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**CR Construction Group Holdings Limited**

**華營建築集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1582)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**FINANCIAL HIGHLIGHTS**

The total revenue of the Group for the year ended 31 December 2024 increased to approximately HK\$6,066.0 million as compared to that of approximately HK\$5,445.6 million for the year ended 31 December 2023.

The total gross profit of the Group increased to approximately HK\$353.2 million for the year ended 31 December 2024 as compared to that of approximately HK\$306.0 million for the year ended 31 December 2023.

Profit attributable to the equity holders of the Company for the year ended 31 December 2024 amounted to approximately HK\$53.7 million as compared to that of approximately HK\$71.9 million for the year ended 31 December 2023.

The Directors propose to recommend, at the forthcoming annual general meeting of the Company, the payment of a final dividend of HK1.8 cents per share, amounting to approximately HK\$9.0 million.

The board (the “**Board**”) of directors (the “**Directors**”) of CR Construction Group Holdings Limited (the “**Company**”) hereby announces the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2023, as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*Year ended 31 December 2024*

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>REVENUE</b>	4	<b>6,066,037</b>	5,445,560
Contract costs		<u>(5,712,805)</u>	<u>(5,139,569)</u>
Gross profit		<b>353,232</b>	305,991
Other income	4	<b>9,025</b>	13,226
Administrative expenses		<b>(162,548)</b>	(173,038)
Other operating expenses, net		<b>(7,342)</b>	(1,882)
Impairment of financial assets, net		<b>(46,003)</b>	(6,747)
Finance costs	6	<u><b>(65,820)</b></u>	<u>(52,649)</u>
<b>PROFIT BEFORE TAX</b>	5	<b>80,544</b>	84,901
Income tax expense	7	<u><b>(26,594)</b></u>	<u>(12,676)</u>
<b>PROFIT FOR THE YEAR</b>		<u><b>53,950</b></u>	<u>72,225</u>
Attributable to:			
Owners of the Company		<b>53,715</b>	71,887
Non-controlling interests		<u><b>235</b></u>	<u>338</u>
		<u><b>53,950</b></u>	<u>72,225</u>
<b>EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic and diluted	9	<u><b>HK10.74 cents</b></u>	<u>HK14.38 cents</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*Year ended 31 December 2024*

	<b>2024</b> <b>HK\$'000</b>	<b>2023</b> <b>HK\$'000</b>
<b>PROFIT FOR THE YEAR</b>	<b>53,950</b>	<b>72,225</b>
<b>OTHER COMPREHENSIVE LOSS</b>		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(1,234)</u>	<u>(10,140)</u>
<b>OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX</b>	<u><b>(1,234)</b></u>	<u><b>(10,140)</b></u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>52,716</b>	<b>62,085</b>
Attributable to:		
Owners of the Company	<b>52,797</b>	<b>61,975</b>
Non-controlling interests	<u><b>(81)</b></u>	<u><b>110</b></u>
	<b>52,716</b>	<b>62,085</b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		22,415	27,031
Right-of-use assets		48,578	37,348
Operating concession rights		30,927	32,980
Receivables and contract assets under service concession arrangements		249,613	240,471
Other intangible assets		164	291
Prepayments and deposits		9,606	8,165
Deferred tax assets		5,073	7,407
Total non-current assets		366,376	353,693
<b>CURRENT ASSETS</b>			
Receivables and contract assets under service concession arrangements		8,879	7,098
Contract assets		3,169,364	2,564,727
Trade receivables	10	775,887	816,354
Prepayments, deposits and other receivables		106,671	99,754
Other assets		46,576	—
Amounts due from intermediate holding companies		6,322	6,744
Amounts due from fellow subsidiaries		43,276	45,288
Tax recoverable		2,032	1,726
Cash and cash equivalents		330,799	235,971
Total current assets		4,489,806	3,777,662
<b>CURRENT LIABILITIES</b>			
Trade and retention payables	11	1,920,405	1,534,292
Other payables, accruals and provision		1,538,468	1,192,425
Interest-bearing bank borrowings	12	318,011	344,984
Amounts due to an intermediate holding company		3,001	9,143
Amounts due to the immediate holding company		11,000	—
Amounts due to fellow subsidiaries		12,613	15,824
Loans from intermediate holding companies		80,521	274,143
Lease liabilities		16,480	21,856
Tax payable		23,854	10,534
Total current liabilities		3,924,353	3,403,201
<b>NET CURRENT ASSETS</b>		<b>565,453</b>	<b>374,461</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>931,829</b>	<b>728,154</b>

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
<b>NON-CURRENT LIABILITIES</b>			
Provision		<b>5,700</b>	5,700
Lease liabilities		<b>33,519</b>	16,043
Interest-bearing bank borrowings	<i>12</i>	<b>216,153</b>	70,599
Deferred tax liabilities		<b>564</b>	963
		<hr/>	<hr/>
Total non-current liabilities		<b>255,936</b>	93,305
		<hr/>	<hr/>
Net assets		<b>675,893</b>	634,849
		<hr/>	<hr/>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	<i>13</i>	<b>5,000</b>	5,000
Reserves		<b>650,685</b>	614,388
		<hr/>	<hr/>
		<b>655,685</b>	619,388
Non-controlling interests		<b>20,208</b>	15,461
		<hr/>	<hr/>
Total equity		<b>675,893</b>	634,849
		<hr/>	<hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

31 December 2024

## 1. CORPORATE AND GROUP INFORMATION

CR Construction Group Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Unit Nos. 3-16, Level 32, Standard Chartered Tower of Millennium City 1, No. 388 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of Company and its subsidiaries (collectively referred to as the “**Group**”) are the construction operations which comprised of the provision of building construction works and repair, maintenance, addition and alteration (“**RMAA**”) works in Hong Kong, Malaysia and the United Kingdom and the environmental operations in the People’s Republic of China (the “**PRC**”).

