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**C CHENG HOLDINGS LIMITED**  
**思城控股有限公司**

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

**(Stock Code: 1486)**

**ANNOUNCEMENT OF ANNUAL RESULTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

The board (the “**Board**”) of directors (the “**Director(s)**”) of C Cheng Holdings Limited (the “**Company**”) hereby announces the consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the preceding financial year.

**BUSINESS HIGHLIGHTS**

- Total new and supplementary contracts secured during the year totalled HK\$382,806,000 (2024: HK\$328,379,000), representing an increase of 16.6%; and
- Remaining contract sums totalled HK\$881,907,000 (2024: HK\$1,199,382,000), representing a decrease of 26.5%.

**FINANCIAL HIGHLIGHTS**

- Revenue for the year was HK\$364,533,000 (2024: HK\$401,303,000), representing a decrease of 9.2%;
- Profit for the year was HK\$27,131,000 (2024: loss of HK\$14,419,000);
- Profit for the year attributable to owners of the Company was HK\$26,427,000 (2024: loss of HK\$14,851,000);
- Basic and diluted earnings per share based on weighted average number of ordinary shares of 402,818,825 (2024: 368,897,606 (restated)) in issue was HK6.56 cents (2024: loss per share of HK4.03 cents (restated)); and
- No final dividend was proposed (2024: Nil).

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

*For the year ended 31 December 2025*

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3, 4	364,533	401,303
Cost of services		<u>(304,891)</u>	<u>(339,060)</u>
<b>Gross profit</b>		<b>59,642</b>	62,243
Other income and gains, net	4	58,461	2,747
Gain on fair value changes of financial assets at fair value through profit or loss		2,546	1,768
Impairment losses on financial, contract and other assets, net	6	(29,111)	(3,385)
Administrative expenses		(65,955)	(74,971)
Share of loss of a joint venture		(15)	(27)
Share of profits of associates		9,948	3,234
Finance costs	5	<u>(5,824)</u>	<u>(6,913)</u>
<b>Profit/(loss) before tax</b>	6	<b>29,692</b>	(15,304)
Income tax (expense)/credit	7	<u>(2,561)</u>	<u>885</u>
<b>Profit/(loss) for the year</b>		<b><u>27,131</u></b>	<b><u>(14,419)</u></b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operations		5,365	(4,513)
Release of exchange difference upon disposal of a subsidiary		<u>3</u>	<u>–</u>
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b><u>5,368</u></b>	<b><u>(4,513)</u></b>
<b>Total comprehensive income/(loss) for the year</b>		<b><u>32,499</u></b>	<b><u>(18,932)</u></b>
<b>Profit/(loss) for the year attributable to:</b>			
Owners of the Company		26,427	(14,851)
Non-controlling interests		<u>704</u>	<u>432</u>
		<b><u>27,131</u></b>	<b><u>(14,419)</u></b>

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

*For the year ended 31 December 2025*

	<i>Note</i>	<b>2025</b> <b><i>HK\$'000</i></b>	2024 <i>HK\$'000</i>
<b>Total comprehensive income/(loss) for the year attributable to:</b>			
Owners of the Company		<b>31,795</b>	(19,364)
Non-controlling interests		<b>704</b>	432
		<b><u>32,499</u></b>	<b><u>(18,932)</u></b>
 <b>Profit/(loss) per share attributable to owners of the Company</b>			
Basic and diluted ( <i>HK cents</i> )	8		(Restated)
– For profit/(loss) for the year		<b><u>6.56</u></b>	<b><u>(4.03)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		75,818	15,551
Goodwill		4,242	4,151
Intangible assets		–	280
Investment in a joint venture		–	2,656
Investments in associates		111,716	101,763
Prepayments and deposits		9,725	11,823
Deferred tax assets		13,464	15,226
		<b>214,965</b>	151,450
<b>Total non-current assets</b>			
<b>Current assets</b>			
Trade receivables	10	119,026	133,039
Contract assets		190,685	217,626
Financial assets at fair value through profit or loss		8,075	7,979
Prepayments, deposits, other receivables and other assets		27,620	30,696
Restricted bank balance		1,728	4,492
Cash and bank balances		113,649	74,603
		<b>460,783</b>	468,435
<b>Total current assets</b>			
<b>Current liabilities</b>			
Trade payables	11	32,601	28,984
Other payables and accruals		50,441	33,297
Contract liabilities		46,505	57,588
Interest-bearing bank borrowings		80,000	85,000
Other interest-bearing borrowings		277	1,603
Lease liabilities		8,778	8,405
Tax payable		135	110
		<b>218,737</b>	214,987
<b>Total current liabilities</b>			
<b>Net current assets</b>		<b>242,046</b>	253,448
<b>Total assets less current liabilities</b>		<b>457,011</b>	404,898
<b>Non-current liabilities</b>			
Other interest-bearing borrowings		49	363
Provision for reinstatement cost		560	2,160
Lease liabilities		9,038	2,156
Deferred tax liabilities		771	1,156
		<b>10,418</b>	5,835
<b>Total non-current liabilities</b>			
<b>Net assets</b>		<b>446,593</b>	399,063
<b>Equity</b>			
Issued capital		4,324	2,883
Reserves		437,654	393,524
		<b>441,978</b>	396,407
Equity attributable to owners of the Company		441,978	396,407
Non-controlling interests		4,615	2,656
		<b>446,593</b>	399,063
<b>Total equity</b>		<b>446,593</b>	399,063

