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MECOM POWER AND CONSTRUCTION LIMITED
澳能建設控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1183)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "Board") of directors (the "Directors") of MECOM Power and Construction Limited ("MECOM" or the "Company") is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025 (the "Period"), together with the comparative figures for the corresponding period in 2024 (the "Previous Period") as follows:

FINANCIAL HIGHLIGHTS

- Revenue increased by 7.6% to MOP803.2 million (the Previous Period: MOP746.2 million).
- Gross profit increased by 51.5% to MOP71.9 million (the Previous Period: MOP47.5 million) mainly due to the increase in gross profit contributed by the construction business and the intelligent manufacturing business.
- Net profit increased by 155.3% to MOP20.4 million (the Previous Period: MOP8.0 million) mainly due to the increase in gross profit.
- Aggregate value of contracts on hand yet to complete from the construction business and the intelligent manufacturing business was MOP595.3 million (31 December 2024: MOP682.1 million) and MOP567.0 million (31 December 2024: MOP618.1 million) respectively.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2025
(Expressed in Macanese Pataca ("MOP"))

	Notes	Six months ended **30.6.2025** *MOP'000* **(Unaudited)**	30.6.2024 *MOP'000* (Unaudited)
Revenue	*3*	**803,167**	746,164
Cost of goods and services		**(731,248)**	(698,687)
Gross profit		**71,919**	47,477
Other income		**8,581**	1,343
Other gains and losses		**4,169**	1,792
Distribution costs		**(15,098)**	(12,002)
Impairment losses (recognised) reversed under expected credit loss model, net		**(2,631)**	6,153
Loss on fair value changes of derivative financial instruments		**–**	(474)
Administrative expenses		**(37,813)**	(35,108)
Finance costs		**(4,444)**	(5,388)
Share of results of associates		**6**	7,213
Impairment loss of an associate		**–**	(1,408)
Profit before tax		**24,689**	9,598
Income tax expense	*4*	**(4,311)**	(1,616)
Profit for the period		**20,378**	7,982
Other comprehensive income (expense)			
Item that may be reclassified subsequently to profit and loss:			
Exchange differences on translation of foreign operations		**7,854**	(6,460)
Total comprehensive income for the period		**28,232**	1,522
Profit for the period attributable to:			
Owners of the Company		**15,867**	6,949
Non-controlling interests		**4,511**	1,033
		20,378	7,982
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		**20,826**	2,970
Non-controlling interests		**7,406**	(1,448)
		28,232	1,522
Basic earnings per share (MOP cents)	*5*	**0.40**	0.17
Diluted earnings per share (MOP cents)	*5*	**0.40**	0.17

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	Notes	**30.6.2025** **MOP'000** **(Unaudited)**	31.12.2024 *MOP'000* (Audited)
Non-current assets			
Property, plant and equipment		**336,441**	341,389
Interests in associates		**5,425**	5,419
		341,866	346,808
Current assets			
Inventories		**139,710**	103,069
Contract assets	*6*	**54,378**	62,065
Trade and other receivables	*7*	**454,804**	531,813
Amounts due from related companies	*8*	**4,703**	6,106
Pledged bank deposits		**45,270**	27,928
Cash and cash equivalents		**116,632**	61,315
		815,497	792,296
Current liabilities			
Amount due to a related company		**79**	178
Trade payables and accrued charges	*9*	**299,683**	310,605
Tax liabilities		**7,796**	4,790
Bank borrowings		**166,785**	163,911
Lease liabilities		**279**	249
Contract liabilities		**87,408**	61,518
Deferred income		**11,476**	21,919
		573,506	563,170
Net current assets		**241,991**	229,126
Total assets less current liabilities		**583,857**	575,934
Non-current liabilities			
Bank borrowings		**73,722**	93,786
Lease liabilities		**126**	233
		73,848	94,019
Net assets		**510,009**	481,915
Capital and reserves			
Share capital		**41,001**	41,008
Reserves		**350,787**	330,092
Equity attributable to owners of the Company		**391,788**	371,100
Non-controlling interests		**118,221**	110,815
Total equity		**510,009**	481,915

NOTES:

1. BASIS OF PREPARATION

The condensed consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to an IFRS Accounting Standard

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

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

3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive Directors, being the chief operating decision maker ("CODM"), for the purpose of resources allocation and assessment of segment performance focuses on the category of services delivered or provided. The Group's reportable segments under IFRS 8 *Operating Segments* are therefore as follows:

(1) Construction business – the provision of construction services, including construction and fitting out works, high voltage power substation construction and its system installation works, electrical and mechanical ("E&M") engineering services works, and provision of facilities management services;

(2) Electric vehicle ("EV") business – the provision of EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) distribution of EVs; (iii) design, production, sales and marketing of EVs and EV charging systems; (iv) manufacturing and production of battery packs; and (v) provision of EV charging/swapping solutions; and

(3) Intelligent manufacturing business (formerly known as "Steel structures business") – the sale and processing of new construction materials and income from the leasing of steel structures.

No analysis of the Group's assets and liabilities is disclosed as such information is not regularly provided to the CODM for review.

