement of financial position and the movements during the respective periods are as follows:

	Tax depreciation allowances HK\$'000	Expected credit losses provision HK\$'000	Tax loss HK\$'000	Total HK\$'000
Deferred tax liabilities				
At 1 January 2024	3,101	(558)	(2,543)	–
(Credited)/charged to profit or loss	(1,814)	530	1,284	–
At 31 December 2024, 1 January 2025 and 30 June 2025	1,287	(28)	(1,259)	–

12 Trade and other receivables

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Trade receivables	4,794	7,785
Less: Provision for impairment losses	(870)	(870)
Amount due from a director	3,924	6,915
Amounts due from related companies	1,759	1,777
Other receivables, deposits and prepayments	616	608
	60,900	62,894
	67,199	72,194

Notes:

- (a) The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customer is considered on a case-by-case basis and stipulated in the project contract, as appropriate. Trade receivables are denominated in HK\$.

12 Trade and other receivables (Continued)

Notes: (Continued)

- (b) The ageing analysis of the trade receivables based on date of payment certificates issued by customers is as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
0–30 days	4,697	1,421
31–60 days	–	835
61–90 days	–	1,205
Over 90 days	97	4,324
	4,794	7,785

As at 30 June 2025, trade receivables of approximately HK\$97,000 (31 December 2024: HK\$1,623,000) were past due. Based on past experience and forward-looking estimates, the amounts are considered as recoverable.

13 Share capital

	Ordinary shares of HK\$0.1 each	Amount HK\$'000
Authorised:		
At 1 January 2024	300,000,000	30,000
Increase in authorised share capital (<i>Note i</i>)	2,700,000,000	270,000
At 31 December 2024, 1 January 2025 and 30 June 2025	3,000,000,000	300,000
Issued and fully paid:		
At 1 January 2024	115,000,000	11,500
Shares issued pursuant to rights issue (<i>Note ii</i>)	106,340,018	10,634
At 31 December 2024, 1 January 2025 and 30 June 2025	221,340,018	22,134

- Notes:*
- i On 17 May 2024, the authorised share capital of the Company increased from HK\$30,000,000 divided into 300,000,000 shares to HK\$300,000,000 divided into 3,000,000,000 Shares.
 - ii On 11 July 2024, the Company completed a rights issue of 106,340,018 rights shares at the subscription price of HK\$0.12 per rights share on the basis of three rights shares for every one share at the Company (the “**Rights Issue**”). The net proceeds from rights issue were approximately HK\$11,836,000 after deducting directly attributable costs of approximately HK\$925,000. The results of the rights issue are set out in the Company’s announcement dated 11 July 2024.

14 Borrowings

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Non-current		
Other borrowing (<i>Note b</i>)	816	1,590
Current		
Bank borrowings (<i>Note a</i>)	–	2,500
Other borrowing (<i>Note b</i>)	1,702	3,469
	1,702	5,969
Total borrowings	2,518	7,559

Note:

- a. These facilities:
 - (i) are secured by a payment of a life insurance policy as at 30 June 2025 and 31 December 2024.
 - (ii) are subject to the fulfilment of certain covenants as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Company regularly monitors its compliance with these covenants. As at 30 June 2025 and 31 December 2024, none of the covenants relating to drawn down facilities had been breached.
- b. The other borrowing is secured by the Group's certain property, plant and equipment with an aggregate net carrying amount of approximately HK\$8,734,000 (31 December 2024: HK\$10,452,000) as at 30 June 2025 and guaranteed by personal guarantee given by a director of the Company.

The interest rates per annum of bank borrowings ranged from 4.8% to 5.9% (31 December 2024: from 4.8% to 5.9%) as at 30 June 2025. The interest rates per annum of other borrowing ranged from 9% to 15% (31 December 2024: from 9% to 15%) as at 30 June 2025.