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

## 1. GENERAL

C Cheng Holdings Limited (the “**Company**”) is an exempted company incorporated in the Cayman Islands with limited liability on 13 May 2013 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and 15th Floor, North Tower World Finance Centre, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong, respectively.

The Company and its subsidiaries (collectively referred to as the “**Group**”) were principally involved in comprehensive architectural services as the principal activities.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

## 2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior year.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced on assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

### 3. OPERATING SEGMENT INFORMATION

Revenue represents the contract revenue from comprehensive architectural services recognised over time during the period.

The Group's operating income was derived from provision of architectural, landscape architectural, town planning, interior design and heritage conservation services. For the purposes of resource allocation and performance assessment, the Chief Executive Officer of the Company, being the chief operation decision maker ("CODM"), reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment.

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Type of services		
Architecture services	326,886	355,595
Landscape architecture, town planning, interior design and heritage conservation services	<u>37,647</u>	<u>45,708</u>
Revenue from contracts with customers	<u><u>364,533</u></u>	<u><u>401,303</u></u>

#### *Geographical information*

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's non-current assets other than financial instruments, deferred tax assets, investment in a joint venture and investments in associates.

	Revenue from external customers		Non-current assets	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<i>Geographical markets</i>				
Chinese Mainland	110,922	170,913	64,344	4,004
Hong Kong	140,898	141,543	14,546	14,442
Middle East and North Africa ("MENA")	92,524	64,706	711	935
Macau	18,942	21,089	–	–
Others	<u>1,247</u>	<u>3,052</u>	<u>459</u>	<u>601</u>
	<u><u>364,533</u></u>	<u><u>401,303</u></u>	<u><u>80,060</u></u>	<u><u>19,982</u></u>

### ***Information about a major customer***

During the years ended 31 December 2025 and 2024, there was no revenue from sales to single customer accounted for 10% or more of the total revenue of the Group.

## **4. REVENUE, OTHER INCOME AND GAINS, NET**

Revenue represents the contract revenue from the provision of comprehensive architectural services during the year.

### **Performance obligations for contracts with customers**

#### ***Comprehensive architectural services***

The Group provides comprehensive architectural services to customers. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue was recognised by applying the input method, by reference to the progress towards complete satisfaction of the performance obligation at the reporting date.

The Group's architecture contracts include payment schedules which require stage payments over the service period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits ranging from 5% to 10% of total contract sum. Contract liability is recognised when the Group receives a deposit before any services are rendered, until the revenue recognised on the specific contract exceeds the amount of the deposit.

A contract asset, net of contract liability related to the same contract, is recognised over the period when the services are rendered and represented the Group's right to consideration for the services rendered, of which the rights are conditional on the Group's future performance in achieving specified milestones. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables when the Group achieves the specific milestones in corresponding contracts. The credit period granted to individual customers is within 90 days in general and up to 180 days upon the issue of the invoice, which is considered on a case-by-case basis.

Retention receivables, prior to expiration of the defect liability period, which range from 6 months to 1 year from the date of the practical completion of the services, are classified as contract assets. The relevant amount of the contract asset is reclassified to trade receivables when the defect liability period expires. The defect liability period serves as an assurance that the services performed comply with agreed-upon specifications and such assurance cannot be purchased separately.

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>

An analysis of the other income and gains, net is as follow:

**Other income**

Exercise of the right-of-use assets ( <i>Note (i)</i> )	54,819	–
Bank interest income	953	1,275
Government subsidies ( <i>Note (ii)</i> )	1,110	2,557
Others	2,159	1,649
	<u>59,041</u>	<u>5,481</u>

**Gains/(losses), net**

Gain on disposal of a subsidiary	5,314	–
Gain on deemed disposal of a joint venture	53	–
Foreign exchange differences, net	(1,460)	24
Loss on deregistration of a subsidiary	(352)	–
Gain on termination of lease	823	–
Loss on disposal of intangible assets	(217)	–
Loss on disposal of other assets	(166)	(2,097)
Loss on disposal of property, plant and equipment	(44)	(291)
Loss on forfeiture of deposits due to termination of leases	(353)	–
Write-off of prepayment	(3,128)	–
Write-off of other receivables	(600)	–
Others	(450)	(370)
	<u>(580)</u>	<u>(2,734)</u>
	<u>58,461</u>	<u>2,747</u>

*Notes:*

- (i) Other income recognised in respect of the exercise of the right-of-use asset of an entire office floor in the Building at nil consideration for the remaining period of the land use right of the land. Details are set out in the announcement of the Company dated 7 April 2025 and the circular dated 22 May 2025.
- (ii) The government grant recognised by the Group during the year represented subsidies received from certain government authorities in Hong Kong for the Group's operation of comprehensive architectural services business, where there are no unfulfilled conditions or contingencies relating to these grants during the years.