(i) Disaggregation of revenue from contracts with customers

	Six months ended 30.6.2025 MOP'000 (Unaudited)	30.6.2024 MOP'000 (Unaudited)
Construction business		
Construction and fitting out works	**85,468**	64,069
High voltage power substation construction and its system installation works	**50,849**	9,183
E&M engineering services works	**11,646**	34,384
Facilities management services	**125,194**	82,210
	273,157	189,846
EV business		
Sale of EV charging systems	**27**	33
Distribution of EVs	**–**	423
Provision of EV charging facilities	**305**	996
	332	1,452
Intelligent manufacturing business		
Sale and processing of new construction materials	**517,922**	554,866
Total revenue from contracts with customers	**791,411**	746,164
Income from leasing of steel structures	**11,756**	–
Total revenue	**803,167**	746,164
Timing of revenue recognition		
A point in time	**517,949**	555,322
Over time	**273,462**	190,842
	791,411	746,164

(ii) Segment information

Segment results represent the profit before tax resulted from each segment without allocation of certain administrative expenses of head office, impairment loss of an associate and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Six months ended 30 June 2025

	Construction business *MOP'000* **(Unaudited)**	**EV business** *MOP'000* **(Unaudited)**	**Intelligent manufacturing business** *MOP'000* **(Unaudited)**	**Total** *MOP'000* **(Unaudited)**
Revenue from external customers	**273,157**	**332**	**529,678**	**803,167**
Intersegment revenue	**–**	**–**	**1,784**	**1,784**
	273,157	**332**	**531,462**	**804,951**
Elimination of intersegment revenue				**(1,784)**
Total revenue				**803,167**
Segment results	**16,014**	**(182)**	**10,245**	**26,077**
Central administration costs				**(1,394)**
Share of results of associates				**6**
Profit before tax				**24,689**

Six months ended 30 June 2024

	Construction business *MOP'000* (Unaudited)	EV business *MOP'000* (Unaudited)	Intelligent manufacturing business *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Revenue from external customers	189,846	1,452	554,866	746,164
Intersegment revenue	40	–	–	40
	189,886	1,452	554,866	746,204
Elimination of intersegment revenue				(40)
Total revenue				746,164
Segment results	3,203	(1,690)	3,734	5,247
Central administration costs				(1,454)
Share of results of associates				7,213
Impairment loss of an associate				(1,408)
Profit before tax				9,598

(iii) Geographical information

The Group's operations are located in Macau, Hong Kong, the People's Republic of China (the "PRC"), Singapore and Cyprus.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		**Non-current assets**	
	Six months ended			
	30.6.2025	30.6.2024	**30.6.2025**	31.12.2024
	MOP'000	*MOP'000*	***MOP'000***	*MOP'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
Macau	**500,933**	587,798	**88,664**	97,048
The PRC	**98,942**	60,692	**252,464**	248,921
Hong Kong	**164,592**	81,187	–	–
Singapore	**20,899**	1,986	–	–
Cyprus	**17,801**	14,501	**738**	839
	803,167	746,164	**341,866**	346,808

4. INCOME TAX EXPENSE

	Six months ended	
	30.6.2025	30.6.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Current tax		
– Macau Complementary Tax	**1,556**	1,464
– PRC Enterprise Income Tax	**253**	520
– Cyprus Corporate Income Tax	**824**	643
– Hong Kong Profits Tax	**359**	18
– Singapore Corporate Income Tax	**508**	–
	3,500	2,645
Under (over) provision in prior years	**811**	(1,029)
	4,311	1,616

The Company was incorporated in the Cayman Islands and is exempted from Cayman Islands income tax.

Subsidiaries in Macau are subject to Macau Complementary Tax at a rate of 12% on the assessable income exceeding MOP600,000 each for both periods.

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

The subsidiary in Cyprus is subject to Cyprus Corporate Income Tax at a rate of 12.5% on the assessable income for both periods.

Subsidiaries in Hong Kong which are qualified for the two-tiered profit tax regime are subject to Hong Kong Profits Tax at a rate of 8.25% on the first HK$2 million assessable income and 16.5% on the assessable income above HK$2 million. Subsidiaries in Hong Kong of the Group are subject to Hong Kong Profits Tax at a rate of 8.25% for both periods.

The subsidiary in Singapore is subject to Singapore Corporate Income Tax at a rate of 17% on the assessable income for the six months ended 30 June 2025. No provision for taxation in Singapore had been made as the subsidiary operating in this jurisdiction incurred a loss for the six months ended 30 June 2024.

At the end of the current interim period, the Group has unused tax losses of MOP44,473,000 (31 December 2024: MOP40,189,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

5. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended	
	30.6.2025	30.6.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share attributable to owners of the Company (profit for the period attributable to owners of the Company)	**15,867**	6,949
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	**3,980,817**	3,986,007

The computation of diluted earnings per share did not assume the exercise from the Company's outstanding bonus warrants as the exercise price of those bonus warrants was higher than the average market price of the Company's shares for the six months ended 30 June 2024. The bonus warrants expired on 24 May 2024. For the six months ended 30 June 2025, no bonus warrant has been issued or is outstanding.

