建聯集團有限公司*

Chinney Alliance Group Limited

(Incorporated in Bermuda with limited liability)

Stock Code : 385

INTERIM REPORT 2026

* For identification purpose only

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

James Sing-Wai WONG *(Chairman)*
Yuen-Keung CHAN *(Vice Chairman and Managing Director)*
Philip Bing-Lun LAM

Non-Executive Directors

Emily Yen WONG
Chi-Chiu WU
Raymond Ming-Joe CHOW

Independent Non-Executive Directors

Ronald James BLAKE
Anthony King-Yan TONG
Dee-Dee CHAN

AUDIT COMMITTEE

Anthony King-Yan TONG *(Chairman)*
Chi-Chiu WU
Ronald James BLAKE

REMUNERATION COMMITTEE

Dee-Dee CHAN *(Chairman)*
Anthony King-Yan TONG
Yuen-Keung CHAN
James Sing-Wai WONG
Ronald James BLAKE

NOMINATION COMMITTEE

Dee-Dee CHAN *(Chairman)*
Ronald James BLAKE
Anthony King-Yan TONG
James Sing-Wai WONG
Philip Bing-Lun LAM

COMPANY SECRETARY

Yun-Sang LO

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited
Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
Shanghai Commercial Bank Limited

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
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979 King's Road
Quarry Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
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16 Harcourt Road
Hong Kong

REGISTERED OFFICE

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Hamilton HM 08
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Westco Airconditioning Limited

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DrilTech Geotechnical Engineering Limited

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LETTER TO OUR SHAREHOLDERS

Dear Fellow Shareholders,

Let's be direct: our financial results for the first half of 2026 are not acceptable, and they are certainly not where we want them to be.

For the six months ended 30 June 2026, revenue was HK$2,495 million, down from HK$3,296 million in the prior year. This decline drove a net loss of HK$24.8 million compared to a profit of HK$36.4 million in 2025.

We do not make excuses. These headline numbers reflect tough underlying operating realities. But while contract completion timings and payment cycles always introduce lumpiness into our cash flows, several of our businesses simply underperformed our expectations.

When things don't go well, our playbook is simple: face the brutal facts early, exercise ruthless capital discipline, fix operational flaws, and manage the company through the cycle so we emerge stronger.

BUSINESS UNIT REVIEW

Operating Summary (1H 2026 vs. 1H 2025)

Segment	Revenue		Segment Results – Profit/(Loss)	
	1H2026	1H2025	**1H2026**	1H2025
	HK$'M	*HK$'M*	***HK$'M***	*HK$'M*
Piling (Chinney Kin Wing)	**704**	1,204	**50.6**	75.5
Aviation (CAE)	**115**	138	**1.6**	2.0
Building Construction (CCG)	**518**	429	**(0.1)**	(27.5)
Building Services (Shun Cheong)	**883**	1,363	**(61.8)**	22.6
Trading/Healthcare (Jacobson)	**275**	163	**8.2**	(1.9)

1. Foundation Piling & Ground Investigation (Chinney Kin Wing)

Revenue came in at HK$704 million with an operating profit of HK$50.6 million. The HK$500 million top-line drop in Chinney Kin Wing reflects the roll-off of large contracts and deliberate selectivity on new bids.

Let me be clear: Revenue for revenue's sake is a fool's game. In an industry plagued by irrational bidding, chasing volume at negative margins destroys shareholder value before a shovel hits the dirt.

Through our CKW 2.0 initiative, we are focused on what matters: operational excellence, modernised equipment, cutting-edge technology, and rigorous talent development. Hong Kong's infrastructure pipeline centered around the Northern Metropolis offers a long-term runway. We will approach it with discipline, high-quality execution, and strict risk controls.

BUSINESS UNIT REVIEW *(continued)*

Operating Summary (1H 2026 vs. 1H 2025) *(continued)*

2. Aviation & Low-Altitude Economy (CAE)

CAE delivered HK$115 million revenue and HK$1.6 million in operating profit.

While the absolute numbers are modest today, the secular opportunity in low-altitude airspace, autonomous aviation, drone infrastructure, and regional airport expansion (such as Macau) is substantial.

We are establishing our footprint now, ahead of the crowd. However, excitement about a nascent industry will never replace commercial discipline. We will only allocate capital where we have a defensible competitive moat and a clear path to high returns.

3. Building Construction (CCG)

Revenue rose to HK$518 million, cutting operating loss from HK$27.5 million down to HK$0.1 million.

Near breakeven is progress, but it is not our standard of performance. Hong Kong residential activity is stabilising, yet developers remain cautious by preserving liquidity and working down inventory. Margins across the sector remain razor thin. We will not take poorly priced risks to pad our backlog. Disciplined underwriting and meticulous cost controls will govern every bid.

4. Building-Related Contracting Services (Shun Cheong)

Shun Cheong's performance – a HK$61.8 million operating loss on HK$883 million in revenue – is unacceptable.

Handover delays, sluggish milestone completions, extended contract finalisations, and stringent testing requirements weighed heavily on performance. Rather than kicking the can down the road, management marked down assumed margins across several projects immediately. We take our medicine upfront.

Moving forward, Shun Cheong is pivoting aggressively toward high-growth technical infrastructure in areas such as data centers, EV charging grids, and commercial solar installations. Hyperscale data centers require sophisticated power, advanced thermal cooling, and critical life safety systems. These are complex, high-barrier capabilities where we have a right to win.

5. Distribution & Healthcare (Jacobson)

Jacobson delivered strong results, generating HK$275 million revenue and operating profit of HK$8.2 million.

Supply disruptions stemming from tensions around the Strait of Hormuz drove severe crude oil shortages, creating a favorable pricing environment for our plastics business. However, commodity trading is inherently volatile. We are actively diversifying through creating proprietary intellectual property in our JcoNAT disinfectant platform and its therapeutic applications for onychomycosis, which continues to gain commercial traction.

LETTER TO OUR SHAREHOLDERS

MACRO ENVIRONMENT & STRATEGY

The first half of 2026 proved once again that macroeconomic stability can evaporate overnight. Geopolitical conflict in the Middle East, fragmented global trade, sticky inflation, and record sovereign debt loads continue to cloud the horizon.

Macro Backdrop: Hong Kong (1H 2026)
- Real GDP Growth: +5.1% YoY
- Public Infrastructure: +17.8% YoY
- Private Site Works: -15.9% YoY
- Unemployment/CPI: 3.7%/~1.9%

The split between public and private construction is stark. Fixed-price contracts leave zero margin for error when cost curves shift. This is where disciplined operators pull away from sloppy competitors.

- We do not confuse backlog with value.
- We do not take uncompensated risk.
- We do not chase bad deals just because a competitor will.

Technology is transforming every facet of the physical economy. Autonomous systems, site robotics, AI-driven project management, and energy grid transitions are no longer hypothetical. They are here. Our strategy is not about chasing buzzwords; it is about leveraging decades of core engineering expertise and deploying it where future capital expenditure is flowing.

MOVING FORWARD

I want to welcome Mr. Raymond Ming-Joe Chow to our Board of Directors. His governance and commercial perspective will be invaluable.