## 5. FINANCE COSTS

An analysis of finance costs as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest expenses on:		
– Bank borrowings	4,475	5,527
– Lease liabilities	1,237	1,074
– Others	112	312
	<u>5,824</u>	<u>6,913</u>

## 6. PROFIT/(LOSS) BEFORE TAX

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The Group's profit/(loss) before tax is arrived at after charging/(crediting):		
Cost of services rendered	304,891	339,060
Depreciation of property, plant and equipment	15,587	23,146
Lease payments not included in the measurement of lease liabilities	3,019	3,033
Auditor's remuneration (including remuneration for non-audit services)	1,050	1,427
Staff costs including directors and chief executives' remuneration		
– Salaries, allowances and other benefits	218,907	266,565
– Contributions to retirement benefit schemes ( <i>Note</i> )	10,773	11,545
	<u>229,680</u>	<u>278,110</u>
Loss on disposal of property, plant and equipment	44	291
Loss on disposal of other assets	166	2,097
Loss on disposal of intangible assets	217	–
Loss on deregistration of a subsidiary	352	–
Loss of forfeiture of deposits due to termination of leases	353	–
Gain on deemed disposal of a joint venture	(53)	–
Gain on termination of leases	(823)	–
Gain on disposal of a subsidiary	(5,314)	–
Impairment recognised/(reversal of impairment) on:		
– Trade receivables, net	20,234	685
– Contract assets, net	8,510	(72)
– Other assets	367	2,772
	<u>29,111</u>	<u>3,385</u>

*Note:* There are no forfeited contribution that may be used by the Group as the employer to reduce the existing level of contributions.

## 7. INCOME TAX EXPENSE/(CREDIT)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The income tax expense/(credit) comprises:		
Current tax expense:		
Hong Kong profit tax	25	–
Chinese Mainland	593	926
Others	16	–
	<u>634</u>	<u>926</u>
Dividend withholding tax	550	–
Deferred tax expense/(credit)	1,377	(1,811)
	<u>1,377</u>	<u>(1,811)</u>
Total tax expense/(credit) for the year	<u><u>2,561</u></u>	<u><u>(885)</u></u>

## 8. PROFIT/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic profit/(loss) per share amounts are based on the profit/(loss) for the year and the loss for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

No adjustment has been made to the basic profit/(loss) per share amount presented for each of the years ended 31 December 2025 and 2024 in respect of a dilution as the impact of the share options outstanding during the years ended 31 December 2025 and 2024 had no diluting effect on the basic profit/(loss) per share amount presented.

The calculations of basic and diluted profit/(loss) per share are based on:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Profit/(loss):</b>		
Profit/(loss) attributable to owners of the Company, used in the basic and diluted profit/(loss) per share calculation	<u><u>26,427</u></u>	<u><u>(14,851)</u></u>
	<b>Number of Shares</b>	
	2025	2024 (Restated)
<b>Shares:</b>		
Weighted average number of ordinary shares in issue during the year used in the basis profit/(loss) per share calculation	402,818,825	368,897,606
Effect of dilution – weighted average number of ordinary shares:		
Share options	<u>–</u>	<u>–</u>
	<u><u>402,818,825</u></u>	<u><u>368,897,606</u></u>

The weighted average number of shares of 368,897,606 for the year ended 31 December 2024 was adjusted to reflect the rights issue completed on 20 June 2025.

## 9. DIVIDENDS

No final dividend was proposed nor paid by the Company in respect of the years ended 31 December 2025 and 2024.

## 10. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bills receivable ( <i>Note</i> )	1,552	1,490
Trade receivables	<u>150,151</u>	<u>143,694</u>
	151,703	145,184
Impairment	<u>(32,677)</u>	<u>(12,145)</u>
	<u><u>119,026</u></u>	<u><u>133,039</u></u>

*Note:* Bills receivable held are with a maturity period less than one year.

The Group does not hold any collateral or other credit enhancements over its trade receivable balances and the trade receivables are non-interest-bearing.