6. CONTRACT ASSETS

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Contract assets from contract with customers	**59,479**	67,581
Less: Allowance for credit losses	**(5,101)**	(5,516)
	54,378	62,065

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Analysed as current		
Unbilled revenue	**14,035**	21,125
Retention receivables	**40,343**	40,940
	54,378	62,065

Typical payment terms which impact on the amount of contract assets recognised are as follows:

Construction business – construction works

The Group's construction contracts include payment schedules which require stage payments over the construction period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits and typically net offs the deposits with first payments. Unbilled revenue included in contract assets represents the Group's rights to receive consideration for works completed but not yet billed because the exercise of such rights is conditional upon customers' satisfaction with the contract works completed by the Group, customers' or external surveyors' issuance of certification on the works or the payment milestones being met. The contract assets are transferred to trade receivables when the rights become unconditional, which is typically at the time the Group obtains certification of the completed contract works from customers or external surveyors or meets payment milestones.

The Group also typically agrees to a retention period ranging from one year to two years for 5% to 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on its satisfaction of the defect liability period of individual contracts. The Group typically reclassifies contract assets to trade receivables when the defect liability period expires.

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

As at 30 June 2025, retention money held by customers for contract works amounted to MOP40,343,000 (31 December 2024: MOP40,940,000), of which MOP52,000 (31 December 2024: MOP1,172,000) represented the retention money held by a related company. Retention money is unsecured, interest-free and recoverable at the end of the defect liability period of individual contracts ranging from one year to two years from the date of the completion of the respective projects.

The following is an aging analysis of retention money which is to be settled, based on the expiry of defect liability period, at the end of the reporting period.

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Within one year	**11,811**	12,810
After one year	**28,532**	28,130
	40,343	40,940

As at 30 June 2025, included in the Group's contract assets are retention money with a carrying amount of MOP11,194,000 (31 December 2024: MOP5,277,000), which are past due but not impaired as there has not been a significant change in credit quality and the amounts are still considered as recoverable based on historical experience. The Group does not hold any collateral over these balances.

7. TRADE AND OTHER RECEIVABLES

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Trade receivables from contracts with customers	**318,930**	401,582
Less: allowance for credit losses	**(31,945)**	(29,413)
	286,985	372,169
Other debtors, deposits and prepayments		
– Deposits	**3,460**	3,757
– Prepayments for new construction materials	**93,080**	60,975
– Prepayments for construction	**1,465**	22,840
– Others *(Note)*	**70,628**	72,723
Less: Allowance for credit losses	**(814)**	(651)
	454,804	531,813

Note: Others mainly included value-add taxes recoverable and receivables from certain sub-contractors and other receivables.

The Group allows a credit period of 0 to 90 days to its customers. The aging analysis of the Group's trade receivables, net of allowance for credit losses, based on the invoice date at the end of the reporting period are as follows:

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
0 – 90 days	**187,572**	270,702
91 – 365 days	**80,154**	72,765
1 – 2 years	**13,954**	21,178
Over 2 years	**5,305**	7,524
	286,985	372,169

As at 30 June 2025, included in the Group's trade receivables balance are debtors with carrying amounts of MOP147,640,000 (31 December 2024: MOP304,702,000) which are past due as at the reporting date. Out of the past due balances, MOP63,600,000 (31 December 2024: MOP76,485,000) has been past due more than 90 days and is not considered as in default. Majority of the Group's trade receivables that are past due but not impaired are from customers with good credit quality with reference to their respective settlement history and forward-looking information. The Group does not hold any collateral over these balances.

8. AMOUNTS WITH RELATED COMPANIES

Amount due from a related company (trade-nature)

The Group typically allows a credit period of 30 to 45 days to its related companies. The following is an aging analysis of the amount due from a related company (trade-nature), net of allowance for credit losses, presented based on the invoice date at the end of the reporting period.

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
0 – 90 days	–	1,117
91 – 365 days	**1,130**	–

As at 30 June 2025, carrying amount of MOP1,130,000 (31 December 2024: MOP1,117,000) was past due and not impaired as there has not been a significant change in credit quality and the amount is still considered as recoverable. The Group does not hold any collateral over these balances.

9. TRADE PAYABLES AND ACCRUED CHARGES

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Trade payables	**155,159**	172,627
Retention payables	**22,438**	24,338
Bills payables *(Note)*	**6,733**	963
Other payables and accrued charges		
– Accrued staff costs	**12,565**	18,768
– Accrued construction costs	**65,817**	54,816
– Other accruals	**36,946**	39,073
– Receipt in advance	**25**	20
	299,683	310,605

Note: These relate to trade payables in which the Group has issued bills to the relevant suppliers for future settlement of trade payables. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the condensed consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements.

Trade payables

The credit period of trade purchases is 0 to 90 days. The aging analysis of the Group's trade payables based on the invoice date at the end of the reporting period is as follows:

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
0 – 90 days	**116,029**	132,378
91 – 365 days	**38,606**	37,507
1 – 2 years	**122**	2,692
Over 2 years	**402**	50
	155,159	172,627

Retention payables

Retention payables are interest-free and payable at the end of the defect liability period of individual contracts ranging from one to two years from the date of completion of the respective project.

The following is an aging analysis of retention payables which are to be settled, based on the expiry of the defect liability period, at the end of the reporting period.

	30.6.2025	31.12.2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
On demand or within one year	**18,381**	21,077
After one year	**4,057**	3,261
	22,438	24,338

10. DIVIDENDS

No dividend for both periods had been declared by the Directors.

