

Hong Kong 香港 • Macau 澳門

LS 黎氏建築
Lai Si Construction

Lai Si Enterprise Holding Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2266)



2025
INTERIM REPORT

CORPORATE INFORMATION



BOARD OF DIRECTORS

Executive Directors

Mr. LAI Ieng Man (*Chairman*)
Mr. LAI Meng San (*Chief Executive Officer*)
Ms. LAI Ieng Wai
Ms. CHEONG Weng Si

Independent Non-Executive Directors

Mr. SIU Wing Hay
Mr. CHAN Iok Chun
Dr. LIU Ting Chi

AUDIT COMMITTEE

Mr. SIU Wing Hay (*Chairman*)
Mr. CHAN Iok Chun
Dr. LIU Ting Chi

REMUNERATION COMMITTEE

Dr. LIU Ting Chi (*Chairman*)
Mr. LAI Ieng Man
Mr. LAI Meng San
Mr. SIU Wing Hay
Mr. CHAN Iok Chun

NOMINATION COMMITTEE

Mr. LAI Ieng Man (*Chairman*)
Ms. LAI Ieng Wai
Mr. SIU Wing Hay
Mr. CHAN Iok Chun
Dr. LIU Ting Chi

COMPANY SECRETARY

Mr. LO Hon Kit, CPA

AUTHORISED REPRESENTATIVES

Mr. LAI Meng San
Mr. LO Hon Kit, CPA

REGISTERED OFFICE

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

HEADQUARTER IN MACAU

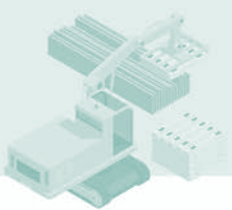
Lai Si Enterprise Centre
Rua Da Ribeira Do Patane No. 54
Macau

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshop 1, 7/F., One Two One
No. 121 King Lam Street
Cheung Sha Wan, Kowloon
Hong Kong

AUDITOR

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



CORPORATE INFORMATION (continued)

PRINCIPAL BANKERS

Bank of China Macau Branch
Tai Fung Bank Limited
Luso International Banking Ltd.

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR

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

STOCK CODE

2266

COMPANY'S WEBSITE

www.lai-si.com

MANAGEMENT DISCUSSION AND ANALYSIS



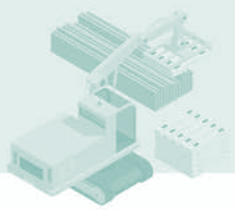
BUSINESS REVIEW

On 10 February 2017 (the “**Listing Date**”), the shares (the “**Shares**”) of Lai Si Enterprise Holding Limited (the “**Company**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) when 100,000,000 Shares were offered for subscription at HK\$1.15 each.

The Company and its subsidiaries (collectively, the “**Group**”) provides services of (i) fitting-out works as an integrated fitting-out contractor; (ii) construction works as a main contractor; and (iii) repair and maintenance services in Macau and Hong Kong. All of the Group’s revenue was derived from projects from both private and public sectors in Macau and Hong Kong.

The Group’s customers primarily include (i) hotel and casino developers and owners, international retailers and restaurant owners for fitting-out works; (ii) land owners and the Macau Government for construction works; and (iii) operators of hotels and casinos, retail shops and restaurants for repair and maintenance works.

The Group’s revenue comprised of (a) fitting-out works; (b) construction works; and (c) repair and maintenance services. During the six months ended 30 June 2025, the total value for the new fitting-out projects awarded to the Group, representing the aggregate awarded contract sum, amounted to approximately MOP46.7 million as compared to the six months ended 30 June 2024 of approximately MOP69.4 million. As at 30 June 2025, the Group had an aggregate value of backlog for fitting-out projects and construction projects of approximately MOP50.9 million as compared to approximately MOP90.0 million as at 30 June 2024.



MANAGEMENT DISCUSSION AND ANALYSIS (continued)

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue during the six months ended 30 June 2025 and 2024 by business segments:

	Six months ended 30 June (Unaudited)			
	2025		2024	
	MOP'000	%	MOP'000	%
Fitting-out works	103,623	93.2	76,895	94.0
Construction works	5,366	4.8	1,964	2.4
Repair and maintenance works	2,222	2.0	2,965	3.6
Total	111,211	100.0	81,824	100.0

During the six months ended 30 June 2025, the Group's revenue increased by approximately MOP29.4 million or 35.9%. The increase was attributable to increase in fitting-out works.

Gross profit/(loss) and gross profit/(loss) margin

The following table sets forth a breakdown of the Group's gross profit/(loss) and gross profit/(loss) margin during the six months ended 30 June 2025 and 2024 by business segments:

	Six months ended 30 June (Unaudited)			
	2025		2024	
	Gross profit/(loss) MOP'000	Gross profit/(loss) margin %	Gross profit MOP'000	Gross profit margin %
Fitting-out works	17,331	16.7	17,201	22.4
Construction works	1,890	35.2	23	1.2
Repair and maintenance works	(65)	(2.9)	1,312	44.2
Total/overall	19,156	17.2	18,536	22.7

MANAGEMENT DISCUSSION AND ANALYSIS (continued)



FINANCIAL REVIEW (continued)

Gross profit/(loss) and gross profit/(loss) margin (continued)

During the six months ended 30 June 2025, the Group's gross profit increased by approximately MOP0.6 million or 3.3% from approximately MOP18.5 million for the six months ended 30 June 2024 to approximately MOP19.2 million for the six months ended 30 June 2025.

The Group's gross profit margin decreased from approximately 22.7% for the six months ended 30 June 2024 to approximately 17.2% for the six months ended 30 June 2025. The decrease in gross profit margin was mainly attributable to decrease gross profit margin of fitting-out works for the six months ended 30 June 2025. Gross loss for repair and maintenance works was due to cancellation orders by customers.

Other income, gains and losses, net

The Group's other income, gains and losses, net, decreased from approximately MOP1.8 million for the six months ended 30 June 2024 to approximately MOP1.5 million for the six months ended 30 June 2025. The decrease was due to decrease in rental income received from investment properties.

