



M&L HOLDINGS GROUP LIMITED 明樑控股集團有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code: 8152



2026

INTERIM REPORT

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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



Interim Results

The board of Directors (the "Board") of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 ("Period"), together with the comparative figures for the corresponding periods in 2025 ("Previous Period").

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

		(Unaudited)	
		Six months ended 30 June	
	Notes	2026 HK\$'000	2025 HK\$'000
Revenue	3	63,960	19,457
Cost of sales		(37,501)	(11,203)
Gross profit		26,459	8,254
Other income		41	13
Selling expenses		(7,265)	(1,257)
Administrative expenses		(14,405)	(13,634)
Other gains and losses			
Gain from disposal of assets classified as held of sale	4(a)	—	495
Exchange gain		3,598	3,408
(Impairment loss on)/Reversal of impairment loss on trade receivables		(1,236)	55
Others	4(b)	77	72
Operating profit/(loss)		7,269	(2,594)
Finance income		156	150
Finance costs		(571)	(802)
Profit/(Loss) before income tax		6,854	(3,246)
Income tax (expense)/credit	6	(2,140)	78
Profit/(Loss) for the period		4,714	(3,168)
Other comprehensive income, net of tax			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		482	443
Total comprehensive income for the period		5,196	(2,725)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

		(Unaudited)	
		Six months ended 30 June	
	Notes	2026 HK\$'000	2025 HK\$'000
Profit/(Loss) for the period attributable to:			
Equity holders of the Company		4,652	(3,079)
Non-controlling interests		62	(89)
		4,714	(3,168)
Total comprehensive income for the period attributable to:			
Equity holders of the Company		5,139	(2,633)
Non-controlling interests		57	(92)
		5,196	(2,725)
		HK cents	HK cents
Profit/(Loss) per share			
— Basic and diluted	7	0.78	(0.51)

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

		(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
	Notes		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	8(a)	21,566	21,495
Right-of-use assets	8(b)	7,261	7,342
Deposits		19	115
Other investments		6,285	6,212
Pledged bank deposits	11	4,583	4,430
Deferred tax assets		1,064	1,026
		40,778	40,620
Current assets			
Inventories		43,773	37,866
Trade and other receivables	9	69,602	73,104
Contract assets	10(a)	5,346	3,076
Tax recoverable		379	366
Cash and cash equivalents		25,259	17,118
		144,359	131,530
Current liabilities			
Trade and other payables	12	40,889	32,620
Contract liabilities	10(b)	3,287	6,906
Dividend payable	13	4,363	4,363
Amount due to a Director	14	2,900	3,000
Bank borrowings	15	10,905	9,787
Lease liabilities		75	246
Income tax liabilities		2,337	223
		64,756	57,145
Net current assets		79,603	74,385
Total assets less current liabilities		120,381	115,005

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

		(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
	Notes		
Non-current liabilities			
Lease liabilities		144	—
Deferred tax liabilities		1,256	1,220
Other provision		527	527
		1,927	1,747
NET ASSETS		118,454	113,258
CAPITAL AND RESERVES			
Equity attributable to equity holders of the Company			
Share capital	16	6,000	6,000
Reserves		111,228	106,089
		117,228	112,089
Non-controlling interests		1,226	1,169
TOTAL EQUITY		118,454	113,258

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to equity holders of the Company				Non-controlling		
	Share capital	Share premium	Revaluation reserve	Other reserves	Total	interests	Total equity
	HK\$'000	(Note 17) HK\$'000	(Note 17) HK\$'000	(Note 17) HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2026	6,000	63,332	3,452	39,305	112,089	1,169	113,258
Profit for the period	—	—	—	4,652	4,652	62	4,714
Other comprehensive income:							
Exchange differences arising from translation of foreign operations	—	—	—	487	487	(5)	482
Total comprehensive income for the period	—	—	—	5,139	5,139	57	5,196
Balance at 30 June 2026 (Unaudited)	6,000	63,332	3,452	44,444	117,228	1,226	118,454
Balance at 1 January 2025	6,000	63,332	16,543	13,086	98,961	1,184	100,145
Loss for the period	—	—	—	(3,079)	(3,079)	(89)	(3,168)
Other comprehensive income:							
Transferred to retained earnings upon disposal	—	—	(14,806)	14,806	—	—	—
Exchange differences arising from translation of foreign operations	—	—	—	446	446	(3)	443
Total comprehensive income for the period	—	—	(14,806)	12,173	(2,633)	(92)	(2,725)
Balance at 30 June 2025 (Unaudited)	6,000	63,332	1,737	25,259	96,328	1,092	97,420