CR Construction Investments Limited (“**CR Investments**”), a company incorporated in the British Virgin Islands (the “**BVI**”), is the immediate holding company of the Company. In the opinion of the Directors, Zhejiang State-owned Capital Operation Company Limited, a company established in the People’s Republic of China (the “**PRC**”), is the ultimate holding company of the Company.

## 2. ACCOUNTING POLICIES

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention and are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

### *Basis of consolidation*

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.2 Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

### 2.3 Issued but not yet effective Hong Kong financial reporting standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRSs, if applicable, when they become effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> <sup>3</sup>
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
Amendments to HKAS 21	<i>Lack of Exchangeability</i> <sup>1</sup>
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>4</sup> No mandatory effective date yet determined but available for adoption

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (i) The construction operations segment engages in contract works as a main contractor primarily in respect of building construction works and RMAA works in Hong Kong, Malaysia and the United Kingdom.
- (ii) The environmental operations segment engages in construction, rehabilitation and operation of sewage and reclaimed water treatment plants as well as water distribution plants and other environmental related facilities and infrastructure in the PRC.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss is measured consistently with the Group's profit before tax except that interest income, corporate and other unallocated expenses, finance costs (other than interest on lease liabilities and discounted amounts of retention payables arising from the passage of time) are excluded from such measurement.

Segment assets exclude balances/loans with related parties, tax recoverable and deferred tax assets, as these assets are managed on a group basis.

Segment liabilities exclude balances/loans with related parties, interest-bearing bank borrowings, tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

There were no material intersegmental sales and transfers during the reporting period.



Year ended 31 December	Construction operations		Environmental operations		Total	
	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue</b> <i>(note 5)</i>						
Sales to external customers	<b>5,926,563</b>	5,231,681	<b>139,474</b>	213,879	<b>6,066,037</b>	5,445,560
<b>Segment results</b>	<b>107,267</b>	130,791	<b>23,100</b>	19,110	<b>130,367</b>	149,901
<u>Reconciliation:</u>						
Interest income					<b>1,366</b>	1,932
Corporate and other unallocated expenses					<b>(10,201)</b>	(23,958)
Finance costs (other than interest on lease liabilities and discounted amounts of retention payables arising from passage of time)					<b>(40,988)</b>	(42,974)
Profit before tax					<b>80,544</b>	84,901
Income tax expense					<b>(26,594)</b>	(12,676)
Profit for the year					<b>53,950</b>	72,225

As at 31 December	Construction operations		Environmental operations		Total	
	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment assets</b>	<b>4,238,966</b>	3,576,967	<b>560,513</b>	493,223	<b>4,799,479</b>	4,070,190
<u>Reconciliation:</u>						
Amounts due from intermediate holding companies					<b>6,322</b>	6,744
Amounts due from fellow subsidiaries					<b>43,276</b>	45,288
Tax recoverable					<b>2,032</b>	1,726
Deferred tax assets					<b>5,073</b>	7,407
Total assets					<b>4,856,182</b>	4,131,355
<b>Segment liabilities</b>	<b>3,337,560</b>	2,598,618	<b>177,012</b>	171,698	<b>3,514,572</b>	2,770,316
<u>Reconciliation:</u>						
Amounts due to an intermediate holding company					<b>3,001</b>	9,143
Amounts due to the immediate holding company					<b>11,000</b>	–
Amounts due to fellow subsidiaries					<b>12,613</b>	15,824
Loans from intermediate holding companies					<b>80,521</b>	274,143
Interest-bearing bank borrowings					<b>534,164</b>	415,583
Tax payable					<b>23,854</b>	10,534
Deferred tax liabilities					<b>564</b>	963
Total liabilities					<b>4,180,289</b>	3,496,506

Year ended 31 December	Construction operations		Environmental operations		Total	
	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Other segment information</b>						
Depreciation of property, plant and equipment	10,113	8,754	802	893	10,915	9,647
Depreciation of right-of-use assets	21,978	22,216	92	161	22,070	22,377
Amortisation of operating concession rights	–	–	1,368	1,385	1,368	1,385
Amortisation of other intangible assets	–	–	139	82	139	82
Impairment of receivables and contract assets under service concession arrangements	–	–	34	–	34	–
Impairment/(reversal of impairment) of trade receivables	(9,173)	1,968	344	977	(8,829)	2,945
Impairment of contract assets	54,156	2,316	642	1,486	54,798	3,802
Impairment of other assets	8,941	–	–	–	8,941	–
Capital expenditure	6,456	7,941	504	375	6,960	8,316

### Geographical information

#### (a) Revenue from external customers

	2024	2023
	HK\$'000	HK\$'000
Hong Kong	5,098,983	4,513,815
Mainland China	139,474	213,879
Malaysia	163,405	168,877
United Kingdom	664,175	548,989
Total revenue	6,066,037	5,445,560

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

	2024 HK\$'000	2023 HK\$'000
Hong Kong	70,852	59,638
Mainland China	33,040	35,675
Malaysia	1,096	1,791
United Kingdom	2,215	3,603
	<u>          </u>	<u>          </u>
Total non-current assets	<u>107,203</u>	<u>100,707</u>

