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**IN CONSTRUCTION HOLDINGS LIMITED**  
**現恆建築控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1500)**

**ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025**

**INTERIM RESULTS**

The board of directors (the “**Board**”) of In Construction Holdings Limited (the “**Company**”) is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2025, together with the comparative figures for the corresponding period in 2024 as follows:

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 September 2025*

(Expressed in Hong Kong dollars)

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>	3	<b>177,250</b>	138,092
<b>Direct costs</b>		<b>(142,658)</b>	(147,469)
<b>Gross profit/(loss)</b>		<b>34,592</b>	(9,377)
Other revenue	4	<b>1,712</b>	1,450
Administrative and other operating expenses		<b>(8,787)</b>	(9,248)
<b>Profit/(loss) before taxation</b>	5	<b>27,517</b>	(17,175)
Income tax	6	<b>(73)</b>	(73)
<b>Profit/(loss) and total comprehensive income for the period</b>		<b>27,444</b>	(17,248)
<b>Earnings/(loss) per share (Hong Kong cents)</b>			
Basic and diluted	7	<b>3.31</b>	(2.08)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

(Expressed in Hong Kong dollars)

		At 30 September 2025 (unaudited) \$'000	At 31 March 2025 (audited) \$'000
	Note		
<b>Non-current assets</b>			
Property, plant and equipment		174	220
Deferred tax assets		187	190
		<u>361</u>	<u>410</u>
<b>Current assets</b>			
Contract assets		228,760	230,499
Inventories		3,577	11,095
Trade and other receivables	8	39,427	54,072
Cash and bank balances		98,787	72,999
		<u>370,551</u>	<u>368,665</u>
<b>Current liabilities</b>			
Contract liabilities		18,754	13,041
Trade and other payables	9	68,960	100,350
Tax payables		85	15
Loan from a shareholder		13,000	13,000
		<u>100,799</u>	<u>126,406</u>
<b>Net current assets</b>		<u>269,752</u>	<u>242,259</u>
<b>NET ASSETS</b>		<u>270,113</u>	<u>242,669</u>

	At 30 September 2025 (unaudited) \$'000	At 31 March 2025 (audited) \$'000
<b>CAPITAL AND RESERVES</b>		
Share capital	8,300	8,300
Reserves	<u>261,813</u>	<u>234,369</u>
<b>TOTAL EQUITY</b>	<u><u>270,113</u></u>	<u><u>242,669</u></u>

Notes:

## 1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Group is principally engaged as a contractor in the foundation industry in Hong Kong. The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 29 September 2014 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 April 2015.

The interim results set out in this announcement do not constitute the Group's financial statements for the six months ended 30 September 2025 but are extracted from the interim financial report.

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The interim financial report is unaudited, but has been reviewed by KPMG 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.

## 2. CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to the interim financial report for the current accounting period. The amendments do not have a material impact on the interim financial report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue from construction contracts earned during the period.

#### Segment information

The chief operating decision-maker regards the Group's business as a single operating segment and reviews financial statements accordingly. Also, the Group only engages its business in Hong Kong. Therefore, no segment information is presented.

### 4. OTHER REVENUE

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Bank interest income	143	311
Sales of scrap materials	544	1,100
Government subsidies	1,024	3
Others	1	36
	<u>1,712</u>	<u>1,450</u>

### 5. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/(crediting):

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>a) Staff costs (including directors' remuneration)</b>		
Contributions to defined contribution retirement plans	372	357
Salaries, wages and other benefits	15,710	17,040
	<u>16,082</u>	<u>17,397</u>
<b>b) Other items</b>		
Depreciation	46	33
Lease payments relating to short-term leases	596	596
(Reversal of)/provision for impairment losses on trade and other receivables and contract assets	(26)	9
	<u></u>	<u></u>

## 6. INCOME TAX

Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current tax</b>		
Provision for Hong Kong Profits Tax for the period	<b>70</b>	<b>74</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	<b>3</b>	<b>(1)</b>
	<b>73</b>	<b>73</b>

*Notes:*

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (six months ended 30 September 2024: 16.5%) of the estimated assessable profits for the period, except for the Company which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For the Company, the first \$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

## 7. EARNINGS/(LOSS) PER SHARE

### (a) Basic earnings/(loss) per share

The calculation of basic earnings per share for the six months ended 30 September 2025 is based on the earnings attributable to equity shareholders of the Company of \$27,444,000 (six months ended 30 September 2024: loss of \$17,248,000) and the weighted average of 830,000,000 shares (six months ended 30 September 2024: 830,000,000 shares) in issue during the period.

### (b) Diluted earnings/(loss) per share

There were no diluted potential shares in existence during the six months ended 30 September 2025 and 2024.