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	(Unaudited)	
	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Cash flows from operating activities		
Net cash generated from operations	7,781	738
Interest received	156	148
Interest paid	(475)	(593)
Income tax paid	(9)	—
Net cash generated from operating activities	7,453	293
Cash flows from investing activities		
Purchase of property, plant and equipment	(249)	(14,692)
Proceeds from disposal of property, plant and equipment	8	—
Proceeds from disposal of assets classified as held for sale	—	29,742
Net cash (used in)/generated from investing activities	(241)	15,050
Cash flows from financing activities		
Proceeds from bank borrowings	3,000	1,000
Repayment of bank borrowings	(1,882)	(9,921)
Repayment of principal element of lease liabilities	(189)	(704)
(Repayment to)/Advance from a Director	(100)	1,399
Net cash generated from/(used in) financing activities	829	(8,226)
Net increase in cash and cash equivalents	8,041	7,117
Cash and cash equivalents at beginning of period	17,118	23,390
Effect of foreign exchange rate changes	100	597
Cash and cash equivalents at end of period	25,259	31,104

Notes to the Condensed Consolidated Interim Financial Statements

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 24 September 2015 as an exempted company with limited liability. The shares of the Company have been listed on GEM of the Stock Exchange since 21 July 2017.

The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located at 21st Floor, Empress Plaza, 17-19 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong. The Group, comprising the Company and its subsidiaries, is principally engaged in trading and lease of construction machinery and spare parts.

The ultimate holding company of the Group is JAT United Company Limited, which is a company incorporated in the British Virgin Islands ("BVI") and wholly owned by Mr. Ng Lai Ming, an executive Director of the Company.

The condensed consolidated interim financial information is presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand ('000) except when otherwise indicated.

The condensed consolidated interim financial information of the Group for the Period has not been audited but has been reviewed by the audit committee of the Company. The unaudited condensed consolidated interim financial information was approved for issue by the Board on 25 August 2026.

2. BASIS OF PREPARATION AND CHANGES TO SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This condensed consolidated interim financial information for the Period has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the GEM Listing Rules. The Group has prepared the financial statements under the historical cost basis, except for certain properties which are measured at fair value and investments in insurance contracts classified as other investments which are measured at fair value with reference to the account value. The condensed consolidated interim financial statements do not include all information and disclosures required in the Group's annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Certain amendments apply for the first time in 2026, but did not have any significant impact on the condensed consolidated interim financial statements of the Group.

Notes to the Condensed Consolidated Interim Financial Statements

2. BASIS OF PREPARATION AND CHANGES TO SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New standards, interpretations and amendments adopted by the Group (Continued)

Classification and Measurement of Financial Instruments — Amendments to HKFRS 9 and HKFRS 7

The amendments clarify the date on which a financial asset or financial liability is derecognised and 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 disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

The amendments did not have any significant impact on the Group's condensed consolidated interim financial information.

Annual Improvements to HKFRS Accounting Standards — Volume 11

The amendments include clarifications, simplifications, corrections or changes to improve consistency in HKFRS 1 *First-time Adoption of International Financial Reporting Standards*, HKFRS 7 *Financial instruments: Disclosure and its accompanying Guidance on implementing HKFRS 7*, HKFRS 9 *Financial Instruments*, HKFRS 10 *Consolidated Financial Statements* and HKAS 7 *Statements of Cash Flows*.

The amendments did not have any significant impact on the Group's condensed consolidated interim financial information.

Contracts Referencing Nature-dependent Electricity — Amendments to HKFRS 9 and HKFRS 7

The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts.
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts.
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments did not have any significant impact on the Group's condensed consolidated interim financial information.

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION

	(Unaudited)	
	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Timing of revenue recognition — At a point in time		
— Sales of goods	61,968	16,033
— Repair and maintenance services income	979	2,469
	62,947	18,502
Revenue from other sources		
— Machinery rental income	1,013	955
	63,960	19,457

The operating segments are reported in a manner consistent with the way in which information is reported internally to the Group's chief operating decision-maker for the purposes of resources allocation and assessment of segment performance. The executive Directors considered the nature of the Group's business and determined that the Group has two reportable operating segments as follows:

Tunnelling — Supply of specialised cutting tools and parts for construction equipment

Foundation — Supply of fabricated construction steel works and equipment

The executive Directors assess the performance of the operating segments based on revenue and gross profit margin of each segment. The Group's resources are integrated and there are no discrete information about operating segment assets and liabilities for the tunnelling and foundation business segments reported to the chief operating decision maker. Accordingly, no operating segment assets and liabilities are presented.