The non-current asset information of above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

**Information about major customers**

Revenue from each major customer which accounted for 10% or more of the Group's revenue for each reporting period is set out below:

	2024 HK\$'000	2023 HK\$'000
Customer A	1,090,399	*
Customer B	818,125	*
Customer C	*	671,898
Customer D	*	547,492
	<u>          </u>	<u>          </u>

\* Nil or less than 10% of the Group's revenue

**4. REVENUE AND OTHER INCOME**

An analysis of revenue is as follows:

	2024 HK\$'000	2023 HK\$'000
<i>Revenue from contracts with customers</i>	6,055,107	5,436,917
<i>Revenue from other source</i>		
Finance income from service concession arrangements	<u>10,930</u>	<u>8,643</u>
Total	<u>6,066,037</u>	<u>5,445,560</u>

# Revenue from contracts with customers

## (a) Disaggregated revenue information

	2024 HK\$'000	2023 HK\$'000
<b>(A) Types of goods or services</b>		
<u>Construction operations segment</u>		
Building construction works	5,414,578	4,703,000
RMAA works	511,985	528,681
	<u>5,926,563</u>	<u>5,231,681</u>
<u>Environmental operations segment</u>		
Construction and rehabilitation services for environmental related facilities	27,274	128,874
Sewage and reclaimed water treatment services	92,891	68,717
Water distribution services	8,379	7,645
	<u>128,544</u>	<u>205,236</u>
<i>Total revenue from contracts with customers</i>	<b>6,055,107</b>	5,436,917
<i>Revenue from other sources</i>		
Finance income from service concession arrangements	10,930	8,643
	<u>10,930</u>	<u>8,643</u>
Total revenue	<b>6,066,037</b>	5,445,560
<b>(B) Geographical markets</b>		
<u>Hong Kong</u>		
Construction operations segment	5,098,983	4,513,815
<u>Mainland China</u>		
Environmental operations segment	128,544	205,236
<u>Malaysia</u>		
Construction operations segment	163,405	168,877
<u>United Kingdom</u>		
Construction operations segment	664,175	548,989
<i>Total revenue from contracts with customers</i>	<b>6,055,107</b>	5,436,917
<i>Revenue from other sources</i>		
Finance income from service concession arrangements from Mainland China	10,930	8,643
	<u>10,930</u>	<u>8,643</u>
Total revenue	<b>6,066,037</b>	5,445,560

	2024 HK\$'000	2023 HK\$'000
(C) <b>Timing of revenue recognition</b>		
<u>Goods transferred at a point in time</u>		
Environmental operations segment	8,379	7,645
<u>Services transferred over time</u>		
Construction operations segment	5,926,563	5,231,681
Environmental operations segment	120,165	197,591
	<u>6,046,728</u>	<u>5,429,272</u>
Total revenue from contracts with customers	6,055,107	5,436,917
<i>Revenue from other sources</i>		
Finance income from service concession arrangements	10,930	8,643
Total revenue	<u>6,066,037</u>	<u>5,445,560</u>
	2024 HK\$'000	2023 HK\$'000
<u>Other income</u>		
Bank interest income	1,366	1,088
Interest income from a loan to a fellow subsidiary	–	844
Insurance compensation	5,701	7,700
Government grants (note)	506	1,322
Others	1,452	2,272
Total other income	<u>9,025</u>	<u>13,226</u>

*Note:* Being subsidies for the incurred operating expenses arising from research and development activities provided by The People's Government of Zhejiang Province. There are no unfilled conditions or contingencies related to these subsidies.

## 5. PROFIT BEFORE TAX

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Contract costs	5,712,805	5,139,569
Depreciation of property, plant and equipment	10,915	9,647
Less: Amount included in contract costs	<u>(4,842)</u>	<u>(2,262)</u>
Amount included in administrative expenses	<u>6,073</u>	<u>7,385</u>
Depreciation of right-of-use assets	22,070	22,377
Less: Amount included in contract costs	<u>(6,668)</u>	<u>(6,870)</u>
Amount included in administrative expenses	<u>15,402</u>	<u>15,507</u>
Amortisation of operating concession rights included in contract costs	1,368	1,385
Amortisation of other intangible assets	139	82
Less: Amount included in contract costs	<u>(67)</u>	<u>(3)</u>
Amount included in administrative expenses	<u>72</u>	<u>79</u>
Lease payments not included in the measurement of lease liabilities	70,922	52,961
Less: Amount included in contract costs	<u>(67,479)</u>	<u>(51,499)</u>
Amount included in administrative expenses	<u>3,443</u>	<u>1,462</u>
Employee benefit expense (including directors' remuneration):		
Salaries, allowances and benefits in kind	489,931	449,303
Pension scheme contributions	<u>21,596</u>	<u>25,717</u>
	511,527	475,020
Less: Amount included in contract costs	<u>(427,787)</u>	<u>(375,286)</u>
Amount included in administrative expenses	<u>83,740</u>	<u>99,734</u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration	4,990	4,831
Impairment of receivables and contract assets under service concession arrangements*	34	–
Impairment/(reversal of impairment) of trade receivables*	(8,829)	2,945
Impairment of contract assets*	54,798	3,802
Impairment of other assets**	8,941	–
Loss/(gain) on disposal of items of property, plant and equipment, net**	591	(607)
Loss on modification of leases**	–	39
Foreign exchange differences, net**	(2,374)	1,937
Research and development expenses***	20,074	17,510
	<u>          </u>	<u>          </u>

\* These items are included in “Impairment of financial assets, net” on the face of the consolidated statement of profit or loss.