MANAGEMENT DISCUSSION & ANALYSIS

COMPANY OVERVIEW

The Group is a renowned comprehensive construction company that has completed a number of highly challenging international construction projects, power substation and structural steelworks, with its operations spreading across countries and regions with high potential, such as Macau, Hong Kong, Singapore and Australia. The Group's business scope covers: (1) intelligent manufacturing business, including research and development and sales of new construction materials and manufacturing and sales of intelligent equipment; (2) construction business, including construction and fitting out works, high voltage power substation construction and its system installation works, E&M engineering services works, and facilities management and operation and maintenance services; and (3) EV-related services.

(1) The Group is engaged in the research and development and sales of new construction materials (such as reinforced bars, steel sheet piles, galvanized sheets and other construction materials in various dimensions) to the main contractors and/or construction companies for use in their construction projects, which enables the Group to cover the upstream industries of its principal construction business. During the Period, the Group also put intelligent equipment into official production for use in various types of high-rise buildings.

(2) The Group's construction and fitting out works comprise structural steelworks services, civil engineering construction services and fitting out and improvement works.

- Structural steelworks services generally involve the provision of customised and target-oriented steel structure erection services including structural steelworks, concreting and builder works, and the integration of these constructional methods for building highly efficient structures.

- Civil engineering construction services generally cover demolition, ground field investigation, site formation and foundation works, as well as substructures and superstructures, and roads and drainage.

- Fitting out and improvement works generally involve alteration, renovation and upgrading works of various types, including preparation of shop drawings, modification, removal and installation of equipment and general improvement works.

High voltage power substation construction and its system installation works involve the provision of planning, scheduling, project management and construction services for customised high-voltage substations and complex power transmission infrastructures installed with high voltage power systems.

E&M engineering services works generally involve a combination of the supply and/or installation of (i) low voltage ("LV") systems works; (ii) heating, ventilation and air-conditioning ("HVAC") systems works; and (iii) extra low voltage ("ELV") systems works, and the relevant testing and commissioning thereof, as well as management and monitoring of quality and delivery of our E&M engineering services works. LV systems works include the supply and installation of cables, earthing, lighting systems, power cables, electrical wiring, switchboards, power outlets and other related electrical equipment that relates to the power supply and distribution within a building. HVAC systems works include the supply and installation of variable refrigerant volume units, ventilation and exhaust air systems for buildings, as well as the supply and installation of related pipes, ducts, air-conditioning units, ventilation fans and other related equipment. ELV systems works include the procurement and installation of telephones, closed-circuit television (used for security video surveillance purposes) and any other systems within a building that require a transmission signal.

Facilities management, operation and maintenance services involve the provision of facilities operation and maintenance management, alteration, upgrading, maintenance works and emergency repairs of various buildings, properties and their components (especially for hotels and resorts), high voltage power substations and their respective systems. In addition, the Group also provides data centre maintenance services, covering infrastructure operation, power equipment cooling management, security monitoring and technical support.

(3) The Group's EV business is a sustainable business opportunity which involves supplying EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) distribution of EVs; (iii) design, production, sales and marketing of EVs and EV charging systems; (iv) manufacturing and production of battery packs; and (v) provision of EV charging/swapping solutions.

BUSINESS REVIEW

During the Period, multiple factors such as inflation, persistent geopolitical conflicts and trade barriers posed intensified uncertainty to the global economy. Amid the challenging business environment, governments around the world took proactive steps to seek changes, and implemented various strategies in response to the industrial reforms brought about by AI-based technological innovation, to promote smart and efficient social development. This brought enormous growth opportunities to business sectors such as intelligent equipment development and manufacturing and regional engineering construction.

Thanks to the effectiveness of the "tourism+" strategy and the favourable policies from the central government, Macau, the Group's primary market, grew with its GDP increased by 1.8% compared with the Previous Period and the number of visitor arrivals for the Period grew by 14.9% year-on-year. In addition, Macau actively pushed forward an economic diversification strategy with focus on modern finance, data centres and technological innovation, and entered into intensive cooperation with other cities of the Guangdong-Hong Kong-Macao Greater Bay Area in emerging fields, under which a number of large-scale infrastructure projects, including the Macao-Hengqin International Education Town, the International Integrated Tourism and Cultural Zone of Macau and the Pearl River West International Aviation Hub of Macau, were commenced, with a goal of building a more resilient industrial system. These projects are closely connected with the overall planning of the Guangdong-Hong Kong-Macao Greater Bay Area, spurring demand for steel structures, new materials processing and related intelligent equipment, thus having vast market potential.

The Hong Kong and Singapore markets, both of them are markets the Group is now exploring, demonstrated positive growth signals during the Period, particularly in the social infrastructure and emerging industries. Hong Kong's gross domestic product is estimated to increase by 3.1% in real terms for the second quarter of 2025 over a year earlier, and as compared with the increase of 3.0% for the first quarter, which was primarily due to its strong exports performance and improved domestic demand. As emphasized in the Hong Kong Budget that was delivered in the Period, infrastructure development is key to enhancing the city's competitiveness. Among all, the "Northern Metropolis" will be developed as Hong Kong's key zone for future development and will serve to promote economic integration between Hong Kong and Shenzhen. This will include pushing forward railway and airport expansions, expediting housing supply, promoting the construction of data centres and other smart infrastructures, and fostering the development of international trade and shipping hub. Singapore experienced rapid development as it has gained access to significant international capital in recent years. Driven by the recovery of the construction industry with the promotion of social infrastructure development by the public sector, coupled with the increased outputs of the manufacturing industry thanks to the revival of demand in emerging markets, Singapore recorded a strong GDP growth of 4.2% year-on-year in the first half of 2025.