Administrative expenses

The Group's administrative expenses decreased by approximately MOP0.3 million or 1.8% from approximately MOP16.9 million for the six months ended 30 June 2024 to approximately MOP16.6 million for the six months ended 30 June 2025. There was no material fluctuation.

Impairment losses on financial assets and contract assets

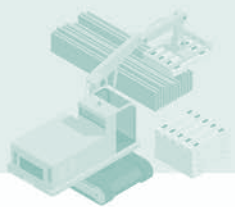
The amount represented the provision made for financial assets and contract assets. The Group has assessed recoverability of financial assets and contract assets from time to time, and adjusted expected credit losses provision when deterioration of credit quality has come to management's attention. For the six months ended 30 June 2025, there was MOP0.3 million provision made (30 June 2024: MOP2.8 million reversal) under current assessment.

Fair value loss on investment properties

The amount approximately MOP2.6 million represented the decrease of market value of the investment properties held as at 30 June 2025 as compared with that as at 31 December 2024.

Finance costs

The Group's finance costs were approximately MOP0.5 million for the six months ended 30 June 2025, compared to that for the six months ended 30 June 2024 of approximately MOP0.5 million. There was no material fluctuation.



MANAGEMENT DISCUSSION AND ANALYSIS (continued)

FINANCIAL REVIEW (continued)

Income tax credit

The Group had income tax credit of approximately MOP309,000 for the six months ended 30 June 2025. There was approximately MOP136,000 income tax credit for the six months ended 30 June 2024. The change is due to deferred tax.

Profit for the period

As a combined result of the above, the Group's profit for the period amounted to approximately MOP1.1 million for the six months ended 30 June 2025 as compared to the Group's profit for the period of approximately MOP5.3 million for the six months ended 30 June 2024.

Earnings per Share

The Company's Earnings per Share for the six months ended 30 June 2025 was Macau cents 0.3 (30 June 2024: Macau cents 1.3), representing a decrease in earnings of Macau cents 1.0 per Share. This was in line with profit decrease situation.

Interim dividend

The Board resolved not to declare payment of any interim dividend for the six months ended 30 June 2025 (30 June 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS (continued)



CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and financial resources and capital structure

The management and control of the Group's financial, capital management and external financing functions are centralised at its headquarter in Macau. The Group adheres to the principle of prudent financial management to minimise financial and operational risks. The Group mainly relies upon internally generated funds and bank borrowings to finance its operations and expansion.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group, and mitigate the effects of fluctuations in cash flows. The management of the Group believes that the Group has sufficient working capital for its future operational requirement.

As at 30 June 2025, the Group had net current assets of approximately MOP22.2 million, decreased by approximately MOP6.8 million over the net current assets of approximately MOP29.0 million as recorded at 31 December 2024.

As at 30 June 2025, the Group had cash and bank balances of MOP25.0 million (31 December 2024: MOP24.5 million).

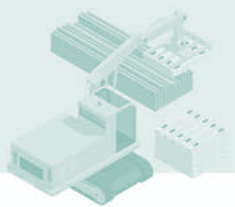
As at 30 June 2025, the Group had an aggregate of pledged bank deposits of MOP1.1 million (31 December 2024: MOP1.1 million) that were used to secure banking facilities.

As at 30 June 2025, interest-bearing bank borrowings amounted to MOP39.0 million (31 December 2024: MOP29.6 million) of which MOP17.8 million, MOP2.9 million, MOP9.1 million and MOP9.2 million (31 December 2024: MOP7.0 million, MOP2.8 million, MOP9.0 million and MOP10.8 million) will mature within one year, one year to two years, two years to five years and more than five years, respectively. The loans carry interest at variable market rates by reference to the prevailing Prime Rate. The effective interest rates as at 30 June 2025 (which were also equal to contracted interest rates) was 2.6% to 5.5% (31 December 2024: 2.7% to 3.8%).

The Group continued to maintain a healthy liquidity position. As at 30 June 2025, the Group's current assets and current liabilities were MOP122.4 million (31 December 2024: MOP113.7 million) and MOP100.2 million (31 December 2024: MOP84.7 million), respectively. The Group's current ratio as at 30 June 2025 remained stable at 1.22 (31 December 2024: 1.34). The Group has maintained sufficient liquid assets to finance its operations.

The Group's gearing ratio, calculated by dividing total debts (i.e. interest-bearing bank borrowings) with total equity, was 0.3 as at 30 June 2025 (31 December 2024: 0.23). The increase was primarily due to increase in short term bank borrowings.

As at 30 June 2025, the share capital and equity attributable to owners of the Company amounted to MOP4.1 million and MOP130.1 million, respectively (31 December 2024: MOP4.1 million and MOP129.1 million, respectively).



MANAGEMENT DISCUSSION AND ANALYSIS (continued)

CORPORATE FINANCE AND RISK MANAGEMENT (continued)

Charge on the Group's assets

As at 30 June 2025, land and building and bank deposits were pledged to secure certain borrowings granted to the Group amounted to MOP72.5 million and MOP1.1 million (31 December 2024: MOP72.9 million and MOP1.1 million), respectively.

Contingent liabilities and operating lease and capital commitments

(a) *Sin Fong Garden Building*

In October 2012, one of the supporting pillars of the residential building called "Sin Fong Garden Building" collapsed due to the loss of stability. Such collapse was accused to be caused by the dismantlement and construction of the foundation work undertaken in an adjacent new residential building project, of which Lai Si Construction & Engineering Company Limited ("**Lai Si**") was one of the contractors. As a result, in September 2015, several flat owners of Sin Fong Garden Building filed a lawsuit against several defendants including Lai Si, seeking for a compensation for the loss of property, in a total sum of approximately HK\$48,950,000, to be borne jointly by the defendants. However, according to the report issued by the team of technical advisors and experts engaged by the Macau Government to study the causes of the incident, the collapse of Sin Fong Garden Building was caused by the substandard supporting pillars of Sin Fong Garden Building, instead of the dismantlement and foundation work undertaken in the adjacent new residential building.