To our 1,800 colleagues: thank you. Construction and heavy engineering are tough, unforgiving businesses. You manage complex risks in demanding environments and keep each other and everyone else safe every single day.

To our shareholders: we know that trust must be earned through consistent results. Our first-half numbers were subpar, but the foundation of this Company is sound, our balance sheet is resilient, and our long-term positioning is intact.

Potential means nothing without relentless execution. We have a clear mandate, a lot of work to do, and we intend to get on with it.

James Sing-Wai Wong
Chairman

Hong Kong, 26 August 2026

INTERIM DIVIDEND

The board of directors (the "Board") of Chinney Alliance Group Limited (the "Company", collectively with its subsidiaries, the "Group") does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (2025: Nil).

BUSINESS REVIEW

The Board announced that the Group reported revenues of HK$2,495 million (2025: HK$3,296 million) and a loss of HK$24.8 million (2025: profit of HK$36.4 million) for the six months ended 30 June 2026. The loss attributable to shareholders of the Company was HK$36.5 million (2025: profit of HK$20.6 million).

The review of our Group's business and operations are set out below.

Foundation piling and ground investigation

Chinney Kin Wing Holdings Limited ("Chinney Kin Wing", collectively with its subsidiaries, the "Chinney Kin Wing Group") contributed revenues of HK$704 million (2025: HK$1,204 million) and operating profits of HK$50.6 million (2025: HK$75.5 million). The decrease in revenues was primarily attributed to decrease in revenues of the Foundation Division of HK$517 million which was due to higher-value contracts progressing toward finalisation while securing new contracts on prudent and selective approach in the reporting period. Despite the decrease in revenues, the gross profit of the segment increased by HK$29.9 million or 15.8% over same period of last year, with gross profit margin increasing from previous period's 15.7% to current period's 31.2%. The increase in gross profit and gross profit margin was primarily driven by the release of unused cost accruals in respect of certain foundation projects that were completed and finalised during the period. Such improvement in gross profit was offset by the increase in staff costs in the reporting period by HK$63.3 million (including a HK$50.0 million one-off bonus to a director) for recruiting and retaining competitive personnel as well as bonus to the directors in award for their contribution to Chinney Kin Wing.

In anticipation of a slowdown in overall construction volume in 2026, Chinney Kin Wing Group's strategic focus will shift decisively toward driving operational excellence and elevating quality standards through CKW 2.0 under the leadership of CKW Academy. Tender competition has intensified, particularly in the private sector, with aggressive bidding placing further pressure on industry margins. In response, Chinney Kin Wing Group will maintain a prudent and selective approach, prioritising risk-adjusted returns, margin preservation, and careful management of exposure rather than pursuing volume for its own sake.

During the period under review, Chinney Kin Wing Group secured a number of foundation, construction and ground investigation contracts across its principal business segments, reflecting its established market position and technical capabilities. These awards provide a solid operational foundation while supporting its disciplined and selective tendering approach.

The operational capabilities of Chinney Kin Wing have been strengthened by an enlarged depot facility exceeding 200,000 sq. ft. Together with a short-term development waiver granted in May 2026, Chinney Kin Wing maintains one of Hong Kong's most robust and well-equipped machinery fleets. This infrastructural base supports disciplined project delivery and helps differentiate the Chinney Kin Wing Group within the local foundation construction industry, where equipment readiness and operational resilience remain critical advantages.

BUSINESS REVIEW *(continued)*

Foundation piling and ground investigation *(continued)*

Talent development and digital capability continue to receive focused attention. Through the CKW Academy, Chinney Kin Wing is driving AI training and the measured implementation of AI applications across departments to enhance workflow efficiency and prepare the workforce for evolving operational demands. Professional development programmes in AI, IT upskilling, and continuing professional development remain integral to maintaining a skilled and adaptable team.

The performance of different divisions of the segment is expected to remain uneven. Operational activity for bored pile construction works is likely to soften in 2026. In contrast, works under Everest Engineering Company Limited and drilling and site investigation activities under Drilling Division are anticipated to stay relatively stable, supported by ongoing efforts to broaden service capabilities and multi-disciplinary projects. Capital investment will continue to prioritise automation, modern equipment, and depot upgrades on a selective basis.

Workplace safety remains a core operational value. A consistent safety-first culture with enforcement of "No Supervision No Work" not only protects our people and reduces incident risk but also supports retention, client confidence, and competitive positioning in tenders. Guided by the ESG committee, initiatives in carbon monitoring, employee well-being, and community engagement will continue on a measured basis.

Infrastructure development, particularly progress related to the Northern Metropolis, underpins longer-term demand for foundation and related services in Hong Kong. While public works provide a steadier backdrop, private sector challenges and heightened competition persist. Chinney Kin Wing therefore maintains a confident yet vigilant outlook for the foundation industry.

Looking ahead, Chinney Kin Wing will concentrate on strengthening operational resilience, optimising resource allocation, and reinforcing risk controls to safeguard profitability. Selective pursuit of opportunities, continued investment in digital tools and talent, and disciplined execution will remain central. Chinney Kin Wing is committed to sustainable value creation through a resilient business model and a steadfast focus on quality and operational excellence.

With its strengthened operational platform, disciplined management approach and experienced workforce, Chinney Kin Wing remains well positioned to capture opportunities arising from Hong Kong's long-term infrastructure development and create sustainable value for shareholders.

Aviation

Our Aviation segment, Chinney Alliance Engineering Limited ("CAE"), focuses on the low-altitude economy related services and delivered revenues of HK$115 million (2025: HK$138 million) and an operating profit of HK$1.6 million (2025: HK$2.0 million). With regional aviation activity remaining strong, Macau expanding its airport capacity, and the Chinese Mainland providing stronger policy support for the low-altitude economy, CAE sees substantial long-term potential in this specialised market and is positioning itself early for the next phase of aviation and airspace infrastructure development.

Building construction

The Group's building construction segment, consisting of Chinney Construction Company, Limited ("Chinney Construction") and Chinney Builders Company Limited, which operate in Hong Kong, and Chinney Timwill Construction (Macau) Company Limited, contributed improved revenues of HK$518 million (2025: HK$429 million) and recorded an operating loss of less than HK$0.1 million (2025: loss of HK$27.5 million).

BUSINESS REVIEW *(continued)*

Building construction *(continued)*

The local residential market is improving, but developers remain cautious. Sales have rebounded and home prices are recovering. Yet, cash preservation still remains a priority for developers, where they are clearing inventory, reducing debts and staying selective on new projects. The local property market is moving in the right direction, but developers are still cautious on pursuing growth aggressively. Tender activity remains tight and competition is intensive, leading to thin profit margins. The management remains disciplined and cautious about project execution and cost control.

As at 30 June 2026, the outstanding contract sum for Building Construction segment stood at HK$682 million.