During the Period, the Group devoted itself to product innovation and sales efficiency enhancement, vigorously expanded its new construction materials industry chain business, and undertook data centers and other large-scale engineering projects. As the Group further expanded into the high-potential Hong Kong and Singapore markets, following Macau where the Group's revenue is mainly derived from, Hong Kong became the Group's second largest market with its revenue contribution doubled over the Previous Period and the contribution from the Singapore market rapidly grew to 3.9% from 0.4% in the Previous Period.

The Group reported a total revenue of MOP803.2 million (the Previous Period: MOP746.2 million). The intelligent manufacturing business (including research and development and sales of new construction materials) contributed a revenue of MOP529.7 million (the Previous Period: MOP554.9 million), accounting for 65.9% (the Previous Period: 74.4%) of the Group's total revenue. Gross profit significantly grew by 51.5% to MOP71.9 million (the Previous Period: MOP47.5 million), with gross margin improved to 9.0% (the Previous Period: 6.4%). Net profit increased by 155.3% to MOP20.4 million (the Previous Period: MOP8.0 million). Net margin was 2.5% (the Previous Period: 1.1%) for the Period.

As at 30 June 2025, the value of the Group's contracts on hand yet to complete in respect of the construction business and the intelligent manufacturing business was MOP595.3 million (31 December 2024: MOP682.1 million) and MOP567.0 million (31 December 2024: MOP618.1 million), respectively.

Intelligent Manufacturing Business (including research and development and sales of the new construction materials and manufacturing and sales of intelligent equipment)

The Group actively penetrates into the sector of high-value new construction materials production technology, and extends its reach to complete sets of intelligent equipment manufacturing business, providing powerful growth engines for the Group's long-term and sustainable development. During the Period, the intelligent manufacturing business segment contributed approximately 65.9% to the Group's total revenue and delivered order contracts for the supply of a total of approximately 102,180 tons of various customised new construction materials for use in large-scale public and private engineering construction projects in Macau, Hong Kong and Southeast Asia, including the design and engineering works of the East Line of Macao Light Rapid Transit, the land reclamation project in the Macau New Urban Zone, the Airportcity Link at Hong Kong International Airport, the development of the New Central Harbourfront and the processing engineering for steel columns in Sentosa of Singapore and other key projects. Compared with the Previous Period, revenue from the segment dropped which was primarily attributable to a decline in sales volume of new construction materials following completion of certain projects. On a positive note, taking advantage of its efficient delivery and premium quality of products, the Group recorded a growth in gross profit of the intelligent manufacturing business with its gross margin improved to 8.8% (the Previous Period: 5.4%).

In general, the demand for structural steelworks and new construction materials has been constant and solid, as reflected by the increasing number of orders received by the Group from international customers. During the Period and up to the date of this announcement, the Group secured new order contracts for the supply of a total of approximately 104,143 tons of various customised new construction materials for new projects in the Macau, Hong Kong and Singapore markets serving both the public and private sectors. New projects with their construction commencing in the second half of 2025 are expected to contribute significantly to the Group.

In the new intelligent equipment manufacturing segment, the Group has been recognised by Beijing Institute of Construction Mechanization Co., Ltd.* (北京建築機械化研究院) ("Beijing Institute of Construction Mechanization"), a central state-owned enterprise, for having years of proven project delivery and excellent technical capabilities, and both parties entered into a strategic cooperation to jointly develop and promote the application of green energy, new materials, and complete sets of intelligent equipment. During the Period, the Group and Beijing CABR Building Maintenance Machinery Technology Co., Ltd.* (北京凱博擦窗機械科技有限公司), a wholly-owned subsidiary of Beijing Institute of Construction Mechanization, became strategic partners and put intelligent window cleaning machine into official production. Initial orders have already been received for use in various types of high-rise buildings such as skyscrapers and hotels. The products will be launched in the South China region and regions across the Middle East and Africa. The parties will further conduct their research and development activities for the launch of intelligent robots and other specialised equipment.

In order to seize the huge opportunities in the new construction materials industry chain and intelligent equipment manufacturing sectors, the Group expanded the production capacity of its manufacturing facilities in Jiangmen City, Guangdong Province in the first half of 2025. Currently, the Group is participating in the development of Northern Metropolis in Hong Kong, the land reclamation project in the Macau New Urban Zone, and a new round of substantial investments in large-scale urban ancillary infrastructure facilities such as intercity rails in Singapore.

Construction Business

The Group's clients mainly include casino operators, integrated entertainment and resort developers and operators, and public institutions. During the Period, revenue from the Group's construction business significantly grew by approximately 43.9% over the same period in 2024, which was primarily attributable to successive completion and delivery of important construction milestones of a number of major projects, including the project secured from the Macau government for the construction of data centre to promote smart city development and the civil engineering project for the construction of the Barra Substation. The Group successfully undertook a series of large-scale construction and fitting out works projects, E&M engineering projects and facilities management services projects during the Period. They included key projects such as (i) the data centre construction and fitting out works and equipment procurement service for the Macau government; and (ii) renovation and upgrading works for casino operators. The aggregate contract value of new projects amounted to approximately MOP158.6 million.