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Unbilled receivable ( <i>Note</i> )	9,125	30,684
Within 30 days	55,496	29,908
Over 30 days and within 90 days	14,150	23,692
Over 90 days and within 180 days	8,816	7,253
Over 180 days	<u>31,439</u>	<u>41,502</u>
	<u><u>119,026</u></u>	<u><u>133,039</u></u>

*Note:* Amounts represent the Group's unconditional right to consideration which invoices have not been issued.

## 11. TRADE PAYABLES

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	6,172	7,659
Over 30 days and within 90 days	12,195	2,969
Over 90 days	<u>14,234</u>	<u>18,356</u>
	<u><b>32,601</b></u>	<u><b>28,984</b></u>

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERALL INDUSTRY REVIEW

The global architecture and engineering industry in 2025 was characterised by pronounced regional divergence, driven by varying stages of economic cycles, government policy shifts, and evolving urbanisation priorities. For firms with a multi-regional footprint spanning Hong Kong, Chinese Mainland, and the Middle East and North Africa (“MENA”), the year presented a complex tapestry of contraction, stabilisation, and growth.

### **Chinese Mainland: A Structural Pivot from “Volume” to “Quality”**

The PRC architecture sector underwent a profound structural transformation in 2025, moving away from the decades-long model of high-volume, rapid-turnover residential development. The industry faced a continued decline in new property starts, particularly in the traditional residential and large-scale mixed-use segments. This was driven by the ongoing digestion of housing inventory, cautious land acquisition by developers, and a broader macroeconomic shift away from real estate as the primary engine of GDP growth. Government policy and market demand aggressively pivoted towards “high-quality development.”

### **Hong Kong: A Year of Contraction and Consolidation**

In Hong Kong, the real estate market continued to face a challenging environment. The convergence of high interest rates, subdued property sentiment, and a slowdown in both private and public project pipelines created severe pressure on industry margins. This downturn triggered a wave of industry consolidation.

### **MENA Region: The New Engine of Global Growth**

The MENA region emerged one of the most dynamic growth engines for the global architecture industry in 2025. Driven by ambitious national vision plans, including Saudi Vision 2030 and corresponding initiatives across the Gulf, the region continued to generate strong demand for large-scale infrastructure, tourism destinations, mixed-use developments and next-generation urban environments. At the same time, the market began to mature, with greater emphasis on delivery prioritisation, phasing discipline and investment efficiency, particularly in Saudi Arabia, where certain programmes were recalibrated in 2025 to support long-term value creation and sustainable implementation. Even with these readjustments, the region continues to represent a compelling and strategically important source of opportunity for internationally capable design practices.

Successful firms in this environment were those that could act with agility across contrasting market conditions – pivoting service offerings in slower markets, redeploying expertise efficiently, and scaling in high-growth regions such as MENA with discipline and speed. Increasingly, success depends not only on size, but on responsiveness: the ability to recalibrate resources, adapt delivery models, form the right local partnerships, and respond constructively to shifting policy, procurement and investor priorities. As the industry moves forward, this combination of agility, regional adaptability and operational resilience will remain a defining factor in sustaining growth and capturing value across divergent cycles.

Despite the challenges associated with the industry downturn, our Group is committed to identifying and capitalising on transformative opportunities that align with future business models while exploring potential investment avenues. This proactive strategy is designed to enhance our resilience and growth in response to evolving market conditions, leveraging strategic transformations to unlock new value and capitalise on emerging trends.

## **BUSINESS REVIEW**

Despite the challenges associated with the industry downturn, our Group is committed to identifying and capitalising on transformative opportunities that align with future business models while exploring potential investment avenues. This proactive strategy is designed to enhance our resilience and growth in response to evolving market conditions, leveraging strategic transformations to unlock new value and capitalise on emerging trends.

In 2018, we embarked on an expansion strategy into the MENA region, driven by our ambition to capture emerging opportunities in the architectural sector and to diversify our revenue streams. That decision continues to create strategic value today. As the regional market broadens beyond public sector-led mega projects into a wider range of private sector, mixed-use, hospitality and lifestyle opportunities, our growing local establishment provides an important platform for delivery, relationship-building and market access. It also helps facilitate the transition and integration of our Hong Kong and Chinese Mainland teams into the Middle East, allowing us to deploy proven expertise from our existing portfolio while adapting it to local expectations, regulatory frameworks and client needs. Supported by broader partnerships and an increasingly adaptive business model, we remain optimistic about the year ahead and well positioned to participate in the region's next phase of growth despite the current volatility in the Gulf.

During the year, the comprehensive architectural business secured new contracts and supplementary contracts totalling approximately HK\$382,806,000, as compared with HK\$328,379,000 in 2024, representing an increase of 16.6%. As at 31 December 2025, the Group's segment had remaining contract sums of approximately HK\$881,907,000, decreased by 26.5% as compared with HK\$1,199,382,000 in 2024.