## 8. TRADE AND OTHER RECEIVABLES

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

	At 30 September 2025 \$'000	At 31 March 2025 \$'000
Within 1 month	28,378	41,872
Over 1 month but within 2 months	827	–
Over 2 months but within 3 months	827	885
Over 3 months	1,723	1,666
Trade debtors, net of loss allowance ( <i>note (i)</i> )	31,755	44,423
Deposits, prepayments and other receivables ( <i>notes (ii) and (iii)</i> )	5,317	4,961
Retentions receivable, net of loss allowance ( <i>note (iv)</i> )	2,355	4,688
	<b>39,427</b>	<b>54,072</b>

*Notes:*

- (i) Trade debtors are normally due within 30 days from the date of billing.
- (ii) As at 30 September 2025, except for the amount of \$3,500,000 (31 March 2025: \$3,538,000) which was expected to be recovered or recognised as expense after one year, all of the remaining balances were expected to be recovered or recognised as expense within one year.
- (iii) As at 30 September 2025, deposits of \$3,828,000 (31 March 2025: \$3,828,000) were pledged to secure the issuance of performance bonds.
- (iv) All of the retentions receivable as at 30 September 2025 and 31 March 2025 were expected to be recovered within one year.

## 9. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors, based on the invoice date, is as follows:

	At 30 September 2025 \$'000	At 31 March 2025 \$'000
Within 1 month	19,374	37,082
Over 1 month but within 2 months	4,569	4,671
Over 2 months but within 3 months	6,861	4,714
Over 3 months	1,984	2,297
Trade creditors	32,788	48,764
Provision for construction works	17,162	22,954
Other payables and accruals	19,010	28,632
	<b>68,960</b>	<b>100,350</b>

## 10. DIVIDENDS

The board of directors has resolved not to declare any interim dividend for the six months ended 30 September 2025 and 2024.

## 11. CONTINGENT LIABILITIES

At 30 September 2025, the Group had contingent liabilities in respect of performance bonds to guarantee due and proper performance of the obligations undertaken by the Group's subsidiary for projects amounting to \$41,944,000 (31 March 2025: \$58,524,000) in its ordinary course of business. The performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS AND FINANCIAL REVIEW

The Group is principally engaged as a contractor in the foundation industry in Hong Kong, undertaking foundation works as well as associated works including demolition works, site formation works, ground investigation field works and general building works for local customers.

#### Business Review

The Group has been engaged to undertake foundation and associated works in private sector construction projects in Hong Kong, with an emphasis on design and build projects and undertaking the role as a main contractor.

The Group places emphasis on design and build projects because of the flexibility and capability in coming up with foundation design plan that suits its customers' requirements and the site conditions. During the six months ended 30 September 2025, the Group has successfully carried out construction works with alternative design which not only complies with the technical requirements but is also more cost efficient for "design and build" contracts.

During the six months ended 30 September 2025, no new project was awarded to the Group. As at 30 September 2025, six projects with the outstanding contract sum of HK\$241.3 million were all in progress.

<b>Year/Period of award/ project</b>	<b>Type of contract</b>	<b>Status as at 30 September 2025</b>
<i>Year 2020-2021</i>		
Wo Shang Wai	Monitoring and maintenance	Work in progress
Des Voeux Road Central	Design and build	Work in progress
<i>Year 2022-2023</i>		
Robinson Road 27D-F	Design and build	Work in progress
<i>Year 2023-2024</i>		
Robinson Road 105	Design and build	Work in progress
Tai Po Kau 234	Design and build	Work in progress
Coombe Road 38	Design and build	Work in progress

## Financial Review

During the six months ended 30 September 2025, there were 7 projects contributing revenue of approximately HK\$177.3 million, whereas revenue for the corresponding period in 2024 of approximately HK\$138.1 million was contributed by 10 projects. The top five projects contributed revenue amounted to approximately HK\$172.0 million (2024: approximately HK\$136.2 million), in which the top project contributed 67.5% of the total revenue.

The Group recorded an increase in contract revenue for the six months ended 30 September 2025 by approximately HK\$39.2 million as compared with that of the corresponding period in 2024. Gross profit was HK\$34.6 million for the current period, while gross loss was HK\$9.4 million for the corresponding period in 2024. Gross profit margin was 19.5% for the current period, while gross loss margin was 6.8% for the corresponding period in 2024. Such improvement in gross profit was primarily attributable to, among other factors, increase in gross profit generated from projects undertaken by the Group during the period while some projects were still in their construction preliminary stage in the corresponding period in 2024.

Administrative and other operating expenses decreased by approximately HK\$0.4 million to approximately HK\$8.8 million, compared with approximately HK\$9.2 million for the corresponding period in the prior year, which was mainly due to decrease in staff costs.

As a result, profit for the period was HK\$27.4 million while the loss for corresponding period in the prior year was HK\$17.2 million.

	<b>As at 30 September 2025</b>	<b>As at 31 March 2025</b>
Current ratio	<b>3.7</b>	2.9
Gearing ratio <sup>1</sup>	<b>4.8%</b>	5.4%

*Note:*

1. Gearing ratio is calculated based on debts including shareholder's loan divided by the total equity as at the reporting dates.

Gearing ratio decreased by 0.6 percentage point to 4.8% as at 30 September 2025 as compared to that as at 31 March 2025 was mainly due to increase in equity as a result of profit during the six months ended 30 September 2025.

