



**Anchorstone Holdings Limited**  
**基石控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

**Stock Code: 1592**

INTERIM REPORT  
**2025**

**ANCHOR  
STONE**

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# CORPORATE INFORMATION

## REGISTERED OFFICE

Cricket Square Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 1501-02, 15/F., Delta House  
No. 3 On Yiu Street, Shatin  
New Territories

## COMPANY WEBSITE

<http://www.anchorstone.com.hk>

## COMPANY EMAIL

[info@anchorstone.com.hk](mailto:info@anchorstone.com.hk)

## BOARD OF DIRECTORS

### Executive Directors

Mr. Lui Yue Yun Gary (*Chairman*)  
Ms. Lui Natalie Po Wai  
Mr. Fung Wai Hang (resigned on 28 February 2025)

### Independent Non-Executive Directors

Mr. Ko Tsz Kin  
Mr. Wong Yue Fai  
Ms. Ching Wan Wah Kitty  
Mr. Nie Kin Kwok Kevin (resigned on 27 August 2025)

## BOARD COMMITTEE

### Audit Committee

Mr. Ko Tsz Kin (*Chairman*)  
Mr. Wong Yue Fai  
Mr. Nie Kin Kwok Kevin (resigned on 27 August 2025)

### Remuneration Committee

Mr. Wong Yue Fai (*Chairman*)  
Mr. Ko Tsz Kin  
Mr. Lui Yue Yun Gary

## Nomination Committee

Mr. Lui Yue Yun Gary (*Chairman*)  
Mr. Ko Tsz Kin  
Mr. Wong Yue Fai

## COMPANY SECRETARY

Ms. Don Mun Min

## AUTHORISED REPRESENTATIVES

Mr. Lui Yue Yun Gary  
Ms. Lui Natalie Po Wai

## AUDITOR

CL Partners CPA Limited  
Certified Public Accountants  
Registered Public Interest Entity Auditor

## PRINCIPAL BANKS

Hang Seng Bank  
Chong Hing Bank  
Nanyang Commercial Bank

## SHAREHOLDER INFORMATION

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”)

## SHARE REGISTRAR

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

## INVESTOR RELATIONSHIP

For enquiries, please contact: Ms. Don Mun Min,  
our Company Secretary  
Email: [sarahdon@anchorstone.com.hk](mailto:sarahdon@anchorstone.com.hk)  
Telephone: (852) 2511 6668  
Fax: (852) 2511 6667

# MANAGEMENT DISCUSSION AND ANALYSIS

## RESULT

In 2025, the local economic, in particular the real estate industry, continued to experience a slowing down. At the same time, there are a significant number of first-hand housing supply in Hong Kong and the Mainland China, which affected the overall construction status in the Mainland China and Hong Kong. The Group's operations unavoidably faced adverse effects. Moreover, the rising costs of building materials, shortage of labour-force and the increasing of geopolitical risks in recent years created uncertainties and complexities in our business. The Group also consumed a portion of resources on the finance cost arise from the overdue bank borrowings.

The Group recorded a revenue of approximately HK\$27.9 million in the six months ended 30 June 2025, representing a increase of 58% compared with the same period last year. The Group recorded a loss attributable to owners of the Company of approximately HK\$8.7 million for the period ended 30 June 2025.

The increase in the loss for the period attributed to owners of the Company is approximately HK\$0.2 million, which was due to the decrease in the profitability of the Group, reflecting adverse impact of slowing down of the local economic momentum and the weak property market. Nevertheless, the Group's new business segment in the Mainland China contributed to the Group's growth during the period.

## INTERIM DIVIDEND

In order to retain resources for the Group's future development, the Directors have resolved not to pay any interim dividend for the six months ended 30 June 2025 (30 June 2024: Nil).

## BUSINESS REVIEW AND OUTLOOK

Due to the overdue bank borrowings records since 2020, it is difficult for the Group to obtain new bank facilities to support the further construction projects. As a result, the Group has to rely on its internal resources, the financial supports from the Company's Executive Directors and other sources of funds to support its operations.

Despite the uncertainty in the global and local economy, the management tried the best to get the operations back on track as effectively and efficiently by closely working with its consumers, suppliers and subcontractors. The Group actively seeks for new business opportunities in Hong Kong and other countries/regions.

## Revenue

During the six months ended 30 June 2025, the Group generated revenue from the its supply and installation projects and stone sales projects in Hong Kong, Macau and the Mainland China. It recorded a increase in revenue for approximately HK\$10.2 million or 58% compared with last period. The decrease was mainly due to the decrease of revenue generated from supply and installation service. The construction project work status of the current period were much slower than the last period ended 30 June 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Gross profit and gross profit margin

Cost of sales mainly includes the cost of marble, raw materials, fabrication expenses, transportation and subcontracting costs. The Group's overall gross profit margin has decreased from around 17% to 9% mainly due to the difference in project mix and the impact of variation orders certified or confirmed.

Moreover, the gross profit of the Group decreased by approximately HK\$0.5 million or approximately 17% from approximately HK\$3.0 million for the period ended 30 June 2024 to approximately HK\$2.5 million for the period ended 30 June 2025.

## Administrative expenses

The administrative expenses of the Group for the current period amounted to approximately HK\$7.8 million. The decrease was mainly due to the decrease in employee benefit expenses and the legal and professional fee.