The hearings were held from 17 November 2023 to July 2024. The written legal arguments have already filed by all parties, the court is now expected to deliver the final ruling, for the which there is no timeframe. Based on the fact disclosed during the hearing and after consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial information as at 30 June 2025. The Controlling Shareholders have undertaken to indemnify the Group against all losses and liabilities arising from the above proceedings.

(b) *Dispute on payment with a subcontractor*

As at 30 June 2025 and 31 December 2024, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount with interest of MOP2,485,000.

On 11 February 2025, the hearing was conducted. The Court gave the judgement on 21 March 2025 by which it was decided that the subsidiary of the Group should repay the amount of MOP317,000 to the plaintiff. During the six months ended 30 June 2025, the subsidiary of the Group fully settled the payment.

On 10 June 2025, an appeal against the subsidiary of the Group was filed by the solicitors acting on behalf of plaintiff.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that a significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)



CORPORATE FINANCE AND RISK MANAGEMENT (continued)

Contingent liabilities and operating lease and capital commitments (continued)

(c) *Dispute on payment with a subcontractor*

As at 31 December 2023, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount of MOP1,926,000.

The subsidiary of the Group entered into a mediated settlement agreement with the plaintiff. The subsidiary of the Group agreed to pay the plaintiff MOP958,000 and fully settled during the year ended 31 December 2024.

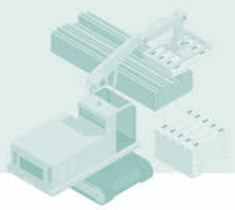
Exposure to fluctuations in exchange rates and interest rates and corresponding hedging arrangements

The Group entities collect most of the revenue and settle most of the expenditures in their respective functional currencies. The Group is exposed to currency risk primarily through purchase of raw materials and sales proceeds received from customers that are denominated in a currency other than the Group entities' functional currency. The currencies giving rise to this risk are primarily HK\$ and RMB. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

The Group currently does not have a foreign currency hedging policy. However, the management of the Company monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank balances, bank overdrafts and bank borrowings. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.



MANAGEMENT DISCUSSION AND ANALYSIS (continued)

CORPORATE FINANCE AND RISK MANAGEMENT (continued)

Credit exposure

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees arisen from the carrying amount of the respective recognised financial assets as stated in the interim condensed consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable and other receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The policy of allowances for doubtful debts of the Group is based on the evaluation and estimation of collectability and ageing analysis of the outstanding debts. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flows expected to receive, discounted using the original effective interest rate and the carrying value. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required. The management closely monitors the subsequent settlement of the counterparties.

In addition to the above, in year 2018, upon the implementation of HKFRS 9, the Group took forward looking approach in assessing credit risk (expected credit losses). General provision on account receivables was made accordingly.

In this regard, the management of the Group considers that credit risk is well taken care and addressed.

The Group is exposed to concentration of credit risk as at 30 June 2025 on trade receivables and contract assets from the Group's five major customers amounting to approximately MOP60.4 million (31 December 2024: MOP30.3 million) and accounted for approximately 67.5% (31 December 2024: 39.1%) of the Group's total trade receivables and contract assets. The major customers of the Group are certain reputable organisations. The management of the Group considers that the credit risk is limited in this regard.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Liquid funds were also under the scope of review by the professional valuer as in account receivables.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)



EVENTS AFTER THE REPORTING PERIOD

There is no significant events after 30 June 2025 and up to the date of this report.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the total number of full-time employees of the Group was 156 (31 December 2024: 146).

The Group remunerates its employees based on their performance, experience and the prevailing industry practice. The Group may pay a discretionary bonus to its employees based on individual performance in recognition of their contribution and hard work.

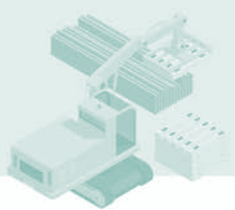
The Group's gross staff costs from operations (including the directors' emoluments) was MOP24.0 million for the six months ended 30 June 2025 (30 June 2024: MOP23.4 million).

The Company adopted a new share option scheme on 25 June 2024 which has compiled with the new definition under Chapter 17 of the Listing Rules which became effective 1 January 2023, so that the Company may grant options to the eligible participants as incentives or rewards for their contribution to the Group.

Since the listing of the Shares, no share option had been granted under the old and new share option schemes.

MARKET REVIEW

In the first half of 2025, Macau's gaming revenue and visitor arrivals maintained steady growth, with number of visitors approaching or even returning to the pre-pandemic level. Major concerts, world-class dining experiences and themed exhibitions have become core attractions to visitors, effectively boosting their intent to visit. The proportion of non-gaming revenue generated by major integrated resorts has continued to rise, enabling the overall economy to achieve higher-quality development underpinned by the stable support of both the gaming and tourism sectors. In addition, the development of diversified industries has also laid the foundation for the overall economic recovery of Macau. It is believed that the comprehensive economic recovery and tourism development will also present new opportunities and bring new vitality to the construction industry.



MANAGEMENT DISCUSSION AND ANALYSIS (continued)

OUTLOOK

In respect of the construction industry in the second half of 2025, it is expected that the Macau government will continue to adjust the arrangements of public construction works. The decrease in the number of both government and private projects has resulted in certain operational difficulties in the construction industry. Despite these challenges in the overall environment, the Macau government remains committed in advancing some key public works projects, such as public housing construction, recreational and greening facilities construction and selected infrastructure projects. For the tourism industry, since the growth of number of tourists may slow down, the per capita consumption, overnight rate and length of stay of tourists will become the key indicators for investment by major gaming operators. Although casinos and hotels continue to have demand for renovation and fitting-out works, the scale and the volume of such projects remain to be observed.

Hong Kong's economy is expected to achieve moderate growth in the second half of 2025, mainly driven by a rebound in private consumption, the improvement in the export of tourism services and better financial conditions, the combination of which will benefit the Group in respect of its business expansion in Hong Kong in the second half of the year.