During the Period, the Group focused on the delivery of high-quality projects while maintaining its cost effectiveness. By optimising the efficiency in project management and execution, gross margin of the construction business remained stable. As at 30 June 2025, the Group had sufficient contracts on hand. The Group anticipates taking forward a number of key projects in the second half of 2025 for stable revenue streams.

EV Business

During the Period, MUCharging (Macau) Limited, an indirect wholly-owned subsidiary of the Group, continued to charge tariffs on the installed charging systems at various high-end integrated entertainment and resort complexes, high-quality residential areas and commercial buildings including City of Dreams, Studio City, the Venetian, Lisboeta, Ponte 16, Kingsville, and China Plaza. We provided efficient and convenient EV charging solutions to landlords and/or tenants of parking spaces under those projects pursuant to the separate contracts entered into with them to diversify the Group's revenue. The Group also sought market opportunities for strategic cooperation with industry leaders to optimise the layout of the EV business.

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue during the six months ended 30 June 2025 and 2024:

	Six months ended			
	30.6.2025		30.6.2024	
	MOP'000	***%***	*MOP'000*	*%*
	(Unaudited)		(Unaudited)	
Construction business				
Construction and fitting out works	**85,468**	**10.6**	64,069	8.6
High voltage power substation construction and its system installation works	**50,849**	**6.3**	9,183	1.2
E&M engineering services works	**11,646**	**1.5**	34,384	4.6
Facilities management services	**125,194**	**15.6**	82,210	11.0
	273,157	**34.0**	189,846	25.4
EV business	**332**	**0.1**	1,452	0.2
Intelligent manufacturing business	**529,678**	**65.9**	554,866	74.4
Total	**803,167**	**100.0**	746,164	100.0

The Group's revenue for the Period increased by MOP57.0 million or 7.6% to MOP803.2 million.

Revenue from the intelligent manufacturing business for the Period decreased by MOP25.2 million or 4.5% which was mainly attributable to the decrease in the sales volume. During the Period, the Group delivered approximately 102,180 tons (the Previous Period: 108,842 tons) of new construction materials, including reinforced bars, steel sheet piles and galvanized sheets, which contributed MOP529.7 million (the Previous Period: MOP554.9 million) to the Group's revenue.

Revenue from the construction business for the Period increased by MOP83.3 million or 43.9%, which was mainly attributable to the following:

– The civil construction works of 110/22/11kV Barra Substation in Macau Peninsula, Macau were commenced in the second half of 2024 with progress works of MOP49.1 million certified during the Period; and

– The Group, together with a leading global provider of information and communications technology infrastructure and smart devices, undertook construction of data centres for the Macau government with awarded contract sum of MOP90.7 million. During the Period, progress works of MOP44.8 million were certified.

Gross profit

The following table sets forth a breakdown of the Group's gross profit and gross profit margin during the six months ended 30 June 2025 and 2024:

	Six months ended			
	30.6.2025		30.6.2024	
	Gross profit/(loss) *MOP'000* **(Unaudited)**	**Gross profit/(loss) margin** *%*	Gross profit/(loss) *MOP'000* (Unaudited)	Gross profit/(loss) margin *%*
Construction business				
Construction and fitting out works	**(6,077)**	**(7.1)**	(10,273)	(16.0)
High voltage power substation construction and its system installation works	**3,467**	**6.8**	140	1.5
E&M engineering services works	**507**	**4.4**	152	0.4
Facilities management services	**27,643**	**22.1**	28,323	34.5
	25,540	**9.3**	18,342	9.7
EV business	**(33)**	**(10.1)**	(1,008)	(69.4)
Intelligent manufacturing business	**46,412**	**8.8**	30,143	5.4
Total	**71,919**	**9.0**	47,477	6.4

The Group's gross profit increased by MOP24.4 million or 51.5% to MOP71.9 million for the Period. Gross profit margin improved from 6.4% for the Previous Period to 9.0% for the Period.

Gross profit margin of the intelligent manufacturing business improved from 5.4% for the Previous Period to 8.8% for the Period, as approximately 35.0% (the Previous Period: 15.0%) of revenue were generated from customers in Hong Kong and Singapore, in which higher gross profit margin were secured from sales orders in these markets.

Though gross loss margin of the construction and fitting out works improved from 16.0% in the Previous Period to 7.1% in the Period, a gross loss of MOP6.1 million (the Previous Period: MOP10.3 million) was incurred during the Period. In addition, gross profit margin of the facilities management services dropped from 34.5% for the Previous Period to 22.1% for the Period. Apart from the increase in construction costs due to inflation, the casino operators have reduced the unit rate and service scope of the Group's facilities operation and maintenance projects of various properties for cost savings, which contributed to a decrease in gross profit margin of the projects undertaken by the Group.

To expand the market share and get prepared for a prospective rapid growth in the number of customers, the Group continued its investment in the EV business, and therefore recorded a gross loss of MOP33,000 for the Period in respect of the EV business segment.

Other income

Other income increased by MOP7.2 million during the Period, which was attributable to the Group's recognition of insurance claims of MOP5.8 million as compensation for certain defects incurred at the phase 2 development of a new hotel complex in Cotai, Macau. The rectification costs were recognised and borne by the Group in prior years.

Other gains and losses

Other gains and losses increased by MOP2.4 million during the Period, which was attributable to the Group's recognition of exchange gain of MOP4.2 million mainly arising from its PRC operations (the Previous Period: MOP1.8 million).