Building related contracting services

Shun Cheong Engineering Group ("Shun Cheong") reported revenues of HK$883 million (2025: HK$1,363 million) and an operating loss of HK$61.8 million (2025: profit of HK$22.6 million) from its electrical, HVAC, fire services and pump and drainage businesses. The segment recorded a decrease in revenues of 35% for slow progress of contracts. In view of the costs incurred for delays in projects handover, stringent requirements in testing and commissioning, and prolonged finalisation of accounts with customers, the management has adjusted down certain projects' margins on a conservative basis. Besides, newly awarded contracts were still in preliminary stage and contributed insignificant profit in the period under review.

Nevertheless, Shun Cheong is expanding its business in data centre infrastructure, EV charging and solar system installation. These businesses are more than an extension of traditional building services contracting and are helping to build the capabilities and competitive edge in the next generation of construction and infrastructure.

As at 30 June 2026, Shun Cheong had outstanding contract sum of approximately HK$3,024 million, with additional HK$214 million worth contracts awarded subsequent to the period-end.

Trading of plastics and chemical products

Our Plastic Trading segment, Jacobson van den Berg (Hong Kong) Limited and its fellow subsidiaries ("Jacobson") generated revenues of HK$275 million (2025: HK$163 million) and reported an operating profit of HK$8.2 million (2025: loss of HK$1.9 million). The performance of the segment improved as a result of increase in demand from its customers for materials required for manufacturing and securing prices of goods given the increases in oil prices resulted from the war between the US and Iran.

Plastics trading remains a tough business, with the geopolitical instability, tariff policies, oil price fluctuation and logistic arrangements all adding pressure on margins, sourcing and timely delivery of goods. So diversification is essential to the businesses. In addition to the development of green products for sustainability and environmental consciousness, Jacobson continues to enhance the application of the JcoNAT disinfectant products in treating Onychomycosis, which has an estimated global market of around US$4.1 billion in 2026 and is projected to reach US$5.7 billion by 2033. The management will continue widening its reach in the Chinese Mainland through digital channels, and reshape the business around proprietary technology and areas with stronger long-term growth.

Other businesses

This segment includes property held for sale under development located in Fanling near the railway station, which is now in the construction stage; offices and warehouses held for the Group's own use; and certain investment properties. The local property market becomes stabilised and cost are under control, and it would help enhancing the value of the Group's Fanling project. The losses of business were mainly depreciation charges and other overheads for the properties held for own use.

FINANCIAL REVIEW

Liquidity and financial resources

Total interest-bearing debts for the Group amounted to HK$1,016.6 million as at 30 June 2026 (31 December 2025: HK$947.4 million). These include trust receipt loans, bank overdrafts, bank loans and lease liabilities, with over 98% (31 December 2025: 98%) of all these interest-bearing debts being current liabilities. The current ratio stood at 1.3 (31 December 2025: 1.4). Total cash and cash equivalents, represented by unpledged cash and bank balances were HK$1,089.5 million as at 30 June 2026 (31 December 2025: HK$973.9 million).

The Group had a total of HK$2,212 million undrawn facilities extended from banks and financial institutions at period-end available for its working capital, trade finance and issue of performance/surety bonds. The gearing ratio of the Group, measured by total interest-bearing borrowings of HK$1,016.6 million over the equity attributable to the owners of the Company of HK$2,016.0 million, was 50.4% as at 30 June 2026 (31 December 2025: 46.2%).

The Group prudently manages its financial positions and has sufficient liquidity to sustain projects and operations for the foreseeable future.

Funding and treasury policy

The Group maintains a prudent funding and treasury policy. Surplus funds are maintained in the form of cash deposits with leading banks. Borrowings are mainly denominated in Hong Kong dollars and bear interest at floating rates. Forward contracts of a non-speculative nature are entered to hedge the foreign currency trade purchase commitments of the Group when desirable.

Pledge of assets

As of 30 June 2026, certain properties having an aggregate book value of HK$200.5 million and property held for sale under development of HK$85.7 million were pledged to banks to secure bank loans and general banking facilities extended to the Group.

Contingent liability

Details of the contingent liabilities of the Group are set out in note 16 to the unaudited condensed consolidated interim financial statements.

Employees and remuneration policies

The Group employed approximately 1,800 staff in Hong Kong and other parts of the People’s Republic of China (“PRC”) as of 30 June 2026. Remuneration packages are reviewed annually and determined by reference to market pay and individual performance. In addition to salary payments and year-end discretionary bonuses, the Group also provides other employment benefits including medical insurance cover, provident fund and educational subsidies to eligible staff.

CONNECTED TRANSACTIONS

(a) On 26 September 2022, Chinney Construction and Shun Cheong Building Services Limited ("SC Building Services"), both being indirect wholly-owned subsidiaries of the Company, entered into a framework agreement (the "Revamp Framework Agreement") with Honour Well Development Limited ("Honour Well"), an indirect wholly-owned subsidiary of Hon Kwok Land Investment Company, Limited ("Hon Kwok") and an indirect non wholly-owned subsidiary of Chinney Investments, Limited ("Chinney Investments"), pursuant to which, Chinney Construction was appointed by Honour Well as the contractor for the builder's works at the contract sum of not exceeding HK$96,300,000 and SC Building Services was appointed by Honour Well as the contractor for the mechanical and electrical engineering works and façade works at the contract sum of not exceeding HK$141,000,000 relating to the revamp project of the building located at 119-121 Connaught Road Central, Sheung Wan, Hong Kong. The entering into the Revamp Framework Agreement constituted a connected transaction of each of Chinney Investments, Hon Kwok and the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The transaction was approved by independent shareholders of Chinney Investments, Hon Kwok and the Company at their respective general meetings held on 28 November 2022.

Details of the transactions were set out in the joint announcement of Chinney Investments, Hon Kwok and the Company dated 26 September 2022 and the Company's circular dated 8 November 2022. Revenues of HK$6,420,000 were recognised by Chinney Construction and SC Building Services in respect of the transactions during the six months ended 30 June 2026.

(b) On 25 July 2024, Chinney Kin Wing, a non wholly-owned subsidiary of the Company, entered into a loan agreement (the "Loan Agreement") with Chinney Investments where Chinney Kin Wing (as a lender) agreed to provide a loan in the principal amount of up to HK$250,000,000 to Chinney Investments (as a borrower) at the interest rate of 6.0% per annum for 12 months from the date of drawdown, with an option for extension of further 12 months subject to the approval of Chinney Kin Wing. The entering into of the Loan Agreement and the transactions contemplated thereunder constituted a connected transaction of each of the Company and Chinney Kin Wing under Chapter 14A of the Listing Rules. The transaction was approved by the independent shareholders of each of the Company and Chinney Kin Wing on their respective special general meetings held on 25 September 2024. On 7 October 2024, Chinney Kin Wing advanced HK$250 million (the "Loan") to Chinney Investments upon receipt of its drawdown notice. On 5 September 2025, Chinney Investments served a written request to Chinney Kin Wing for the extension of the term of the loan for further 12 months. The request for extension was approved by Chinney Kin Wing.

Details of the Loan Agreement and the transaction contemplated thereunder were set out in the joint announcement of the Company and Chinney Kin Wing dated 25 July 2024 and the Company's circular dated 4 September 2024.