## Finance costs

Finance costs were mainly arisen from the bank borrowings and the Directors' loan for the operation purpose. The finance costs decreased from HK\$2.5 million for the period ended 30 June 2024 to HK\$1.6 million for the period ended 30 June 2025. The decrease was mainly due to the settlement of certain outstanding director's loan and bank borrowings in both year 2024 and during the period.

## Income tax expense

Income tax expense represents the tax expense incurred in relation to the operation of the Group in Hong Kong and the PRC.

The Group's income tax expense was approximately HK\$56,000 for the six months ended 30 June 2025.

No provision for deferred taxation has been made in current period since no significant deferred taxation liability was expected to crystallise.

## Loss attributable to owners of the Company

Loss attributable to owners of the Company was approximately HK\$8.7 million for the current period, as compared to a loss attributable to owners of the Company of approximately HK\$8.5 million for the last period.

## Liquidity and financial resources

The Group has funded the liquidity and capital requirements primarily through retained profits, borrowings and cash inflows from operating activities. As at 30 June 2025, the capital structure of the Group consisted of deficit of approximately HK\$62.7 million (31 December 2024: HK\$54.1 million), bank borrowings of approximately HK\$33.5 million (31 December 2024: HK\$33.5 million) and the Directors' loans of approximately HK\$11.2 million (31 December 2024: HK\$11.6 million). For details, please refer to the paragraph headed "Bank borrowings" below.

# MANAGEMENT DISCUSSION AND ANALYSIS

Due to the difficult operation environment in the past few years, most of the construction projects were delayed and thus the receivables collection cycle of the Group had unexpectedly procrastinated. As a result, the Group failed to repay certain bank borrowings (mainly trust receipt loans) by the due date since year 2020. The trust receipt loans were secured by the assets of the Group, including the trade and retention receivables, pledged deposits and contract assets, and were cross guaranteed by the Group's subsidiaries to the relevant banks. The Group is continuously negotiating with the relevant banks for different settlement plans. The Directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, and to remediate certain delayed repayments to the banks, including but not limited to speeding up the project status and receivables collection cycle, repaying certain amount of trust receipts loan principal and interest, actively discussing the repayment plans with the relevant banks to extend the principal subsequent to the due date and to seek for additional source of funds. The Company's Directors also provided financial supports to the Group. The Group remains committed to a high degree of financial control, a prudent risk management and a full utilisation of financial resources.

## Cash position and fund available

The Group maintained the liquidity position by managing its gearing ratio and its current ratio. As at 30 June 2025, the Group's cash and cash equivalents were approximately HK\$0.6 million (31 December 2024: HK\$0.3 million). As at 30 June 2025, the current ratio of the Group was approximately 0.67 times (31 December 2024: 0.72 times).

## Bank borrowings

As at 30 June 2025, the Group had total bank borrowings of approximately HK\$33.5 million (31 December 2024: HK\$33.5 million). As at 30 June 2025, the Group has not renewed its banking facilities since its last report date in 2024.

## Gearing ratio

As at 30 June 2025, the Group's gearing ratio was approximately -237.1% (31 December 2024: -479.6%), calculated as the net debts (loans from Executive Directors and bank borrowings less the bank balance and cash) divided by the total equity as at the end of the respective periods and multiplied by 100%.

## Net current assets

As at 30 June 2025, the Group had net current liabilities of approximately HK\$51.4 million (31 December 2024: approximately HK\$40.6 million). The Group's policy is to regularly monitor its liquidity requirements and its compliance with covenants in relation to banking facility agreements, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from the banks to meet its liquidity requirements. Please also refer to the "liquidity and financial resources" section as stated above.

## Pledge of assets

Except for the pledged bank deposits stated in the paragraph headed "Cash position and fund available" above, certain trade and retention receivables and contract assets for obtaining the banking facilities, the Group has no other pledged assets.

## Capital commitments

The Group has no material capital commitments as at 30 June 2025.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Contingencies

As at 30 June 2025 and 31 December 2024, the Group has issued performance bond in respect of construction contracts through bank which amounted to HK\$3.7 million. These performance bond was secured by bank facilities.

In previous years, a former subcontractor has filed a litigation claim for payment of service rendered against to the subsidiary of the Group of approximately HK\$8,763,000. On 27 January 2025, the case has been finalised, the subsidiary of the Group has received the court order for settlement of the subcontractor fee of approximately HK\$5,065,000 and other legal expenses associated with such cases to the subcontractor. The Company further received the court judgement dated 21 February 2025 and a court order dated 17 March 2025, which adjudged that the Company do liable to the former subcontractor as the Plaintiff and should settle the approximately HK\$5,065,000 with the relevant interest, and the cost of proceeding with interest incurred by the Plaintiff. The Company was seeking for the legal advice for the chance of appealing at that moment. For the six months ended 30 June 2025, the Company had estimated the relevant interest amount and considered the impact on the Company's going concern, and is currently in progress to negotiate with the plaintiff for final compensation amount as a whole.

Nevertheless, the management consider there should be a chance that the Company may need to incur an addition amount in accordance with the Court order. The exposure, including the accrued interest, should be approximately HK\$9,226,000.

The Group has provided the provision of the litigation claim and legal expenses in an aggregate of approximately HK\$1,968,000 in "accruals and other payables" and of approximately HK\$9,226,000 in "trade payables" as at 30 June 2025.

## EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had 11 full-time employees who were directly employed by the Group. The Group conducts annual review on salary increase, discretionary bonuses and promotions based on the performance of each employee. During the six months ended 30 June 2025, there has not been any incident of strike or labour shortage which adversely affected the Group's operations. In addition, the Group has not experienced any significant problem with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

# DIRECTORS', CHIEF EXECUTIVES'S AND SUBSTANTIAL SHAREHOLDER'S INTERESTS

## A. DIRECTORS' AND CHIEF EXECUTIVE INTERESTS IN SHARES AND SHARE OPTIONS

As at the date of this report, the interests or short positions of the Company's Directors and the chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange under the Model Code are as follows:

Long position in shares and underlying shares of the Company as at the date of this report:

| Name of Director and/or the chief executive | Capacity/nature of interest        | Total number of share(s) held | Percentage of interest in our Company's issued capital |
|---------------------------------------------|------------------------------------|-------------------------------|--------------------------------------------------------|
| Mr. Lui Yue Yun Gary                        | Interest in controlled corporation | 1,478,300,470 shares          | 61.26%                                                 |
| Mr. Lui Yue Yun Gary                        | Beneficial owner                   | 1,478,860,470 shares          | 61.29%                                                 |

Short position in shares and underlying shares of the Company as at the date of this report:

| Name of Director and/or the chief executive | Capacity/nature of interest        | Total number of share(s) held | Percentage of interest in our Company's issued capital |
|---------------------------------------------|------------------------------------|-------------------------------|--------------------------------------------------------|
| Mr. Lui Yue Yun Gary                        | Interest in controlled corporation | 72,515,000 shares             | 3.01%                                                  |
| Mr. Lui Yue Yun Gary                        | Beneficial owner                   | 560,000 shares                | 0.02%                                                  |

Save as disclosed above, as at the date of this report, none of the Directors or chief executives has any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company or Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which he was taken or deemed to have under provision of the SFO) or 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 under the Model Code.

# DIRECTORS', CHIEF EXECUTIVES'S AND SUBSTANTIAL SHAREHOLDER'S INTERESTS

## B. SUBSTANTIAL SHAREHOLDER'S INTERESTS IN SHARES AND SHARE OPTIONS

As at the date of this report, so far as known by the Directors, the following persons (not being a Director or chief executive of the Company) had interest or short position in shares or underlying shares and debentures of Company and its associated corporation which would be required to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long position in shares and underlying shares of the Company as at the date of this report:

| Name of substantial shareholder | Capacity/nature of interest        | Total number of share(s) held | Percentage of interest in our Company's issued capital |
|---------------------------------|------------------------------------|-------------------------------|--------------------------------------------------------|
| Mr. Lui Yue Yun Gary            | Interest in controlled corporation | 1,478,300,470 shares          | 61.26%                                                 |
| Mr. Lui Yue Yun Gary            | Beneficial owner                   | 1,478,860,470 shares          | 61.29%                                                 |

Short position in shares and underlying shares of the Company as at the date of this report:

| Name of substantial shareholder | Capacity/nature of interest        | Total number of share(s) held | Percentage of interest in our Company's issued capital |
|---------------------------------|------------------------------------|-------------------------------|--------------------------------------------------------|
| Mr. Lui Yue Yun Gary            | Interest in controlled corporation | 72,515,000 shares             | 3.01%                                                  |
| Mr. Lui Yue Yun Gary            | Beneficial owner                   | 560,000 shares                | 0.02%                                                  |

Save as disclosed above, as at the date of this report, no other person had any interest or short position in the Shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

## C. DIRECTOR'S INTERESTS IN CONTRACTS

No contract of significance in relation to the Group's business to which the Company or any of its subsidiaries or holding companies was a party and in which any of the Company's Directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

## D. PURCHASE, SALE OR REDEMPTION OF SHARES

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

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## OVERVIEW OF CORPORATE GOVERNANCE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control and to enhance the transparency and accountability of the Board to all shareholders of the Company. The Company has complied with the applicable code provisions of the Corporate Governance Code ("**CG Code**") from the listing date of the shares of the Company and up to the date of this report, except for the deviations as mentioned below.

The roles of the chairman and chief executive of the Company have not been segregated as required by the code provision A.2.1 of the CG Code. As Mr. Lui is the chairman of the Company and the founder of the Group, the Board considers that vesting the roles of both chairman and chief executive officer in the same person is beneficial to the business prospects and management of the Group. The balance of power and authority is adequately ensured by the Board which comprise experienced and high caliber individuals with a sufficient number of them being Independent Non-executive Directors of the Company. Therefore has a strong independent element in its composition.

### Compliance with Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Listing Rules. All Directors have confirmed that they have complied with the required standard of dealings and code of conduct regarding securities dealings by Directors as set out in the Model Code for the six months ended 30 June 2025.

## BOARD COMMITTEE

### Audit Committee

Mr. Nie Kin Kwok Kevin resigned on 27 August 2025. The Audit Committee, with its terms of reference established in compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), is currently composed of two Independent Non-Executive Directors (Mr. Ko Tsz Kin and Mr. Wong Yue Fai) of the Company, which the number of members fall below the minimum number of at least three members as required under Rule 3.21 of the Listing Rules. The Company is identifying suitable candidate as soon as practicable as to comply with the Listing Rules. The Audit Committee has reviewed with management the accounting policies adopted by the Group and discussed auditing, risk management and internal control system, and financial reporting matters. This unaudited condensed consolidated interim financial information has not been audited by the Company's auditors, but has been reviewed by the Audit Committee of the Company. The Audit Committee was satisfied that the unaudited condensed interim consolidated financial information was prepared in accordance with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

### Remuneration Committee

The Remuneration Committee, with its terms of reference established in compliance with the Listing Rules, was set up with the responsibility of recommending to the Board the remuneration policy of all the Directors and the senior management. The Remuneration Committee was composed of the Chairman of the Board (Mr. Lui) and two Independent Non-Executive Directors (Mr. Ko Tsz Kin and Mr. Wong Yue Fai) of the Company as at 30 June 2025.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## **Nomination Committee**

The Nomination Committee, with its terms of reference established in compliance with the Listing Rules, was composed of the Chairman of the Board (Mr. Lui) and two Independent Non-Executive Directors (Mr. Ko Tsz Kin and Mr. Wong Yue Fai) of the Company as at 30 June 2025. The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board regarding any proposed changes.