## FINANCIAL OVERVIEW

### Revenue

For the year ended 31 December 2025, the Group recorded total revenue of HK\$364,533,000, representing a decrease of 9.2% compared to HK\$401,303,000 in 2024. This contraction was primarily driven by significant headwinds in the Chinese Mainland market, which were partially offset by robust growth in our MENA operations and stable performance in Hong Kong.

### *Geographical Breakdown and Variance Analysis*

**Chinese Mainland:** Revenue from the Chinese Mainland segment decreased by HK\$59,991,000 (or 35.1%). This decline reflects the continued structural adjustment within the PRC real estate sector. Throughout 2025, the industry witnessed a sustained contraction in new property starts, particularly in traditional residential and large-scale mixed-use developments. Concurrently, market demand has pivoted towards urban renewal, old community renovation, and cultural/tourism projects. While the Group is actively expanding its capabilities in these emerging service lines, the transition period has created a temporary revenue gap where the decline in traditional design commissions has outpaced the recognition of revenue from new sectors.

**Hong Kong:** The Hong Kong market demonstrated remarkable resilience, with revenue decreasing only marginally by HK\$645,000 (or 0.5%). This stability underscores the Group's strong market position and diversified client base in the region, effectively insulating us from the volatility seen in other markets.

**MENA Region:** In stark contrast to the domestic slowdown, our MENA operations delivered exceptional growth, surging by HK\$27,818,000 (or 43.0%). This significant increase validates our early strategic entry into the region. The strong performance in MENA has become a critical growth engine, effectively diversifying our geographic risk profile.

While the 9.2% overall revenue decrease presents a shortterm challenge, it is largely a consequence of necessary strategic realignment and macro-industry cycles. The Group is accelerating its transformation in Chinese Mainland to align with the national focus on high-quality development, urban regeneration, and cultural tourism. We are confident that as these new service lines mature and gain traction, they will help bridge the current revenue gap. Coupled with our continued expansion in the high-growth MENA market and the steady foundation in Hong Kong, the Group is well positioned to maintain continuity of business and pursue sustainable, diversified growth in the coming year. While the current situation in the Gulf warrants close attention, we continue to view the region with confidence, supported by strong longterm fundamentals, deepening client relationships and an active pipeline of opportunity across Saudi Arabia, the UAE and the wider Gulf Cooperation Council (“GCC”).

### **Cost of services**

Cost of services for the year amounted to HK\$304,891,000, when compared with that of HK\$339,060,000 in 2024, representing a decrease of 10.1%. Such decrease was mainly attributable to reduced operational costs resulting from ongoing optimisations in professional staff headcount and the implementation of stringent cost control measures in response to the slowdown in the property market.

### **Gross profit and gross profit margin**

Gross profit for the year amounted to HK\$59,642,000, decreased by 4.2% when compared with that of HK\$62,243,000 in 2024. Notwithstanding the decrease in gross profit, the gross profit margin improved from 15.5% in 2024 to 16.4% in 2025.

### **Other income and gains, net**

Other income and gains, net for the year amounting to HK\$58,461,000, compared with that of HK\$2,747,000 in 2024.

Other income in 2025 was mainly the recognition in respect of the exercise of the right-of-use asset of an entire office floor in the building named as C Cheng Future City Business Headquarter, located in Guangzhou, the PRC, amounting to HK\$54,819,000. Depreciation charge for the year on that right-of-use asset was HK\$897,000 in 2025.

## Administrative expenses

Administrative expenses for the year amounted to HK\$65,955,000, comparing with the corresponding period of HK\$74,971,000, representing a decrease of 12.0%. The decrease was mainly due to the reduction in staff costs and headcount for the management and administrative support during the year.

## Profit/(loss) for the year

Profit for the year in 2025 was HK\$27,131,000, compared with the loss for the year of HK\$14,419,000 in 2024, representing a significant increase of approximately 288.2%. This was mainly contributed by the recognition of the right-of-use asset of HK\$53,922,000 (after depreciation), net-off with the impairment recognised on trade receivables and contract assets of HK\$29,111,000.

Profit for the year attributable to owners of the Company in 2025 was HK\$26,427,000, compared with the loss for the year attributable to owners of the Company of HK\$14,851,000 in 2024.

## LIQUIDITY AND FINANCIAL RESOURCES

	As at 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current assets	<b>460,783</b>	468,435
Current liabilities	<b>218,737</b>	214,987
Current ratio	<b><u>2.11</u></b>	<b><u>2.18</u></b>

The current ratio of the Group as at 31 December 2025 was 2.11 times as compared to that of 2.18 times as at 31 December 2024. The decrease in current ratio was mainly resulted from the decrease in net contract assets after impairment recognised on trade receivables and contract assets in 2025.