Distribution costs

During the Period, the Group incurred transportation costs of MOP14.0 million (the Previous Period: MOP10.6 million) for the sales of new construction materials.

Impairment losses reversed (recognised) under expected credit loss ("ECL") model

The Group's impairment losses of trade receivables, trade-nature amounts due from a related company, contract assets and other receivables were MOP2.6 million. The Group applied a simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, trade-nature amounts due from a related company, contract assets and other receivables. To measure the ECL, the Group has estimated the expected loss rates for the trade receivables, the trade-nature amounts due from related companies, contract assets and other receivables on the same basis.

During the Previous Period, the Group reversed impairment losses of MOP6.2 million for trade receivables, trade-nature amounts due from a related company, contract assets and other receivables under the ECL model, which was primarily attributable to the recovery of monies from customers.

Administrative expenses

Administrative expenses increased by MOP2.7 million or 7.7% mainly due to (i) salaries and other staff costs; and (ii) depreciation incurred for the intelligent manufacturing business due to expansion of the manufacturing facilities in the PRC during the Period.

Finance costs

Finance costs decreased by MOP0.9 million or 17.5% due to the decrease in bank borrowings during the Period.

Income tax expense

Income tax expense increased by MOP2.7 million or 166.8% mainly due to the increase in gross profit during the Period.

Profit for the Period

The Group's profit for the Period increased by MOP12.4 million or 155.3%, which was primarily attributable to the combined effect of the abovementioned items. Net margin improved from 1.1% for the Previous Period to 2.5% for the Period.

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent approach in cash management to minimise financial and operational risks. The Group's capital expenditure and daily operations during the Period were mainly funded by cash generated from its operations and credit facilities provided by its principal bankers in Macau and the PRC.

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of unexpected fluctuations in cash flows.

As at 30 June 2025, the Group had net current assets of MOP242.0 million (31 December 2024: MOP229.1 million). The current ratio of the Group as at 30 June 2025 was 1.4 (31 December 2024: 1.4).

The Group continued to maintain a healthy liquidity position. As at 30 June 2025, the Group had total cash and bank balances of MOP116.6 million (31 December 2024: MOP61.3 million).

As at 30 June 2025, the Group had outstanding bank borrowings of MOP240.5 million (31 December 2024: MOP257.7 million) and unutilised credit facilities of MOP132.5 million (31 December 2024: MOP121.6 million). The Group's gearing ratio (calculated by dividing total debts with total equity) was 47.2% (31 December 2024: 53.5%).

CAPITAL STRUCTURE

As at 30 June 2025, the Company's share capital and equity amounted to MOP41.0 million and MOP510.0 million, respectively (31 December 2024: MOP41.0 million and MOP481.9 million, respectively).

FOREIGN EXCHANGE EXPOSURE

The Group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The Group is exposed to currency risks primarily through the purchases of steel materials which are denominated in RMB, while the sales are denominated in HK$. The management will monitor and review the Group's foreign exchange exposure from time to time and ensure that appropriate measures are adopted effectively in a timely manner to manage the currency risks.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group had no significant investments and no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Period.

Save as disclosed in this announcement, the Group had no future plans for material investments or capital assets as at 30 June 2025.

PLEDGE OF ASSETS

As at 30 June 2025, the Group had pledged (i) bank deposits of MOP45.3 million (31 December 2024: MOP27.9 million); and (ii) property, plant and equipment (including right-of-use assets) of MOP258.1 million (31 December 2024: MOP258.9 million) with banks as security for credit facilities.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2025 (31 December 2024: nil).

COMMITMENTS

As at 30 June 2025, the Group had no significant capital commitments (31 December 2024: MOP4,530,000).

EMPLOYEES AND REMUNERATION POLICY

The remuneration package offered to employees generally includes salaries, allowances, benefits-in-kind, fringe benefits including medical insurance and contributions to pension funds and bonuses. In general, the Group determines salaries of its employees based on their performance, qualifications, positions and the prevailing industry practice.

As a main contractor for some of the projects we undertake, we apply work permits for our workers on a project-by-project basis. As at 30 June 2025, the Group had 507 (31 December 2024: 405) employees in Hong Kong, Macau, the PRC, Singapore and Cyprus.

The Company has adopted a share option scheme (the "Share Option Scheme") on 23 January 2018, which was effective upon the listing of the Company's shares on the Stock Exchange on 13 February 2018. The purpose of the Share Option Scheme is to recognise and acknowledge the contributions that the eligible participants had or may have made to the Group. During the Period, no option has been granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme.

PROSPECTS

In the Report on the Work of the Government 2025 released in the first quarter, the PRC central government proposes to break through the traditional elements by new quality productive forces, emphasizing the importance of integrated development between technological innovation and industrial innovation, and to accelerate the development of a modernised industrial system and promote intensive integration between technological innovation and industrial innovation so as to inject more impetus and support for high-quality development. To echo with the calls of the PRC central government, Hong Kong and Macau, the Group's main markets, actively pursues the promotion of new quality productive forces, develop new business formats and enhance the smart transformation of industries. This provides enormous business opportunities for companies to expand into new areas of development with huge potential.