Segment revenue represents revenue generated from external customers. There were no inter-segment sales during the Period (2025: Nil). The accounting policies of the reportable segments are the same as the Group's accounting policies.

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (a) The segment information provided to the executive Directors for the reportable segments for the six months ended 30 June 2026 (unaudited) is as follows:

	Tunnelling HK\$'000	Foundation HK\$'000	Total HK\$'000
Segment revenue (all from external customers)	62,573	1,387	63,960
Cost of sales	(36,983)	(518)	(37,501)
Segment result	25,590	869	26,459
Gross profit%	40.90%	62.65%	41.37%
Other income			41
Selling expenses			(7,265)
Administrative expenses			(14,405)
Other gains and losses			
Exchange gain			3,598
Impairment loss on trade receivables			(1,236)
Others			77
Operating profit			7,269
Finance income			156
Finance costs			(571)
Profit before income tax			6,854
Income tax expense			(2,140)
Profit for the period			4,714

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (b) The segment information provided to the executive Directors for the reportable segments for the six months ended 30 June 2025 (unaudited) is as follows:

	Tunnelling HK\$'000	Foundation HK\$'000	Total HK\$'000
Segment revenue			
(all from external customers)	18,557	900	19,457
Cost of sales	(10,878)	(325)	(11,203)
Segment result	7,679	575	8,254
Gross profit%	41.38%	63.89%	42.42%
Other income			13
Selling expenses			(1,257)
Administrative expenses			(13,634)
Other gains and losses			
Gain from disposal of assets classified as held for sale			495
Exchange gain			3,408
Reversal of impairment loss on trade receivables			55
Others			72
Operating loss			(2,594)
Finance income			150
Finance costs			(802)
Loss before income tax			(3,246)
Income tax credit			78
Loss for the period			(3,168)

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (c) Revenue from external customers by customer location are as follows:

	(Unaudited)	
	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
Australia	38,697	4,967
Hong Kong	14,486	4,766
People's Republic of China (the "PRC")	8,782	2,294
Canada	—	2,755
Other Asia-Pacific countries	42	767
Other countries	1,953	3,908
	63,960	19,457

- (d) The total amounts of non-current assets, other than deposits, assets arising under insurance contracts, pledged bank deposits and deferred tax assets of the Group as at 30 June 2026 and 31 December 2025 are located in the following regions:

	(Unaudited)	(Audited)
	30 June	31 December
	2026	2025
	HK\$'000	HK\$'000
The PRC	272	93
Hong Kong	941	1,281
Singapore	10,285	10,388
Australia	17,329	17,075
	28,827	28,837

Notes to the Condensed Consolidated Interim Financial Statements

4. OTHER GAINS AND LOSSES

(a) Gain from disposal of assets classified as held of sale

During the six months ended 30 June 2025, the Group completed a disposal of an industrial property in Australia together with certain machinery and equipment for cash consideration of AUD6,000,000. The disposal was completed on 30 January 2025, and a gain from disposal of HK\$495,000 was recognised in profit or loss for the Previous Period. This gain is included in the line item "gain from disposal of assets classified as held for sale".

(b) Others

	(Unaudited)	
	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Gain from disposal of property, plant and equipment	1	—
Increase in value of other investments	73	72
Effect on lease modification	3	—
	77	72

5. EXPENSES BY NATURE

	(Unaudited)	
	Six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Cost of inventories sold	36,421	10,597
Employee benefit expenses	9,030	7,379
Depreciation*		
Owned property, plant and equipment (note 8(a))	766	698
Right-of-use assets (note 8(b))	254	771
	1,020	1,469
Short-term leases expenses	1,071	556
Auditor's remuneration		
— Audit services	362	328
— Non-audit services	30	22

* Recorded as administrative expenses

Notes to the Condensed Consolidated Interim Financial Statements

6. INCOME TAX EXPENSE/(CREDIT)

	(Unaudited)	
	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
Current tax for the period		
— Hong Kong Profits Tax	85	—
— Australia corporate income tax	2,077	—
Under-provision in respect of prior years	—	42
	2,162	42
Deferred tax	(22)	(120)
Income tax expense/(credit)	2,140	(78)

The Group has no income subject to taxation in the Cayman Islands and the BVI.