On behalf of the Board

**Anchorstone Holdings Limited**

**Lui Yue Yun Gary**

*Chairman*

Hong Kong, 29 August 2025

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

For the six months ended 30 June 2025

|                                                                                            | Note | Six months ended 30 June        |                                 |
|--------------------------------------------------------------------------------------------|------|---------------------------------|---------------------------------|
|                                                                                            |      | 2025<br>HK\$'000<br>(unaudited) | 2024<br>HK\$'000<br>(unaudited) |
| Revenue from contracts with customers                                                      | 4    | 27,866                          | 17,634                          |
| Cost of sales                                                                              | 5    | (25,376)                        | (14,646)                        |
| Gross profit                                                                               |      | 2,490                           | 2,988                           |
| Other income and other gains, net                                                          |      | (67)                            | 22                              |
| Impairment losses on contract assets                                                       |      | (1,699)                         | –                               |
| Administrative expenses                                                                    |      | (7,790)                         | (8,775)                         |
| Operating loss                                                                             |      | (7,066)                         | (5,765)                         |
| Finance costs, net                                                                         | 6    | (1,603)                         | (2,477)                         |
| Loss before income tax                                                                     | 5    | (8,669)                         | (8,242)                         |
| Income tax expense                                                                         | 7    | (56)                            | (280)                           |
| Loss and total comprehensive expenses for the period attributable to owners of the Company |      | (8,725)                         | (8,522)                         |
| Loss per share attributed to owners of the Company for the period:                         |      |                                 |                                 |
| Basic and diluted loss per share (HK cent)                                                 | 8    | (0.39)                          | (0.40)                          |

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

|                                             |      | As at                                      |                                              |
|---------------------------------------------|------|--------------------------------------------|----------------------------------------------|
|                                             |      | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
|                                             | Note |                                            |                                              |
| <b>ASSETS</b>                               |      |                                            |                                              |
| <b>Non-current assets</b>                   |      |                                            |                                              |
| Property and equipment                      | 9    | 9                                          | 12                                           |
| Total non-current assets                    |      | 9                                          | 12                                           |
| <b>Current assets</b>                       |      |                                            |                                              |
| Inventories                                 | 12   | 47,408                                     | 52,468                                       |
| Trade and retention receivables             | 10   | 11,920                                     | 13,582                                       |
| Contract assets                             |      | 42,853                                     | 35,799                                       |
| Deposits, prepayments and other receivables | 11   | 868                                        | 2,226                                        |
| Tax recoverable                             |      | 194                                        | 194                                          |
| Bank balances and cash                      |      | 628                                        | 308                                          |
| Total current assets                        |      | 103,871                                    | 104,577                                      |
| <b>Total assets</b>                         |      | <b>103,880</b>                             | <b>104,589</b>                               |
| <b>EQUITY</b>                               |      |                                            |                                              |
| Share capital                               | 15   | 24,130                                     | 24,130                                       |
| Accumulated losses                          |      | (221,728)                                  | (213,003)                                    |
| Reserves                                    |      | 134,867                                    | 134,770                                      |
| <b>Total deficit</b>                        |      | <b>(62,731)</b>                            | <b>(54,103)</b>                              |

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

|                                     |      | As at                                      |                                              |
|-------------------------------------|------|--------------------------------------------|----------------------------------------------|
|                                     |      | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
|                                     | Note |                                            |                                              |
| <b>LIABILITIES</b>                  |      |                                            |                                              |
| <b>Non-current liabilities</b>      |      |                                            |                                              |
| Lease liabilities                   |      | 119                                        | –                                            |
| Loans from Directors                |      | 11,206                                     | 11,621                                       |
|                                     |      | 11,325                                     | 11,621                                       |
| <b>Current liabilities</b>          |      |                                            |                                              |
| Trade and retention payables        | 13   | 58,265                                     | 49,633                                       |
| Accruals and other payables         | 13   | 49,747                                     | 48,097                                       |
| Contract liabilities                |      | 8,331                                      | 8,797                                        |
| Lease liabilities                   | 9    | 696                                        | 680                                          |
| Bank borrowings                     | 14   | 33,546                                     | 33,456                                       |
| Income tax payables                 |      | 4,701                                      | 4,501                                        |
| Total current liabilities           |      | 155,286                                    | 145,164                                      |
| <b>Total liabilities</b>            |      | <b>166,611</b>                             | 158,692                                      |
| <b>Total equity and liabilities</b> |      | <b>103,880</b>                             | 104,589                                      |