As at 31 December 2025, the Group had bank balances and cash of HK\$113,649,000 (2024: HK\$74,603,000) and restricted bank balance of HK\$1,728,000 (2024: HK\$4,492,000). The unutilised banking facility amount was HK\$10,000,000 (2024: HK\$5,000,000) as at 31 December 2025.

As at 31 December 2025, the gearing ratio of the Group was 18.0% (represented by unsecured bank borrowings and other interest-bearing borrowings divided by total equity) (as at 31 December 2024: 21.8%). The borrowings of the Group have not been hedged by any interest rate financial instruments.

To ensure sufficient capital for ongoing and future business development activities, the Group is actively managing its financial resources and seeking additional funding avenues. During the year, the Company completed a rights issue on 20 June 2025 with the net proceeds of approximately HK\$13,776,000. The Group will cautiously seek out business and investment opportunities with a view to balancing risk and maximising shareholders' value.

## **OUTLOOK**

Despite the ongoing market recalibration and structural adjustments within Chinese Mainland's property development sector, global economic recovery and expanding trade and cultural exchanges present new investment opportunities. Hong Kong's projected moderate economic recovery in 2025 offers renewed market potential. The Group is strategically positioned to capitalise on these dynamics through focused investment in green and smart building developments, expanding our market presence across key regions including Chinese Mainland, Hong Kong, and the dynamic MENA region.

In the Middle East, the property development market is expected to remain a strategically important source of growth, underpinned by long-term national transformation agendas, ongoing urban investment and the region's continuing appeal to international capital and talent. In Saudi Arabia, Vision 2030 continues to drive significant development activity, even as certain programmes are being phased and recalibrated to support more sustainable delivery and stronger long-term outcomes. This evolution reinforces, rather than diminishes, the scale of opportunity for experienced partners able to support the Kingdom's ambitions. Across the United Arab Emirates, and particularly in Dubai, market activity is also expected to remain robust, supported by the emirate's position as a global business hub, a preferred destination for investment and a centre for high-value real estate demand. In this context, the Group remains firmly committed to continuity of business and to supporting clients across Saudi Arabia, Dubai and the wider GCC with consistency, confidence and a long-term view of the market.

The global shift towards smart city and sustainable development initiatives offers a significant opportunity for long-term value creation. These projects focus on environmentally sound and technologically advanced urban environments, reflecting our commitment to enhancing quality of life and achieving sustainable returns. The Group is dedicated to advancing digital transformation, integrating sustainability into our core principles, and improving living conditions through strategic practices.

To mitigate operational risks across our diverse regional portfolio, we have implemented strong internal communication channels and compliance frameworks aligned with local regulations. We acknowledge potential challenges such as the impact of elevated global interest rates on Hong Kong's property market and the complexities of Chinese Mainland's property sector transformation. To proactively manage these risks, we are investing in advanced project management tools, enhancing employee training, and strengthening local partnerships. Through these initiatives, the Group aims to maintain consistent financial performance and drive sustainable value creation in the industry.

In light of present market challenges and opportunities, the Group is resolute in its commitment to advancing global sustainability through innovative project design and strategic investments in forward-looking developments that create long-term value for our shareholders.

## **RIGHTS ISSUE**

On 20 June 2025, the Company completed a rights issue (the “**Rights Issue**”) on the basis of one (1) rights share for every two (2) shares held on the record date at the subscription price of HK\$0.10 per rights share and issued 144,130,390 ordinary shares of the Company. All the unsubscribed rights shares were subject to placing (the “**Compensatory Arrangements**”) by BMI Securities Limited as placing agent (the “**Placing Agent**”), and were successfully and fully placed by the Placing Agent at the price of HK\$0.10 per share. The closing price on 29 April 2025, being the date on which the terms of Rights Issue were fixed, was HK\$0.305 per Share. Details of the Rights Issue and the Compensatory Arrangements are set out in the announcements of the Company dated 29 April 2025, 6 June 2025 and 19 June 2025, and the prospectus of the Company dated 21 May 2025.

The gross proceeds raised from the Rights Issue (including the Compensatory Arrangements) were approximately HK\$14,413,000 and the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK\$13,776,000. As at 31 December 2025, the Group has utilised the net proceeds as follows:

Use of net proceeds	Intended use of net proceeds as stated in the prospectus dated 21 May 2025 <i>HK\$'000</i>	Actual use of net proceeds up to 31 December 2025 <i>HK\$'000</i>	Unutilised net proceeds up to 31 December 2025 <i>HK\$'000</i>	Expected timeline for the intended use (Note)
To further develop and strengthen the Group's existing business in MENA region	4,088	(1,641)	2,447	On or before December 2026
To enhance the Group's information technology infrastructure through the development of digital platform with artificial intelligence technology	4,088	(297)	3,791	On or before December 2026
General working capital of the Group	5,600	(5,600)	–	On or before December 2026
	<u>13,776</u>	<u>(7,538)</u>	<u>6,238</u>	

*Note:* It is expected that the unutilised Net Proceeds to be fully utilised by the end of 2026 but is subject to change depending on the market conditions and developments at the relevant times.