\*\* These items are included in “Other operating expenses, net” on the face of the consolidated statement of profit or loss.

\*\*\* Research and development expenses are included in “administrative expenses” on the face of the consolidated statement of profit or loss.

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank loans	38,449	30,598
Interest on loans from intermediate holding companies	2,539	12,376
Interest in discounted amounts of retention payables arising from the passage of time	22,382	8,507
Interest on lease liabilities	2,450	1,168
	<u>          </u>	<u>          </u>
Total	65,820	52,649
	<u>          </u>	<u>          </u>



## 7. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2023: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2024 HK\$'000	2023 HK\$'000
Current – Hong Kong		
Charge for the year	23,196	8,381
Underprovision/(overprovision) in prior years	(15)	1,517
Current – elsewhere	1,386	5,714
Deferred	2,027	(2,936)
	<u>26,594</u>	<u>12,676</u>
Total tax charge for the year	<u>26,594</u>	<u>12,676</u>

## 8. DIVIDEND

	2024 HK\$'000	2023 HK\$'000
Interim – HK1.5 cents (2023: HK1.5 cents) per ordinary share	7,500	7,500
Proposed final – HK1.8 cents (2023: HK1.8 cents) per ordinary share	9,000	9,000
	<u>16,500</u>	<u>16,500</u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$53,715,000 (2023: HK\$71,887,000), and the weighted average number of ordinary shares of 500,000,000 (2023: 500,000,000) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 31 December 2023.

## 10. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	783,606	832,747
Impairment	(7,719)	(16,393)
	<u>775,887</u>	<u>816,354</u>
Net carrying amount	<u>775,887</u>	<u>816,354</u>

The Group's trading terms with its customers are on credit. The Group's credit period with customers range from 14 to 180 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Apart from a trade receivable balance of HK\$32,007,000 (2023: Nil), the Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 month	539,661	527,255
1 to 2 months	26,693	87,964
2 to 3 months	34,630	30,569
3 to 12 months	84,379	110,944
1 to 2 years	78,822	59,359
2 years to 3 years	11,702	263
	<u>775,887</u>	<u>816,354</u>

## 11. TRADE AND RETENTION PAYABLES

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Trade payables	(a)	<b>1,207,115</b>	848,529
Retention payables	(b)	<b>713,290</b>	685,763
Total		<b>1,920,405</b>	1,534,292

*Notes:*

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

	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Within 1 month	<b>88,321</b>	15,181
1 to 2 months	<b>105,803</b>	110,293
2 to 3 months	<b>265,745</b>	176,712
Over 3 months	<b>747,246</b>	546,343
Total	<b>1,207,115</b>	848,529

The average credit period on trade payables is 30 to 180 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time-frame.

- (b) Retention payables held by the Group arose from the Group's building construction works and RMAA works and are normally settled to subcontractors within a period ranging from one year to two years after the completion of the contract work by the subcontractors, as stipulated in the subcontracting contracts.

## 12. INTEREST-BEARING BANK BORROWINGS

	31 December 2024			31 December 2023		
	Contractual interest rate (%)	Maturity	HK\$'000	Contractual interest rate (%)	Maturity	HK\$'000
<b>Current</b>						
Bank loans – unsecured	<b>Hong Kong Interbank Offered Rate (HIBOR) +1.3%-1.5%</b>	<b>On demand</b>	<b>100,000</b>	<b>HIBOR+ 1.4%-1.6%</b>	<b>On demand</b>	<b>210,000</b>
Bank loans – unsecured	<b>HIBOR +1.1%</b>	<b>2025</b>	<b>200,000</b>	–	–	–
Bank loans – secured	<b>3.9%</b>	<b>2025</b>	<b>12,959</b>	3.9%	2024	132,420
Bank loans – secured	<b>Chain Loan Prime Rate ("LPR") -0.5%</b>	<b>2025</b>	<b>2,892</b>	LPR-0.5%	2024	357
Bank loans – secured	<b>LPR</b>	<b>2025</b>	<u><b>2,160</b></u>	LPR	2024	<u>2,207</u>
Total – current			<u><b>318,011</b></u>			<u><b>344,984</b></u>
<b>Non-current</b>						
Bank loans – secured	<b>3.9%</b>	<b>2026-2030</b>	<b>103,670</b>	–	–	–
Bank loans – secured	<b>LPR-0.5%</b>	<b>2026-2038</b>	<b>92,720</b>	LPR-0.5%	2025-2034	48,198
Bank loans – secured	<b>LPR</b>	<b>2026-2034</b>	<u><b>19,763</b></u>	LPR	2025-2034	<u>22,401</u>
Total – non-current			<u><b>216,153</b></u>			<u><b>70,599</b></u>
<b>Total</b>			<u><b>534,164</b></u>			<u><b>415,583</b></u>

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Analysed into:		
Bank loans repayable:		
Within one year or on demand	318,011	344,984
In the second year	21,942	5,163
In the third to fifth years, inclusive	92,713	24,565
Beyond five years	101,498	40,871
	<hr/>	<hr/>
Total	534,164	415,583
	<hr/> <hr/>	<hr/> <hr/>
<b>13. SHARE CAPITAL</b>		
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Authorised:		
10,000,000,000 (2023: 10,000,000,000) ordinary shares of HK\$0.01 each	100,000	100,000
	<hr/> <hr/>	<hr/> <hr/>
Issued and fully paid:		
500,000,000 (2023: 500,000,000) ordinary shares of HK\$0.01 each	5,000	5,000
	<hr/> <hr/>	<hr/> <hr/>

## **MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW**

### **BUSINESS REVIEW**

#### **Construction Operations**

The Group is one of the leading building contractors in Hong Kong and principally acts as a main contractor in building construction works and repair, maintenance, alteration and addition (“**RMAA**”) works across the public and private sectors in Hong Kong, Malaysia and the United Kingdom.