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

|                                                                        | Attributable to owners of the Company |                              |                               |                                |                                    |                                   | Total<br>HK\$'000 |
|------------------------------------------------------------------------|---------------------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------------|-----------------------------------|-------------------|
|                                                                        | Share<br>capital<br>HK\$'000          | Share<br>premium<br>HK\$'000 | Merger<br>reserve<br>HK\$'000 | Capital<br>reserve<br>HK\$'000 | Translation<br>reserve<br>HK\$'000 | Accumulated<br>losses<br>HK\$'000 |                   |
| <b>For the six months ended<br/>30 June 2025 (unaudited)</b>           |                                       |                              |                               |                                |                                    |                                   |                   |
| At 1 January 2025                                                      | 24,130                                | 194,041                      | (72,675)                      | 14,000                         | (596)                              | (213,003)                         | (54,103)          |
| Loss for the period                                                    | –                                     | –                            | –                             | –                              | –                                  | (8,725)                           | (8,725)           |
| Other comprehensive expense for the year                               |                                       |                              |                               |                                |                                    |                                   |                   |
| — Exchange difference arising on translation of<br>a foreign operation | –                                     | –                            | –                             | –                              | 97                                 | –                                 | 97                |
| Balance at 30 June 2025 (unaudited)                                    | 24,130                                | 194,041                      | (72,675)                      | 14,000                         | (499)                              | (221,728)                         | (62,731)          |
| <b>For the six months ended<br/>30 June 2024 (unaudited)</b>           |                                       |                              |                               |                                |                                    |                                   |                   |
| At 1 January 2024                                                      | 21,462                                | 174,034                      | (47,150)                      | 14,000                         | (470)                              | (126,631)                         | 35,245            |
| Loss for the period                                                    | –                                     | –                            | –                             | –                              | –                                  | (8,519)                           | (8,519)           |
| Other comprehensive expense for the year                               |                                       |                              |                               |                                |                                    |                                   |                   |
| — Exchange difference arising on translation of<br>a foreign operation | –                                     | –                            | –                             | –                              | (153)                              | –                                 | (153)             |
| Balance at 30 June 2024 (unaudited)                                    | 21,462                                | 174,034                      | (47,150)                      | 14,000                         | (623)                              | (135,150)                         | 26,573            |

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

|                                                               | Six months ended 30 June |                |
|---------------------------------------------------------------|--------------------------|----------------|
|                                                               | 2025                     | 2024           |
|                                                               | HK\$'000                 | HK\$'000       |
|                                                               | (unaudited)              | (unaudited)    |
| <b>Cash flows from operating activities</b>                   |                          |                |
| Net cash generated from operations                            | 1,111                    | 7,308          |
| Income tax paid                                               | –                        | (38)           |
| Interest received                                             | –                        | 1              |
| <b>Net cash generated from/(used in) operating activities</b> | <b>1,111</b>             | <b>7,271</b>   |
| <b>Cash flows from financing activities</b>                   |                          |                |
| Interest paid                                                 | (347)                    | (646)          |
| Repayments of loans and borrowings                            | (203)                    | –              |
| Repayments of Directors' loans                                | (415)                    | (6,496)        |
| Lease liabilities payment                                     | (360)                    | (336)          |
| <b>Net cash used in financing activities</b>                  | <b>(1,325)</b>           | <b>(7,478)</b> |
| <b>Net decrease in cash and cash equivalents</b>              | <b>(214)</b>             | <b>(207)</b>   |
| Cash and cash equivalents at beginning of period              | (9,326)                  | (8,780)        |
| Exchange differences                                          | 241                      | (153)          |
| <b>Cash and cash equivalents at end of period</b>             | <b>(9,299)</b>           | <b>(9,140)</b> |
| <b>Analysis of the balances of cash and cash equivalents</b>  |                          |                |
| Cash and bank balances                                        | 628                      | 517            |
| Bank overdrafts                                               | (9,927)                  | (9,657)        |
| <b>Cash and cash equivalents at end of period</b>             | <b>(9,299)</b>           | <b>(9,140)</b> |

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 2 February 2016 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company and its subsidiaries are principally engaged in the stone sales and supply and installation of marble products in Hong Kong Special Administrative Region ("**HK**"), Macau Special Administrative Region ("**Macau**") and the People's Republic of China (the "**PRC**").

The ultimate holding company of the Company is PMG Investments Limited, a company incorporated in the British Virgin Islands. Mr. Lui Yue Yun Gary ("**Mr. Lui**"), the sole director and shareholder of PMG Investments Limited, is the ultimate beneficial owner of PMG Investments Limited.

The condensed consolidated interim financial information are presented in Hong Kong dollars ("**HK\$**"), which is the Company's functional currency and the Group's presentation currency.

## 2 BASIS OF PRESENTATION AND ACCOUNTING POLICIES

### 2.1 Basis of presentation

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The interim financial statements should be read in conjunction with the 2024 annual report, which has been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2024 that is included in this report as comparative information does not constitute the Company's statutory annual consolidated accounts for that financial year but is derived from those accounts. The unaudited interim results should be read in conjunction with the 2024 annual report.

### 2.2 Going concern

In 2025, Hong Kong's construction industry continued to face a challenging operating environment. High interest rates, inflationary pressures, and global political tensions made investors more cautious and caused delays in project schedules. The construction sector also struggled with a shortage of workers, higher costs for materials and subcontractors, and slower progress in both public and private construction projects, construction projects of the Group were delayed and thus affecting the Group's receivables collection cycle. As a result, the Group could not repay bank borrowings in accordance to the repayment schedule and on the maturity date as at the periods ended 30 June 2025 and 2024.