15 Trade and other payables

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Trade payables	6,562	13,431
Accrued employee benefit expenses	54	53
Other accruals and payables	18,205	15,993
Retention payables	5,457	5,457
	30,278	34,934

Note:

- (a) The ageing analysis of trade payables based on the invoice date is as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
0–30 days	14	426
31–60 days	5	381
61–90 days	37	270
Over 90 days	6,506	12,354
	6,562	13,431

16 Related party transactions

Compensation of key management personnel of the Group

Key management includes directors (executive and non-executive) and the chief executive of the Group. The compensation paid or payable to key management for employee services is disclosed as follows:

Unaudited		
Six months ended 30 June		
	2025 HK\$'000	2024 HK\$'000
Fee, discretionary bonuses, salaries, allowances and benefits in kind	600	66
Retirement scheme contributions	9	–
	609	66

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group is (i) a contractor of foundation works in Hong Kong capable of foundation jobs which mainly include excavation and lateral support (ELS) works, sheet piling, pipe piling, pre-boring, pre-bored H-piling, mini-piling, and bored piling; (ii) a subcontractor for site formation works and other geotechnical engineering works such as slope works and other minor geotechnical works such as shotcreting; and (iii) a trader of alcoholic beverages in the PRC.

The shares of the Company were listed on GEM on 27 June 2017 by way of public offer.

For the six months ended 30 June 2025, the Group recorded a net profit of approximately HK\$0.8 million as compared to a net loss of approximately HK\$2.9 million for the same period in 2024.

Outlook

Looking ahead to the global economy in 2025, there are numerous uncertainties, including trade disputes and geopolitical instability, all of which pose significant challenges to the global economy. However, the Group maintains a cautiously optimistic attitude toward future prospects. The Group believes that the global economy will gradually recover and achieve long-term, stable growth. Despite the current difficulties, we also believe that these challenges will bring forth new opportunities. The Group will continue to remain vigilant and work diligently to address these challenges, ensuring our business can adapt to economic changes.

In terms of our foundation works in Hong Kong, it has always been a crucial industry in the region, and we believe that this market will continue to expand as Hong Kong progresses and further develops. The Group is dedicated to providing top-notch foundation engineering services, and we will continue to invest in technological innovation and talent development to maintain our competitive edge.

Additionally, The Group is closely monitoring the alcoholic beverage trading market in mainland China, as it is a substantial market with growing consumer demand. With our wealth of experience and resources in this market, The Group will continue to closely observe its development and adjust its business strategy according to market demands.

Financial Review

Revenue

The Group's revenue decreased by approximately 67.1% from approximately HK\$58.6 million for the six months ended 30 June 2024 to approximately HK\$19.3 million for the six months ended 30 June 2025, mainly due to a number of major projects in the six months ended 30 June 2025 are still in the early stage of construction.

Costs of Sales

The Group's cost of sales decreased from approximately HK\$53.9 million for the six months ended 30 June 2024 to approximately HK\$14.4 million for the six months ended 30 June 2025, which was generally consistent with the decreased revenue during the period.

Gross Profit and Gross Profit Margin

The Group's gross profit for the six months ended 30 June 2025 were approximately HK\$4.9 million, representing an increase of approximately 2.1% from approximately HK\$4.8 million for the six months ended 30 June 2024. The Group's gross profit margin for the six months ended 30 June 2025 was approximately 25.3%, representing an increase of approximately 17.2 percentage points as compared to approximately 8.1% for the six months ended 30 June 2024. Such increase was mainly attributable to the effects of decisive cost control initiatives taken by the management of the Group.

Administrative and Other Operating Expenses

The Group's administrative and other operating expenses decreased from approximately HK\$8.9 million for the six months ended 30 June 2024 to approximately HK\$3.9 million for the six months ended 30 June 2025, which was generally consistent with the decrease in other expense during the period.

Profit for the Period

For the six months ended 30 June 2025, the Group recorded profit of approximately HK\$0.8 million as compared to loss for the six months ended 30 June 2024 of approximately HK\$2.9 million.

