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(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2266)

# INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS				
(in Macau Patacas ("MOP") thousand, unless	(in Macau Patacas ("MOP") thousand, unless otherwise stated)			
	For the six months Pe ended 30 June i			
	2025 (Unaudited)	2024	(decrease)	
Revenue Gross profit	111,211 19,156	81,824 18,536	35.9% 3.3%	
Gross profit margin	17.2%	22.7%	(5.5)%	
Profit attributable to owners of the Company	1,092	5,281	(79.3)%	
Earnings per share for the period (Macau cents)	0.3	1.3	(76.9)%	
	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)	Percentage increase	
Equity attributable to owners of the Company	130,145	129,058	0.8%	

#### INTERIM DIVIDEND

The Board resolved not to declare any payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

The board (the "Board") of directors (the "Directors") of Lai Si Enterprise Holding Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2025 together with the comparative figures for the corresponding six months ended 30 June 2024 as set out below:

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

	Notes	2025 <i>MOP'000</i> (Unaudited)	2024 <i>MOP'000</i> (Unaudited)
Revenue	4	111,211	81,824
Cost of sales		(92,055)	(63,288)
Gross profit		19,156	18,536
Other income, gains and losses, net Administrative expenses (Impairment losses)/reversal of impairment losses on		1,541 (16,560)	1,816 (16,865)
financial assets and contract assets Changes in fair value of investment properties Share of profit of an associate Finance costs	5	(302) (2,575) 15 (492)	2,836 (1,133) 446 (491)
PROFIT BEFORE TAX Income tax credit	5 6	783 309	5,145 136
PROFIT FOR THE PERIOD		1,092	5,281
EARNINGS PER SHARE		Macau cents	Macau cents
Basic and diluted	8	0.3	1.3

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025 MOP'000	2024 MOP'000
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	1,092	5,281
OTHER COMPREHENSIVE (LOSS)/INCOME Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value, net of nil tax	(5)	390
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	(5)	390
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,087	5,671

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		30 June 2025	31 December 2024
	Notes	MOP'000	MOP'000
		(Unaudited)	(Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	83,668	73,527
Investment properties		18,952	21,527
Investment in an associate		6,897	6,882
Equity investments designated at fair value			
through other comprehensive income		1,421	1,426
Total non-current assets		110,938	103,362
CURRENT ASSETS			
Trade receivables	10	39,167	36,951
Contract assets		50,398	40,575
Prepayments, other receivables and other assets		6,759	10,657
Amount due from a director		14	14
Amount due from the ultimate holding company		1	1
Pledged bank deposits		1,082	1,082
Cash and bank balances		25,001	24,463
Total current assets		122,422	113,743
CURRENT LIABILITIES			
Trade payables	11	21,773	22,693
Contract liabilities		6,077	11,483
Other payables and accruals		33,291	20,888
Interest-bearing bank borrowings		39,036	29,646
Total current liabilities		100,177	84,710
NET CURRENT ASSETS		22,245	29,033
Total assets less current liabilities		133,183	132,395

	30 June 2025 <i>MOP'000</i> (Unaudited)	31 December 2024 MOP'000 (Audited)
NON-CURRENT LIABILITIES		
Defined benefit plan obligations	148	138
Deferred tax liabilities	2,890	3,199
Total non-current liabilities	3,038	3,337
Net assets	130,145	129,058
CAPITAL AND RESERVES		
Share capital	4,120	4,120
Reserves	126,025	124,938
Total equity	130,145	129,058

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

#### 1 CORPORATE AND GROUP INFORMATION

Lai Si Enterprise Holding Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability on 1 June 2016 under the Companies Law, Cap. 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 10 February 2017. The Company's immediate and ultimate holding company is SHK-Mac Capital Limited ("SHKMCL"), a company incorporated in British Virgin Islands ("BVI") with limited liability. The Company's registered office address is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business is located at Macau Lai Si Enterprise Centre, Rua Da Ribeira Do Patane No. 54, Macau.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group"), are principally engaged in fitting-out, alteration and addition works, construction works and repair and maintenance services.

#### 2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with *HKAS 34 Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

#### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following revised HKFRS Accounting standard for the first time for the current period's financial information.