The building construction services provided by the Group primarily consist of building works for new buildings, including residential, commercial and industrial buildings, while the Group’s RMAA works include the general upkeep, maintenance, improvement, refurbishment, alteration and addition of existing facilities and components of buildings and their surroundings.

As at 31 December 2024, the Group had 52 projects on hand with an aggregate original contract sum of approximately HK\$33.1 billion, which includes projects in progress and projects that have been awarded to the Group but not yet commenced.

During the Reporting Period, the Group had been awarded 20 new projects with an aggregate original contract sum of approximately HK\$8.8 billion and had completed 12 projects with an aggregate original contract sum of approximately HK\$3.2 billion.

During the Reporting Period, the Group received a total of 80 honours, including the Group has been awarded the “Top 10 Construction Contractors in Hong Kong” by BCI Asia for the third consecutive year; “The Most Outstanding Construction Engineering Service of the Year” by Hong Kong Commercial Times for the second consecutive year. Additionally, “The 30th Considerate Contractors Site Award Scheme” by Development Bureau and Construction Industry Council for its project Centralised General Research Laboratory Complex (Block 2) at the Chinese University of Hong Kong, has been awarded the below prizes, including “Considerate Contractors Site Award – New Works Contracts (Group B) – Silver Prize”, “Outstanding Environmental Management and Performance Awards – Merit Award”, “Model Worker Awards”, “Model Frontline Supervisor Awards and “Model Project Leader Awards”

During the Reporting Period, the Group has appeared in 104 articles by media platforms, namely Hong Kong Economic Journal, Hong Kong Economic Times, and Ta Kung Pao.

## **Environmental Operations**

The environmental services provided by the Zhejiang Construction Investment Environment Engineering Company Limited (the “**ZCIEE**”), primarily consist of the environmental works for the construction, restoration, and operation of wastewater and recycled water treatment plants, water distribution plants and other environmental facilities and infrastructure, as well as architectural services related to environmental improvement in the PRC.

As at 31 December 2024, the Group had 2 projects with an aggregate original contract sum of approximately HK\$5.4 million and 21 projects relating to service concession arrangements and operation services

During the Reporting Period, the ZCIEE was awarded the main contract for wastewater treatment facilities in rural areas of Jinhua City in Zhejiang Province, which was the first project of its kind in the city. In addition, the ZCIEE has been pushed forward its transformation and upgrading, and has established a joint venture company under the name of Zhejiang Construction Investment New Energy Technology Co., Ltd. (the “**JV**”) with Shanghai MS Energy Technology Co., Ltd. (“**MS Energy**”), which has marked the successful entry of the new energy industry. The JV is owned as to 70% by ZCIEE and 30% by MS Energy. Accordingly, JV has been accounted for as a subsidiary of the Group and its financial results has been consolidated into the consolidated financial statements of the Group. During the Reporting period, the JV had 7 projects relating to the energy storage business, which are expected to commence and be completed in 2025.

During the Reporting Period, the ZCIEE has been awarded the “2024 Xihu District Government Quality Award” by the People’s Government of Xihu District, Hangzhou, in recognition of its outstanding contributions to continuous innovation and quality improvement. During the Reporting Period, the ZCIEE has appeared on different media platforms, namely the QQ News, Construction Times and Tide News.

## **THE PROSPECTS**

During the Reporting Period, the global and Hong Kong economies were in a phase of recovery, the sentiment of the property market had been gradually stabilizing.

Subsequent to 31 December 2024, the Group has been further awarded 4 new projects relating to 2 building construction works contracts with original contract sum of approximately HK\$4.1 billion and 2 RMAA works contract and with original contract sum of approximately HK\$22.4 million.

The Group has also placed significant emphasis on technological innovation to enhance its core competitiveness in the construction industry. The total expenditure for research and development was approximately by HK\$20.1 million.

During the Reporting Period, the Group has improved our “Smart Site Safety System (4S)” and successfully obtained the ISO27001 certification. There are several key modules had been optimised, including adding the Hong Kong Observatory’s real-time data to the system platform, enhancing the data interface visualization, advancing RFID equipment and systems, which further enhanced the efficiency of the tower crane and mobile plant safety alert systems, better meeting the practical needs of site workers. In addition, the Group has successfully developed a Safety Tracking Watch for construction sites, which can real-time monitor the location and health status of site workers, providing comprehensive safety protection. At the same time, the company has also optimised the certificate module in the training system, adding OCR scanning and data tracking functions to improve asset management efficiency and user experiences.

The Group has also signed a memorandum of understanding (“**MOU**”) with the Hong Kong Centre for Construction Robotics, strengthening the collaboration in the areas of innovation in the construction industry, such as smart construction technology research and development, robotics applications, talent cultivation, and commercialisation. The joint efforts aim to promote intelligence and sustainability in the construction industry.