OTHER INFORMATION



INTERIM DIVIDEND

The Board resolved not to declare payment of any interim dividend for the six months ended 30 June 2025.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2025, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or 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") as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

I. Interests in the Company

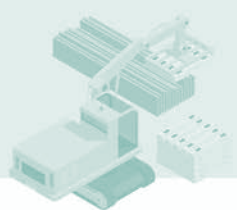
Name of Director	Nature of interest	Number of Shares interested	Percentage of interest
Mr. Lai leng Man	Interest in controlled corporation ^(Note)	300,000,000	75%

Note: As Mr. Lai leng Man is entitled to control one-third or more of the voting power at general meetings of SHK-Mac Capital Limited ("SHKMCL"), Mr. Lai is deemed to be interested in these 300,000,000 Shares under the SFO.

II. Interests in the associated corporation of the Company

Name of Directors	Name of associated corporation	Nature of interest	Number of shares interested	Percentage of interest
Mr. Lai leng Man	SHKMCL	Beneficial interest	50	50%
Mr. Lai Meng San	SHKMCL	Beneficial interest	30	30%
Ms. Lai leng Wai	SHKMCL	Beneficial interest	20	20%

OTHER INFORMATION (continued)



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (continued)

Save as disclosed above, as at 30 June 2025, there were no other interests or short positions of the Directors or the chief executive of the Company in the shares or underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) or pursuant to section 352 of the SFO, required to be recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Nature of interest	Number of Shares held	Percentage of interest
SHKMCL ^(Note)	Beneficial interest	300,000,000	75%

Note: SHKMCL is owned as to 50% by Mr. Lai Ieng Man, 30% by Mr. Lai Meng San and 20% by Ms. Lai Ieng Wai.

Save as disclosed above, as at 30 June 2025, the Company had not been notified by any persons (other than the Directors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

SHARE OPTION SCHEMES

The Company adopted a share option scheme on 10 February 2017 ("**2017 Share Option Scheme**") to enable the Company to grant share options to eligible persons so as to recognise and acknowledge the contributions they have or may have made to the Group. The 2017 Share Option Scheme was terminated by the shareholders of the Company at the 2024 annual general meeting held on 25 June 2024.

The Company adopted a new share option scheme on 25 June 2024 ("**2024 Share Option Scheme**") to comply with Chapter 17 of Listing Rules. This enables the Company to grant share options to eligible employee participants as incentives or rewards for their contributions they have or may have made to the Group.

Since the listing of the Shares, no share options had been granted under the 2017 and 2024 Share Option Schemes.

As at each of 1 January 2025 and 30 June 2025, the number of options available for grant under the applicable 2024 Share Option Schemes in force was 40,000,000.

OTHER INFORMATION (continued)



CHANGES IN DIRECTOR'S INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, below are the changes in the information of the Directors up to the date of this report:

- (1) Mr. Siu Wing Hay has been appointed as Independent Non-Executive Director of Atom Therapeutics Co., Ltd (杭州新元素藥業股份有限公司) since 2 September 2025.
- (2) Mr. Siu Wing Hay has been appointed as Director and Executive Council Member of The Hong Kong Independent Non-Executive Director Association Limited (香港獨立非執行董事協會有限公司) since 4 September 2025.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities and treasury shares of the Company.

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2025, the Company complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

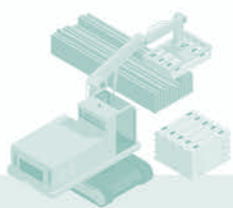
The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions (the "**Securities Dealing Code**"). Specific enquiry has been made with all the Directors and all of them confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the six months ended 30 June 2025.

The Company has also adopted the Securities Dealing Code for securities transactions by employees who, because of their office or employment in the Group, are likely to possess inside information of the Company. No incident of non-compliance of the Securities Dealing Code by the relevant employees was noted by the Company throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The audit committee of the Board (the "**Audit Committee**") comprises three independent non-executive Directors, namely, Mr. Siu Wing Hay (the chairman of the Audit Committee), Mr. Chan Lok Chun and Dr. Liu Ting Chi.

The Audit Committee has reviewed with the management of the Company the accounting principles and policies adopted by the Group. The interim report of the Group for the six months ended 30 June 2025 has been reviewed by the Audit Committee. The Group's auditor, Messrs. Baker Tilly Hong Kong Limited, has reviewed the unaudited interim condensed consolidated financial information in this interim report.



REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL INFORMATION



To the board of directors of Lai Si Enterprise Holding Limited
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial information of Lai Si Enterprise Holding Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 18 to 40, which comprise the interim condensed consolidated statement of financial position as of 30 June 2025 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six months period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial information based on our review. Our report is made to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)



CONCLUSION

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

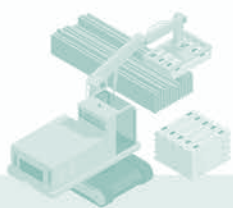
Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 28 August 2025

Tong Wai Hang

Practising certificate number P06231



INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2025
(Expressed in Macau Pataca)

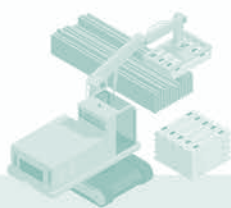
	Notes	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Revenue	4	111,211	81,824
Cost of sales		(92,055)	(63,288)
Gross profit		19,156	18,536
Other income, gains and losses, net		1,541	1,816
Administrative expenses		(16,560)	(16,865)
(Impairment losses)/reversal of impairment losses on financial assets and contract assets	5	(302)	2,836
Changes in fair value of investment properties		(2,575)	(1,133)
Share of profit of an associate		15	446
Finance costs		(492)	(491)
PROFIT BEFORE TAX	5	783	5,145
Income tax credit	6	309	136
PROFIT FOR THE PERIOD		1,092	5,281
		Macau cents	Macau cents
EARNINGS PER SHARE			
Basic and diluted	8	0.3	1.3

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2025
(Expressed in Macau Pataca)



	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
PROFIT FOR THE PERIOD	1,092	5,281
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value, net of nil tax	(5)	390
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	(5)	390
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,087	5,671



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025
(Expressed in Macau Pataca)

