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KPa-BM Holdings Limited
應力控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 2663)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2025

		Six months ended 30 September 2025	2024
	<i>Notes</i>	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	3	217,711	387,480
Cost of revenue		<u>(181,836)</u>	<u>(330,290)</u>
Gross profit		35,875	57,190
Other income and gains		5,068	3,488
Marketing and distribution expenses		(2,955)	(1,085)
Administrative and other operating expenses		(22,575)	(27,704)
Finance costs		(624)	(1,182)
Profit before income tax	4	14,789	30,707
Income tax expense	5	(3,154)	(5,622)
Profit for the period		11,635	25,085
Other comprehensive income for the period		580	588
Total comprehensive income for the period		12,215	25,673
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share	7		
Basic and diluted earnings per share		2.09	4.50

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

		As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
	Notes		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	8	18,195	16,816
Investment property	8	3,596	3,525
Goodwill		601	601
Deposits	10	157	155
Deferred tax assets		3,389	3,384
		<u>25,938</u>	<u>24,481</u>
Current assets			
Inventories		20,045	19,409
Contract assets	9	104,870	70,970
Trade and other receivables, deposits and prepayments	10	155,281	200,811
Tax recoverable		1,161	2,180
Cash and bank balances		68,652	119,966
		<u>350,009</u>	<u>413,336</u>
Current liabilities			
Contract liabilities	9	25,592	42,437
Trade and other payables	11	81,349	119,503
Lease liabilities		6,491	6,514
Tax payable		1,373	1,483
		<u>114,805</u>	<u>169,937</u>

		As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
	<i>Notes</i>		
Net current assets		235,204	243,399
Total assets less current liabilities		261,142	267,880
Non-current liabilities			
Lease liabilities		4,221	6,466
Deferred tax liabilities		16	16
		4,237	6,482
Net assets		256,905	261,398
CAPITAL AND RESERVES			
Share capital	12	5,569	5,569
Reserves		251,336	255,829
Total equity		256,905	261,398

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Share capital HK\$'000	Share premium* HK\$'000	Merger reserve* HK\$'000	Exchange reserve* HK\$'000	Statutory reserve* HK\$'000	Retained profits* HK\$'000	Total HK\$'000
Six months ended 30 September 2024 (unaudited)							
At 1 April 2024	5,569	23,829	7,437	(1,351)	1,469	255,401	292,354
Profit for the period	–	–	–	–	–	25,085	25,085
Other comprehensive income for the period	–	–	–	588	–	–	588
Total comprehensive income for the period	–	–	–	588	–	25,085	25,673
Transactions with owners:							
Final and special dividend in respect of 2024 (note 6)	–	–	–	–	–	(44,554)	(44,554)
Appropriations to statutory reserve	–	–	–	–	323	(323)	–
At 30 September 2024 (unaudited)	<u>5,569</u>	<u>23,829</u>	<u>7,437</u>	<u>(763)</u>	<u>1,792</u>	<u>235,609</u>	<u>273,473</u>
Six months ended 30 September 2025 (unaudited)							
At 1 April 2025	5,569	23,829	7,437	(1,633)	2,116	224,080	261,398
Profit for the period	–	–	–	–	–	11,635	11,635
Other comprehensive income for the period	–	–	–	580	–	–	580
Total comprehensive income for the period	–	–	–	580	–	11,635	12,215
Transactions with owners:							
Final dividend in respect of 2025 (note 6)	–	–	–	–	–	(16,708)	(16,708)
Appropriations to statutory reserve	–	–	–	–	10	(10)	–
At 30 September 2025 (unaudited)	<u>5,569</u>	<u>23,829</u>	<u>7,437</u>	<u>(1,053)</u>	<u>2,126</u>	<u>218,997</u>	<u>256,905</u>