For the six months ended 30 June 2025, the Group reported a net loss for the period of approximately HK\$8,725,000 (2024: approximately HK\$8,522,000). As at 30 June 2025, the Group's current bank borrowings was approximately HK\$33,546,000 (2024: approximately HK\$33,456,000), while its total bank balances and cash was approximately HK\$628,000 (2024: approximately HK\$308,000).

For the period ended 30 June 2025, the Group had a net current liabilities and net liabilities of approximately HK\$51,415,000 and HK\$62,731,000 respectively.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 2 BASIS OF PRESENTATION AND ACCOUNTING POLICIES *(Continued)*

### 2.2 Going concern *(Continued)*

In accordance with the underlying bank facilities letters, performance bonds issued through one of the bank aforementioned of HK\$3,705,000 (2024: HK\$3,705,000) might be cancelled by the bank, which might result in non-compliance with the relevant construction contracts if the Group is unable to replace them with other equivalent performance bonds.

On 13 January 2025, a subsidiary of the Group has received a letter from one of its banks requesting the immediate repayment of the outstanding principal bank borrowing balances of approximately HK\$3,425,000 and the accrued interest thereon, along with termination of the respective banking facilities. The letter stated that legal action would be taken against the subsidiary of the Group if the subsidiary of the Group fails to settle the amount within three business days after the date of this letter. As at the date of this report, the respective bank borrowing has not yet been settled and no agreement has yet been reached with the respective bank.

The aforementioned conditions indicate the existence of uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its possible available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve its financial position, and in an effort to remediating the delayed payments to the relevant banks, which include, but are not limited to, the followings:

- (i) The Group has actively negotiated with the relevant banks for extension of the overdue bank borrowings and to waive their rights arising from the events of default arising from overdue payments. For the bank borrowing which demanded for immediate repayment, the management is in discussion with the relevant banks for a feasible settlement plans and extension of repayment period. Having considered the long standing relationships with the relevant banks, the directors of the Company believe that the Group will be able to forming an agreement with relevant banks, especially the bank borrowing which demanded for immediately repayment on 13 January 2025;
- (ii) the Group has implemented measure to accelerate the certification, billing and collection with customers for completed projects;
- (iii) The Group is also in active negotiations with its customers to request for deposits before commencement of projects and suppliers and sub-contractors to extend the settlement terms for its purchases;

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 2 BASIS OF PRESENTATION AND ACCOUNTING POLICIES *(Continued)*

### 2.2 Going concern *(Continued)*

- (iv) The substantial shareholder, Mr. Gary Lui who is also the Chairman and an executive director of the Company, is willing to provide financial support to the Group when there is needed. The Group obtained loans from its executive directors for financial support. As at 31 December 2024, such loans amounted to approximately HK\$11,206,000 (2024: approximately HK\$11,621,000) are unsecured and repayable on 30 June 2026 and interest bearing ranged at 2% to 5% per annum.
- (v) The Group continues to improve the operating efficiency by implementing measures to tighten cost controls over various operating expenses in order to enhance its profitability and to improve the cash flow from its operation in future; and
- (vi) The Group is actively looking for other sources of financing including any possible from of debt or equity financing to enhance the capital structure and reduce the overall financing expenses.

The directors of the Company have reviewed the Group's cash flow forecast covering a period of not less than twelve months from 30 June 2025. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 30 June 2025. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, multiple uncertainties related to going concern exist as to whether the Group is able to achieve its plans and measures as described above.

Should the Group be unable to achieve the abovementioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

### 2.3 Application of new and amendments to HKFRSs

In the current interim period, the Group has applied certain new and amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements.

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

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risk: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2024 annual report. There have been no changes in the risk management or any risk management policies since the year end.

### 3.2 Fair value estimation

The carrying amount of the Group's financial assets and liabilities, including trade and retention receivables, contract assets, deposits and other receivables, pledged bank deposits, bank balances and cash, trade and retention payables, other payables, contract liabilities and bank borrowings approximate their fair values, which either due to their short-term maturities, or that they are subject to floating rates.

## 4 REVENUE FROM CONTRACT WITH CUSTOMERS AND SEGMENT INFORMATION

### Revenue from contract with customers

Revenue represents the total value of contract works completed and the stone sales during the periods as follows:

|                                  | Six months ended 30 June        |                                 |
|----------------------------------|---------------------------------|---------------------------------|
|                                  | 2025<br>HK\$'000<br>(unaudited) | 2024<br>HK\$'000<br>(unaudited) |
| Supply and installation services | 21,351                          | 13,218                          |
| Stone sales                      | 6,515                           | 4,416                           |
|                                  | <b>27,866</b>                   | 17,634                          |
| Timing of revenue recognition:   |                                 |                                 |
| Over time                        | 21,351                          | 13,218                          |
| At a point in time               | 6,515                           | 4,416                           |
|                                  | <b>27,866</b>                   | 17,634                          |

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 4 REVENUE FROM CONTRACT WITH CUSTOMERS AND SEGMENT INFORMATION *(Continued)*

### Segment information

The Executive Directors are the Group's chief operating decision-makers. The Executive Directors consider the segment from a business perspective and regards the Group's business as a single operating segment and reviews financial information accordingly.

The Group's revenue attributed to geographical areas based on the location of customers is presented as follows:

|           | Six months ended 30 June |                         |
|-----------|--------------------------|-------------------------|
|           | 2025                     | 2024                    |
|           | HK\$'000<br>(unaudited)  | HK\$'000<br>(unaudited) |
| Hong Kong | 21,777                   | 12,970                  |
| Macau     | 6,089                    | 4,664                   |
|           | 27,866                   | 17,634                  |

The Company was incorporated in the Cayman Islands while the Group operates its business primarily in Hong Kong. During the six months ended 30 June 2025 and 2024, no revenue was generated from the Cayman Islands and no assets were located in the Cayman Islands.