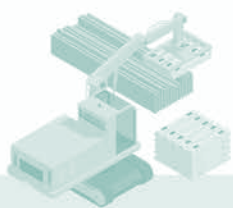
	Notes	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	83,668	73,527
Investment properties		18,952	21,527
Investment in an associate		6,897	6,882
Equity investments designated at fair value through other comprehensive income		1,421	1,426
Total non-current assets		110,938	103,362
CURRENT ASSETS			
Trade receivables	10	39,167	36,951
Contract assets	11	50,398	40,575
Prepayments, other receivables and other assets		6,759	10,657
Amount due from a director	16(b)	14	14
Amount due from the ultimate holding company	16(b)	1	1
Pledged bank deposits		1,082	1,082
Cash and bank balances		25,001	24,463
Total current assets		122,422	113,743
CURRENT LIABILITIES			
Trade payables	12	21,773	22,693
Contract liabilities		6,077	11,483
Other payables and accruals		33,291	20,888
Interest-bearing bank borrowings		39,036	29,646
Total current liabilities		100,177	84,710
NET CURRENT ASSETS		22,245	29,033
Total assets less current liabilities		133,183	132,395

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

as at 30 June 2025
(Expressed in Macau Pataca)



	Notes	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
NON-CURRENT LIABILITIES			
Defined benefit plan obligations		148	138
Deferred tax liabilities		2,890	3,199
Total non-current liabilities		3,038	3,337
Net assets		130,145	129,058
CAPITAL AND RESERVES			
Share capital	13	4,120	4,120
Reserves		126,025	124,938
Total equity		130,145	129,058



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025
(Expressed in Macau Pataca)

	Share capital MOP'000	Share premium* MOP'000	Legal reserve* MOP'000 (Note (a))	Other reserve* MOP'000 (Note (b))	Merger reserve* MOP'000 (Note (c))	Asset revaluation reserve* MOP'000 (Note (d))	Fair value reserve* MOP'000 (note(e))	Retained profit/ (accumulated loss)* MOP'000	Total MOP'000
At 1 January 2025 (audited)	4,120	105,390	50	(5,098)	85	20,499	46	3,966	129,058
Profit for the period and total comprehensive income for the period	-	-	-	-	-	-	(5)	1,092	1,087
At 30 June 2025 (unaudited)	4,120	105,390	50	(5,098)	85	20,499	41	5,058	130,145
At 1 January 2024 (audited)	4,120	105,390	50	(5,098)	85	20,499	31	(20,133)	104,944
Profit for the period and total comprehensive income for the period	-	-	-	-	-	-	390	5,281	5,671
At 30 June 2024 (unaudited)	4,120	105,390	50	(5,098)	85	20,499	421	(14,852)	110,615

Notes:

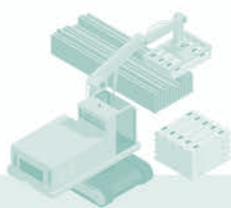
- (a) In accordance with Article 377 of the Commercial Code of the Macau Special Administrative Region, the subsidiaries registered in Macau are required to transfer part of their profits of each accounting period of not less than 25% to legal reserve, until the amount reaches half of the respective share capital. This reserve is not distributable to the respective shareholders.
- (b) Other reserve represents the fair value adjustments recognised in equity as deemed distribution to the Controlling Shareholders (as defined in the Group's 2017 Annual Report) for advances to certain related parties in which the Controlling Shareholders have joint control or control.
- (c) The merger reserve represented the difference between the aggregate share capital of Lai Si (HK), Lai Si and Well Team (as defined in Note 1) amounting to MOP85,000 (which were transferred from the Controlling Shareholders to LSHKHL, LSMAHL and WTMAHL (as defined in Note 1) pursuant to the reorganisation (as defined and set out in the Group's 2017 Annual Report) and the aggregate cash consideration of MOP30.
- (d) The asset revaluation reserve, net of tax, arose from a change in use from owner-occupied properties to investment properties carried at fair value in 2018.
- (e) The fair value reserve comprises the cumulative net change in the fair value of equity investments designated at fair value through other comprehensive income under HKFRS 9 that are held at the end of the reporting period.
- * These reserve accounts comprise the consolidated reserves of MOP126,025,000 (31 December 2024: MOP124,938,000) in the condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2025
(Expressed in Macau Pataca)



	Notes	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Cash flows from operating activities			
Profit before tax:		783	5,145
Adjustments for:			
Finance costs		492	491
Share of profit of an associate		(15)	(446)
Bank interest income		(485)	(537)
Depreciation of property, plant and equipment	5	507	426
Dividend income from equity investments at fair value through other comprehensive income		(50)	(90)
Impairment losses/(reversal of impairment losses) on financial assets and contract assets	5	302	(2,836)
Write-off of trade receivables	5	-	29
Changes in fair value of investment properties		2,575	1,133
		4,109	3,315
Increase in trade receivables		(2,206)	(6,731)
Increase in contract assets		(10,135)	(3,680)
Decrease/(increase) in prepayments, other receivables and other assets		3,898	(7,198)
Decrease in trade payables		(920)	(559)
(Decrease)/increase in contract liabilities		(5,406)	5,993
Increase in defined benefit plan obligations		10	35
Increase in other payables and accruals		12,403	2,781
Net cash flows generated from/(used in) operating activities		1,753	(6,044)
Cash flows from investing activities			
Interest received		485	537
Decrease/(increase) in bank deposits with original maturity over three months		16,871	(147)
Increase in pledged bank deposits		-	(389)
Purchase of property, plant and equipment		(10,648)	(123)
Dividend received from equity investments at fair value through other comprehensive income		50	90
Net cash flows generated from/(used in) investing activities		6,758	(32)



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

for the six months ended 30 June 2025
(Expressed in Macau Pataca)

	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Cash flows from financing activities		
Repayment of bank borrowings	(15,964)	(4,428)
New bank loans	25,354	7,711
Interest paid	(492)	(477)
Net cash flows generated from financing activities	8,898	2,806
Net increase/(decrease) in cash and cash equivalents	17,409	(3,270)
Cash and cash equivalents at beginning of period	7,592	553
Cash and cash equivalents at end of period	25,001	(2,717)
Analysis of balances of cash and cash equivalents		
Cash and bank balances as stated in the consolidated statement of financial position	25,001	8,406
Bank deposits with original maturity over three months	-	(7,356)
Bank overdrafts included in interest-bearing bank borrowings	-	(3,767)
Cash and cash equivalents as stated in the consolidated statement of cash flows	25,001	(2,717)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Expressed in Macau Pataca)



1 CORPORATE AND GROUP INFORMATION

Lai Si Enterprise Holding Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on 1 June 2016 under the Companies Law, Cap. 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 10 February 2017. The Company’s registered office address is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business is located at Macau Lai Si Enterprise Centre, Rua Da Ribeira Do Patane No. 54, Macau.