## CAPITAL STRUCTURE

Save as disclosed in the section headed "Rights Issue" above, there has been no change in the capital structure of the Group during the year ended 31 December 2025. The capital of the Group only comprises of ordinary shares.

## FOREIGN EXCHANGE EXPOSURE

Most of the business transactions, assets and liabilities of the Group are principally denominated in Hong Kong dollars, United States dollars, Renminbi and United Arab Emirates dirham. As at 31 December 2025, the Group had no significant exposure under foreign exchange contracts, interest, currency swaps or other financial derivatives.

## SIGNIFICANT INVESTMENT

As at 31 December 2025, the Group had interest in associate of isBIM Limited (“isBIM”), of approximately HK\$85,303,000. The Board considers that investments with carrying amount accounting for more than 5% of the Group’s total assets as 31 December 2025 as significant investments.

Details of the investment as at 31 December 2025, are as follows:

Company name	As at 31 December 2025				Proportion to the total assets of the Group	For the year ended 31 December 2025	
	Issued/ registered share capital <i>HK\$</i>	Ownership Interest	Investment cost <i>HK\$’000</i>	Carrying amount <i>HK\$’000</i>		Share of profits of associate <i>HK\$’000</i>	Dividends received <i>HK\$’000</i>
isBIM	27,065,200	35.0%	34,300	85,303	12.6%	10,600	–

isBIM is involved in the provision of building information modelling services, software development services, sales of IT products, and provision of training and other services.

Investing in associate of isBIM is a strategic choice designed to foster enduring partnerships that promote mutual growth. Our intention is to maintain this investment for the long term, with the goal of generating sustainable value over time.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the year ended 31 December 2025, the Group had no future plan for material investments and capital assets.

## **MATERIAL ACQUISITIONS AND DISPOSALS**

During the year ended 31 December 2025, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

## **DIVIDEND**

The Directors did not recommend the payment of any final dividend for the year ended 31 December 2025 (2024: Nil) in order to reserve the resources for the business development of the Group.

## **PLEDGE OF ASSETS**

As at 31 December 2025, bank deposits of HK\$20,114,000 were pledged as collateral to secure banking facilities granted to its subsidiary (2024: Nil).

## **CONTINGENT LIABILITIES**

As at 31 December 2025, the Group provided guarantees amounting to HK\$10,931,000 (2024: HK\$5,939,000) to secure services performance bonds issued by a bank on behalf of performance obligation on certain projects of a subsidiary.

## **COMMITMENTS**

As at 31 December 2025, the Group did not have any significant capital commitments (2024: Nil).

## **EVENTS AFTER THE REPORTING PERIOD**

The Directors are not aware of any significant event requiring disclosure in this announcement that has taken place subsequent to 31 December 2025 and up to the date of this announcement.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2025, the Group employed around 500 (2024: around 615) full-time employees. During the year, staff costs decreased by approximately 17.4% to approximately HK\$229,680,000 (2024: approximately HK\$278,110,000). Such decrease was mainly due to the Group's continuous effort in cost control by optimising the effectiveness of staff remuneration plan and reducing number of headcounts.

Employees are remunerated according to nature of the job, market trend and individual performance. Employee bonus is distributable based on the performance of the respective subsidiaries and the employees concerned.

The Group offers competitive remuneration and benefit package to our employees. Our employee benefits include the Mandatory Provident Fund Schemes in Hong Kong, employee pension schemes in Chinese Mainland, medical coverage, insurance, training and development programmes.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2025.

## **DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACTS**

No transaction, arrangement or contract that is significant in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a person who at any time was a Director or his connected entity had, directly or indirectly, a material interest subsisted at any time during the year or at the end of 2025.

## COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors, the controlling shareholder and their respective associates (as defined under the Rules (“**Listing Rules**”) Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”)) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group during the year ended 31 December 2025, as required to be disclosed under Rule 8.10(2) of the Listing Rules.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Following the redesignation of Mr. Wong Hin Wing from an independent non-executive Director to a non-executive Director, the Company failed to meet the following requirements of the Listing Rules:

1. the board of directors must include at least three independent non-executive directors, under Rule 3.10(1) of the Listing Rules and the Company must appoint independent non-executive directors representing at least one-third of the board, under Rule 3.10A of the Listing Rules;
2. the audit committee must be chaired by an independent non-executive director, under Rule 3.21 of the Listing Rules;
3. the remuneration committee comprising a majority of independent non-executive directors, under Rule 3.25 of the Listing Rules; and
4. the nomination committee comprising a majority of independent non-executive directors, under Rule 3.27A of the Listing Rules;

Following the appointment of Mr. Wan Sze Chung as an independent non-executive Director on 28 October 2025, (i) the Board comprises three independent non-executive Directors, representing one-third of the Board; (ii) the Audit Committee is chaired by an independent non-executive Director; (iii) the Remuneration Committee comprises a majority of independent non-executive Directors; and (iv) the Nomination Committee comprises a majority of independent non-executive Directors. Accordingly, on 28 October 2025, the Company resumed compliance with Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules in terms no less exacting than the required standard set out in the Model Code as its code of conduct regarding securities transactions by Directors.