To take advantage of this once-in-a-generation market opportunity ahead, the Group has become strategic partners with Beijing Institute of Construction Mechanization, a leading national construction equipment research and development institution and a central state-owned enterprise, to jointly develop and promote the application of green energy, new materials, and complete sets of professional intelligent equipment manufacturing, with aims to enhance competitiveness and gain market share. Starting from the second half of 2025, the Group will press ahead with successive expansion of the entire intelligent rebar production line which is technology-intensive and is equipped with management software for implementing remote order placement control and deploys gripping robots that can significantly enhance production efficiency and reduce labour costs in production and the probability of production safety incidents. These represent an important step by the Group towards enhancing new quality productive forces and developing itself as an industrial enterprise through long-term and groundbreaking upgrading and transformation.

The Group is also dedicating its efforts to set up the only research and manufacturing base for the development of intelligent window cleaning machine and specialised construction robots in the South China region to achieve more efficient, intelligent and sustainable production capabilities. The cooperation with Beijing Institute of Construction Mechanization has enabled the Group to enter into the business sector of intelligent window cleaning machine production and sales. In the future, the Group and Beijing Institute of Construction Mechanization will co-develop a series of high-complexity intelligent window cleaning machine to boost domestic and overseas sales. The intelligent window cleaning machine meets the requirements under the national strategy of "Made in China 2025" and has gained international recognitions. It integrates functions of intelligent cleanliness identification, remote intelligent monitoring and fault diagnosis and has better management and more eco-friendly features. This will bring new opportunities for the Group to open up the expansive market in the intelligent construction sector and inject strong growth impetus.

On the other hand, the rapid popularisation of AI and cloud services has become a global growth engine which stimulates the construction of computing networks and drives demand for data centres and their long-term operation and maintenance around the world. The Macau (Hengqin) International Data Center* (澳門(橫琴)國際數據中心), which is one of the key projects in Guangdong-Macao Cooperation Park in Hengqin, opened in the first half of 2025, serving as an international hub for digital trade to boost information technology development in the cooperation zone. Hong Kong is a strategically located international financial centre, its government and the IT service providers, e-commerce platforms and banks in Hong Kong have strong demand for data centres. A study indicates that the supply of data centres in Asia Pacific will double in the next three years, which is conducive to the robust development of the data centre construction and maintenance industry. The Group will grasp opportunities arising from the expanding global computing demand to secure more data centre operation and maintenance orders from both the public and private sectors so as to open up a new growth area.

Looking forward to the second half of 2025, major markets will advance under the development planning of new quality productive forces and computing network construction, but the market environment will remain highly dynamic. Staying attuned to industry and market developments, the Group will strive to become a new quality industrial enterprise focusing on intelligent engineering and equipment, thereby creating more growth opportunities for future development. The Group will also actively respond to industry trends, continue to invest in technological innovation with focus on the new materials processing and equipment products sectors, and initiate intensive cooperation with domestic and overseas industry leaders to jointly develop smart construction equipment. In terms of market expansion, the Group will actively explore the Singapore and other overseas emerging markets, and will reduce the reliance on a few markets through business layout optimisation to establish a more balanced development model with stronger risk resilience. This series of strategic initiatives will help the Group seize opportunities arising from industrial transformation and achieve high-quality sustainable development.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the code provisions set out in Part 2 of the Corporate Governance Code (the "CG Code") under Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as the basis of the Company's corporate governance practices.

The Board is of the opinion that the Company has complied with all the code provisions in Part 2 of the CG Code throughout the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all the Directors, each of the Directors confirmed that he/she has complied with the required standards set out in the Model Code throughout the Period.

Pursuant to Rule B.13 of the Model Code, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing by the Model Code as if he/she were a Director.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the Period.

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

The Company repurchased 680,000 shares of the Company ("Shares", each a "Share") on the Stock Exchange during the Period. The total consideration (including transaction costs) of the repurchases was approximately HK$134,000. All of the repurchased Shares were cancelled during the Period. Particulars of the repurchases are as follows:

Month	Number of Shares repurchased	Purchase price per Share		Aggregate consideration
		Highest	Lowest	
		HK$	*HK$*	*HK$*
January 2025	680,000	0.170	0.148	134,000

The Board considered that the repurchases enhanced the earnings per Share and benefited the Company and its Shareholders as a whole.

Save as disclosed above, 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) during the Period. As at 30 June 2025, the Company did not have any treasury shares.

AUDIT COMMITTEE

The Company has established the audit committee of the Company (the "Audit Committee") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code. The Audit Committee consists of three members, namely Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong, all being independent non-executive Directors. The Audit Committee is chaired by Ms. Chan Po Yi, Patsy who has appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee and the Company's external auditor, Deloitte Touche Tohmatsu, have reviewed the accounting principles and practices adopted by the Group and have reviewed the condensed consolidated financial statements of the Group for the six months ended 30 June 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there were no other important events affecting the Group that had occurred after 30 June 2025 and up to the date of this announcement.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT ON THE WEBSITES OF THE COMPANY AND THE HONG KONG STOCK EXCHANGE

This announcement is published on the Company's website at www.mecommacau.com and the Stock Exchange's website at www.hkexnews.hk. The 2025 Interim Report will be made available on the above websites in due course in accordance with the Listing Rules.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as the shareholders of the Company, business associates and other professional parties for their continuous support to the Group throughout the Period.

By Order of the Board
MECOM Power and Construction Limited
Kuok Lam Sek
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Mr. Kuok Lam Sek and Mr. Sou Kun Tou, and the independent non-executive Directors are Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong.

* *For identification purpose only*