In addition, the ZCIEE has successfully developed an integrated rural domestic sewage treatment equipment, which has already passed the performance test by a third-party testing institution. The five water quality indicators, including pH value, chemical oxygen demand, suspended solids, ammonia nitrogen, and total phosphorus of the treated water, all meet the Grade 1 standard of DB33/973-2021 Table 1 for treated water. The equipment has successfully achieved commercialised sales, marking an important step for the company in converting its proprietary technology into economic benefits.

Our Group will enhance its technology research and development, and is committed to introducing various innovative technology tools in both construction and environmental projects to improve management efficiency, construction safety and environmental protection.

Since the sentiment of the property market is gradually stabilising, the outlook for 2025 should remain stable. Additionally, with ongoing projects in new development areas like the Northern Metropolis, they are expected to have a positive impact on our Group’s business. However, the Group will still face challenges such as talent shortages, increasing skilled labour and material costs in the construction industry. To address these challenges, the Group will continue to enhance the utilisation of the Labour Importation Scheme for the Construction Sector and focus on identifying new and potential construction opportunities for profitable growth. In addition, leveraging our industry experience and expertise, our Group is keen to explore suitable business opportunities in the construction sector both locally and overseas.



## **FINANCIAL REVIEW**

### **Revenue**

The total revenue of the Group increased by approximately HK\$620.4 million or approximately 11.4% from approximately HK\$5,445.6 million for the year ended 31 December 2023 to approximately HK\$6,066.0 million for the Reporting Period.

### ***Construction Operations***

- ***Building Construction Works***

The revenue generated from the building construction works increased by approximately HK\$711.5 million or approximately 15.1% from approximately HK\$4,703.0 million for the year ended 31 December 2023 to approximately HK\$5,414.5 million for the Reporting Period. The increase was mainly due to the increase in revenue generated from new and existing projects to the Group during the Reporting Period.

- ***RMAA Works***

The revenue generated from the RMAA works decreased by approximately HK\$16.7 million or approximately 3.2% from approximately HK\$528.7 million for the year ended 31 December 2023 to approximately HK\$512.0 million for the Reporting Period. The decrease was mainly attributable to existing projects were closed to completion during the Reporting Period.

### ***Environmental Operations***

The revenue generated from the environmental operations decreased by approximately HK\$74.4 million or approximately 34.8% from approximately HK\$213.9 million for the year ended 31 December 2023 to approximately HK\$139.5 million for the Reporting Period. The decrease was mainly attributable to decrease in revenue from new and existing projects from construction and rehabilitation services, which was partially offset by increase in revenue from sewage and reclaimed water treatment services, during the Reporting Period.

### **Contract Costs**

The Group's contract costs primarily consisted of subcontracting costs, material costs, direct staff costs, site overheads and provision for rectification works and claims. The contract costs of the Group increased by approximately HK\$573.2 million or approximately 11.2% from approximately HK\$5,139.6 million for the year ended 31 December 2023 to approximately HK\$5,712.8 million for the Reporting Period. Such increase was in line with the increase in revenue and was mainly attributable to the increase in subcontracting costs, material costs, direct staff costs and site overheads for new and existing projects.

## **Gross Profit and Gross Profit Margin**

The gross profit of the Group increased from approximately HK\$306.0 million for the year ended 31 December 2023 to approximately HK\$353.2 million for the Reporting Period. The Group's gross profit margin was approximately 5.6% and 5.8% for each of the two years ended 31 December 2023 and 2024, respectively.

### ***Construction Operations***

- ***Building Construction Works***

The gross profit of building construction works was approximately HK\$238.1 million for the Reporting Period, representing an increase of approximately HK\$33.7 million from approximately HK\$204.4 million for the year ended 31 December 2023. The gross profit margin for the Reporting Period was 4.4%, which was approximately equal to that for the year ended 31 December 2023.

- ***RMAA Works***

The gross profit of RMAA works was approximately HK\$70.9 million for the Reporting Period, representing an increase of approximately HK\$9.2 million from the gross profit of approximately HK\$61.7 million for the year ended 31 December 2023. The gross profit margin increased by approximately 2.1 percentage points from approximately 11.7% for the year ended 31 December 2023 to approximately 13.8% for the Reporting Period. The increase in gross profit and gross profit margin was mainly due to increase in revenue from RMAA works projects with higher gross profit margin during the Reporting Period.

### ***Environmental Operations***

The gross profit of environmental operations was approximately HK\$44.2 million for the Reporting Period, representing an increase of approximately HK\$4.3 million from the gross profit of approximately HK\$39.9 million for the year ended 31 December 2023. The gross profit margin increased by approximately 13 percentage points from approximately 18.7% for the year ended 31 December 2023 to approximately 31.7% for the Reporting Period. The increase in gross profit and gross profit margin for the Reporting Period was mainly due to increase in revenue from sewage and reclaimed water treatment services with high gross profit margin, which was partially offset by decrease in revenue from construction and rehabilitation services which contributed lower gross profit margin during the Reporting Period.

### **Other Income**

The other income of the Group decreased by approximately HK\$4.2 million, from approximately HK\$13.2 million for the year ended 31 December 2023 to approximately HK\$9.0 million for the Reporting Period. The decrease was mainly attributable to decrease in insurance compensation received during the Reporting Period and absence of interest income from a loan to a fellow subsidiary, which was partially offset by increase in bank interest income during the Reporting Period.