The Company and its Hong Kong incorporated subsidiaries are subject to Hong Kong Profits Tax, which is calculated at tax rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Period, except for one subsidiary of the Company which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The PRC corporate income tax is provided for at the rate of 25% on the estimated assessable profits for the Group's operations in the PRC. Singapore corporate income tax is provided for at the rate of 17% on the estimated assessable profits for the Group's operations in Singapore. Australia corporate income tax is provided for at the rate of 25% — 30% on the estimated assessable profits for the Group's operations in Australia.

Notes to the Condensed Consolidated Interim Financial Statements

7. EARNINGS/(LOSS) PER SHARE

(a) Basic

The basic earnings/(loss) per share is calculated on the profit/(loss) attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the respective period.

	(Unaudited)	
	Six months ended 30 June	
	2026	2025
Profit/(Loss) attributable to equity holders of the Company (HK\$'000)	4,652	(3,079)
Weighted average number of ordinary shares in issue (thousands)	600,000	600,000
Basic earnings/(loss) per share (expressed in HK cents)	0.78	(0.51)

(b) Diluted

Diluted earnings/(loss) per share presented is the same as the basic earnings/(loss) per share as there were no dilutive potential ordinary shares outstanding during the Period.

8. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Property, plant and equipment

	HK\$'000
Opening net book amount as at 31 December 2025 (audited)	21,495
Additions	249
Disposal	(7)
Depreciation	(766)
Exchange difference	595
Closing net book amount as at 30 June 2026 (unaudited)	21,566

Notes to the Condensed Consolidated Interim Financial Statements

8. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (CONTINUED)

(b) Right-of-use assets

	HK\$'000
Opening net book amount as at 31 December 2025 (audited)	7,342
Lease modification	155
Depreciation	(254)
Exchange difference	18
Closing net book amount as at 30 June 2026 (unaudited)	7,261

All depreciation expenses have been recorded in administrative expenses.

9. TRADE AND OTHER RECEIVABLES

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Trade receivables	64,668	64,391
Less: loss allowance	(7,859)	(6,409)
Trade receivables, net	56,809	57,982
Bills receivables	1,057	4,001
Prepayments	866	673
Deposits paid	9,625	9,322
Other receivables	940	944
VAT receivables	324	297
	69,621	73,219
Less: Non-current portion deposits	(19)	(115)
	69,602	73,104

Notes to the Condensed Consolidated Interim Financial Statements

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

The credit terms granted by the Group generally ranged up to 270 days (2025: 270 days). The ageing analysis of these trade receivables based on invoice date is as follows:

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
0 to 30 days	9,451	16,795
31 to 60 days	7,303	8,295
61 to 90 days	3,489	1,825
91 to 180 days	7,069	2,613
181 to 365 days	7,525	2,120
Over 1 year but within 2 years	6,025	7,747
Over 2 years but within 3 years	1,548	2,838
Over 3 years	22,258	22,158
Trade receivables, gross	64,668	64,391
Less: loss allowance	(7,859)	(6,409)
Trade receivables, net	56,809	57,982

10. CONTRACT ASSETS AND LIABILITIES

(a) Contract assets

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Unbilled revenue	5,346	3,076

Contract assets arising from unbilled revenue represents a right to consideration from the customer in exchange for goods or services transferred to the customer when that right is subject to conditions other than solely the passage of time. Upon final acceptance by the customer, the amounts recognised as contract assets on unbilled revenue are reclassified to trade receivables.

Notes to the Condensed Consolidated Interim Financial Statements

10. CONTRACT ASSETS AND LIABILITIES (CONTINUED)

(b) Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Contract liabilities related to trading in steel works	3,287	6,906

11. PLEDGED BANK DEPOSITS

Pledged bank deposits are pledged to secure bank guarantees issued in favour of customers in Australia for certain sales of goods contracts. The Group has unconditionally and irrevocably agreed to indemnify the bank for any claims or losses the bank may incur in respect of these guarantees (note 15(b)). The pledged bank deposits as at 30 June 2026 are expected to be released in years 2027 and 2028.

12. TRADE AND OTHER PAYABLES

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Trade payables	30,684	22,337
Accrued expenses	4,484	4,117
Other payables	2,199	2,644
Consideration payables for acquisition of subsidiaries	3,522	3,522
	40,889	32,620

Included in trade payables as at 30 June 2026 was an amount of approximately HK\$7,648,000 which (31 December 2025: HK\$6,287,000) is interest bearing at 4% per annum.