On 4 May 2026, Chinney Kin Wing entered into a supplemental agreement to the Loan Agreement (the "Supplemental Agreement") with Chinney Investments where both parties agreed to renew the maturity date of the Loan to 7 October 2027, with an option to further extend for 12 months to 7 October 2028 subject to the approval of Chinney Kin Wing. The entering into of the Supplemental Agreement and the transactions contemplated thereunder constituted a connected transaction of the Company and Chinney Kin Wing under Chapter 14A of the Listing Rules. The transaction was approved by the independent shareholders of each of the Company and Chinney Kin Wing on their respective special general meetings on 24 June 2026.

CONNECTED TRANSACTIONS *(continued)*

(b) *(continued)*

Details of the Supplemental Agreement and the transaction contemplated thereunder were set out in the joint announcement of the Company and Chinney Kin Wing dated 4 May 2026 and the Company's circular dated 3 June 2026.

During the period for the six months ended 30 June 2026, interest income receivable/received by the Group under the Loan Agreement amounted to approximately HK$7.5 million.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Six months ended 30 June **2026** **(Unaudited)** ***HK$'000***	 2025 (Unaudited) *HK$'000*
REVENUE	*3*	**2,494,782**	3,296,178
Cost of sales/services provided		**(2,172,299)**	(2,956,666)
Gross profit		**322,483**	339,512
Other income	*3*	**23,444**	16,268
Selling and distribution costs		**(8,111)**	(7,635)
Administrative expenses		**(329,672)**	(272,343)
Other operating income, net	*4*	**6,029**	7,589
Finance costs	*5*	**(22,432)**	(26,648)
Share of losses of associates		**(3,580)**	(3,908)
PROFIT/(LOSS) BEFORE TAX	*6*	**(11,839)**	52,835
Income tax expense	*7*	**(12,924)**	(16,400)
PROFIT/(LOSS) FOR THE PERIOD		**(24,763)**	36,435
Attributable to:			
Owners of the Company		**(36,462)**	20,603
Non-controlling interests		**11,699**	15,832
		(24,763)	36,435
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*8*		
Basic and diluted		**HK(6.1) cents**	HK3.5 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT/(LOSS) FOR THE PERIOD	**(24,763)**	36,435
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**6,314**	4,165
Share of changes in exchange reserve of an associate	**(28)**	–
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**6,286**	4,165
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Change in fair value of equity investment at fair value through other comprehensive income and net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	**(224)**	499
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**6,062**	4,664
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**(18,701)**	41,099
Attributable to:		
Owners of the Company	**(30,400)**	25,267
Non-controlling interests	**11,699**	15,832
	(18,701)	41,099

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**886,274**	906,274
Investment properties		**95,357**	92,521
Investment in associates		**9,672**	13,280
Equity investment at fair value through other comprehensive income		**9,320**	9,544
Goodwill		**12,528**	12,528
Financial assets at fair value through profit or loss		**35,622**	34,471
Loan to a related company	*11*	**250,000**	–
Deposits		**1,793**	9,327
Deferred tax assets		**9,911**	9,907
Total non-current assets		**1,310,477**	1,087,852
CURRENT ASSETS			
Inventories		**35,536**	54,585
Property held for sale under development		**85,669**	52,407
Contract assets		**1,964,812**	1,943,134
Trade receivables	*10*	**537,684**	703,675
Loan to a related company	*11*	**–**	250,000
Amount due from a related company	*12*	**27,582**	36,287
Amount due from an associate		**400**	–
Prepayments, deposits and other receivables		**678,453**	685,222
Tax recoverable		**6,984**	2,611
Cash and cash equivalents		**1,089,513**	973,926
Total current assets		**4,426,633**	4,701,847
CURRENT LIABILITIES			
Trade, bills and retention monies payables	*13*	**693,601**	826,043
Trust receipt loans		**274,669**	297,615
Other payables and accruals		**1,672,582**	1,645,773
Tax payable		**49,068**	34,058
Interest-bearing bank borrowings		**717,657**	625,450
Lease liabilities		**5,707**	5,677
Total current liabilities		**3,413,284**	3,434,616
NET CURRENT ASSETS		**1,013,349**	1,267,231
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,323,826**	2,355,083

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2026 (Unaudited) *HK$'000***	31 December 2025 (Audited) *HK$'000*
NON-CURRENT LIABILITIES			
Lease liabilities		**18,549**	18,611
Deferred tax liabilities		**60,340**	59,235
Total non-current liabilities		**78,889**	77,846
Net assets		**2,244,937**	2,277,237
EQUITY			
Equity attributable to owners of the Company			
Issued capital	*14*	**59,490**	59,490
Reserves		**1,956,489**	1,992,838
		2,015,979	2,052,328
Non-controlling interests		**228,958**	224,909
Total equity		**2,244,937**	2,277,237

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company										
	Issued capital (Unaudited) *HK$'000*	Share premium account (Unaudited) *HK$'000*	Contributed surplus (Unaudited) *HK$'000*	Asset revaluation reserve (Unaudited) *HK$'000*	Fair value reserve (non-recycling) (Unaudited) *HK$'000*	Legal reserve (Unaudited) *HK$'000*	Exchange fluctuation reserve (Unaudited) *HK$'000*	Retained profits (Unaudited) *HK$'000*	Total (Unaudited) *HK$'000*	Non-controlling interests (Unaudited) *HK$'000*	Total equity (Unaudited) *HK$'000*
At 1 January 2026	59,490	60,978	120,946	239,408	6,501	1,505	(12,163)	1,575,663	2,052,328	224,909	2,277,237
Profit/(loss) for the period	–	–	–	–	–	–	–	(36,462)	(36,462)	11,699	(24,763)
Other comprehensive income for the period:											
Exchange differences related to foreign operations	–	–	–	–	–	–	6,314	–	6,314	–	6,314
Share of changes in exchange reserve of an associate	–	–	–	–	–	–	(28)	–	(28)	–	(28)
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	(224)	–	–	–	(224)	–	(224)
Total comprehensive income/(loss) for the period	–	–	–	–	(224)	–	6,286	(36,462)	(30,400)	11,699	(18,701)
Release of revaluation reserve on leasehold land and owned buildings to retained profits	–	–	–	(5,418)	–	–	–	5,418	–	–	–
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	–	(7,650)	(7,650)
Final 2025 dividend declared	–	–	–	–	–	–	–	(5,949)	(5,949)	–	(5,949)
At 30 June 2026	**59,490**	**60,978***	**120,946***	**233,990***	**6,277***	**1,505***	**(5,877)***	**1,538,670***	**2,015,979**	**228,958**	**2,244,937**
At 1 January 2025	59,490	60,978	120,946	272,084	5,370	1,505	(17,570)	1,581,776	2,084,579	204,964	2,289,543
Profit for the period	–	–	–	–	–	–	–	20,603	20,603	15,832	36,435
Other comprehensive income for the period:											
Exchange differences related to foreign operations	–	–	–	–	–	–	4,165	–	4,165	–	4,165
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	499	–	–	–	499	–	499
Total comprehensive income for the period	–	–	–	–	499	–	4,165	20,603	25,267	15,832	41,099
Release of revaluation reserve on leasehold land and owned buildings to retained profits	–	–	–	(5,875)	–	–	–	5,875	–	–	–
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	–	(15,300)	(15,300)
Final 2024 dividend declared	–	–	–	–	–	–	–	(14,872)	(14,872)	–	(14,872)
At 30 June 2025	59,490	60,978	120,946	266,209	5,869	1,505	(13,405)	1,593,382	2,094,974	205,496	2,300,470