### **Administrative Expenses**

Administrative expenses of the Group decreased from approximately HK\$173.0 million for the year ended 31 December 2023 to approximately HK\$162.5 million for the Reporting Period. The decrease was mainly due to absence of professional service fee for the acquisition of ZCIEE during the Reporting Period.

### **Other Operating Expenses, Net**

The other operating expenses of the Group increased by approximately HK\$5.4 million, from approximately HK\$1.9 million for the year ended 31 December 2023 to approximately HK\$7.3 million for the Reporting Period. The increase was primarily due to the impairment of other assets of HK\$8.9 million, which was partially offset by exchange difference of HK\$4.2 million during the Reporting Period.

### **Impairment of Financial Assets, Net**

The impairment of financial assets of the Group increased from approximately HK\$6.7 million for the year ended 31 December 2023 to approximately HK\$46.0 million for the Reporting Period. The increase was mainly due to increase in the expected credit losses provision on contract assets according to HKFRS 9 during the Reporting Period.

### **Finance Costs**

The finance costs of the Group increased from approximately HK\$52.6 million for the year ended 31 December 2023 to approximately HK\$65.8 million for the Reporting Period. The increase was mainly due to increase in average bank loan balance and discounted amounts of retention payables arising from the passage of time, which was partially offset by repayments of borrowings from an intermediate holding company, during the Reporting Period.

### **Income Tax Expense**

The income tax expense increased by approximately HK\$13.9 million, or representing approximately 109.4%, from approximately HK\$12.7 million for the year ended 31 December 2023 to approximately HK\$26.6 million for the Reporting Period. The increase was mainly due to absence of utilisation of tax losses to offset against assessable profits during the Reporting Period. The effective tax rates were approximately 14.9% and 33.0% for each of the two years ended 31 December 2023 and 2024, respectively.

## **Net Profit and Adjusted Net Profit**

The net profit for the year of the Group decreased by approximately HK\$18.2 million, or approximately 25.2%, from approximately HK\$72.2 million for the year ended 31 December 2023 to approximately HK\$54.0 million for the Reporting Period. The net profit margin for the two years ended 31 December 2023 and 2024 were approximately 1.3% and 0.9%, respectively.

## **EMPLOYEES AND REMUNERATION POLICIES**

The Group had a total of 1,015 employees as at 31 December 2024 (31 December 2023: 906). Total staff costs of the Group (excluding the Directors' remuneration) for the Reporting Period were approximately HK\$502.8 million (2023: approximately HK\$464.7 million). The Group's remuneration policies were in line with relevant legislation, market conditions and the performance of our employees. The salary and benefit level of the employees of the Group are competitive and individual performance is rewarded through the Group's salary, bonus and other cash subsidies system. The Group conducts review on salary adjustment, discretionary bonuses and promotions based on the performance of each employee twice a year. The emoluments of the Directors and the senior management are decided by the Board with reference to the recommendation from the remuneration committee of the Company, having considered factors such as the Group's financial performance and the individual performance of the Directors, etc.

The Company provides introductory training at the time when members of our staff first join us and thereafter regular on-the-job training, depending on the staff's role. In addition, it is our policy to provide training to our staff on an as-needed basis to enhance their technical and industry knowledge. During the Reporting Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

The Company has adopted a share option scheme (the “**Share Option Scheme**”) as an incentive to the Directors and eligible employees. No share option has been granted, exercised, expired or lapsed under the Share Option Scheme since its adoption and up to the date of this announcement. The Company may grant options in respect of up to 50,000,000 Shares (or such numbers of Shares as shall result from a sub-division or a consolidation of such 50,000,000 Shares from time to time) to the participants under the Share Option Scheme. The total number of Shares issued and to be issued upon exercise of options granted to any participants (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of our Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue.

## **CAPITAL EXPENDITURE**

During the Reporting Period, the Group invested approximately HK\$7.0 million (2023: approximately HK\$6.1 million) on acquisition of property, plant and equipment and intangible assets. Capital expenditure was principally funded by internal resources.

## **CAPITAL COMMITMENTS**

The Group had capital commitments of approximately HK\$1.2 million as at 31 December 2024 (2023: approximately HK\$16.2 million).

## **CONTINGENT LIABILITIES**

Save as disclosed below, the Group had no other contingent liabilities as at 31 December 2024:

- (a) As at 31 December 2024, performance bonds of approximately HK\$2,100.0 million (2023: approximately HK\$1,800.1 million) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligation under the contracts entered into between the Group and their customers. If the Group fails to provide satisfactory performance to their customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released upon completion of the contract work.

At the end of the Reporting Period, the directors do not consider that such claim will be made against the Group.

- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or of the Group's subcontractors in accidents arising out of and in the course of their employment. At the end of the Reporting Period, the directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

## **FOREIGN EXCHANGE EXPOSURE**

The Group operates in the PRC, Hong Kong, Malaysia and the United Kingdom and most of the transactions are denominated in Renminbi, Hong Kong Dollars, Malaysian ringgit and Great British Pound. The Group currently does not have a foreign currency hedging policy. However, the Board closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should that need arise.

## **GEARING RATIO**

As at 31 December 2024, the gearing ratio of the Group, which is calculated by dividing net debt with equity attributable to equity holders of the Company plus net debt, was approximately 30.2% (2023: approximately 42.3%). Net debt includes interest-bearing bank borrowings and loans from intermediate holding companies, less cash and cash equivalents. Capital represents equity attributable to equity holders of the Company.