As at 30 September 2025, the Group had cash and bank balances of approximately HK\$98.8 million (31 March 2025: HK\$73.0 million), of which approximately HK\$40.4 million (31 March 2025: HK\$41.6 million) were restricted bank deposits. Such restricted bank deposits were held for the purpose of the issuance of surety bonds for our projects and requirement of our general banking facilities. As at 30 September 2025 and 31 March 2025, the Group had no bank overdraft.

The capital structure of the Group consisted of equity of HK\$270.1 million, with HK\$13.0 million debts as at 30 September 2025.

The Group adopts a prudent approach in cash management. Apart from the shareholder's loan, the Group did not have any material outstanding debts as at 30 September 2025. Payment to settle trade payable represented a significant part of the cash outflow of the Group. Taking into account the light debt leverage, the Group is able to generate cash and meet upcoming cash requirements. In any case, the Group may utilise its banking facilities of HK\$190.0 million, of which the unutilised and unrestricted banking facilities amounted to approximately HK\$166.6 million at 30 September 2025.

## **EMPLOYEES**

The Group had 49 full-time employees as at 30 September 2025 (31 March 2025: 47). The Group offers a competitive remuneration package that is based on overall market rates and employee performance, as well as the performance of the Group. The remuneration package comprised of salary, performance-based bonus, and other benefits including training and mandatory provident funds.

## **CAPITAL COMMITMENTS**

The Group had no capital commitments as at 30 September 2025.

## **CONTINGENT LIABILITIES**

Save as disclosed in note 11 to this announcement, the Group had no other contingent liabilities as at 30 September 2025.

## **SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the six months ended 30 September 2025. There is no other plan for material investments or capital assets as at 30 September 2025.

## **FUTURE PROSPECTS**

Taking into account the recent Chief Executive's Policy Address of the Government of the Hong Kong Special Administrative Region in increasing land supply and commitment to infrastructure investments, the Group expects a rebound in the foundation industry in the coming years. Despite vigorous competition in the construction industry in Hong Kong, the Board is confident with the Group's future development in its scale of operations and profitability due to its long established reputation, the listing platform and its healthy financial position. To maintain its competitive edge, the Group will continue to adhere to its business strategy, by expanding its capacity to capture more business opportunities, reinforcing its capability in foundation design and project management skills, and offering qualitative and flexible solutions to its customers.

## **INTERIM DIVIDEND**

The Board has resolved not to pay any interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK\$nil).

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

Neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the period.

## **EVENTS AFTER THE REPORTING PERIOD**

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 30 September 2025 and up to the date of this announcement.

## **CORPORATE GOVERNANCE**

The Company recognises the importance of corporate transparency and accountability. The Company is committed in achieving a high standard of corporate governance and leading the Group to attain better results and improve its corporate image with effective corporate governance procedures.

Since Listing, the Board is of the opinion that the Company had adopted, applied and complied with the code provisions as set out in the Corporate Governance Code (the "Code") contained in Appendix C1 to the Listing Rules, except for the deviation from provision C.2.1 of the Code which is explained below:

According to provision C.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lau Pak Man is the Chairman and Chief Executive Officer, responsible for overall strategic development, project management and client management of the Group. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in Mr. Lau Pak Man has the benefit of ensuring consistent and continuous planning and execution of the Company's strategies. The Board considers that the balance of power and authority, accountability and independent decision-making under the present arrangement will not be impaired in light of the diverse background and experience of the independent non-executive Directors, and the composition of the Board which comprises equal number of independent non-executive Directors and executive Directors also provides added independence to the Board. Further, the audit committee of the Company (the "**Audit Committee**"), which is composed exclusively of independent non-executive Directors, has free and direct access to the Company's external auditors and independent professional advisers when it considers necessary.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules as its own code of conduct of dealings in securities of the Company by Directors (the "**Model Code**"). Upon specific enquiries of all the Directors, each of them confirmed that they had complied with the required standards set out in the Model Code during the six months ended 30 September 2025.

## **REVIEW OF INTERIM RESULTS**

The interim financial report for the six months ended 30 September 2025 is unaudited, but has been reviewed by KPMG, 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 Hong Kong Institute of Certified Public Accountants, whose unmodified review report is included in the interim financial report.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and has reviewed the interim results and financial report of the Group for the six months ended 30 September 2025.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This results announcement is published on the Company's website at [www.inconstruction.hk](http://www.inconstruction.hk) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk). The interim report will be despatched to shareholders upon request and will also be published on the websites of both the Stock Exchange and the Company 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 associates and other professional parties for their support throughout the period.

By order of the Board  
**In Construction Holdings Limited**  
**Lau Pak Man**  
*Chairman*

Hong Kong, 28 November 2025

*As at the date of this announcement, the Board comprises Mr. Lau Pak Man, Mr. Cheng Wing Cheong and Ms. Kwan Kit Sum Kit as executive Directors; Mr. Leung Chi Kin, Mr. Lam Chi Hung Louis and Ms. Mok Kam Sheung as independent non-executive Directors.*