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BUILD KING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00240)

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

FINANCIAL PERFORMANCE HIGHLIGHTS

Percentage of increase in equity** per share	10%
Equity	HK\$2,922 million
Equity per share	HK\$2.35
Group revenue	HK\$13,843 million
Profit attributable to owners of the Company	HK\$453 million
Final dividend per share	HK7.0 cents
Special dividend per share	HK6.0 cents

** *equity refers to equity attributable to owners of the Company*

RESULTS

The board of directors (the “Board”) of Build King Holdings Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 and the consolidated statement of financial position of the Group as at 31 December 2025 together with the comparative figures for 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2025

		2025	2024
	Notes	HK\$'000	HK\$'000
Revenue from services	3	13,842,704	14,368,536
Cost of sales		(12,802,065)	(13,212,399)
Gross profit		1,040,639	1,156,137
Investments and other income	5	64,448	52,741
Net (decrease) increase in fair value of financial assets at fair value through profit or loss (“FVTPL”)		(26,543)	3,728
Administrative expenses		(550,573)	(594,558)
Other losses	6	—	(57,198)
Finance costs	7	(6,168)	(16,491)
Share of results of joint ventures		(2,184)	(48,297)
Share of results of associates		3,402	615
Profit before tax	8	523,021	496,677
Income tax expense	9	(73,101)	(67,652)
Profit for the year		449,920	429,025
Profit (loss) for the year attributable to:			
Owners of the Company		452,732	433,996
Non-controlling interests		(2,812)	(4,971)
		449,920	429,025
		HK cents	HK cents
Earnings per share	11		
– Basic		36.5	34.9

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

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	HK\$'000	HK\$'000
Profit for the year	<u>449,920</u>	<u>429,025</u>
Other comprehensive income (expense)		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<u>8,326</u>	<u>(12,864)</u>
Total comprehensive income for the year	<u><u>458,246</u></u>	<u><u>416,161</u></u>
Total comprehensive income (expense) attributable to:		
Owners of the Company	459,742	422,364
Non-controlling interests	<u>(1,496)</u>	<u>(6,203)</u>
	<u><u>458,246</u></u>	<u><u>416,161</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		471,795	458,806
Right-of-use assets		41,426	55,858
Intangible assets		200,455	216,839
Goodwill		30,554	30,554
Interests in joint ventures		4,160	6,030
Interests in associates		38,835	35,430
Financial assets at FVTPL		328,559	328,559
		1,115,784	1,132,076
Current assets			
Inventories		146,212	136,199
Debtors, deposits and prepayments	12	799,094	992,400
Contract assets	13	3,536,438	4,020,830
Amounts due from fellow subsidiaries		3,564	3,193
Amount due from a joint venture		545	312
Amounts due from associates		15,024	62,989
Amounts due from other partners of joint operations		59,528	46,284
Financial assets at FVTPL		72,841	460,162
Tax recoverable		4,175	8,270
Pledged bank deposits		90,251	80,507
Time deposits with original maturity of not less than three months		557	1,343
Bank balances and cash		2,586,879	1,530,568
		7,315,108	7,343,057

	Notes	2025 HK\$'000	2024 HK\$'000
Current liabilities			
Creditors and accrued charges	14	3,866,719	4,574,475
Contract liabilities		1,377,000	966,170
Lease liabilities		23,178	29,685
Amount due to an intermediate holding company		21,620	20,748
Amounts due to fellow subsidiaries		2,440	5,572
Amounts due to other partners of joint operations		9,020	3,855
Amounts due to non-controlling interests		1,098	1,098
Amount due to an associate		25,749	24,317
Tax payable		79,904	55,664
Bank loans – due within one year		88,344	75,696
		<u>5,495,072</u>	<u>5,757,280</u>
Net current assets		<u>1,820,036</u>	<u>1,585,777</u>
Total assets less current liabilities		<u>2,935,820</u>	<u>2,717,853</u>
Capital and reserves			
Ordinary share capital		124,188	124,188
Reserves		2,797,354	2,538,040
Equity attributable to owners of the Company		2,921,542	2,662,228
Non-controlling interests		(10,882)	12,780
Total equity		<u>2,910,660</u>	<u>2,675,008</u>
Non-current liabilities			
Deferred tax liabilities		5,750	8,665
Obligations in excess of interests in joint ventures		767	453
Obligations in excess of interests in associates		9,393	13,410
Amount due to an associate		—	671
Lease liabilities		9,250	19,646
		<u>25,160</u>	<u>42,845</u>
		<u>2,935,820</u>	<u>2,717,853</u>