Notes to the Condensed Consolidated Interim Financial Statements

12. TRADE AND OTHER PAYABLES (CONTINUED)

The ageing analysis of trade payables based on invoice date is as follows:

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
0 to 30 days	5,715	4,493
31 to 60 days	2,182	2,943
61 to 90 days	3,678	3,311
91 to 120 days	3,753	887
Over 120 days	15,356	10,703
	30,684	22,337

13. DIVIDEND PAYABLE

The amount is payable to a non-controlling shareholder of a subsidiary, Genghiskhan Land Holdings Limited ("Genghiskhan"). Genghiskhan was struck off from the Register of Companies of the BVI on 30 April 1998 and subsequently dissolved on 30 April 2008.

The amount is unsecured, interest-free, repayable on demand and denominated in HK\$.

14. AMOUNT DUE TO A DIRECTOR

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Advance from:		
— Mr. Ng Lai Ming	2,900	3,000

The advance from Mr. Ng Lai Ming is unsecured, bears interest at 3.5% per annum (2025: 3.5% per annum) on simple basis and payable semi-annually, and is repayable upon 3 months notice.

Notes to the Condensed Consolidated Interim Financial Statements

15. BORROWINGS

(a) Bank borrowings

The carrying amounts of the bank borrowings approximate their fair values as at 30 June 2026 and 31 December 2025, and are denominated in HK\$. The interests are charged on floating rate basis.

The Group has obtained total banking facilities from banks of approximately HK\$12,905,000 as at 30 June 2026 (31 December 2025: approximately HK\$13,800,000), of which HK\$2,000,000 (31 December 2025: HK\$4,000,000) has not been utilised.

The banking facilities are secured by the followings:

- (i) the assignment of the life insurance policy of Mr. Ng Lai Ming with an insured sum of US\$1,582,862 for the bank borrowings;
- (ii) corporate guarantees provided by the Company and its subsidiaries, M&L Engineering & Materials Limited and East Focus Engineering Services Limited; and
- (iii) personal guarantees provided by the executive Directors.

The weighted average of the effective interest rates of the borrowings at the end of the reporting period are as follows:

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
<i>Floating rate</i>		
Bank borrowings	5.40%	5.83%

(b) Guarantees

The Group provided guarantees in favour of customers in Australia for certain sales of goods contracts. Details of these guarantees as of the end of the Period are as follows:

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Aggregate value of bank guarantees issued in favour of customers	4,583	4,430

Notes to the Condensed Consolidated Interim Financial Statements

16. SHARE CAPITAL

The Company's share capital as at 30 June 2026 (unaudited) and 31 December 2025 (audited) was as follows:

	Number of ordinary shares	Amount HK\$'000
Ordinary share of HK\$0.1 each		
Authorised	1,000,000,000	10,000
Issued and fully paid	600,000,000	6,000

17. SHARE PREMIUM AND OTHER RESERVES

	Share premium HK\$'000	Capital reserve HK\$'000	Revaluation reserve HK\$'000	Translation reserve HK\$'000	Statutory reserve (Note) HK\$'000	Retained earnings/ (Accumulated losses) HK\$'000	Total HK\$'000
Balance at 1 January 2026 (Audited)	63,332	15,642	3,452	195	1,522	21,946	106,089
Profit for the period	—	—	—	—	—	4,652	4,652
<i>Other comprehensive income:</i>							
Exchange differences arising from translation of foreign operations	—	—	—	487	—	—	487
Total comprehensive income for the period	—	—	—	487	—	4,652	5,139
Balance at 30 June 2026 (Unaudited)	63,332	15,642	3,452	682	1,522	26,598	111,228
Balance at 1 January 2025 (Audited)	63,332	15,642	16,543	(578)	1,522	(3,500)	92,961
Loss for the period	—	—	—	—	—	(3,079)	(3,079)
<i>Other comprehensive income:</i>							
Transferred to retained earnings upon disposal	—	—	(14,806)	—	—	14,806	—
Exchange differences arising from translation of foreign operations	—	—	—	446	—	—	446
Total comprehensive income for the period	—	—	(14,806)	446	—	11,727	(2,633)
Balance at 30 June 2025 (Unaudited)	63,332	15,642	1,737	(132)	1,522	8,227	90,328

Notes to the Condensed Consolidated Interim Financial Statements

17. SHARE PREMIUM AND OTHER RESERVES (CONTINUED)

Note: The PRC laws and regulations require companies registered in the PRC to provide for certain statutory reserves, which are to be appropriated from the net profit (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before profit distributions to equity holders. All statutory reserves are created for specific purposes. The PRC company is required to appropriate 10% of statutory net profits to statutory reserves, upon distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory reserve is more than 50% of its registered capital. The statutory reserves shall only be used to make up losses of the companies, to expand the companies' production operations, or to increase the capital of the companies. In addition, a company may make further contribution to the statutory reserve using its post-tax profits in accordance with resolutions of the Board.