Reference is made to the announcement of the Company dated 30 September 2025. The Company was notified by Mr. Deng Li Ming (“**Mr. Deng**”), an executive Director, that on 12 August 2025, he entered into an off-market transaction purchasing of a total of 4,980,000 shares of the Company at a consideration of HK\$0.25 per share (the “**Transaction**”) without first having notified the Company prior to the Transaction in accordance with the requirements under paragraph B.8 of Appendix C3 to the Listing Rules. As a result of the Transaction, the beneficial shareholding interest of Mr. Deng in the Company has been increased from 0% to 1.15% of the total issued share capital of the Company as at the date of this announcement.

Pursuant to paragraph A.3 of Appendix C3 to the Listing Rules, the Directors are prohibited from dealing in any securities of the Company on any day on which its financial results are published and during the period of 30 days immediately preceding the publication date of the interim results of the Company for the six months ended 30 June 2025 (the “**Interim Results**”), as well as any period of delay in the publication of the Interim Results announcement (the “**Black-out Period**”). As disclosed in the announcement of the Company dated 11 August 2025, the meeting of the board of Directors (the “**Board**”) for the publication of the Interim Results was scheduled on 25 August 2025 and the Transaction therefore fell within the Black-out Period and constituted a dealing of shares by Mr. Deng and a non-compliance incident of paragraphs A.3 and B.8 of Appendix C3 to the Listing Rules (the “**Non-compliance Incident**”).

Mr. Deng reported the Non-compliance Incident to the Company and confirmed that the non-compliance was an inadvertent oversight, and that he did not intend to commit such mistake. Mr. Deng further confirmed that he did not possess any inside information of the Company when the Transaction took place. After the Non-compliance Incident, Mr. Deng re-studied in-depth the internal code of securities transactions by directors and chief executives of the Company. Mr. Deng made arrangements to attend training courses on regulatory compliance and corporate governance by the end of December 2025, to ensure he will not contravene Appendix C3 of the Listing Rules and he will stay vigilant to avoid any recurrence of the non-compliance.

Upon becoming aware of the Non-compliance Incident, the Company had implemented an electronic calendar system, whether by email browser or other software, such that the blackout period can be marked on the calendars which can be reviewed by each member of the Board from their mobile devices. And the board of Directors would reply to the Company for the acknowledgement of the duration of the Blackout Period in coming future after they receive the notification emails from the Company to prevent similar incidents in the future. The Company circulated Appendix C3 to the Listing Rules and reminded the Directors to comply with its requirements more frequently to ensure compliance with and enhance their awareness of good corporate governance practices.

Saved as disclosed above, having made specific enquiries to all Directors, all Directors confirm that they have complied with the required standard as stated in the Model Code regarding securities transactions throughout the year ended 31 December 2025.

## **AUDIT COMMITTEE**

The Audit Committee has reviewed with the management of the Group the financial and accounting policies and practices adopted by the Group, its internal controls and financial reporting matters, the corporate governance procedure and practices and is of the opinion that the preparation of such statements complied with the applicable accounting standards and that adequate disclosures have been made.

## **REVIEW OF THE PRELIMINARY ANNOUNCEMENT OF RESULTS BY INDEPENDENT AUDITOR**

The figures in respect of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 of the Group as set out in this announcement have been agreed by the auditor of the Company, to the amounts set out in the draft consolidated financial statements of the Group for the year. The work performed by the auditor of the Company in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the auditor of the Company on the preliminary announcement of the Company.

## **PUBLICATION OF 2025 ANNUAL REPORT**

The annual report of the Company for the year ended 31 December 2025 and the notice of the annual general meeting will be despatched to the Shareholders and published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.cchengholdings.com](http://www.cchengholdings.com)) in due course.

By order of the Board  
**C Cheng Holdings Limited**  
**Liang Ronald**  
*Chairman*

Hong Kong, 26 March 2026

*As at the date of this announcement, the executive Directors are Mr. Liang Ronald, Mr. Liu Jiang Tao, Mr. Fu Chin Shing, Mr. Wang Jun You, Mr. Deng Li Ming and Mr. Lei Zhi Jun and the independent non-executive Directors are Mr. Chan James, Mr. Wan Sze Chung and Ms. Su Ling.*