* The total of these equity accounts as at 30 September 2024 and 2025 represent “Reserves” in the condensed consolidated statements of financial position.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Net cash (used in)/generated from operating activities	(28,465)	16,527
Cash flows from investing activities		
Purchase of property, plant and equipment (<i>note 8</i>)	(4,463)	(348)
Proceed from disposal of property, plant and equipment	–	632
Interest received	1,103	2,523
<i>Net cash (used in)/generated from investing activities</i>	(3,360)	2,807
Cash flows from financing activities		
Dividends paid (<i>note 6</i>)	(16,708)	(44,554)
Interest paid on bank borrowings	(329)	(1,081)
Proceed from bank borrowings	93,802	167,070
Repayment of bank borrowings	(93,802)	(176,346)
Payment of principal element of lease liabilities	(2,348)	(2,205)
Payment of interest element of lease liabilities	(285)	(101)
<i>Net cash used in financing activities</i>	(19,670)	(57,217)
Net decrease in cash and cash equivalents	(51,495)	(37,883)
Cash and cash equivalents at the beginning of period	119,966	170,231
Effect of exchange rate changes on cash and cash equivalents	181	353
Cash and cash equivalents at the end of period	68,652	132,701
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	68,652	132,701

Notes to the Condensed Consolidated Financial Statements

1. CORPORATE INFORMATION

KPa-BM Holdings Limited (the “Company”) was incorporated as an exempted company in the Cayman Islands with limited liability on 15 May 2015. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located at 27/F., The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong.

The Group, comprising the Company and its subsidiaries, is principally engaged in (i) provision of structural engineering works; (ii) supply, installation and trading of building material products.

The Company’s parent is Success Wing Investments Limited (“Success Wing”), a company incorporated in the British Virgin Islands (“BVI”). In the opinion of the directors, Success Wing is also the ultimate parent of the Company.

The condensed consolidated financial statements of the Group for the six months ended 30 September 2025 (the “interim financial statements”) are unaudited, but have been reviewed by the audit committee of the Company. These interim financial statements were approved for issue by the Company’s board of directors on 28 November 2025.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 ‘Interim Financial Reporting’ issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The interim financial statements do not include all the information and disclosures required in the annual financial statements and thereby should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2025 (“2025 Financial Statements”) which have been prepared in accordance with the HKFRS Accounting Standards issued by the HKICPA.

The interim financial statements have been prepared under the historical cost basis except for investment properties which are measured at fair value. The interim financial statements are presented in Hong Kong dollars (“HK\$”), which is same as the functional currency of the Company and its major subsidiaries.

The accounting policies applied and methods of computation used in the preparation of the interim financial statements are consistent with those used in 2025 Financial Statements, except for the adoption of the new or revised HKFRS Accounting Standards issued by the HKICPA as set out in note 2.1.

Adoption of new or revised HKFRS Accounting Standards

2.1 Adoption of new or revised HKFRS Accounting Standards effective on 1 April 2025

The HKICPA has issued below new and amendments to HKFRS Accounting Standards that are relevant to and first effective for the current accounting period of the Group:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The new or revised HKFRS Accounting Standards that are effective from 1 April 2025 did not have material impact on the Group's accounting policies and did not require retrospective adjustments.

3. SEGMENT INFORMATION AND REVENUE

(a) The following summary describes the operations in each of the Group's reportable operating segments:

Structural Engineering Works – This segment mainly engages in the provision of structural engineering works for the public and private sectors in Hong Kong and the Group mainly acts as a subcontractor.

Supply, installation and trading of Building Material Products – This segment mainly engages in supply of building material products with installation services provided, and trading of building material products in Hong Kong.

Information regarding the Group's reporting segments including the reportable segment revenue, segment profit, reconciliation to revenue and profit before income tax are as follows:

Six months ended 30 September 2025 (unaudited)	Structural Engineering Works HK\$'000	Supply, installation and trading of Building Material Products HK\$'000	Total HK\$'000
Segment revenue			
Sales to external customers	195,283	22,428	217,711
Intersegment sales	–	273	273
	<u>195,283</u>	<u>22,701</u>	<u>217,984</u>
Elimination of intersegment sales			<u>(273)</u>
			<u>217,711</u>
Segment profit	<u>20,987</u>	<u>2,440</u>	<u>23,427</u>
Corporate and unallocated income			5,068
Corporate and unallocated expenses			
– Administrative and other operating expenses			(13,082)
– Finance costs			<u>(624)</u>
Profit before income tax			<u>14,789</u>