Notes:

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values at the end of each reporting period.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 “*Financial Instruments*” clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 “*Financial Instruments: Disclosures*” in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 “*Presentation and Disclosure in Financial Statements*”, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “*Presentation of Financial Statements*”. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “*Accounting Policies, Changes in Accounting Estimates and Errors*” and HKFRS 7. Minor amendments to HKAS 7 “*Statement of Cash Flows*” and HKAS 33 “*Earnings per Share*” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE FROM SERVICES

Disaggregation of revenue from contracts with customers

<u>Segments</u>	2025		Consolidated HK\$'000
	Hong Kong HK\$'000	Other regions in the People's Republic of China (the "PRC") HK\$'000	
Types of service			
Construction contract	13,601,982	—	13,601,982
Sewage treatment plant operation	—	24,449	24,449
Steam fuel plant operation	—	216,273	216,273
Total revenue	<u>13,601,982</u>	<u>240,722</u>	<u>13,842,704</u>
Timing of revenue recognition			
Over time	<u>13,601,982</u>	<u>240,722</u>	<u>13,842,704</u>
<u>Segments</u>	2024		Consolidated HK\$'000
	Hong Kong HK\$'000	The PRC HK\$'000	
Types of service			
Construction contract	14,153,310	—	14,153,310
Sewage treatment plant operation	—	48,902	48,902
Steam fuel plant operation	—	166,324	166,324
Total revenue	<u>14,153,310</u>	<u>215,226</u>	<u>14,368,536</u>
Timing of revenue recognition			
Over time	<u>14,153,310</u>	<u>215,226</u>	<u>14,368,536</u>

4. SEGMENTAL INFORMATION

The Group is mainly engaged in construction work. Information reported to the Company's chief operating decision maker, i.e. the executive directors, for the purposes of resource allocation and assessment of performance is focused on geographical location of its customers including Hong Kong and the PRC. No operating segments have been aggregated in arriving at the reportable segments of the Group. The Group's reportable and operating segments under HKFRS 8 "Operating Segments" are summarised as follows:

Year ended 31 December 2025

	Hong Kong	The PRC	Total
	HK\$'000	HK\$'000	HK\$'000
<u>Results</u>			
Segment revenue	<u>13,601,982</u>	<u>240,722</u>	<u>13,842,704</u>
Segment profit	<u>529,749</u>	<u>34,421</u>	<u>564,170</u>
Unallocated expenses			(10,174)
Investments income			518
Net decrease in fair value of financial assets at FVTPL			(26,543)
Share of results of joint ventures			(2,184)
Share of results of associates			3,402
Finance costs			<u>(6,168)</u>
Profit before tax			<u>523,021</u>

Year ended 31 December 2024

	Hong Kong HK\$'000	The PRC HK\$'000	Total HK\$'000
<u>Results</u>			
Segment revenue	<u>14,153,310</u>	<u>215,226</u>	<u>14,368,536</u>
Segment profit (loss)	<u>581,051</u>	<u>(16,880)</u>	564,171
Unallocated expenses			(8,033)
Investments income			984
Net increase in fair value of financial assets at FVTPL			3,728
Share of results of joint ventures			(48,297)
Share of results of associates			615
Finance costs			<u>(16,491)</u>
Profit before tax			<u>496,677</u>

There are no inter-segment sales for both years. All of the segment revenue reported above is from external customers.

Segment profit (loss) represents the profit earned (loss incurred) by each segment without allocation of dividends from financial assets at FVTPL, interest on financial assets at FVTPL, change in fair value of financial assets at FVTPL, share of results of joint ventures and associates, finance costs and unallocated expenses.