* These reserve accounts comprise the consolidated reserves of HK$1,956,489,000 in the unaudited condensed consolidated statement of financial position as at 30 June 2026.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Six months ended 30 June **2026** **(Unaudited)** ***HK$'000***	 2025 (Unaudited) *HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		**(11,839)**	52,835
Adjustments for:			
Finance costs	5	**22,432**	26,648
Share of losses of associates		**3,580**	3,908
Gain on deemed disposal of an associate	6	**–**	(7,692)
Depreciation of property, plant and equipment	6	**38,114**	37,273
Depreciation of right-of-use assets	6	**16,746**	15,896
Impairment of trade receivables, net	6	**–**	4,468
Write-back of impairment of trade receivables	6	**(5,849)**	–
Write-back of provision for inventories included in cost of inventories sold	6	**(346)**	(41)
Loss/(gain) on disposal of items of property, plant and equipment, net	6	**91**	(1,554)
Transfer of items of property, plant and equipment to costs of construction contracts		**268**	–
Fair value gain on derivative financial instruments	6	**–**	(11)
Fair value changes in financial assets at fair value through profit or loss	6	**(225)**	(598)
Modification on lease agreement	6	**–**	(99)
Interest income	3	**(14,742)**	(15,463)
		48,230	115,570
Decrease in inventories		**19,395**	17,195
Increase in a property held for sale under development		**(32,345)**	(1,241)
Decrease/(increase) in contract assets		**(21,678)**	111,547
Decrease in trade receivables		**171,838**	20,950
Increase in amount due from an associate		**(400)**	–
Decrease/(increase) in amount due from a related company		**8,705**	(12,136)
Decrease/(increase) in prepayments, deposits and other receivables		**6,358**	(121,463)
Decrease in trade, bills and retention monies payables		**(132,442)**	(312,053)
Decrease in derivative financial instruments		**–**	(526)
Increase in other payables and accruals		**13,210**	235,980
Cash generated from operations		**80,871**	53,823
Interest received		**14,742**	15,463
Interest paid		**(23,349)**	(27,662)
Hong Kong profits tax paid, net		**(1,102)**	(2,564)
Overseas tax paid, net		**(85)**	(88)
Net cash flows from operating activities		**71,077**	38,972

	Notes	Six months ended 30 June 2026 (Unaudited) HK$'000	2025 (Unaudited) HK$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of items of property, plant and equipment		**(24,111)**	(47,562)
Purchase of financial assets at fair value through profit or loss		**(897)**	(351)
Proceeds from disposals of items of property, plant and equipment		**962**	10,363
Investment in an associate		**–**	(3,896)
Increase in time deposit with maturity more than three months when acquired		**–**	(30,000)
Net cash flows used in investing activities		**(24,046)**	(71,446)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in trust receipt loans		**(22,946)**	(41,272)
New bank loans		**517,000**	419,000
Repayment of bank loans		**(434,500)**	(387,796)
Principal portion of lease payments		**(3,744)**	(2,700)
Net cash flows from/(used in) financing activities		**55,810**	(12,768)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**102,841**	(45,242)
Cash and cash equivalents at beginning of period		**957,196**	1,042,997
Effect of foreign exchange rate changes, net		**3,039**	1,483
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**1,063,076**	999,238
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		**518,606**	658,361
Non-pledged time deposits with original maturity of less than three months when acquired		**570,907**	340,877
Bank overdrafts		**(26,437)**	–
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows		**1,063,076**	999,238

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Appendix D2 to the Listing Rules. The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention, except for leasehold land and buildings included in property, plant and equipment, investment properties, equity investment at fair value through other comprehensive income and financial assets at fair value through profit or loss, which have been measured at fair value. The accounting policies adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

    Prior to the initial application of the amendments, the Group derecognised trade payables that were settled by cheques upon the issuance of cheques to creditors. Upon applying the amendments, trade payables that were settled by cheques are derecognised on the settlement date which is the date when the cheques are cleared by banks. The change in accounting policy did not have a material impact on the Group's interim condensed consolidated financial information. The change in accounting policy will be reflected in the Group's consolidated financial statements for the year ending 31 December 2026.

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(continued)*

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to HKFRS Accounting Standards – Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

2. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the trading of plastics and chemical products, provision of building related contracting services, provision of foundation piling works and sub-structure works, building construction works for both public and private sectors, distribution and installation of aviation system and other hi-tech products and others, which include property holding and development, and investment holding. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Operating segments are reported in a manner consistent with the internal reporting provided to key management personnel.

2. OPERATING SEGMENT INFORMATION *(continued)*

Six months ended 30 June 2026 (Unaudited)

	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Segment revenue:							
Sales to external customers	703,526	883,417	517,706	114,650	275,483	–	2,494,782
Intersegment sales	123	285	30,303	–	–	–	30,711
Other revenue	14,521	7	172	36	72	–	14,808
Total segment revenue	718,170	883,709	548,181	114,686	275,555	–	2,540,301
Reconciliation:							
Elimination of intersegment sales							(30,711)
							2,509,590
Segment results	50,580	(61,782)	(81)	1,555	8,215	(2,193)	(3,706)
Reconciliation:							
Fair value changes in financial assets at fair value through profit or loss							225
Interest income and unallocated gains							8,636
Unallocated expenses							(13,414)
Share of losses of associates							(3,580)
Loss before tax							(11,839)

2. OPERATING SEGMENT INFORMATION *(continued)*

As at 30 June 2026 (Unaudited)

	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Segment assets	**2,076,116**	**2,085,907**	**761,553**	**289,664**	**343,044**	**233,447**	**5,789,731**
Reconciliation:							
Elimination of intersegment receivables							(119,020)
Equity investment at fair value through other comprehensive income							9,320
Financial assets at fair value through profit or loss							29,205
Corporate and other unallocated assets							27,874
Total assets							5,737,110
Segment liabilities	**1,087,129**	**1,427,413**	**418,145**	**225,853**	**100,372**	**93,712**	**3,352,624**
Reconciliation:							
Elimination of intersegment payables							(119,020)
Corporate and other unallocated liabilities							258,569
Total liabilities							3,492,173

2. OPERATING SEGMENT INFORMATION *(continued)*

Six months ended 30 June 2025 (Unaudited)

	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Segment revenue:							
Sales to external customers	1,203,641	1,362,654	429,222	137,971	162,690	–	3,296,178
Intersegment sales	1,459	671	119	–	–	–	2,249
Other revenue	14,050	411	184	254	1,088	–	15,987
Total segment revenue	1,219,150	1,363,736	429,525	138,225	163,778	–	3,314,414
Reconciliation:							
Elimination of intersegment sales							(2,249)
							3,312,165
Segment results	75,504	22,584	(27,483)	2,040	(1,935)	(2,169)	68,541
Reconciliation:							
Fair value changes in financial assets at fair value through profit or loss							598
Interest income and unallocated gains							281
Unallocated expenses							(12,677)
Share of losses of associates							(3,908)
Profit before tax							52,835