Capital Structure, Liquidity and Financial Resources

The Shares were successfully listed on GEM of the Stock Exchange on 27 June 2017. On 17 May 2024, the authorised share capital of the Company increased from HK\$30,000,000 divided into 300,000,000 shares to HK\$300,000,000 divided into 3,000,000,000 Shares. The capital of the Group only comprises of ordinary shares.

The Group finances its liquidity and capital requirements primarily through cash generated from operations, bank borrowings and equity contribution from shareholders.

As at 30 June 2025, the Group had cash and bank balances of approximately HK\$1.2 million (31 December 2024: HK\$2.7 million).

As at 30 June 2025, the Group's total equity attributable to owners of the Company amounted to approximately HK\$49.9 million (31 December 2024: HK\$49.1 million). As of the same date, the Group's total debt, comprising borrowings and lease liabilities, amounted to approximately HK\$4.5 million (31 December 2024: HK\$9.9 million).

As at 30 June 2025, the Group's net assets were approximately HK\$50.4 million (31 December 2024: HK\$49.6 million). The Group remained at a net cash position as at 30 June 2025 and 2024 respectively. Based on the above, the Directors believe that the Group is in a healthy financial position to expand its business and achieve its business objectives.

Borrowings and Gearing Ratio

As at 30 June 2025, the Group had borrowings and lease liabilities of approximately HK\$4.5 million which was denominated in Hong Kong dollars (31 December 2024: HK\$9.9 million). The Group's bank borrowings were primarily used in financing the working capital requirement of its operations.

As at 30 June 2025, the gearing ratio of the Group, calculated as the total debt divided by the total equity, was approximately 8.9% (31 December 2024: 19.9%).

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies, and Future Plans for Material Investments or Capital Assets

There was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company during the six months ended 30 June 2025. There was no future plan for material investments or capital assets as at 30 June 2025.

Foreign Exchange Exposure

All of the revenue-generating operations and borrowings of the Group were mainly transacted in Hong Kong Dollars which is the presentation currency of the Group, except for certain bank balances and payment for life insurance policy which are denominated in US\$. Since HK\$ is pegged to US\$, the Directors are of the view that the Group has limited exposure to foreign exchange risk. The Group currently does not have a foreign currency hedging policy.

Treasury Policies

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 capture future growth opportunities.

Charge on Group Assets

As at 30 June 2025, the Group has pledged its certain property, plant and equipment with an aggregate net book value of approximately HK\$8.7 million (31 December 2024: approximately HK\$10.5 million).

As at 30 June 2025, the Group pledged the payment for a life insurance policy of a bank with the carrying amount of approximately HK\$0.8 million to secure the bank borrowings of the Group (31 December 2024: approximately HK\$3.0 million).

Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities (31 December 2024: Nil).

Capital Commitments

As at 30 June 2025, the Group did not have any capital commitments (31 December 2024: Nil) contracted but not provided for property, plant and equipment.

Segment Information

The Group is principally engaged in the provision of foundation and related works, including site formation works and other geotechnical engineering works which are carried out in Hong Kong and the trading of alcoholic beverages in the PRC.

Information on Employees

As at 30 June 2025, the Group had 8 full-time employees working in Hong Kong (As at 31 December 2024: 32). The total staff cost (including Director's emoluments and mandatory provident funds contributions) for the six months ended 30 June 2025 amounted to approximately HK\$1.1 million (2024: HK\$37.1 million).

Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonus. Various types of trainings were provided to the employees.

Interim Dividend

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (2024: Nil).

Events After the Reporting Period

There has been no important event affecting the Group since 30 June 2025 and up to the date of this report.

OTHER INFORMATION

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 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 were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to Rules 5.48 to 5.67 of the GEM Listing Rules, were as follows:

Long position in the shares

Name	Capacity/Nature	Number of shares held/ interested	Percentage of shareholding [#]
Mr. Lau (<i>Note</i>)	Interested in a controlled corporation	51,000,000	23.38%
Mr. Lau	Beneficial owner	750,000	0.34%

Note:

Mr. Lau beneficially own the entire issued share capital of Brightly Ahead. Therefore, Mr. Lau is deemed, or taken to be, interested in all the shares held by Brightly Ahead for the purpose of the SFO. Mr. Lau is the sole director of Brightly Ahead.