## **LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

During the Reporting Period, the Group maintained a healthy liquidity position, with working capital financed mainly by internal and external resources.

As at 31 December 2024, the Group reported net current assets of approximately HK\$565.5 million, as compared with approximately HK\$374.5 million as at 31 December 2023. As at 31 December 2024, the Group's cash and cash equivalents were approximately HK\$330.8 million, representing an increase of approximately HK\$94.8 million as compared to approximately HK\$236.0 million as at 31 December 2023. Analysis of the maturity profile of the interest-bearing bank borrowings of the Group as at 31 December 2024 and 2023 is set out in the note 12 to the consolidated financial information of this announcement.

The Shares of the Company were successfully listed on the Stock Exchange on 16 October 2019. There has been no change in the capital structure of the Group since then.

## **DEBTS AND CHARGE ON ASSETS**

The Group had interest-bearing bank borrowings of approximately HK\$534.2 million as at 31 December 2024 (2023: HK\$415.6 million). As at 31 December 2024, the Group pledged receivables and contract assets under service concession arrangements with net book value of HK\$187.2 million (31 December 2023: HK\$174.6 million), and shares of ZCIEE held by the Group to bank to finance loans in the PRC.

Borrowings were denominated in Renminbi and Hong Kong dollars and interests on borrowings were mainly charged at floating rate. The Group did not employ any financial instrument for hedging purpose during the Reporting Period. However, the Group pays vigilant attention to monitor interest rate risks and exchange rate risks continuously and cautiously.

## **TREASURY POLICY**

The Group continues to manage its financial position carefully and maintains conservative policies in cash and financial management. The Group's liquidity and financing requirements are frequently reviewed. The Board closely monitors the Group's liquidity position to ensure that the Group can meet its funding requirements for business development.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group may from time to time consider appropriate new business opportunities as and when appropriate, in order to enhance its Shareholders' value. Save as disclosed herein, there was no specific plan for material investments or capital assets as at 31 December 2024.



## **DIVIDEND**

The Board recommended the payment of a final dividend of HK1.8 cents (2023: HK1.8 cents) per Share for the Reporting Period. The proposed dividend will be payable on or before Thursday, 24 July 2025, subject to the approval of the Shareholders at the forthcoming 2025 Annual General Meeting (“AGM”) of the Company to be held on Thursday, 19 June 2025.

## **CLOSURE OF THE REGISTER OF MEMBERS**

### **(a) For determining the entitlement to attend and vote at the AGM**

The register of members of the Company will be closed from Monday, 16 June 2025 to Thursday, 19 June 2025, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, during which period no transfers of Shares shall be effected. In order to qualify for attending and voting at the AGM to be held on Thursday, 19 June 2025, all transfers of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged for registration with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 13 June 2025.

### **(b) For determining the entitlement to the proposed final dividend**

The register of members of the Company will also be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025, both days inclusive, in order to determine the entitlement of the Shareholders who are entitled to receive the final dividend, during which period no transfers of Shares shall be effected. In order to qualify for the entitlement of final dividend, all transfer of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged for registration with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 24 June 2025.

## **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules as its own code of corporate governance since the Listing Date.

The Company has complied with all applicable code provisions of the CG Code during the Reporting Period. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE “MODEL CODE”)**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he or she has complied with the required standards as set out in the Model Code for the Reporting Period.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury Shares (as defined under the Listing Rules)) during the Reporting Period. As at 31 December 2024, the Company did not hold any treasury shares (as defined under the Listing Rules).

## **AUDIT COMMITTEE**

The Board has established the audit committee of the Board which is chaired by an independent non-executive Director, Ms. Dong Yuk Lai, Petrina, and consists of the other three independent non-executive Directors, namely, The Honourable Tse Wai Chun Paul JP, Mr. Ho Man Yiu Ivan and Mr. Lai Yuk Fai Stephen JP. The primary duties of the audit committee are to inter alias, make recommendations to the Board on the appointment, reappointment and removal of the external auditor; approve the remuneration and terms of engagement of the external auditor; monitor integrity of the Group’s financial statements, annual reports and accounts, half year reports; and review the Group’s financial controls, risk management and internal control systems.

The audit committee of the Board had, together with the management and external auditor of the Company, reviewed the accounting principles and policies adopted by the Group, risk management and internal controls, financial reporting matters and annual results of the Group for the Reporting Period. The audit committee of the Board reviewed and considered that the annual financial results for the year ended 31 December 2024 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

## **SCOPE OF WORK OF THE COMPANY’S AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Company’s auditor, to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by the Company’s auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Company’s auditor on the preliminary announcement.



## **ANNUAL GENERAL MEETING**

The forthcoming AGM of the Company will be held on Thursday, 19 June 2025 and the notice of the AGM will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

## **PUBLICATION OF THE ANNUAL RESULTS AND 2024 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<https://www.cr-construction.com.hk>), and the annual report of the Group for the Reporting Period containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board  
**CR Construction Group Holdings Limited**  
**Guan Manyu**  
*Chairman*

Hong Kong, 20 March 2025

*As at the date of this announcement, the Company has three executive directors, namely Mr. Guan Manyu, Mr. Li Kar Yin and Mr. Chan Tak Yiu; one non-executive director, namely Mr. Yang Haojiang; and four independent non-executive directors, namely The Honourable Tse Wai Chun Paul JP, Mr. Ho Man Yiu Ivan, Ms. Dong Yuk Lai Petrina and Mr. Lai Yuk Fai Stephen JP.*