The Group has adopted the following revised HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21 Lack of Exchangeability

The adoption of the above revised HKFRS Accounting Standard had no significant financial effect on this financial information.

The nature and impact of the amended HKFRS Accounting Standard are described below: Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

# 3 OPERATING SEGMENT INFORMATION

# Six months ended 30 June 2025

	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total MOP'000 (Unaudited)
Segment revenue				
Sales to external customers	103,623	5,366	2,222	111,211
Segment results	17,113	1,817	(72)	18,858
Corporate expenses				(16,262)
Other income, gains and				
losses, net				1,541
Impairment losses on				
financial assets and				(202)
contract assets Changes in fair value of				(302)
investment properties				(2,575)
Share of profit of				(2,575)
an associate				15
Finance costs				(492)
Profit before tax				783

# Six months ended 30 June 2024

	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services <i>MOP'000</i> (Unaudited)	Total  MOP'000  (Unaudited)
Segment revenue				
Sales to external customers	76,895	1,964	2,965	81,824
Segment results	16,899	14	1,291	18,204
Corporate expenses				(16,533)
Other income, gains and losses, net				1,816
Reversal of impairment losses on financial assets				
and contract assets				2,836
Changes in fair value of investment properties				(1,133)
Share of profit of an associate				446
Finance costs				(491)
Profit before tax				5,145

# Information about major customers

Revenue from customers individually amounting to over 10% of the total revenue of the Group is as follows:

	For the six months	
	ended 30	June
	2025	2024
	MOP'000	MOP'000
Customer A (a)	26,916	N/A <sup>(c)</sup>
Customer B (a)	25,750	N/A <sup>(c)</sup>
Customer C (b)	16,671	N/A <sup>(c)</sup>
Customer D (a)	15,739	16,958
Customer E (a)	N/A <sup>(c)</sup>	18,479
	<del></del>	

#### Notes:

- (a) The revenue was derived from fitting-out, alteration and addition works.
- (b) The revenue was derived from fitting-out, alteration and addition works and construction works.
- (c) Revenue from the customers is less than 10% of the total revenue of the Group.

# 4 REVENUE

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2025	
	MOP'000	MOP'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Fitting-out, alteration and addition works	103,623	76,895
Construction works	5,366	1,964
Repair and maintenance services	2,222	2,965
	111,211	81,824

Disaggregated revenue information for revenue from contracts with customers For the six months ended 30 June 2025

Segments	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total <i>MOP'000</i> (Unaudited)
Geographical markets				
Macau	58,354	5,366	1,345	65,065
Hong Kong	45,269		877	46,146
Total revenue from				
contracts with customers	103,623	5,366	2,222	111,211
Timing of revenue recognition				
Services transferred over				
time	103,623	5,366	_	108,989
Services transferred at a				
point in time			2,222	2,222
Total revenue from				
contracts with customers	103,623	5,366	2,222	111,211

# For the six months ended 30 June 2024

Segments	Fitting-out, alteration and addition works MOP'000 (Unaudited)	Construction works MOP'000 (Unaudited)	Repair and maintenance services MOP'000 (Unaudited)	Total MOP'000 (Unaudited)
Geographical markets				
Macau	55,791	1,964	2,474	60,229
Hong Kong	21,104		491	21,595
Total revenue from contracts with customers	76,895	1,964	2,965	81,824
Timing of revenue recognition				
Services transferred over time Services transferred at a	76,895	1,964	_	78,859
point in time			2,965	2,965
Total revenue from contracts with customers	76,895	1,964	2,965	81,824

#### 5 PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2025 <i>MOP'000</i> (Unaudited)	2024 <i>MOP'000</i> (Unaudited)
Cost of services provided*	92,055	63,288
Depreciation of property, plant and equipment	507	426
Write-off of trade receivables	-	29
Impairment losses/(reversal of impairment losses) on financial assets and contract assets:		
Reversal of impairment losses on trade receivables Impairment losses/(reversal of impairment losses) on contract	(10)	(1,600)
assets	312	(1,236)
	302	(2,836)
Foreign exchange differences, net	(476)	(419)

<sup>\*</sup> Included in cost of services provided are the staff costs incurred in the amount of approximately MOP13,544,000 (six months ended 30 June 2024: MOP13,443,000).