Six months ended 30 September 2024 (unaudited)	Structural Engineering Works <i>HK\$'000</i>	Supply, installation and trading of Building Material Products <i>HK\$'000</i> <i>(restated)</i>	Total <i>HK\$'000</i>
Segment revenue			
Sales to external customers	347,449	40,031	387,480
Intersegment sales	<u>–</u>	<u>2,151</u>	<u>2,151</u>
	<u>347,449</u>	<u>42,182</u>	389,631
Elimination of intersegment sales			<u>(2,151)</u>
			<u>387,480</u>
Segment profit	<u>29,068</u>	<u>11,196</u>	40,264
Corporate and unallocated income			3,488
Corporate and unallocated expenses			
– Administrative and other operating expenses			(11,863)
– Finance costs			<u>(1,182)</u>
Profit before income tax			<u>30,707</u>

During the period, the segment asset had not been presented as there has not been a material change from the 2025 Financial Statements for the reportable segment.

- (b) In the following table, revenue from contracts with customers is disaggregated by major products and service lines and timing of revenue recognition provided to the group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period.

Disaggregation of revenue

Six months ended 30 September (unaudited)

	Structural Engineering Works		Supply, installation and trading of Building Material Products		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(restated)		
Timing of revenue recognition						
Point in time	–	–	10,917	22,089	10,917	22,089
Over time	195,283	347,449	11,511	17,942	206,794	365,391
	<u>195,283</u>	<u>347,449</u>	<u>22,428</u>	<u>40,031</u>	<u>217,711</u>	<u>387,480</u>

4. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging the following:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Depreciation in respect of:		
Right-of-use assets included in property, plant and equipment under the following categories:		
– Other properties leased for own use	2,258	2,306
Other property, plant and equipment	951	767
	<u>3,209</u>	<u>3,073</u>
Employee benefit expenses (including directors' emoluments)		
– Salaries, allowances and benefits in kind	39,829	42,335
– Contribution to defined contribution retirement plan	1,148	1,310
	<u>40,977</u>	<u>43,645</u>

5. INCOME TAX EXPENSE

The amounts of income tax expense in the unaudited condensed consolidated statement of comprehensive income represents:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current tax for the period		
– Hong Kong Profits Tax	3,073	4,391
– Other regions of the PRC		
– Enterprise Income Tax (“EIT”)	81	1,231
	<hr/>	<hr/>
Total income tax expense	3,154	5,622
	<hr/> <hr/>	<hr/> <hr/>

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 September 2024: 16.5%) on the estimated assessable profits for the period.

EIT arising from other regions of the PRC is calculated at 25% (six months ended 30 September 2024: 25%) on the estimated assessable profits for the period.

6. DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2025 (six months ended 31 September 2024: HK4.0 cents per ordinary share, amounting to HK\$22,277,200).

The final dividend in respect of the year ended 31 March 2025 amounting to total HK\$16,707,900 was paid in September 2025.

7. EARNINGS PER SHARE

The calculation of earnings per share is based on the following data:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Earnings		
Profit for the period attributable to owners of the Company	11,635	25,085
	Number of shares (thousands)	
Weighted average number of ordinary share in issue		
Weighted average number of ordinary shares in issue during the period	556,930	556,930

Diluted earnings per share are same as the basic earnings per share as there are no dilutive potential ordinary shares in existence during the current period and prior period.

8. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

During the six months ended 30 September 2025, the Group used approximately HK\$4,303,000, HK\$157,000 and HK\$3,000 on acquisition of motor vehicles, computer equipment and furniture and fixture respectively (six months ended 30 September 2024: nil, approximately HK\$151,000 and HK\$11,000 respectively).

The Group has not disposed any property, plant and equipment during the period (six months ended 30 September 2024: carrying amount of HK\$108,000).

As at 30 September 2025, the Group has not pledged its leasehold land and buildings to secure the bank borrowings and banking facilities granted to the Group (31 March 2025: nil).

The investment property was carried at fair value. The fair value of the investment property as at 30 September 2025 was approximately HK\$3,596,000 (31 March 2025: approximately HK\$3,525,000), which was determined by the directors by reference to recent market prices for property in the similar locations and conditions. The fair value of investment property as at 30 September 2025 and 31 March 2025 is a level 3 recurring fair value measurement. No fair value gain or loss arose from remeasurement of the investment property as at 30 September 2025 (six months ended 30 September 2024: nil). None of the investment property was pledged to banks to secure for the bank borrowings and banking facilities granted to the Group.

9. CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract Assets

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Contract assets arising from:		
– Structural engineering works	105,149	70,131
– Supply and installation of building material products	535	1,380
	<u>105,684</u>	<u>71,511</u>
Less: Loss allowance	(814)	(541)
	<u>104,870</u>	<u>70,970</u>

(b) Contract Liabilities

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Contract liabilities arising from:		
– Structural engineering works	22,529	38,300
– Supply and installation of building material products	2,671	2,000
– Trading of building material products	392	2,137
	<u>25,592</u>	<u>42,437</u>

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Trade receivables	127,900	152,287
Less: Loss allowance	(24,964)	(26,038)
Trade receivables, net (<i>note (a)</i>)	102,936	126,249
Retention receivables	43,336	49,269
Less: Loss allowance	(7,095)	(7,154)
Retention receivables, net (<i>note (b)</i>)	36,241	42,115
Other receivables	7,216	22,859
Deposits	3,708	2,399
Prepayments	5,337	7,344
	16,261	32,602
Less: non-current portion-deposits	(157)	(155)
	155,281	200,811

Notes:

(a) Trade receivables

The ageing analysis of the net carrying amount of trade receivables, based on invoice date, as of the end of the reporting period is as follow:

	As at 30 September 2025 (Unaudited) <i>HK\$'000</i>	As at 31 March 2025 (Audited) <i>HK\$'000</i>
0–30 days	69,745	104,358
31–60 days	625	8,175
61–90 days	11,953	996
Over 90 days	20,613	12,720
	<u>102,936</u>	<u>126,249</u>

(b) Retention receivables

The retention receivables as of the end of the reporting period are to be settled, based on the terms and conditions in relation to the release of the retention monies by customers and taking into account the status of rectification work, as follows:

	As at 30 September 2025 (Unaudited) <i>HK\$'000</i>	As at 31 March 2025 (Audited) <i>HK\$'000</i>
On demand or within one year	1,182	2,927
After one year or more	35,059	39,188
	<u>36,241</u>	<u>42,115</u>

(c) Credit policy

In respect of structural engineering and supply and installation of building material products, the Group usually submits a payment application for interim payment on a monthly basis. The customer usually issues an interim payment certificate within one month from application submission and payment will be settled within another one month. For trading of building material products, the Group usually requires customers to pay a deposit in a mutually agreed percentage of the order amount and grants a credit period of 30 days upon delivery of products to customers.

11. TRADE AND OTHER PAYABLES

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Trade payables (<i>note (a)</i>)	48,829	70,506
Bill payables	2,907	617
Retention payables (<i>note (b)</i>)	22,233	33,767
Accrued staff cost	4,528	12,809
Other payables and accruals	2,852	1,804
	<u>81,349</u>	<u>119,503</u>

Notes:

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

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
0–30 days	32,050	35,326
31–60 days	6,986	25,760
61–90 days	3,373	4,375
Over 90 days	6,420	5,045
	<u>48,829</u>	<u>70,506</u>

- (b) Based on the terms and conditions agreed in relation to the release of retention monies to subcontractors and taking into account the status of rectification work, the retention payables as at the end of the reporting period are to be settled as follows:

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
On demand or within one year	7,366	9,363
After one year	14,867	24,404
	22,233	33,767

12. SHARE CAPITAL

Ordinary shares	Par value HK\$	Number of shares	Amount HK\$'000
Authorised:			
At 30 September 2025 and 31 March 2025	0.01	2,000,000,000	20,000
Issued and fully paid:			
At 30 September 2025 and 31 March 2025	0.01	556,930,000	5,569

13. RESERVES

Details of the movements in the Group's reserves for the six months ended 30 September 2025 and 2024 are set out in the condensed consolidated statement of changes in equity. The following describes the nature and purpose of each reserve within owners' equity:

Share premium

Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less expenses incurred in connection with the issue of the shares.

Merger reserve

Merger reserve mainly arose from the transactions under the reorganisation which took place during the year ended 31 March 2016 in connection to the listing of the Company's shares on the Stock Exchange.