[#] The percentage of interest in the Company is calculated by reference to the number of ordinary shares in issue as at 30 June 2025, that is 221,340,018 ordinary shares of the Company.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company has any interest or short position 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 notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to Rules 5.48 to 5.67 of the GEM Listing Rules.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2025, the following person/entity (other than the Directors and chief executives of the Company) had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company 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 under Section 336 of the SFO, or who were directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Long position in the shares

Name	Capacity/Nature	Number of shares held/ interested	Percentage of shareholding[#]
Brightly Ahead	Beneficial owner	51,000,000	23.38%

[#] The percentage of interest in the Company is calculated by reference to the number of ordinary shares in issue as at 30 June 2025, that is 221,340,018 ordinary shares of the Company.

Save as disclosed above, as at 30 June 2025, none of the substantial or significant shareholders or other persons, other than the Directors and chief executives of the Company whose interests are set out in the section "Other information – Directors' and chief executives' interests and short positions in Shares, underlying Shares and debentures" above, had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company 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 under Section 336 of the SFO, or who were directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the six months ended 30 June 2025.

Competition and Conflict of Interests

None of the Directors, the controlling shareholders or substantial Shareholders or any of its respective close associate as defined in the GEM Listing Rules has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with Group during the six months ended 30 June 2025.

Directors' Securities Transactions

The Company has adopted the required standard of dealing, as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for securities transactions by the Directors in respect of the shares of the Company. Having made specific enquiry with all Directors, all Directors have confirmed that they have complied with the required standard of dealing and the code of conduct for securities transactions by the Directors during the six months ended 30 June 2025.

Share Option Scheme

The Company's share option scheme (the "**Scheme**") was adopted pursuant to a resolution passed on 7 June 2017 to attract and retain the best available personnel, to provide additional incentive to the eligible participants and to promote the success of the business of the Group under the Scheme.

For the six months ended 30 June 2025, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Scheme.

Corporate Governance Practice

The Directors are committed to the maintenance of good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders' value. The corporate governance principles of the Company emphasize a quality Board, sound internal controls, and transparency and accountability to all shareholders. The Company has adopted the Corporate Governance Code (the "**CG Code**") set out in Appendix 15 of the GEM Listing Rules. During the six months ended 30 June 2025, to the best knowledge of the Board, the Company has complied with all the applicable code provisions set out in the CG Code.

Audit Committee

Pursuant to Rule 5.28 and 5.29 of the GEM Listing Rules and code provision D.3.3 and D.3.7 of the CG Code, the Company established an audit committee (the “**Audit Committee**”) with written terms of reference aligned with the provision of the code provisions set out in Appendix 15 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the Audit Committee comprises Mr. Ng Ki Man (the chairman of the Audit Committee), Mr. Lam Chee-yau Timothy and Mr. Li Dewen, all of whom are independent non-executive Directors. The written terms of reference of the Audit Committee on posted on the Stock Exchange’s website and on the Company’s website.

The Audit Committee has reviewed with management of the Company on the accounting principles and practices adopted by the Group, the interim report and the interim results announcement of the Group for the six months ended 30 June 2025. The condensed consolidated financial results for the six months ended 30 June 2025 are unaudited, but have been reviewed by the Audit Committee. Such results comply with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

Change in Directors’ Information

On 10 September 2025, subsequent to the resignation of Mr. Lau Chung Ho, Mr. Chan Kui Ming has been appointed as an executive Director and the co-chairman of the Board.

EVENT AFTER THE REPORTING PERIOD

On 9 September 2025, Mr. Chan Kui Ming, the Company Secretary, has acquired 51,000,000 shares and 750,000 shares in the Company from Brightly Ahead Limited and Mr. Lau Chung Ho respectively.

By order of the Board
Basetrophy Group Holdings Limited
Chan Kui Ming
Co-chairman and Executive Director

Hong Kong, 29 August 2025