#### 6 INCOME TAX

No provision for Macau complementary tax has been provided for both current and prior periods as the assessable profits have been absorbed by unused tax losses.

No provision for Hong Kong Profits Tax has been made as a subsidiary incorporated in Hong Kong has available tax losses carried forward for future set off during both current and prior periods.

For the six months
ended 30 June
2025 2024
MOP'000 MOP'000
(Unaudited) (Unaudited)
(309) (136)

Deferred tax credit

#### 7 DIVIDENDS

No dividend has been paid or declared by the Group during the six months ended 30 June 2025 and 2024.

#### 8 EARNINGS PER SHARE

The calculation of the basic earnings per share amounts is based on the profit for the period, and the weighted average number of ordinary shares of 400,000,000 (six months ended 30 June 2024: 400,000,000) in issue during the six months ended 30 June 2025.

The Group's profit for the period was MOP1,092,000 (six months ended 30 June 2024: MOP5,281,000).

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024.

# 9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at cost of MOP10,648,000.

#### 10 TRADE RECEIVABLES

	30 June	31 December
	2025	2024
	MOP'000	MOP'000
	(Unaudited)	(Audited)
Trade receivables	60,570	58,364
Impairment	(21,403)	(21,413)
	39,167	36,951

The Group allows an average credit period of 30 days to its customers. Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customers. Recoverability of existing customers is reviewed by the Group regularly.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025	31 December 2024
	MOP'000	MOP'000
	(Unaudited)	(Audited)
Within 1 month	30,821	24,938
1 to 2 months	2,612	4,869
2 to 3 months	775	1,024
3 to 6 months	4,356	3,197
6 months to 1 year	603	2,360
Over 1 year		563
	39,167	36,951

#### 11 TRADE PAYABLES

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

	30 June	31 December
	2025	2024
	MOP'000	MOP'000
	(Unaudited)	(Audited)
Within 1 month	7,083	4,484
1 to 2 months	2,127	6,167
2 to 3 months	2,281	1,985
Over 3 months	10,282	10,057
	21,773	22,693

#### 12 CONTINGENT LIABILITIES

#### (a) Sin Fong Garden Building

In October 2012, one of the supporting pillars of the residential building called "Sin Fong Garden Building" collapsed due to the loss of stability. Such collapse was accused to be caused by the dismantlement and construction of the foundation work undertaken in an adjacent new residential building project, of which Lai Si Construction & Engineering Company Limited ("Lai Si") was one of the contractors. As a result, in September 2015, several flat owners of Sin Fong Garden Building filed a lawsuit against several defendants including Lai Si, seeking for a compensation for the loss of property, in a total sum of approximately HK\$48,950,000, to be borne jointly by the defendants. However, according to the report issued by the team of technical advisors and experts engaged by the Macau Government to study the causes of the incident, the collapse of Sin Fong Garden Building was caused by the substandard supporting pillars of Sin Fong Garden Building, instead of the dismantlement and foundation work undertaken in the adjacent new residential building.

The hearings were held from 17 November 2023 to July 2024. The written legal arguments have already filed by all parties, the court is now expected to deliver the final ruling, for the which there is no timeframe. Based on the fact disclosed during the hearing and after consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial information as at 30 June 2025. The Controlling Shareholders have undertaken to indemnify the Group against all losses and liabilities arising from the above proceedings.

#### (b) Dispute on payment with a subcontractor

As at 30 June 2025 and 31 December 2024, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount with interest of MOP2,485,000.

On 11 February 2025, the hearing was conducted. The Court gave the judgement on 21 March 2025 by which it was decided that the subsidiary of the Group should repay the amount of MOP317,000 to the plaintiff. During the six months ended 30 June 2025, the subsidiary of the Group fully settled the payment.

On 10 June 2025, an appeal against the subsidiary of the Group was filed by the solicitors acting on behalf of plaintiff.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that a significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2025.

#### (c) Dispute on payment with a subcontractor

As at 31 December 2023, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount of MOP1,926,000.