Exchange reserve

Exchange reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations.

Statutory reserve

Statutory reserve represents appropriation of profits of the PRC subsidiaries to non distributable reserve fund account as required by the relevant PRC statute.

Retained profits

Retained profits is the cumulative net gains and losses recognised in profit or loss.

14. GUARANTEE

The Group provided guarantee in respect of the surety bonds issued in favour of the customers of Group's certain construction contracts. The Group has unconditionally and irrecoverably agreed to indemnify the bank as issuers of the bonds for claims and losses they may incur in respect of the bonds. Details of these guarantees as at the end of the reporting period are as follows:

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Aggregate value of the surety bonds issued in favour of customers	<u>20,839</u>	<u>20,839</u>

As assessed by the directors, it is not probable that the bank would claim the Group for losses in respect of the guarantee contracts as it is unlikely that the Group is unable to fulfill the performance requirements of the relevant contracts. Accordingly, no provision for the Group's obligations under the guarantees has been made.

15. LITIGATIONS

As at 30 September 2025, there was no any pending legal case with material claim amount against the Group.

16. RELATED PARTY TRANSACTIONS

During the six months period ended 30 September 2025 and 2024, the Group entered into the following transactions with related parties:

The remuneration of directors and other members of key management during the periods was as follows:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Salaries, allowances and benefits	5,280	10,783
Contributions to defined contribution retirement plan	<u>—</u>	<u>17</u>
	<u>5,280</u>	<u>10,800</u>

17. EVENT AFTER THE REPORTING PERIOD

No event has occurred after 30 September 2025 and up to the date of this announcement which would have a material effect on the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Background, recent development and outlook

KPa-BM Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are principally engaged in (i) provision of structural engineering works with a focus on design and build projects in Hong Kong; (ii) supply of building material products together with installation services of such products in Hong Kong; and trading of building material products predominately in Hong Kong.

The Hong Kong construction sector has navigated a difficult operating landscape this year. According to the data from Census and Statistics Department, the Gross Value of Construction Works performed by main contractors at private sector sites decreased by 18.6% in nominal terms when comparing to the same period of previous year. A sharp decline in private sector tenders has led to reduced project volume, creating intense competition for contracts in public sector and eroding profit margins due to aggressive undercutting. However, the market is showing signs of potential recovery. The Federal Reserve’s recent interest rate cuts, coupled with anticipated future reductions, are expected to provide a stimulus to the Hong Kong property market. In addition, the government’s strategic initiatives to develop partnerships with the Middle East and the re-boost in IPO market are beginning to generate new sources of demand. The long-term impact of these factors remains to be seen.

Before the economic recovery, we will continue to adopt a prudent fiscal strategy, which includes resource integration. Therefore, we have recently streamlined our organization and, regrettably, reduced the headcount of some colleagues. We expect salary expenses to decrease in coming year.

We acknowledge the challenges of this year and appreciate the dedication of our colleagues and the continued trust of our clients. Despite these difficulties, the Group secured contract sum of approximately HK\$297 million in new projects during the six months ended 30 September 2025 (the “Period”). The Group’s value of outstanding contracts on hand as at 30 September 2025 amounted to approximately HK\$448 million, as compared to approximately HK\$619 million as at 30 September 2024 (the “Previous Period”).

FINANCIAL REVIEW

Revenue

The Group’s revenue amounted to approximately HK\$217.7 million for the Period as compared to approximately HK\$387.5 million for the Previous Period, representing a decrease of approximately HK\$169.8 million or 43.8%, the significant decrease was due to the delay of master programmes of the Group’s certain projects during the Period and the downturn in construction market.

Cost of Revenue and Gross Profit

The Group’s cost of revenue mainly comprised material and processing charges and subcontracting charges; the decrease in cost of revenue for the Period is mainly arising from revenue decline. Attributed to the successful negotiation of compensation for variation works in some completed projects, the Group improved its gross profit margin to approximately 16.5% for the Period as compared to approximately 14.8% for the Previous Period.