18. DIVIDENDS

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

19. RELATED PARTY TRANSACTIONS

(a) Significant related party transactions

Other than those disclosed elsewhere in the consolidated interim financial statements, the following transactions were carried out with related parties in the normal course of the Group's business:

(Unaudited)		
Six months ended 30 June		
	2026 HK\$'000	2025 HK\$'000
Interest expense paid to a Director	57	46

(b) Key management compensation

Key management includes Directors and senior managements. The compensation paid or payable to key management for employee services is shown below:

(Unaudited)		
Six months ended 30 June		
	2026 HK\$'000	2025 HK\$'000
Salaries, wages and other benefits	2,400	1,592
Contributions to defined contribution retirement plans	68	63
	2,468	1,655

Management Discussion and Analysis

BUSINESS REVIEW AND OUTLOOK

Background

The Group is an integrated engineering solutions provider in connection with (i) the supply of specialised cutting tools and parts for construction equipment with particular focus on disc cutters which are widely used in conjunction with tunnel boring machines ("TBM") and microtunnelling equipment; (ii) the supply of fabricated construction steel works and equipment; (iii) the supply of specialised construction equipment, and repair and maintenance services. Our business can broadly be categorized into two segments, namely tunnelling and foundation.

Hong Kong market

A few new tunnel projects in Hong Kong had been launched since the latter part of year 2025 and continued to contribute revenue growth to the Hong Kong market segment during the Period. It is expected the business performance of Hong Kong market will remain steady in the remaining part of 2026.

PRC market

The Group noted increase in enquiry for tunnel products in the PRC, but remained cautious in concluding sales orders in order to control liquidity and credit risk exposure. Furthermore, the Group acquired a disc cutter and parts processing factory in Dongguan, the PRC and a trademark license simultaneously (collectively the "Acquisition") in December 2025 to obtain the technical know-how on the production and distribution of disc cutters of prescribed specifications as a strategic step to enhance competitiveness and cater to the technical needs of tunnel products in the PRC market. During the Period, the factory has been in the stockpiling and preparation stage for trial production. Meanwhile, the domestic sales team has been proactively exploring new business opportunities and pursuing orders in both the Mainland China and Singapore markets, with several quotations being submitted to potential customers. Looking ahead to the second half of 2026, the management aims to complete the trial production phase and, based on progress, initiate commercial production in a phased manner. Concurrently, the Group is optimistic about securing initial orders from the PRC market, which will contribute revenue contribution from the new facility.

Overseas market

The Group secured several sizeable orders for tunnelling products in Australia in 2025 and with relative high amount of orders in first half of 2026 as required by customers. With the new technical and production capability from the Acquisition, we shall place additional effort on developing products and engineering solution to undertake business opportunities in Singapore. The Group is actively exploring various overseas markets and noted growing business opportunities particularly in Australia, North America, and continental Europe and expects improvement in the performance of overseas market in the second half of 2026 and coming year.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately 229% to HK\$64.0 million for the Period, as compared to HK\$19.5 million for the Previous Period. Sales in overseas, Hong Kong and PRC markets all recorded notable revenue growth during the Period for factors set out in the Business Review section above.

Further details of the Group's performance by business segment and geographic location are set out in the Business Review section of this report and note 3 to the condensed consolidated financial information.

Cost of sales and gross profit

Cost of sales represents costs and expenses directly attributable to our revenue generating activities and predominantly comprised cost of inventories sold. Cost of sales for the Period increased by approximately HK\$26.3 million or 235%, which generally coincides with the rise in revenue.

Driven by revenue growth, gross profit increased from approximately HK\$8.3 million to HK\$26.5 million for the Period while gross profit margin remained relatively stable at 41.4% for the Period, as compared to 42.4% for the Previous Period.

Selling expenses

Selling expenses mainly included freight charges and sales commission for our staff accounted for under the employee benefit expenses. Selling expenses increased to approximately HK\$7.3 million for the Period from HK\$1.3 million for the Previous Period, mainly due to significant increase in freight charges for overseas sales during the Period as noted in the Business Review section above.

Exchange gain

The Group recorded a foreign exchange gain of approximately HK\$3.6 million for the Period, an increase of approximately HK\$0.2 million from the Previous Period, mainly as a result of the gradual appreciation of Renminbi, Euros and Australian Dollars during the Period.

Administrative expenses

Administrative expenses mainly include staff costs, Directors' remuneration and benefits (both accounted for under the employee benefit expenses), legal and professional fees, depreciation and amortisation and other administrative expenses.