The subsidiary of the Group entered into a mediated settlement agreement with the plaintiff. The subsidiary of the Group agreed to pay the plaintiff MOP958,000 and fully settled during the year ended 31 December 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

On 10 February 2017 (the "Listing Date"), the Company's shares (the "Shares") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") when 100,000,000 Shares were offered for subscription at HK\$1.15 each.

The Group provides services of (i) fitting-out works as an integrated fitting-out contractor; (ii) construction works as a main contractor; and (iii) repair and maintenance services in Macau and Hong Kong. All of the Group's revenue was derived from projects from both private and public sectors in Macau and Hong Kong.

The Group's customers primarily include (i) hotel and casino developers and owners, international retailers and restaurant owners for fitting-out works; (ii) land owners and the Macau Government for construction works; and (iii) operators of hotels and casinos, retail shops and restaurants for repair and maintenance works.

The Group's revenue comprised of (a) fitting-out works; (b) construction works; and (c) repair and maintenance services. During the six months ended 30 June 2025, the total value for the new fitting-out projects awarded to the Group, representing the aggregate awarded contract sum, amounted to approximately MOP46.7 million as compared to the six months ended 30 June 2024 of approximately MOP69.4 million. As at 30 June 2025, the Group had an aggregate value of backlog for fitting-out projects and construction projects of approximately MOP50.9 million as compared to approximately MOP90.0 million as at 30 June 2024.

# 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 by business segments:

	Six months ended 30 June (Unaudited)			
	2025		2024	
	MOP'000	%	MOP'000	%
Fitting-out works	103,623	93.2	76,895	94.0
Construction works	5,366	4.8	1,964	2.4
Repair and maintenance works	2,222	2.0	2,965	3.6
Total	111,211	100.0	81,824	100.0

During the six months ended 30 June 2025, the Group's revenue increased by approximately MOP29.4 million or 35.9%. The increase was attributable to increase in fitting-out works.

# Gross profit/(loss) and gross profit/(loss) margin

The following table sets forth a breakdown of the Group's gross profit/(loss) and gross profit/(loss) margin during the six months ended 30 June 2025 and 2024 by business segments:

	Six months ended 30 June (Unaudited)			
	2025		2024	
	Gross			
	Gross	<pre>profit/(loss)</pre>		Gross profit
	<pre>profit/(loss)</pre>	margin	Gross profit	margin
	MOP'000	%	MOP'000	%
Fitting-out works	17,331	16.7	17,201	22.4
Construction works	1,890	35.2	23	1.2
Repair and maintenance works	(65)	(2.9)	1,312	44.2
Total/overall	19,156	17.2	18,536	22.7

During the six months ended 30 June 2025, the Group's gross profit increased by approximately MOP0.6 million or 3.3% from approximately MOP18.5 million for the six months ended 30 June 2024 to approximately MOP19.2 million for the six months ended 30 June 2025.

The Group's gross profit margin decreased from approximately 22.7% for the six months ended 30 June 2024 to approximately 17.2% for the six months ended 30 June 2025. The decrease in gross profit margin was mainly attributable to decrease gross profit margin of fitting-out works for the six months ended 30 June 2025. Gross loss for repair and maintenance works was due to cancellation orders by customers.

#### Other income, gains and losses, net

The Group's other income, gains and losses, net, decreased from approximately MOP1.8 million for the six months ended 30 June 2024 to approximately MOP1.5 million for the six months ended 30 June 2025. The decrease was due to decrease in rental income received from investment properties.

# **Administrative expenses**

The Group's administrative expenses decreased by approximately MOP0.3 million or 1.8% from approximately MOP16.9 million for the six months ended 30 June 2024 to approximately MOP16.6 million for the six months ended 30 June 2025. There was no material fluctuation.

# Impairment losses on financial assets and contract assets

The amount represented the provision made for financial assets and contract assets. The Group has assessed recoverability of financial assets and contract assets from time to time, and adjusted expected credit losses provision when deterioration of credit quality has come to management's attention. For the six months ended 30 June 2025, there was MOP0.3 million provision made (30 June 2024: MOP2.8 million reversal) under current assessment.