2. OPERATING SEGMENT INFORMATION *(continued)*

As at 31 December 2025 (Audited)

	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Segment assets	2,036,058	2,193,600	811,872	286,223	286,674	202,948	5,817,375
Reconciliation:							
Elimination of intersegment receivables							(89,994)
Equity investment at fair value through other comprehensive income							9,544
Financial assets at fair value through profit or loss							28,084
Corporate and other unallocated assets							24,690
Total assets							5,789,699
Segment liabilities	1,096,008	1,542,958	488,958	224,779	53,544	62,689	3,468,936
Reconciliation:							
Elimination of intersegment payables							(89,994)
Corporate and other unallocated liabilities							133,520
Total liabilities							3,512,462

3. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

REVENUE FROM CONTRACTS WITH CUSTOMERS

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Type of goods and services		
Sales of goods	**328,209**	211,804
Construction services	**2,166,573**	3,084,374
Total revenue from contracts with customers	**2,494,782**	3,296,178
Timing of revenue recognition		
Goods transferred at a point in time	**328,209**	211,804
Services transferred over time	**2,166,573**	3,084,374
Total revenue from contracts with customers	**2,494,782**	3,296,178

3. REVENUE AND OTHER INCOME *(continued)*

REVENUE FROM CONTRACTS WITH CUSTOMERS *(continued)*

(i) Disaggregated revenue information

For the six months ended 30 June 2026 (Unaudited)

Segments	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Total *HK$'000*
Type of goods or services						
Sales of goods	–	52,726	–	–	275,483	328,209
Construction services	703,526	830,691	517,706	114,650	–	2,166,573
Total revenue from contracts with customers	703,526	883,417	517,706	114,650	275,483	2,494,782
Geographical markets						
Hong Kong	703,526	840,429	504,860	114,650	185,304	2,348,769
Mainland China and Macau	–	42,988	12,846	–	90,179	146,013
Total revenue from contracts with customers	703,526	883,417	517,706	114,650	275,483	2,494,782
Timing of revenue recognition						
Goods transferred at a point in time	–	52,726	–	–	275,483	328,209
Services transferred over time	703,526	830,691	517,706	114,650	–	2,166,573
Total revenue from contracts with customers	703,526	883,417	517,706	114,650	275,483	2,494,782

3. REVENUE AND OTHER INCOME *(continued)*

REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

(i) Disaggregated revenue information (continued)

For the six months ended 30 June 2025 (Unaudited)

Segments	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Total *HK$'000*
Type of goods or services						
Sales of goods	–	49,114	–	–	162,690	211,804
Construction services	1,203,641	1,313,540	429,222	137,971	–	3,084,374
Total revenue from contracts with customers	1,203,641	1,362,654	429,222	137,971	162,690	3,296,178
Geographical markets						
Hong Kong	1,203,641	1,266,012	411,807	137,204	138,176	3,156,840
Mainland China and Macau	–	96,642	17,415	767	24,514	139,338
Total revenue from contracts with customers	1,203,641	1,362,654	429,222	137,971	162,690	3,296,178
Timing of revenue recognition						
Goods transferred at a point in time	–	49,114	–	–	162,690	211,804
Services transferred over time	1,203,641	1,313,540	429,222	137,971	–	3,084,374
Total revenue from contracts with customers	1,203,641	1,362,654	429,222	137,971	162,690	3,296,178

3. REVENUE AND OTHER INCOME *(continued)*

REVENUE FROM CONTRACTS WITH CUSTOMERS *(continued)*

(i) Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the six months ended 30 June 2026 (Unaudited)

Segments	**Foundation piling and ground investigation** *HK$'000*	**Building related contracting services** *HK$'000*	**Building construction** *HK$'000*	**Aviation** *HK$'000*	**Plastic and chemical products** *HK$'000*	**Total** *HK$'000*
Sales to external customers	**703,526**	**883,417**	**517,706**	**114,650**	**275,483**	**2,494,782**
Intersegment sales	**123**	**285**	**30,303**	**–**	**–**	**30,711**
Other revenue	**14,521**	**7**	**172**	**36**	**72**	**14,808**
	718,170	**883,709**	**548,181**	**114,686**	**275,555**	**2,540,301**
Intersegment adjustments and eliminations	**(123)**	**(285)**	**(30,303)**	**–**	**–**	**(30,711)**
Other revenue classified as other income	**(14,521)**	**(7)**	**(172)**	**(36)**	**(72)**	**(14,808)**
Revenue from contracts with customers	**703,526**	**883,417**	**517,706**	**114,650**	**275,483**	**2,494,782**

For the six months ended 30 June 2025 (Unaudited)

Segments	Foundation piling and ground investigation *HK$'000*	Building related contracting services *HK$'000*	Building construction *HK$'000*	Aviation *HK$'000*	Plastic and chemical products *HK$'000*	Total *HK$'000*
Sales to external customers	1,203,641	1,362,654	429,222	137,971	162,690	3,296,178
Intersegment sales	1,459	671	119	–	–	2,249
Other revenue	14,050	411	184	254	1,088	15,987
	1,219,150	1,363,736	429,525	138,225	163,778	3,314,414
Intersegment adjustments and eliminations	(1,459)	(671)	(119)	–	–	(2,249)
Other revenue classified as other income	(14,050)	(411)	(184)	(254)	(1,088)	(15,987)
Revenue from contracts with customers	1,203,641	1,362,654	429,222	137,971	162,690	3,296,178

3. REVENUE AND OTHER INCOME *(continued)*

REVENUE FROM CONTRACTS WITH CUSTOMERS *(continued)*

(i) Disaggregated revenue information (continued)

The following tables show the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous period:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Construction services	**477,056**	694,697

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue recognised from performance obligations satisfied in previous periods:		
Construction services not previously recognised due to constraints on variable consideration	**6,196**	779

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of products

The performance obligation is satisfied upon delivery of the products and payment is generally due within 60 days from delivery, except for new customers, where payment in advance is normally required.