No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the Executive Directors.

### Information about major customers

Revenue attributed from customers that accounted 10% or more of the Group's total revenue during the current period and the last period is as follows:

|                      | Six months ended 30 June |                         |
|----------------------|--------------------------|-------------------------|
|                      | 2025                     | 2024                    |
|                      | HK\$'000<br>(unaudited)  | HK\$'000<br>(unaudited) |
| Customer A (Note i)  | 6,397                    | N/A                     |
| Customer B (Note ii) | 5,469                    | 4,467                   |
| Customer C (Note i)  | 3,538                    | 7,717                   |
| Customer D (Note i)  | N/A                      | 1,070                   |

Note i: The revenue was generated from the marble supply and installation of marble product in Hong Kong.

Note ii: The revenue was generated from the installation of marble product in the PRC.

N/A: The revenue of the particular customer for the particular period was less than 10% of the Group's revenue of the particular period.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 5 LOSS BEFORE INCOME TAX

|                                                            | Six months ended 30 June |                         |
|------------------------------------------------------------|--------------------------|-------------------------|
|                                                            | 2025                     | 2024                    |
|                                                            | HK\$'000<br>(unaudited)  | HK\$'000<br>(unaudited) |
| Loss before income tax has been arrived at after charging: |                          |                         |
| Construction cost recognised in cost of sales              | 20,107                   | 11,241                  |
| Depreciation — plant and equipment                         | 3                        | 265                     |
| Depreciation — right-of-use assets                         | —                        | 381                     |
| Employee benefit expenses, including Directors' emoluments | 4,434                    | 5,169                   |
| Auditor's remuneration                                     | 600                      | 600                     |
| Legal and professional fees                                | 1,588                    | 609                     |

## 6 FINANCE COSTS, NET

|                                | Six months ended 30 June |                         |
|--------------------------------|--------------------------|-------------------------|
|                                | 2025                     | 2024                    |
|                                | HK\$'000<br>(unaudited)  | HK\$'000<br>(unaudited) |
| <b>Finance costs</b>           |                          |                         |
| Interests on:                  |                          |                         |
| — Bank overdrafts              | 347                      | 276                     |
| — Trust receipt loans interest | 639                      | 1,213                   |
| — Loans from Directors         | 593                      | 860                     |
| — Lease liability interest     | 24                       | 7                       |
| — Others                       | —                        | 122                     |
| Finance costs, net             | 1,603                    | 2,478                   |

## 7 INCOME TAX EXPENSE

|                                     | Six months ended 30 June |                         |
|-------------------------------------|--------------------------|-------------------------|
|                                     | 2025                     | 2024                    |
|                                     | HK\$'000<br>(unaudited)  | HK\$'000<br>(unaudited) |
| Current tax                         |                          |                         |
| — PRC Enterprise Income Tax ("EIT") | 56                       | 280                     |
| — Hong Kong Profits Tax             | —                        | —                       |
|                                     | 56                       | 280                     |

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

No provision for Hong Kong profits tax for the six months ended 30 June 2025 has been made for the Company and its Hong Kong subsidiaries as they had no estimated assessable profit for the both period.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 8 LOSS PER SHARE

For the six months ended 30 June 2025 and 2024, basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue. Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

### Loss

|                                                                                                      | Six months ended 30 June        |                                 |
|------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
|                                                                                                      | 2025<br>HK\$'000<br>(unaudited) | 2024<br>HK\$'000<br>(unaudited) |
| Loss attributable to owners of the Company used in this basic and diluted loss per share calculation | (8,725)                         | (8,522)                         |

  

|                                                                                                                | As at 30 June       |                     |
|----------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                                                | 2025<br>(unaudited) | 2024<br>(unaudited) |
| Weighted average number of ordinary shares used in the basic loss per share calculation ( <i>in thousand</i> ) | 2,211,799           | 2,146,202           |
| Total basic and diluted loss per share ( <i>HK cents</i> )                                                     | (0.39)              | (0.40)              |

No diluted earnings per share for the six months ended 30 June 2025 and 2024 was presented as there was no potential ordinary shares in issue during the period.

## 9 LEASES

|                               | As at                                      |                                              |
|-------------------------------|--------------------------------------------|----------------------------------------------|
|                               | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| <b>Right-of-use assets</b>    |                                            |                                              |
| Properties                    | –                                          | –                                            |
| <b>Lease liabilities</b>      |                                            |                                              |
| Current lease liabilities     | 696                                        | 680                                          |
| Non-current lease liabilities | 119                                        | 471                                          |
|                               | 815                                        | 1,151                                        |

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 9 LEASES (Continued)

Amounts recognised in the consolidated interim statement of profit or loss and other comprehensive income

|                                                    | Six months ended 30 June        |                                 |
|----------------------------------------------------|---------------------------------|---------------------------------|
|                                                    | 2025<br>HK\$'000<br>(unaudited) | 2024<br>HK\$'000<br>(unaudited) |
| <b>Depreciation charges of right-of-use assets</b> |                                 |                                 |
| Properties                                         | –                               | 381                             |
| Interest expense (included in finance cost)        | 24                              | 7                               |

The Group leased for the office premise under rental contract is made for a fixed period of 3 years. The lease agreement does not impose any covenants and are not used as security for borrowing purposes.