# Fair value loss on investment properties

The amount approximately MOP2.6 million represented the decrease of market value of the investment properties held as at 30 June 2025 as compared with that as at 31 December 2024.

#### **Finance costs**

The Group's finance costs were approximately MOP0.5 million for the six months ended 30 June 2025, compared to that for the six months ended 30 June 2024 of approximately MOP0.5 million. There was no material fluctuation.

# **Income tax credit**

The Group had income tax credit of approximately MOP309,000 for the six months ended 30 June 2025. There was approximately MOP136,000 income tax credit for the six months ended 30 June 2024. The change is due to deferred tax.

# Profit for the period

As a combined result of the above, the Group's profit for the period amounted to approximately MOP1.1 million for the six months ended 30 June 2025 as compared to the Group's profit for the period of approximately MOP5.3 million for the six months ended 30 June 2024.

#### **Earnings per Share**

The Company's Earnings per Share for the six months ended 30 June 2025 was Macau cents 0.3 (30 June 2024: Macau cents 1.3), representing a decrease in earnings of Macau cents 1.0 per Share. This was in line with profit decrease situation.

#### **Interim dividend**

The Board resolved not to declare payment of any interim dividend for the six months ended 30 June 2025 (30 June 2024: Nil).

#### CORPORATE FINANCE AND RISK MANAGEMENT

# Liquidity and financial resources and capital structure

The management and control of the Group's financial, capital management and external financing functions are centralised at its headquarter in Macau. The Group adheres to the principle of prudent financial management to minimise financial and operational risks. The Group mainly relies upon internally generated funds and bank borrowings to finance its operations and expansion.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group, and mitigate the effects of fluctuations in cash flows. The management of the Group believes that the Group has sufficient working capital for its future operational requirement.

As at 30 June 2025, the Group had net current assets of approximately MOP22.2 million, decreased by approximately MOP6.8 million over the net current assets of approximately MOP29.0 million as recorded at 31 December 2024.

As at 30 June 2025, the Group had cash and bank balances of MOP25.0 million (31 December 2024: MOP24.5 million).

As at 30 June 2025, the Group had an aggregate of pledged bank deposits of MOP1.1 million (31 December 2024: MOP1.1 million) that were used to secure banking facilities.

As at 30 June 2025, interest-bearing bank borrowings amounted to MOP39.0 million (31 December 2024: MOP29.6 million) of which MOP17.8 million, MOP2.9 million, MOP9.1 million and MOP9.2 million (31 December 2024: MOP7.0 million, MOP2.8 million, MOP9.0 million and MOP10.8 million) will mature within one year, one year to two years, two years to five years and more than five years, respectively. The loans carry interest at variable market rates by reference to the prevailing Prime Rate. The effective interest rates as at 30 June 2025 (which were also equal to contracted interest rates) was 2.6% to 5.5% (31 December 2024: 2.7% to 3.8%).

The Group continued to maintain a healthy liquidity position. As at 30 June 2025, the Group's current assets and current liabilities were MOP122.4 million (31 December 2024: MOP113.7 million) and MOP100.2 million (31 December 2024: MOP84.7 million), respectively. The Group's current ratio as at 30 June 2025 remained stable at 1.22 (31 December 2024: 1.34). The Group has maintained sufficient liquid assets to finance its operations.

The Group's gearing ratio, calculated by dividing total debts (i.e. interest-bearing bank borrowings) with total equity, was 0.3 as at 30 June 2025 (31 December 2024: 0.23). The increase was primarily due to increase in short term bank borrowings.

As at 30 June 2025, the share capital and equity attributable to owners of the Company amounted to MOP4.1 million and MOP130.1 million, respectively (31 December 2024: MOP4.1 million and MOP129.1 million, respectively).

#### Charge on the Group's assets

As at 30 June 2025, land and building and bank deposits were pledged to secure certain borrowings granted to the Group amounted to MOP72.5 million and MOP1.1 million (31 December 2024: MOP72.9 million and MOP1.1 million), respectively.