5. INVESTMENTS AND OTHER INCOME

	2025	2024
	HK\$'000	HK\$'000
Investments and other income include:		
Dividends from financial assets at FVTPL	228	173
Interest on bank deposits	21,382	14,186
Gain on disposal of property, plant and equipment	141	4,326
Government subsidy for the PRC projects	567	1,564
Net gain arising on lease modification	203	—
Gain on disposal of an associate	4,020	—
Interest on other receivables	288	1,447
Interest on financial assets at FVTPL	290	811
Interest on other financial asset at amortised cost	—	676
Interest on loan to an associate	—	61
Government subsidy for Hong Kong operations	—	2,012
Gain on disposal of a subsidiary	—	16,960
	<u> </u>	<u> </u>

6. OTHER LOSSES

	2025	2024
	HK\$'000	HK\$'000
Impairment loss recognised on interest in a joint venture	—	6,691
Impairment loss recognised on other receivables	—	13,018
Written down to net realisable value of inventory	—	37,489
	<u> </u>	<u> </u>
	<u> </u>	<u>57,198</u>

7. FINANCE COSTS

	2025	2024
	HK\$'000	HK\$'000
Interest on:		
Bank borrowings	4,074	13,409
Other borrowings	566	1,143
Lease liabilities	767	1,198
Imputed interest expense on non-current amount due to an associate	761	741
	<u>6,168</u>	<u>16,491</u>

8. PROFIT BEFORE TAX

	2025	2024
	HK\$'000	HK\$'000
Profit before tax has been arrived at after charging (crediting):		
Auditor's remuneration	2,610	2,800
Depreciation of property, plant and equipment	74,087	63,700
Depreciation of right-of-use assets	27,559	31,352
Amortisation of intangible assets	24,135	58,692
Net foreign exchange (gains) losses	(27,457)	14,709
Staff costs:		
Directors' remuneration	35,020	40,093
Other staff costs	2,024,063	1,713,886
Retirement benefits scheme contributions, excluding amounts included in directors' remuneration and net of forfeited contributions of HK\$2,485,000 (2024: HK\$1,609,000)	72,895	71,087
	<u>2,131,978</u>	<u>1,825,066</u>

9. INCOME TAX EXPENSE

	2025	2024
	HK\$'000	HK\$'000
Current tax:		
Hong Kong	66,902	71,738
The PRC	7,071	14,684
Others	566	—
	<u>74,539</u>	<u>86,422</u>
Under (over) provision in prior years:		
Hong Kong	1,477	(11,492)
The PRC	—	182
	<u>1,477</u>	<u>(11,310)</u>
Deferred tax		
Current year	<u>(2,915)</u>	<u>(7,460)</u>
	<u><u>73,101</u></u>	<u><u>67,652</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

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

10. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Dividend paid and recognised as distribution during the year		
2024 final dividend – HK7.5 cents per share (2024: 2023 final dividend – HK8.0 cents per share)	93,141	99,350
2025 interim dividend – HK4.0 cents per share (2024: 2024 interim dividend – HK3.0 cents per share)	49,675	37,256
2024 special dividend – HK6.0 cents per share (2024: nil)	74,513	—
	<u>217,329</u>	<u>136,606</u>

A final dividend for the year ended 31 December 2025 of HK7.0 cents per ordinary share and a special dividend for the year ended 31 December 2025 of HK6.0 cents per ordinary share, totalling approximately HK\$86,932,000 and HK\$74,513,000 respectively based on 1,241,877,992 ordinary shares have been proposed by the board of directors of the Company and are subject to approval by the shareholders at the forthcoming annual general meeting. The final dividend and special dividend have not been included as liabilities in the consolidated financial statements.

11. EARNINGS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
Profit for the year attributable to owners of the Company and earnings for the purpose of basic earnings per ordinary share	<u>452,732</u>	<u>433,996</u>
	Number of Shares	
	2025 '000	2024 '000
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share	<u>1,241,878</u>	<u>1,241,878</u>

The Company has no potential ordinary shares outstanding during both years. Accordingly, no diluted earnings per share information is presented.

12. DEBTORS, DEPOSITS AND PREPAYMENTS

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	2025	2024
	HK\$'000	HK\$'000
Trade receivables from contracts with customers		
analysed by age:		
0 to 60 days	465,582	591,610
61 to 90 days	1,147	—
Over 90 days	62,690	58,770
	<u>529,419</u>	<u>650,380</u>
Bills receivables	13,054	3,254
Other debtors	146,691	83,435
Consideration receivable from disposal of a subsidiary	—	132,449
Deposits	108,056	120,494
Prepayments	1,874	2,388
	<u>799,094</u>	<u>992,400</u>

As at 1 January 2024, trade receivables from contracts with customers amounted to HK\$604,478,000.

The Group allows an average credit period of 60 days to its trade customers.

