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Skymission Group Holdings Limited

天任集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1429)

PROFIT WARNING

This announcement is made by Skymission Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts and other financial information (collectively, the “**Unaudited Financial Information**”) of the Group for the six months ended 30 September 2024 (“**1H 2024**”), the Group expects to record a net loss ranging from approximately HK\$15.0 million to HK\$25.0 million for 1H 2024, while a net loss of approximately HK\$4.2 million was recorded for the six months ended 30 September 2023 (“**1H2023**”).

The Group, an established formwork works subcontractor in Hong Kong with over 20 years of operating history, has been offering traditional formwork works services using timber and plywood, along with system formwork works services with aluminium formwork. The Group’s gross profit margin is expected to decline from approximately 5.0% for 1H 2023, to approximately 1.0% for 1H 2024. This reduction is primarily due to increasing on-site costs and a highly competitive environment for securing new formwork contracts. Additionally, the Group’s financial performance was impacted by an additional provision for expected credit loss on trade receivables and contract assets attributed to aging receivables.

In 2024, Hong Kong’s construction industry has faced significant challenges due to a combination of economic downturns and sector-specific issues. The slowdown in the property market has resulted in fewer new construction projects, while intense competition has driven contract prices lower, further squeezing profit margins. Rising wages for skilled workers, unexpected on-site costs, and delays in project payments have also exacerbated cash flow pressures.

Given these industry conditions, the Group remains committed to actively seeking and identifying opportunities that align with its cost control and risk management strategies, and continues to focus on delivering value to its Shareholders and stakeholders.

Since the results for 1H 2024 have not been finalized, the information contained in this announcement is only for reference based on the Unaudited Financial Information as of the date of this announcement and has not been reviewed by the audit committee of the Company. The Company will fully comply with the provisions of the Listing Rules and expects to publish its interim results announcement for 1H 2024 by the end of November 2024.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Skymission Group Holdings Limited
Leung Yam Cheung
Chairman and Chief Executive Officer

Hong Kong, 19 November 2024

As at the date of this announcement, the Board comprises Mr. Leung Yam Cheung, Mr. Leung Wing Chun and Mr. Leung Chau Ming as executive Directors; Mr. Yau Sheung Hang as a non-executive Director; and Mr. Tang Tsz Tsun, Ms. Wu Kin Yi and Mr. Lei Nelson, as independent non-executive Directors.