# Contingent liabilities and operating lease and capital commitments

# (a) Sin Fong Garden Building

In October 2012, one of the supporting pillars of the residential building called "Sin Fong Garden Building" collapsed due to the loss of stability. Such collapse was accused to be caused by the dismantlement and construction of the foundation work undertaken in an adjacent new residential building project, of which Lai Si Construction & Engineering Company Limited ("Lai Si") was one of the contractors. As a result, in September 2015, several flat owners of Sin Fong Garden Building filed a lawsuit against several defendants including Lai Si, seeking for a compensation for the loss of property, in a total sum of approximately HK\$48,950,000, to be borne jointly by the defendants. However, according to the report issued by the team of technical advisors and experts engaged by the Macau Government to study the causes of the incident, the collapse of Sin Fong Garden Building was caused by the substandard supporting pillars of Sin Fong Garden Building, instead of the dismantlement and foundation work undertaken in the adjacent new residential building.

The hearings were held from 17 November 2023 to July 2024. The written legal arguments have already filed by all parties, the court is now expected to deliver the final ruling, for the which there is no timeframe. Based on the fact disclosed during the hearing and after consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial information as at 30 June 2025. The Controlling Shareholders have undertaken to indemnify the Group against all losses and liabilities arising from the above proceedings.

#### (b) Dispute on payment with a subcontractor

As at 30 June 2025 and 31 December 2024, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount with interest of MOP2,485,000.

On 11 February 2025, the hearing was conducted. The Court gave the judgement on 21 March 2025 by which it was decided that the subsidiary of the Group should repay the amount of MOP317,000 to the plaintiff. During the six months ended 30 June 2025, the subsidiary of the Group fully settled the payment.

On 10 June 2025, an appeal against the subsidiary of the Group was filed by the solicitors acting on behalf of plaintiff.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that a significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2025.

#### (c) Dispute on payment with a subcontractor

As at 31 December 2023, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount of MOP1,926,000.

The subsidiary of the Group entered into a mediated settlement agreement with the plaintiff. The subsidiary of the Group agreed to pay the plaintiff MOP958,000 and fully settled during the year ended 31 December 2024.

# Exposure to fluctuations in exchange rates and interest rates and corresponding hedging arrangements

The Group entities collect most of the revenue and settle most of the expenditures in their respective functional currencies. The Group is exposed to currency risk primarily through purchase of raw materials and sales proceeds received from customers that are denominated in a currency other than the Group entities' functional currency. The currencies giving rise to this risk are primarily HK\$ and RMB. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

The Group currently does not have a foreign currency hedging policy. However, the management of the Company monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

#### Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank balances, bank overdrafts and bank borrowings. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

# **Credit exposure**

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees arisen from the carrying amount of the respective recognised financial assets as stated in the interim condensed consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable and other receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The policy of allowances for doubtful debts of the Group is based on the evaluation and estimation of collectability and ageing analysis of the outstanding debts. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flows expected to receive, discounted using the original effective interest rate and the carrying value. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required. The management closely monitors the subsequent settlement of the counterparties.

In addition to the above, in year 2018, upon the implementation of HKFRS 9, the Group took forward looking approach in assessing credit risk (expected credit losses). General provision on account receivables was made accordingly.

In this regard, the management of the Group considers that credit risk is well taken care and addressed.

The Group is exposed to concentration of credit risk as at 30 June 2025 on trade receivables and contract assets from the Group's five major customers amounting to approximately MOP60.4 million (31 December 2024: MOP30.3 million) and accounted for approximately 67.5% (31 December 2024: 39.1%) of the Group's total trade receivables and contract assets. The major customers of the Group are certain reputable organisations. The management of the Group considers that the credit risk is limited in this regard.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Liquid funds were also under the scope of review by the professional valuer as in account receivables.

#### EVENTS AFTER THE REPORTING PERIOD

There is no significant events after 30 June 2025 and up to the date of this announcement.

# **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 June 2025, the total number of full-time employees of the Group was 156 (31 December 2024: 146).

The Group remunerates its employees based on their performance, experience and the prevailing industry practice. The Group may pay a discretionary bonus to its employees based on individual performance in recognition of their contribution and hard work.

The Group's gross staff costs from operations (including the directors' emoluments) was MOP24.0 million for the six months ended 30 June 2025 (30 June 2024: MOP23.4 million).