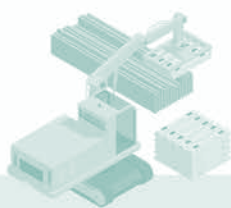
The Company is an investment holding company. The Company and its subsidiaries (collectively, the “Group”), are principally engaged in fitting-out, alteration and addition works, construction works and repair and maintenance services.

In the opinion of the directors, the Company’s immediate and ultimate holding company is SHK-Mac Capital Limited (“SHKMCL”), a company incorporated in the British Virgin Islands (“BVI”) with limited liability.

Information about subsidiaries

Particulars of all the Company’s subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Registered capital/ issued and fully paid-up share capital	Percentage of equity attributable to the Company		Principal activities
			2025	2024	
LSMA Holding Limited* (“LSMAHL”)	The BVI	United States Dollars (“USD”) 10	100%	100%	Investment holding
WTMA Holding Limited* (“WTMAHL”)	The BVI	USD10	100%	100%	Investment holding
LSHK Holding Limited* (“LSHKHL”)	The BVI	USD10	100%	100%	Investment holding
Lai Si Construction & Engineering Company Limited (“Lai Si”)	Macau	MOP50,000	100%	100%	Construction works, fitting-out works and provision of repair and maintenance services



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

1 CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of all the Company's subsidiaries are as follows: (continued)

Name	Place of incorporation/ registration and business	Registered capital/ issued and fully paid-up share capital	Percentage of equity attributable to the Company		Principal activities
			2025	2024	
Well Team Engineering Company Limited ("Well Team")	Macau	MOP25,000	100%	100%	Holding of an office building
Lai Si Mechanical and Electrical Engineering Company Limited	Macau	MOP25,000	100%	100%	Mechanical and electrical engineering and provision of repair and maintenance services
High Class Investment Company Limited	Macau	MOP25,000	100%	100%	Investment holding
Lai Si Construction (Hong Kong) Company Limited ("Lai Si (HK)")	Hong Kong	HK\$10,000	100%	100%	Construction works, fitting-out works and provision of repair and maintenance services
Nice Contracting Limited	Hong Kong	HK\$10,000	100%	100%	Holding of an office building

* Directly held by the Company

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

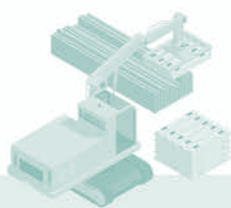
The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following revised HKFRS Accounting Standard for the first time for the current period's financial information.

The Group has adopted the following revised HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The adoption of the above revised HKFRS Accounting Standard had no significant financial effect on this financial information.

The nature and impact of the amended HKFRS Accounting Standard are described below: Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

3 OPERATING SEGMENT INFORMATION

Six months ended 30 June 2025

	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total MOP'000 (Unaudited)
Segment revenue				
Sales to external customers	103,623	5,366	2,222	111,211
Segment results	17,113	1,817	(72)	18,858
Corporate expenses				(16,262)
Other income, gains and losses, net				1,541
Impairment losses on financial assets and contract assets				(302)
Changes in fair value of investment properties				(2,575)
Share of profit of an associate				15
Finance costs				(492)
Profit before tax				783

Six months ended 30 June 2024

	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total MOP'000 (Unaudited)
Segment revenue				
Sales to external customers	76,895	1,964	2,965	81,824
Segment results	16,899	14	1,291	18,204
Corporate expenses				(16,533)
Other income, gains and losses, net				1,816
Reversal of impairment losses on financial assets and contract assets				2,836
Changes in fair value of investment properties				(1,133)
Share of profit of an associate				446
Finance costs				(491)
Profit before tax				5,145

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



3 OPERATING SEGMENT INFORMATION (continued)

No analysis of segment asset and segment liability is presented as management does not regularly review such information for the purposes of resource allocation and performance assessment.

Information about major customers

Revenue from customers individually amounting to over 10% of the total revenue of the Group is as follows:

	For the six months ended 30 June	
	2025 MOP'000	2024 MOP'000
Customer A ^(a)	26,916	N/A ^(c)
Customer B ^(a)	25,750	N/A ^(c)
Customer C ^(b)	16,671	N/A ^(c)
Customer D ^(a)	15,739	16,958
Customer E ^(a)	N/A ^(c)	18,479

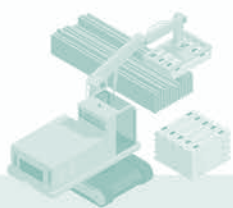
Notes:

- (a) The revenue was derived from fitting-out, alteration and addition works.
- (b) The revenue was derived from fitting-out, alteration and addition works and construction works.
- (c) Revenue from the customers is less than 10% of the total revenue of the Group.