Construction services

The performance obligation is satisfied over time as services are rendered and payment is generally due on delivery to 60 days from the date of billing. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

3. REVENUE AND OTHER INCOME *(continued)*

REVENUE FROM CONTRACTS WITH CUSTOMERS *(continued)*

(ii) Performance obligations (continued)

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at end of the reporting period are as follows:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Amounts expected to be recognised as revenue:		
Within one year	**4,530,773**	4,842,726
After one year	**5,908,771**	3,049,328
	10,439,544	7,892,054

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to construction services, of which the performance obligations are to be satisfied within five years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

OTHER INCOME

	Six months ended 30 June	
	2026 (Unaudited) ***HK$'000***	2025 (Unaudited) *HK$'000*
Bank and other interest income	**7,242**	7,963
Interest income from a related company	**7,500**	7,500
Investment income from financial assets at fair value through profit or loss	**229**	–
Others	**8,473**	805
Total	**23,444**	16,268

4. OTHER OPERATING INCOME, NET

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Fair value changes in financial assets at fair value through profit or loss	**225**	598
Fair value gain on derivative financial instruments – transactions not qualifying as hedges	**–**	11
Foreign exchange differences, net	**(383)**	639
Government subsidies*	**429**	1,464
Gain/(loss) on disposal of items of property, plant and equipment, net	**(91)**	1,554
Impairment of trade receivables	**–**	(4,468)
Write-back of impairment of trade receivables	**5,849**	–
Gain on deemed disposal of an associate	**–**	7,692
Gain on lease modification	**–**	99
Total	**6,029**	7,589

* There were no unfulfilled conditions or other contingencies attaching to the government subsidies that had been recognised by the Group.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans and overdrafts	**21,430**	27,477
Interest on lease liabilities	**881**	185
Interest on other payable	**1,038**	–
Less: Interest capitalised under a property held for sale under development	**(917)**	(1,014)
Total	**22,432**	26,648

6. PROFIT/(LOSS) BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment (excluding right-of-use assets)	**38,114**	37,273
Depreciation of right-of-use assets	**16,746**	15,896
Employee benefit expenses (including directors' remuneration)	**582,678**	637,205
Loss/(gain) on disposal of items of property, plant and equipment, net*	**91**	(1,554)
Government subsidies*	**(429)**	(1,464)
Gain on deemed disposal of an associate*	**–**	(7,692)
Gain on lease modification*	**–**	(99)
Written back of provision for inventories included in costs of goods sold	**(346)**	(41)
Impairment of trade receivables*	**–**	4,468
Write-back of impairment of trade receivables*	**(5,849)**	–
Fair value changes in financial assets at fair value through profit or loss*	**(225)**	(598)
Fair value gain on derivative financial instruments – transaction not qualifying as hedge*	**–**	(11)
Foreign exchange differences, net*	**383**	(639)

* These expenses/(income) are included in "Other operating income, net" in the unaudited condensed consolidated statement of profit or loss.

7. INCOME TAX

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the period	**13,598**	22,394
Overprovision in prior years	**(2,769)**	(13)
Current – Elsewhere		
Charge for the period	**994**	52
Deferred	**1,101**	(6,033)
Total tax charge for the period	**12,924**	16,400

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings/(loss) per share amounts is based on the loss for the period attributable to ordinary equity holders of the Company of HK$36,462,000 (2025: profit of HK$20,603,000) and the number of 594,899,245 ordinary shares in issue during both periods.

The Group had no potential dilutive ordinary shares in issue during the periods ended 30 June 2026 and 2025.

9. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (2025: Nil).

The final dividend of HK1.00 cent per ordinary share for the year ended 31 December 2025 was approved by the Company's shareholders at the annual general meeting of the Company held on 3 June 2026 and paid on 7 July 2026.

10. TRADE RECEIVABLES

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Trade receivables	**550,192**	722,031
Impairment	**(12,508)**	(18,356)
Net carrying amount	**537,684**	703,675

The Group's trading terms with its customers are mainly on credit. The credit periods range from cash on delivery to 60 days. A longer credit period may be allowed to customers with good business relationships with the Group. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Current to 30 days	**298,721**	408,962
31 to 60 days	**93,102**	106,618
61 to 90 days	**18,225**	36,980
Over 90 days	**127,636**	151,115
Total	**537,684**	703,675

The movements in the loss allowance for impairment of trade receivables are as follows:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
At the beginning of the period/year	**18,356**	13,886
Impairment losses	**–**	4,672
Amounts written back	**(5,849)**	–
Amounts written off	**–**	(205)
Exchange re-alignment	**1**	3
At the end of the period/year	**12,508**	18,356

11. LOAN TO A RELATED COMPANY

The loan to a related company represented advance to Chinney Investments by Chinney Kin Wing, a non wholly-owned subsidiary of the Company, pursuant to a loan agreement dated 25 July 2024, which was renewed pursuant to a supplemental agreement to the Loan Agreement dated 4 May 2026. Chinney Investments is a substantial shareholder of the Company and a controlling shareholder of the Company has a beneficial interest in Chinney Investments. As at 30 June 2026, the loan is unsecured, interest-bearing at 6% per annum and repayable on 7 October 2027, with an option to further extend for 12 months to 7 October 2028 subject to the approval of Chinney Kin Wing. Further details of the transaction are set out in the section headed "CONNECTED TRANSACTIONS" of this interim report.

12. AMOUNT DUE FROM A RELATED COMPANY

The amount due from a related company represented construction contracting income certified from Honour Well. Honour Well is an indirect wholly-owned subsidiary of Hon Kwok in which a controlling shareholder of the Company has a beneficial interest. Mr. James Sing-Wai Wong and Mr. Philip Bing-Lun Lam are common directors of the Company and Hon Kwok. Details of the transaction are set out in the section headed "CONNECTED TRANSACTIONS" of this interim report.

The amount due from a related company was unsecured, interest-free and repayable within 30 days. As at 30 June 2026 and 31 December 2025, the loss allowance was assessed to be minimal.

13. TRADE, BILLS AND RETENTION MONIES PAYABLES

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Trade payables	**298,398**	438,299
Bills payable	**28,737**	18,736
Retention monies payable	**366,466**	369,008
Total	**693,601**	826,043

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 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Current to 30 days	**175,466**	320,419
31 to 60 days	**56,118**	68,692
61 to 90 days	**19,222**	14,694
Over 90 days	**47,592**	34,494
Total	**298,398**	438,299

The trade payables are non-interest bearing and are normally settled within the terms of 60 to 120 days.

14. SHARE CAPITAL

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Authorised:		
2,500,000,000 (31 December 2025: 2,500,000,000) ordinary shares of HK$0.10 (31 December 2025: HK$0.10) each	**250,000**	250,000
Issued and fully paid:		
594,899,245 (31 December 2025: 594,899,245) ordinary shares of HK$0.10 (31 December 2025: HK$0.10) each	**59,490**	59,490

15. RELATED PARTY TRANSACTIONS

(a) The Group had the following material transactions with related parties during the period:

	Notes	Six months ended 30 June 2026 (Unaudited) HK$'000	Six months ended 30 June 2025 (Unaudited) HK$'000
Share of rental and office expenses with related companies	*(i)*	**111**	547
Rents paid to related companies	*(i)*	**203**	202
Licence fees paid to a related company	*(ii)*	**126**	106
Income from revamp works from a related company	*(iii)*	**(6,420)**	(19,532)
Sale of goods to related companies	*(iv)*	**(323)**	(423)
Income from maintenance works from related companies	*(v)*	**(43)**	(10)
Management fee income from an associate	*(vi)*	**–**	(325)
Interest income from a related company	*(vii)*	**(7,500)**	(7,500)

Notes:

(i) The rental and office expenses were charged by Hon Kwok and its subsidiaries, a subsidiary of Chinney Investments, on an actual basis. Mr. James Sing-Wai Wong and Mr. Philip Bing-Lun Lam are common directors of the Company and Hon Kwok.