Administrative and Other Operating Expenses

Administrative and other operating expenses primarily consisted of staff costs, depreciation expenses on right-of-use assets and legal and professional fee. Administrative and other operating expenses of the Group were approximately HK\$22.6 million for the Period compared to approximately HK\$27.7 million for the Previous Period, representing a decrease of approximately HK\$5.1 million or 18.4% mainly due to saving of Directors discretionary bonus of approximately HK\$6.0 million in view of the drop in revenue of the Group.

Finance Costs

For the Period, the Group's finance costs were approximately HK\$0.6 million compared to approximately HK\$1.2 million for the Previous Period, representing a decrease of approximately 50.0% due to the mitigated need for bank borrowings given the reduced level of contracts on hand. Finance costs for the Period mainly comprised interest on bank borrowings and interest costs of lease of right-to-use assets.

Income Tax Expense

Income tax expense of the Group amounted to approximately HK\$3.2 million for the Period, representing a decrease of approximately HK\$2.4 million as compared to HK\$5.6 million the Previous Period. The effective tax rate for the Period is 21.3% which is higher than Previous Period of 18.3% because the bank interest income which is non-chargeable was lower for the Period when compared to the Previous Period.

Profit for the Period

The Group's profit for the Period was decreased by approximately HK\$13.5 million, which were mainly the offsetting effects of the decrease in gross profit of approximately HK\$21.3 million and the decrease in administrative and other operating expenses of approximately HK\$5.1 million for the Period.

Liquidity, Financial Resources and Capital Structure

	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Current assets	350,009	413,336
Current liabilities	114,805	169,937
Current ratio	3.0	2.4

During the six months ended 30 September 2025, the Group generated negative cash flow from operating activities as the previously recognized contract liabilities were realized as revenue and the provision for staff bonus for the year ended 31 March 2025 was settled during the Period. As at 30 September 2025, the Group had net current assets of approximately HK\$235.2 million (31 March 2025: approximately HK\$243.4 million), including cash and bank balances of approximately HK\$68.7 million (31 March 2025: approximately HK\$120.0 million). The Group's current ratio as at 30 September 2025 was approximately 3.0 times (31 March 2025: approximately 2.4 times), the improvement suggested the reduction in trade payables due to efficient payment management.

As at 30 September 2025, the Group had a total available banking facilities of approximately HK\$207.0 million (31 March 2025: approximately HK\$207.0 million).

There has been no change in capital structure of the Company since 31 March 2025. As at 30 September 2025, the equity amounted to approximately HK\$256.9 million (31 March 2025: approximately HK\$261.4 million).

Gearing Ratio

The gearing ratio is calculated as total debt to equity. Total debts include lease liabilities and bank borrowings of the Group. Equity represents total equity of the Group.

The gearing ratio of the Group as at 30 September 2025 was 4.2% (31 March 2025: approximately 5.0%) as the Group has settled a portion of its lease liabilities as tenancy terms expired. The Group's total debts representing lease liabilities as at 30 September 2025 (31 March 2025: lease liabilities).

FOREIGN CURRENCY EXPOSURE AND TREASURY POLICY

Most of the Group's business transactions, assets and liabilities are denominated in Hong Kong Dollars, United States Dollars, Pound Sterling, Euro and Renminbi. It is the Group's treasury policy to manage its foreign currency exposure whenever its financial impact is material to the Group and will closely monitor its foreign exchange position. During the Period, the Group did not engage in any hedging activities.

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGE OF ASSETS

As at 30 September 2025, the Group does not have any bank borrowings (31 March 2025: nil) and banking facilities are unsecured as at 30 September 2025 (31 March 2025: nil).

As at 30 September 2025, the Group did not have any pledged deposit (31 March 2025: nil).

SIGNIFICANT INVESTMENTS

Other than the investments in its subsidiaries, the Group did not hold any significant investments during the Period.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not acquire nor dispose any subsidiaries during the Period.

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any significant contingent liabilities.

INTERIM DIVIDEND

The Board did not recommend payment of any interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK\$4.0 cents per ordinary share).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group had 199 staff members (31 March 2025: 219). The total employee benefit expenses for the six months ended 30 September 2025 (including Directors' emoluments, salaries to staff and other staff benefits included provident fund contributions, medical insurance coverage and other staff benefits) was approximately HK\$41.0 million (six months ended 30 September 2024: HK\$43.6 million). The Group determines the salary of its employees mainly based on each employee's qualifications, relevant experience, position and seniority. The Group conducts annual review on salary increase, discretionary bonuses and promotions based on the performance of each employee.