Management Discussion and Analysis

Administrative expenses increased by approximately HK\$0.8 million for the Period, which is mainly related to increase in staff costs as a result of increase in headcount following acquisition of subsidiaries and factory in Dongguan, the PRC since December 2025 and discretionary staff bonus paid during the Period.

Finance income and finance costs

The net amount of finance costs decreased to approximately HK\$0.4 million for the Period as compared to approximately HK\$0.7 million for the Previous Period as the Group utilised less borrowings during the Period as compared to the Previous Period.

Profit/(Loss) attributable to equity holders of our Company

We recorded profit attributable to equity holders of our Company for the Period of approximately HK\$4.7 million, as compared to loss of approximately HK\$3.2 million for the Previous Period. The turnaround in results from a loss to a profit for the Period is mainly attributable to notable rise in sales from new projects launched since the latter part of year 2025, especially in the overseas and Hong Kong markets.

Liquidity, financial resources and capital structure

	(Unaudited) 30 June 2026 HK\$'000	(Audited) 31 December 2025 HK\$'000
Current assets	144,359	131,530
Current liabilities	64,756	57,145
Current ratio	2.23	2.30

During the six months ended 30 June 2026, the Group financed its operations by its internal resources and banking facilities. As at 30 June 2026, the Group had net current assets of approximately HK\$79.6 million (31 December 2025: HK\$74.4 million), including cash and cash equivalents of approximately HK\$25.3 million (31 December 2025: HK\$17.1 million). The Group's current ratio as at 30 June 2026 was 2.23 (31 December 2025: 2.30). The Group's liquidity and cash reserve improved during the Period as a result of improvement in operating results and cash flows from operation during the Period.

As at 30 June 2026, the Group had a total available banking facilities of approximately HK\$12.9 million, of which approximately HK\$10.9 million was utilised and approximately HK\$2.0 million was unutilised and available for use.

Management Discussion and Analysis

There has been no change in capital structure of the Company during the six months ended 30 June 2026. As at 30 June 2026, the equity attributable to equity holders of the Company amounted to approximately HK\$117.2 million (31 December 2025: approximately HK\$112.1 million).

Gearing ratio

As at 30 June 2026 and 31 December 2025, we maintained a net cash position of approximately HK\$11.2 million and HK\$4.1 million respectively. On this basis, we did not record a gearing ratio at both dates.

FOREIGN CURRENCY EXPOSURE AND TREASURY POLICY

During the six months ended 30 June 2026, other than Hong Kong dollars, the major currencies of which our Group transacted in consisted primarily of Euro, Renminbi, US dollars and Australian dollars (the "Major Foreign Currencies").

While our Group did not adopt any hedging policies during the period, our Directors consider that we were able to manage our exposure to foreign exchange risks by using the Major Foreign Currencies (i) as the settlement currencies of our contracts with certain customers; and (ii) to settle payments with our suppliers.

As part of our Group's treasury practice, we would manage our foreign currency exposure by converting part of our Major Foreign Currencies holdings to Hong Kong dollars from time to time. Going forward, our Directors will continue to use the Major Foreign Currencies as the settlement currency of our contracts with our customers and suppliers in order to manage our exposure to foreign exchange risks. In addition, our Group will continue to evaluate and monitor our exposure to foreign exchange risks from time to time and may consider adopting hedging policies if necessary.

CAPITAL COMMITMENT

As at 30 June 2026, the Group had no capital commitment.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

SIGNIFICANT INVESTMENTS HELD

The Group had not held any significant investments during the six months ended 30 June 2026.

Management Discussion and Analysis

CHARGES ON ASSETS

As at 30 June 2026, a life insurance policy to Mr. Ng Lai Ming with an insured sum of US\$1,582,862 has been assigned as security for certain banking facilities.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any significant contingent liabilities.

INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend for the six months ended 30 June 2026.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 50 staff (31 December 2025: 50). The total staff costs of the Group (including Directors' emoluments, salaries to staff, sales commission, provident fund contributions and other staff benefits) for the six months ended 30 June 2026 was approximately HK\$9.0 million (for the six months ended 30 June 2025: HK\$7.4 million). The Group determines the salaries of its employees mainly based on each employee's qualifications, relevant experience, position and seniority. The Group monitors the performance of individual employee on a continuous basis and rewards outstanding performance of the employees by salary revision, bonus and promotion where suitable. The Group maintains a good relationship with its employees and has not experienced any significant problems with its employees due to labour disputes nor any difficulty in the recruitment and retention of experienced staff.