(ii) The licence fees charged by Hon Kwok were negotiated between the concerned parties by reference to prevailing market rates.

(iii) The construction contracting income from revamp works from a related company, which is a subsidiary of Hon Kwok, was negotiated between the concerned parties by reference to prevailing market rates. The transaction constituted a connected transaction of the Group and was approved by the independent shareholders of the Company at the special general meeting held on 28 November 2022.

(iv) Sale of goods to related companies, which are subsidiaries of Hon Kwok, were negotiated between the concerned parties by reference to prevailing market rates.

(v) The income from maintenance works received from Hon Kwok and/or a subsidiary of Hon Kwok, was negotiated between the concerned parties by reference to prevailing market rates.

(vi) The management fee income was negotiable between the concerned parties by reference to time involvement and costs incurred.

(vii) The interest income was recognised on the loan advanced to Chinney Investments at an interest rate of 6% per annum. The transaction constituted a connected transaction of the Company and was approved by independent shareholders of the Company at a special general meeting held on 25 September 2024. The loan agreement was renewed pursuant to a supplemental agreement entered on 4 May 2026. The renewal constituted a connected transaction of the Company and was approved by independent shareholders of the Company at a special general meeting held on 24 June 2026.

15. RELATED PARTY TRANSACTIONS *(continued)*

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Short-term employee benefits	**128,820**	78,051
Post-employment benefits	**1,419**	1,384
Total compensation paid to key management personnel	**130,239**	79,435

16. CONTINGENT LIABILITY

As of 30 June 2026, the Group provided corporate guarantees and indemnities to certain banks and financial institutions to secure performance/surety bonds in the aggregate amount of HK$837,468,000 issued in favour of the Group's clients in its ordinary course of business. This amount included performance/surety bonds issued in favour of the clients of the Chinney Kin Wing Group of HK$230,383,000 for which corporate guarantees and indemnities were provided by Chinney Kin Wing Group.

Except as disclosed above, the Group had no other material contingent liabilities as of 30 June 2026.

17. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026	31 December 2025
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Contracted, but not provided for:		
Property, plant and equipment	**621**	16,000
Capital contribution to financial assets at fair value	**1,014**	1,911
Property held for sale under development	**4,589**	5,113
	6,224	23,024

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		**Fair Values**	
	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*	**30 June 2026 (Unaudited)** ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Financial assets				
Equity investment at fair value through other comprehensive income	**9,320**	9,544	**9,320**	9,544
Financial assets at fair value through profit or loss	**35,622**	34,471	**35,622**	34,471
	44,942	44,015	**44,942**	44,015

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade, bills and retention monies payables, trust receipt loans, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings, an amount due from a related company and an amount due from an associate approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of deposits and a loan to a related company have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair value of the club membership included in financial assets at fair value through profit or loss was based on quoted prices. The fair values of the unlisted equity investment at fair value through other comprehensive income and unlisted other investment included in financial assets at fair value through profit or loss were derived from the latest transaction prices, market prices or net asset value of the investee which approximates to its fair value. An increase/decrease in the latest transaction prices would result in an increase/decrease in the fair values of the unlisted equity investment and unlisted other investment.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy

Assets measured at fair value:

	Fair value measurement as at 30 June 2026 using			
	Quoted prices in active markets (Level 1) (Unaudited) *HK$'000*	**Significant observable inputs (Level 2) (Unaudited)** *HK$'000*	**Significant unobservable inputs (Level 3) (Unaudited)** *HK$'000*	**Total (Unaudited)** *HK$'000*
Equity investment at fair value through other comprehensive income	**–**	**–**	**9,320**	**9,320**
Financial assets at fair value through profit or loss	**–**	**5,814**	**29,808**	**35,622**
Total	**–**	**5,814**	**39,128**	**44,942**

	Fair value measurement as at 31 December 2025 using			
	Quoted prices in active markets (Level 1) (Audited) *HK$'000*	Significant observable inputs (Level 2) (Audited) *HK$'000*	Significant unobservable inputs (Level 3) (Audited) *HK$'000*	Total (Audited) *HK$'000*
Equity investment at fair value through other comprehensive income	–	–	9,544	9,544
Financial assets at fair value through profit or loss	–	5,814	28,657	34,471
Total	–	5,814	38,201	44,015

CORPORATE GOVERNANCE

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Listing Rules. On specific enquiries made, all directors of the Company have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2026.

Compliance with the Corporate Governance Code

In the opinion of the directors, the Company has complied with all relevant code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules during the six months ended 30 June 2026, except B.2.2, which is explained below.

Code provision B.2.2 of the CG Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to the provisions of the Company's Bye-laws, at each annual general meeting one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation save that the Chairman and/or the Managing Director of the Company shall not be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year.

The Board considers that the continuity of the office of the Chairman and Managing Director provides the Group with a strong and consistent leadership for the smooth operation of the businesses of the Group. As a result, the Board concurred that the Chairman and the Managing Director need not be subject to retirement by rotation.

Audit Committee

Regular meetings have been held by the audit committee of the Company (the "Audit Committee") since establishment and it meets at least twice each year to review and supervise the Group's financial reporting process and internal control. The Company's interim results for the six months ended 30 June 2026 has not been audited, but has been reviewed by the Audit Committee.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2026 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the interests and short positions of those persons in the shares and underlying shares of the Company as recorded in the register of interests required to be kept by the Company under Section 336 of the SFO were as follows:

***Long positions in ordinary shares of the Company*:**

Name	*Notes*	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital
Madeline May-Lung Wong Cha	*1, 2, 3*	Interest through controlled corporations	438,334,216	73.68%
Lucky Year Finance Limited	*1*	Interest through a controlled corporation	173,093,695	29.10%
Chinney Holdings Limited	*1*	Interest through a controlled corporation	173,093,695	29.10%
Chinney Investments	*1*	Interest through a controlled corporation	173,093,695	29.10%
Newsworthy Resources Limited	*1*	Interest through a controlled corporation	173,093,695	29.10%
Multi-Investment Group Limited	*1*	Beneficial owner	173,093,695	29.10%
Enhancement Investments Limited	*2*	Beneficial owner	243,244,521	40.89%

Notes:

1. Madam Madeline May-Lung Wong Cha (executor of the estate of late Dr. James Sai-Wing Wong ("Dr. Wong")), Lucky Year Finance Limited, Chinney Holdings Limited, Chinney Investments, Newsworthy Resources Limited and Multi-Investment Group Limited are deemed to be interested in the same parcel of 173,093,695 shares by virtue of Section 316 of the SFO;

2. Madam Madeline May-Lung Wong Cha (executor of the estate of late Dr. Wong) has interest in Enhancement Investments Limited; and

3. 21,996,000 shares are held by Chinney Capital Limited of which Madam Madeline May-Lung Wong Cha (executor of the estate of late Dr. Wong) has interest therein.

Save as disclosed above, as at 30 June 2026, no person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

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

Neither the Company, nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the six months ended 30 June 2026.