## 10 TRADE AND RETENTION RECEIVABLES

|                                    | As at                                      |                                              |
|------------------------------------|--------------------------------------------|----------------------------------------------|
|                                    | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| Trade receivables                  | 16,527                                     | 11,219                                       |
| Retention receivables              | 22,370                                     | 29,340                                       |
|                                    | 38,897                                     | 40,559                                       |
| Less: provision for loss allowance | (26,977)                                   | (26,977)                                     |
|                                    | 11,920                                     | 13,582                                       |

The Group's credit terms granted to third-party trade customers other than retention receivables generally ranged from 30 to 90 days. The terms and conditions in relation to the release of retention vary from contract to contract, which is subject to practical completion or the expiry of the defect liability period ranging from 12 to 24 months.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 10 TRADE AND RETENTION RECEIVABLES *(Continued)*

As at 30 June 2025 and 31 December 2024, the ageing analysis of the third-party trade receivables, based on invoice date, is as follows:

|               | As at                                      |                                              |
|---------------|--------------------------------------------|----------------------------------------------|
|               | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| Up to 30 days | 1,240                                      | 3,029                                        |
| 31–60 days    | 296                                        | 1,277                                        |
| 61–90 days    | 600                                        | 4                                            |
| Over 90 days  | 14,391                                     | 6,909                                        |
|               | 16,527                                     | 11,219                                       |

Retention receivables in respect of the supply and installation business are settled in accordance with the terms of the respective contracts. In the condensed consolidated statement of financial position, retention receivables were classified as current assets based on the operating cycle.

## 11 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

|                        | As at                                      |                                              |
|------------------------|--------------------------------------------|----------------------------------------------|
|                        | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| Prepayments            | 363                                        | 459                                          |
| Rental deposits        | 248                                        | 239                                          |
| Other tax recoverables | –                                          | 317                                          |
| Other receivables      | 257                                        | 1,211                                        |
|                        | 868                                        | 2,226                                        |

## 12 INVENTORIES

|                                     | As at                                      |                                              |
|-------------------------------------|--------------------------------------------|----------------------------------------------|
|                                     | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| Finished goods — marble and granite | 47,408                                     | 52,468                                       |

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 13 PAYABLES

Trade and retention payables at the end of the reporting period comprise amounts outstanding for trade purposes. The average credit period taken for trade purchase is 30 to 90 days.

|                                  | As at                                      |                                              |
|----------------------------------|--------------------------------------------|----------------------------------------------|
|                                  | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| Contract creditors and suppliers | 42,056                                     | 33,521                                       |
| Retention payables               | 16,209                                     | 16,112                                       |
|                                  | 58,265                                     | 49,633                                       |
| Accruals and other payables      | 49,747                                     | 48,097                                       |

## 14 BANK BORROWINGS

|                               | As at                                      |                                              |
|-------------------------------|--------------------------------------------|----------------------------------------------|
|                               | 30 June<br>2025<br>HK\$'000<br>(unaudited) | 31 December<br>2024<br>HK\$'000<br>(audited) |
| Bank overdraft                | 9,928                                      | 9,634                                        |
| Term loans — secured          | 3,527                                      | 3,527                                        |
| Trust receipt loans — secured | 19,779                                     | 19,803                                       |
| Revolving loans — secured     | 312                                        | 492                                          |
|                               | 33,546                                     | 33,456                                       |

As at 30 June 2025 and 31 December 2024, bank facilities granted to the Group are secured by the followings:

- (a) Trade and retention receivables of HK\$370,000 (31 December 2024: HK\$370,000);
- (b) Contract assets of HK\$15,876,000 (31 December 2024: HK\$15,876,000); and
- (c) Cross guarantees by the Company's subsidiaries and certain related parties of the Group.

As at 30 June 2025 and 31 December 2024, the carry amounts of bank borrowings are denominated in HK\$ and approximate their fair values.

The overall effective interest rates of bank borrowings as at 30 June 2025 was 2.5%-7.3% per annum (31 December 2024: 3% to 7.6% per annum).

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 15 SHARE CAPITAL

|                                                      | Issued and fully paid<br>Number of<br>shares | Amounts<br>HK\$'000 |
|------------------------------------------------------|----------------------------------------------|---------------------|
| <b>Authorised:</b>                                   |                                              |                     |
| At 31 December 2024, 1 January 2025 and 30 June 2025 | 5,000,000,000                                | 50,000              |
| <b>Issued and fully paid:</b>                        |                                              |                     |
| As 31 December 2024, 1 January 2025 and 30 June 2025 | 2,412,962,811                                | 24,130              |

All the shares rank pari passu with the other shares in all respects.

## 16 DIVIDEND

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

## 17 CONTINGENT LIABILITIES

### Performance bonds

As at 30 June 2025 and 31 December 2024, the Group has issued performance bond in respect of construction contracts through bank which amounted to HK\$3.7 million.

### Legal cases

During the period ended 30 June 2025, there were several legal cases concerning claims for personal injuries against certain subsidiaries of the Company. As at the date of this report, two cases had developed to legal proceedings while the other two cases were still at their initial stage. The amount being claim for in these cases was still being determined, and the amount of the possible obligation cannot be ascertained with reliability.

A previous subcontractor of the Group initiated a claim for payment for services rendered in the sum of HK\$6.5 million. For details of this legal case, please refer to "contingencies" under "Management Discussion and Analysis" section.