During the six months ended 30 September 2025, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff. The Group maintains a good relationship with its employees.

EVENT AFTER THE REPORTING PERIOD

No event has occurred after 30 September 2025 and up to the date of this announcement which would have a material effect on the Group

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 September 2025, the interests or short positions of the Directors and chief executive in the share of the Company (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") (including interests which they were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Long Positions In Shares of the Company

(a) *Interest in the shares of the Company*

Director	Capacity/Nature of interest	Number of issued ordinary shares	Percentage of the issued share capital of the Company
Mr. Wai Yat Kin	Corporate interest	325,930,000	58.52%
	Beneficial owner	40,320,000	7.24%
	Interests held jointly	39,750,000	7.14%
Mr. Yip Pak Hung	Corporate interest	325,930,000	58.52%
	Beneficial owner	39,750,000	7.14%
	Interests held jointly	40,320,000	7.24%

(b) *Interest in the shares of an associated corporation*

Name of associated corporation:
Success Wing Investments Limited

Director	Capacity/Nature of interest	Number of issued ordinary shares	Percentage of shareholding
Mr. Wai Yat Kin	Beneficial owner	14,332	43.97%
	Interests held jointly	14,332	43.97%
Mr. Yip Pak Hung	Beneficial owner	14,332	43.97%
	Interests held jointly	14,332	43.97%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of a Director, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

Long positions

Ordinary shares of the Company

Name of shareholder	Capacity/Nature of interest	Number of issued ordinary shares	Percentage of the issued share capital of the Company
Success Wing Investments Limited	Beneficial owner	325,930,000	58.52%
Ms. Lam Suk Lan Bonnie	Interest of spouse	406,000,000	72.90%
Ms. Wu Janet	Interest of spouse	406,000,000	72.90%

Save as disclosed above, as at 30 September 2025, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO, or otherwise notified to the Company.

SHARE OPTION SCHEME

The share option scheme was adopted by the Company on 22 September 2015 (the “Share Option Scheme”). Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years from the date of its adoption. During the Period, no share option has been granted by the Company under the Share Option Scheme. The share option scheme was expired on 21 September 2025.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed shares of the Company during the Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors (the “Required Standard of Dealings”).

Having made specific enquiries of all the Directors, each of them have confirmed that they have complied with the Required Standard of Dealings throughout the Period and to the date of this announcement.

DIRECTORS’/CONTROLLING SHAREHOLDERS’ INTEREST IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save for the related party transactions disclosed in note 16 to the interim financial statements, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries, or holding company was a party and in which a Director or controlling Shareholder, or an entity connected with a Director or controlling Shareholder, had a material interests, whether directly or indirectly, subsisted during or at the end of the Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance practices. It met all the code provisions of the Corporate Governance Code set out in Appendix C1 of the Listing Rules during the Period. The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements and to meet the rising expectations of shareholders and investors. In accordance to the requirements of the Listing Rules, the Company has established an audit committee, a remuneration committee and a nomination committee with specific written terms of reference.

COMPETING INTEREST

None of the Directors, substantial shareholders of the Company and their respective associates had engaged in a business which competes or is likely to compete with the business of the Group during the Period.

AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) comprises four independent non-executive Directors and is chaired by Ms. Lai Pik Chi Peggy, who has appropriate professional qualifications and experience as required under Rule 3.10(2) of the Listing Rules. The Audit Committee has reviewed the unaudited condensed consolidated financial information of the Group for the Period, and was of the opinion that such information complied with the applicable accounting standards and requirements, and that adequate disclosures have been made.

By order of the Board
KPa-BM Holdings Limited
Yip Pak Hung
Chairman and Executive Director

Hong Kong, 28 November 2025

As at the date of this announcement, the Board comprised executive Directors Mr. Yip Pak Hung (chairman of the Board) and Mr. Wai Yat Kin; and independent non-executive Directors Ms. Lai Pik Chi, Peggy, Mr. Lam Chi Wai, Peter, Dr. Yeung Kit Ming and Dr. Koon Chi Ming, Sebastian.

* *For identification purpose only*