4 REVENUE

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Revenue from contracts with customers		
Fitting-out, alteration and addition works	103,623	76,895
Construction works	5,366	1,964
Repair and maintenance services	2,222	2,965
Total	111,211	81,824



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

4 REVENUE (continued)

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2025

Segments	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total MOP'000 (Unaudited)
Geographical markets				
Macau	58,354	5,366	1,345	65,065
Hong Kong	45,269	-	877	46,146
Total revenue from contracts with customers	103,623	5,366	2,222	111,211
Timing of revenue recognition				
Services transferred over time	103,623	5,366	-	108,989
Services transferred at a point in time	-	-	2,222	2,222
Total revenue from contracts with customers	103,623	5,366	2,222	111,211

For the six months ended 30 June 2024

Segments	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total MOP'000 (Unaudited)
Geographical markets				
Macau	55,791	1,964	2,474	60,229
Hong Kong	21,104	-	491	21,595
Total revenue from contracts with customers	76,895	1,964	2,965	81,824
Timing of revenue recognition				
Services transferred over time	76,895	1,964	-	78,859
Services transferred at a point in time	-	-	2,965	2,965
Total revenue from contracts with customers	76,895	1,964	2,965	81,824

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



5 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Cost of services provided*	92,055	63,288
Depreciation of property, plant and equipment	507	426
Write-off of trade receivables	-	29
Impairment losses/(reversal of impairment losses) on financial assets and contract assets:		
Reversal of impairment losses on trade receivables	(10)	(1,600)
Impairment losses/(reversal of impairment losses) on contract assets	312	(1,236)
	302	(2,836)
Foreign exchange differences, net	(476)	(419)

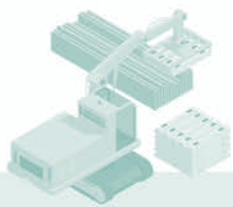
* Included in cost of services provided are the staff costs incurred in the amount of approximately MOP13,544,000 (six months ended 30 June 2024: MOP13,443,000).

6 INCOME TAX

No provision for Macau complementary tax has been provided for both current and prior periods as the assessable profits have been absorbed by unused tax losses.

No provision for Hong Kong Profits Tax has been made as a subsidiary incorporated in Hong Kong has available tax losses carried forward for future set off during both current and prior period.

	For the six months ended 30 June	
	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Deferred tax credit	(309)	(136)



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

7 DIVIDENDS

No dividend has been paid or declared by the Group during the six months ended 30 June 2025 and 2024.

8 EARNINGS PER SHARE

The calculation of the basic earnings per share amounts is based on the profit for the period, and the weighted average number of ordinary shares of 400,000,000 (six months ended 30 June 2024: 400,000,000) in issue during the six months ended 30 June 2025.

The Group's profit for the period was MOP1,092,000 (six months ended 30 June 2024: MOP5,281,000).

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024.

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at cost of MOP10,648,000.

10 TRADE RECEIVABLES

	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
Trade receivables	60,570	58,364
Impairment	(21,403)	(21,413)
Total	39,167	36,951

The Group allows an average credit period of 30 days to its customers. Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customers. Recoverability of existing customers is reviewed by the Group regularly.

As at 31 December 2024, included in the Group's trade receivables are amounts due from related parties MOP9,500, which were repayable on credit terms similar to those offered to the major customers of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



10 TRADE RECEIVABLES (continued)

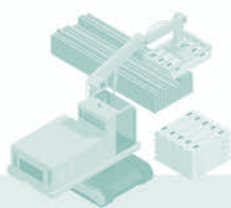
An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
Within 1 month	30,821	24,938
1 to 2 months	2,612	4,869
2 to 3 months	775	1,024
3 to 6 months	4,356	3,197
6 months to 1 year	603	2,360
Over 1 year	-	563
Total	39,167	36,951

11 CONTRACT ASSETS

	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
Contract assets arising from:		
Fitting-out, alteration and addition works	76,622	72,177
Construction works	7,890	2,200
Total	84,512	74,377
Impairment	(34,114)	(33,802)
Net carrying amount	50,398	40,575

Contract assets are initially recognised for revenue earned from the provision of related fitting-out, alteration and addition works and construction works as the receipt of consideration is conditional on successful completion of the works. Included in contract assets for fitting-out, alteration and addition works and construction works are retention receivables. Upon completion of the work and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The increase in contract assets in 2025 was in line with the increase of number of projects. During the six months ended 30 June 2025, impairment losses on contract assets of MOP312,000 (six months ended 30 June 2024: reversal of impairment losses of MOP1,236,000) was recognised. The Group's trading terms and credit policy with customers are disclosed in note 10 to the interim condensed consolidated financial information.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

12 TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
Within 1 month	7,083	4,484
1 to 2 months	2,127	6,167
2 to 3 months	2,281	1,985
Over 3 months	10,282	10,057
Total	21,773	22,693

13 SHARE CAPITAL

	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
Issued and fully paid: 400,000,000 (2024: 400,000,000) ordinary shares	4,120	4,120

There were no movements in the Company's share capital during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

14 CONTINGENT LIABILITIES

(a) Sin Fong Garden Building

In October 2012, one of the supporting pillars of the residential building called "Sin Fong Garden Building" collapsed due to the loss of stability. Such collapse was accused to be caused by the dismantlement and construction of the foundation work undertaken in an adjacent new residential building project, of which Lai Si was one of the contractors. As a result, in September 2015, several flat owners of Sin Fong Garden Building filed a lawsuit against several defendants including Lai Si, seeking for a compensation for the loss of property, in a total sum of approximately HK\$48,950,000, to be borne jointly by the defendants. However, according to the report issued by the team of technical advisors and experts engaged by the Macau Government to study the causes of the incident, the collapse of Sin Fong Garden Building was caused by the substandard supporting pillars of Sin Fong Garden Building, instead of the dismantlement and foundation work undertaken in the adjacent new residential building.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



14 CONTINGENT LIABILITIES (continued)

(a) Sin Fong Garden Building (continued)

The hearings were held from 17 November 2023 to July 2024. The written legal arguments have already filed by all parties, the court is now expected to deliver the final ruling, for the which there is no timeframe. Based on the fact disclosed during the hearing and after consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial information as at 30 June 2025. The Controlling Shareholders have undertaken to indemnify the Group against all losses and liabilities arising from the above proceedings.

(b) Dispute on payment with a subcontractor

As at 30 June 2025 and 31 December 2024, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount with interest of MOP2,485,000.

On 11 February 2025, the hearing was conducted. The Court gave the judgement on 21 March 2025 by which it was decided that the subsidiary of the Group should repay the amount of MOP317,000 to the plaintiff. During the six months ended 30 June 2025, the subsidiary of the Group fully settled the payment.