The Company adopted a new share option scheme on 25 June 2024 which has compiled with the new definition under Chapter 17 of the Listing Rules which became effective 1 January 2023, so that the Company may grant options to the eligible participants as incentives or rewards for their contribution to the Group.

Since the listing of the Shares, no share option had been granted under the old and new share option schemes.

#### MARKET REVIEW

In the first half of 2025, Macau's gaming revenue and visitor arrivals maintained steady growth, with number of visitors approaching or even returning to the pre-pandemic level. Major concerts, world-class dining experiences and themed exhibitions have become core attractions to visitors, effectively boosting their intent to visit. The proportion of non-gaming revenue generated by major integrated resorts has continued to rise, enabling the overall economy to achieve higher-quality development underpinned by the stable support of both the gaming and tourism sectors. In addition, the development of diversified industries has also laid the foundation for the overall economic recovery of Macau. It is believed that the comprehensive economic recovery and tourism development will also present new opportunities and bring new vitality to the construction industry.

#### **OUTLOOK**

In respect of the construction industry in the second half of 2025, it is expected that the Macau government will continue to adjust the arrangements of public construction works. The decrease in the number of both government and private projects has resulted in certain operational difficulties in the construction industry. Despite these challenges in the overall environment, the Macau government remains committed in advancing some key public works projects, such as public housing construction, recreational and greening facilities construction and selected infrastructure projects. For the tourism industry, since the growth of number of tourists may slow down, the per capita consumption, overnight rate and length of stay of tourists will become the key indicators for investment by major gaming operators. Although casinos and hotels continue to have demand for renovation and fitting-out works, the scale and the volume of such projects remain to be observed.

Hong Kong's economy is expected to achieve moderate growth in the second half of 2025, mainly driven by a rebound in private consumption, the improvement in the export of tourism services and better financial conditions, the combination of which will benefit the Group in respect of its business expansion in Hong Kong in the second half of the year.

#### INTERIM DIVIDEND

The Board resolved not to declare payment of any interim dividend for the six months ended 30 June 2025.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

#### CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2025, the Company has complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

#### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions (the "Securities Dealing Code"). Specific enquiry has been made with all the Directors and all of them confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the six months ended 30 June 2025.

The Company has also adopted the Securities Dealing Code for securities transactions by employees who, because of their office or employment in the Group, are likely to possess inside information of the Company.

No incident of non-compliance of the Securities Dealing Code by the relevant employees was noted by the Company throughout the six months ended 30 June 2025.

#### AUDIT COMMITTEE

The audit committee of the Board (the "Audit Committee") comprises three independent non-executive Directors, namely, Mr. Siu Wing Hay (the chairman of the Audit Committee), Mr. Chan Iok Chun and Dr. Liu Ting Chi.

The Audit Committee has reviewed with the management of the Company the accounting principles and policies adopted by the Group. The interim results announcement of the Group for the six months ended 30 June 2025 has been reviewed by the Audit Committee. The Group's auditor, Messrs. Baker Tilly Hong Kong Limited, has reviewed the unaudited interim condensed consolidated financial information in this announcement.

# SCOPE OF WORK OF MESSRS. BAKER TILLY HONG KONG LIMITED

The interim results information for the six months ended 30 June 2025 is unaudited, but has been reviewed by the Group's auditor, Baker Tilly Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the HKICPA, whose unmodified review report will be included in the interim report to be sent to the shareholders of the Company.

# PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is available on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.lai-si.com). The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be published on the above websites and despatched to the shareholders of the Company as applicable in due course.

#### 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 its shareholders, business partners and other professional parties for their support during the six months ended 30 June 2025.

By order of the Board

Lai Si Enterprise Holding Limited

LAI Ieng Man

Executive Director and Chairman

Macau, 28 August 2025

As at the date of this announcement, the executive directors of the Company are Mr. LAI leng Man, Mr. LAI Meng San, Ms. LAI leng Wai and Ms. CHEONG Weng Si, and the independent non-executive directors of the Company are Mr. SIU Wing Hay, Mr. CHAN lok Chun and Dr. LIU Ting Chi.