Corporate Governance and Other Information

DIRECTORS AND CHANGES TO DETAILS OF DIRECTORS

The Directors of the Company as at the date of this report are as follow.

Executive Directors

Mr. Ng Lai Ming (Chairman of the Board and Chief Executive Officer)

Mr. Ng Lai Tong

Mr. Ng Lai Po

Mr. Ng Yung Wong

Independent Non-executive Directors

Mr. Lau Chi Leung

Ir Lo Kok Keung

Mr. Tai Wai Kwok

Ms. Luk Pui Yin Grace

Details of Directors as set out in the year 2025 annual report of the Company have remained unchanged, except Ms. Luk Pui Yin Grace has been an independent non-executive director of Shenzhen SDMC Technology Co., Ltd. since end of April 2025, a company which shares (stock code: 901) commenced listing on the main board of The Stock Exchange of Hong Kong Limited from 27 May 2026.

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares of the Company

Director	Nature of interest	Number of shares	Percentage of the Company's issued shares capital
Mr. Ng Lai Ming (note 2)	Interest in a controlled corporation (note 1)	364,095,000	60.68%
Mr. Ng Lai Tong	Beneficial owner	29,025,000	4.84%
Mr. Ng Lai Po	Beneficial owner	4,500,000	0.75%

Notes:

1. The 364,095,000 shares are owned by JAT United Company Limited ("JAT United"), which is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
2. Mr. Ng Lai Ming is the brother of Mr. Ng Lai Tong and Mr. Ng Lai Po.

Corporate Governance and Other Information

Directors' interests in an associated corporation of the Company

Director	Associated corporation	Nature of interest	Number of shares/Position	Percentage of the shareholding
Mr. Ng Lai Ming	JAT United	Beneficial owner	1/Long position	100%

Save as disclosed above, as at 30 June 2026, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 30 June 2026, the following person(s), not being a Director or chief executive of our Company, had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of our Group:

Long position in the shares of the Company

Shareholder	Capacity/Nature of interest	Number of shares	Percentage of the Company's issued shares capital
JAT United (note 1)	Beneficial owner	364,095,000	60.68%
Ms. Law So Lin (note 2)	Interest of spouse	364,095,000	60.68%

Notes:

1. JAT United is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
2. Ms. Law So Lin is the spouse of Mr. Ng Lai Ming, therefore she is deemed to be interested in all the shares which Mr. Ng Lai Ming is interested in.

Corporate Governance and Other Information

Saved as disclosed above, as at 30 June 2026, no other person had any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 19 June 2017 and no options have been granted, exercised or cancelled since then and up to the date of this report.

The Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date, after which no further options may be issued.

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors (the “Model Code”) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Upon specific enquiries being made with all Directors, all Directors confirmed that they have complied with the required standards set out in Model Code during the six months ended 30 June 2026 and up to the date of this report.

CORPORATE GOVERNANCE AND COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our shareholders as a whole.

The Company has adopted the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 of the GEM Listing Rules and had complied with the CG Code during the six months ended 30 June 2026 and up to the date of this report, except for the deviation stipulated below.

As required by code provision C.2.1 of the CG Code, the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual.

Corporate Governance and Other Information

We do not have a separate chairman and chief executive officer and Mr. Ng Lai Ming currently performs these two roles concurrently. The Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority within the Group will not be impaired by the present arrangement and the current structure will enable the Company to make and implement decisions more promptly and effectively. The Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company to ensure that appropriate and timely arrangements are in place to meet changing circumstances.

COMPETING INTERESTS

None of the Directors, substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) had any interest in a business which compete with the business of the Group during the six months ended 30 June 2026 and up to and including the date of this report.

AUDIT COMMITTEE

The members of the audit committee are Mr. Tai Wai Kwok, Ir Lo Kok Keung, Mr. Lau Chi Leung and Ms. Luk Pui Yin Grace, all of whom are independent non-executive Directors. Mr. Tai Wai Kwok is the chairman of the audit committee. The audit committee has reviewed this report and has provided advice and comments thereon.

By order of the Board

M&L Holdings Group Limited

Ng Lai Ming

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 25 August 2026

As at the date of this report, the executive Directors are Mr. Ng Lai Ming, Mr. Ng Lai Tong, Mr. Ng Lai Po, Mr. Ng Yung Wong and the independent non-executive Directors are Mr. Tai Wai Kwok, Ir Lo Kok Keung, Mr. Lau Chi Leung and Ms. Luk Pui Yin Grace.