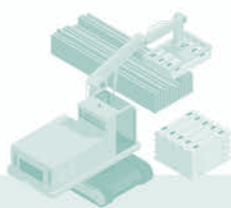
On 10 June 2025, an appeal against the subsidiary of the Group was filed by the solicitors acting on behalf of plaintiff.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that a significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2025.

(c) Dispute on payment with a subcontractor

As at 31 December 2023, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount of MOP1,926,000.

The subsidiary of the Group entered into a mediated settlement agreement with the plaintiff. The subsidiary of the Group agreed to pay the plaintiff MOP958,000 and fully settled during the year ended 31 December 2024.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

15 PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to secure the bank borrowings and credit facilities granted to the Group:

	30 June 2025 MOP'000 (Unaudited)	31 December 2024 MOP'000 (Audited)
Land and buildings included in property, plant and equipment	72,485	72,851
Pledged bank deposits (Note)	1,082	1,082
Total	73,567	73,933

Note: Pledged bank deposits were pledged to secure the Group's banking facilities.

16 RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in this condensed consolidated financial information, the Group had the following transactions with related parties during the period:

	For the six months ended 30 June	
	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Ou Wai Health Company Limited (Note i)		
- Repair and maintenance services income*	-	18

The above transactions were conducted on terms and conditions mutually agreed between the relevant parties.

Notes:

- (i) Mr. Lai Meng San, executive director of the Company and Mr. Chan Lok Chun, independent non-executive director of the Company, jointly held 42% equity interest in this related company.

* These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



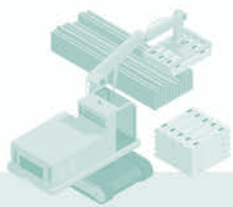
16 RELATED PARTY TRANSACTIONS (continued)

(b) Outstanding balances with related parties:

- (i) As at 30 June 2025, the Group had an outstanding balance due from its ultimate holding company of MOP1,000 (31 December 2024: MOP1,000) which is unsecured, non-interest-bearing and repayable on demand.
- (ii) As at 30 June 2025, the Group had an outstanding balance due from its related company, Lai Si Construction (Singapore) Pte. Limited, of MOP172,000 (31 December 2024: MOP172,000) included in other receivables. Mr. Lai leng Man, Mr. Lai Meng San, Ms. Lai leng Wai and Ms. Cheong Weng Si, executive directors of the Company, jointly held 100% equity interest in this related company.
- (iii) As at 31 December 2024, the Group had an outstanding balance due from its related company, Ou Wai Health Company Limited, of MOP9,500 included in trade receivables. The payment term is disclosed in note 10.
- (iv) The Group had an outstanding balance due from its director, Mr. Lai leng Man, of MOP14,000 (31 December 2024: MOP14,000), presented as an amount due from a director in the consolidated statement of financial position which in non-trade in nature, unsecured, non-interest-bearing and repayable on demand. The maximum amount outstanding during the year is MOP14,000 (31 December 2024: MOP14,000).

(c) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Fees	80	80
Salaries and other allowances	3,946	4,008
Discretionary bonus	878	575
Pension scheme contribution	14	15
Total compensation paid to key management personnel	4,918	4,678



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

17 PERFORMANCE BOND

As at 30 June 2025, the Group has issued performance bonds amounting to MOP13,581,000 (31 December 2024: MOP11,111,000) in respect of contracts from fitting-out, alteration and addition works through banks in Macau which are secured by legal charge over the office building held by the Group, pledged bank deposits as disclosed in note 15 and promissory notes of MOP167,980,000 (31 December 2024: MOP167,980,000) issued by Lai Si and the Company and guaranteed by the directors of the Company, Lai Ieng Man and Lai Meng San.

At the end of the reporting period, the directors of the Company do not consider it probable that a claim will be made against the Group.

18 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values due to the short maturities of these instruments.

Management of the Group has estimated the fair values of unlisted equity investments at fair value through other comprehensive income with income approach as at 30 June 2025 and 31 December 2024. The directors believe that the estimated fair values based on the above valuation technique, which are recorded in the interim condensed consolidated statement of financial position are reasonable, and that they were the most appropriate values at the end of the reporting period.

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2025:

	Valuation technique	Significant unobservable input	Sensitivity of fair value to the input
Equity investments designated at fair value through other comprehensive income	Discounted cash flow	Post-tax discount rate of 9.10% (31 December 2024: 9.90%)	10% increase/decrease in discount rate would result in (decrease)/increase in fair value by (MOP100,000)/MOP129,000 (31 December 2024: (MOP103,000)/MOP141,000)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)



18 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

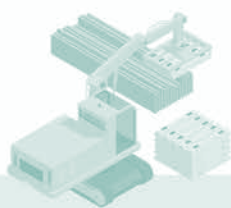
Assets measured at fair value:

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total MOP'000 (Unaudited)
	Quoted prices in active markets (Level 1) MOP'000 (Unaudited)	Significant observable inputs (Level 2) MOP'000 (Unaudited)	Significant unobservable inputs (Level 3) MOP'000 (Unaudited)	
Equity investments designated at fair value through other comprehensive income	-	-	1,421	1,421

As at 31 December 2024 (Audited)

	Fair value measurement using			Total MOP'000 (Audited)
	Quoted prices in active markets (Level 1) MOP'000 (Audited)	Significant observable inputs (Level 2) MOP'000 (Audited)	Significant unobservable inputs (Level 3) MOP'000 (Audited)	
Equity investments designated at fair value through other comprehensive income	-	-	1,426	1,426



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)

(Expressed in Macau Pataca)

18 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(continued)

The movements in fair value measurements within Level 3 during the period are as follows:

	2025 MOP'000 (Unaudited)	2024 MOP'000 (Unaudited)
Equity investments at fair value through other comprehensive income		
At 1 January	1,426	1,411
Total (loss)/gain recognised in other comprehensive income	(5)	390
At 30 June	1,421	1,801

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2024: Nil).