13. CONTRACT ASSETS

	2025 HK\$'000	2024 HK\$'000
Analysed as current:		
Unbilled revenue of construction contracts (note a)	2,547,437	3,157,219
Retention receivables of construction contracts (note b)	<u>989,001</u>	<u>863,611</u>
	<u>3,536,438</u>	<u>4,020,830</u>
Retention receivables of construction contracts		
Due within one year	385,210	325,047
Due more than one year	<u>603,791</u>	<u>538,564</u>
	<u>989,001</u>	<u>863,611</u>

As at 1 January 2024, contract assets amounted to HK\$3,658,732,000.

Notes:

- (a) Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed but not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.
- (b) Retention receivables included in contract assets represents the Group's right to receive consideration for work performed but not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group. For retention receivables in respect of construction contracts, the due dates are usually one year after the completion of construction work.

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

14. CREDITORS AND ACCRUED CHARGES

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

	2025	2024
	HK\$'000	HK\$'000
Trade creditors analysed by age:		
0 to 60 days	238,192	637,931
61 to 90 days	117,396	92,108
Over 90 days	7,040	21,273
	<u>362,628</u>	<u>751,312</u>
Retention payables	1,354,394	1,247,804
Accrued project costs	2,023,102	2,423,437
Other creditors and accrued charges (note)	126,595	151,922
	<u>3,866,719</u>	<u>4,574,475</u>
Retention payables:		
Repayable within one year	546,425	603,813
Repayable more than one year	807,969	643,991
	<u>1,354,394</u>	<u>1,247,804</u>

Note: Including in the other creditors and accrued charges are other creditors of HK\$23,000,000 in 2024 which were unsecured, interest bearing at 4% fixed rate per annum and variable interest with special condition as per the respective loan agreements and were fully repaid during the year ended 31 December 2025.

For retention payables in respect of construction contracts, the due dates are usually one year after the completion of the construction work and are expected to be settled within the Group's normal operating cycle.

DIVIDENDS

The Board recommends the payment of a final dividend of HK7.0 cents (2024: HK7.5 cents) per ordinary share. The Board is of the opinion that the Company has a strong positive cash flow position and sufficient working capital to meet its present requirements. As such, the Board has decided to distribute an additional special dividend of HK6.0 cents (2024: HK6.0 cents) per ordinary share.

Both final and special dividends are payable to shareholders whose names appear in the register of members of the Company on Monday, 1 June 2026. Together with the interim dividend HK4.0 cents per ordinary share paid on 29 September 2025, the total dividend payout for the year amounted to HK17.0 cents per ordinary share.

Subject to the approval of shareholders at the forthcoming annual general meeting of the Company (the “Annual General Meeting”), it is expected that the payment of final and special dividends will be made on Tuesday, 16 June 2026.

CLOSURES OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting to be held on Friday, 22 May 2026, the register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for the Annual General Meeting is on Friday, 22 May 2026. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Monday, 18 May 2026.

The proposed final and special dividends are subject to the approval of the shareholders at the Annual General Meeting. The record date for the proposed final and special dividends is on Monday, 1 June 2026. For determining the entitlement to the proposed final and special dividends, the register of members of the Company will be closed from Friday, 29 May 2026 to Monday, 1 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final and special dividends, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:00 p.m. on Thursday, 28 May 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall results

The Group is principally engaged in building construction and civil engineering works in Hong Kong. In addition to its core construction activities, the Group also generates revenue from environmental infrastructure projects in Mainland China. For the year ended 31 December 2025, the Group's revenue amounted to HK\$13.8 billion, representing a decrease of 4% compared with last year (2024: HK\$14.4 billion).

The Group recorded a gross profit of HK\$1 billion for the year ended 31 December 2025, compared with HK\$1.2 billion in 2024. The gross profit margin was 7.5%, versus 8.0% a year ago. The decrease in gross profit was primarily because certain newly awarded projects were still at early stages of construction and had not yet made significant contributions.

Profit attributable to the shareholders for the year ended 31 December 2025 amounted to HK\$453 million, compared to HK\$434 million in 2024. The increase was mainly due to reductions in administrative expenses, other expenses and the share of loss from joint venture.

The Group's taxation charge for the year was HK\$73 million (2024: HK\$68 million).

OPERATIONAL REVIEW

Hong Kong

The Group provides a full spectrum of construction services in Hong Kong, including building construction, civil engineering, foundation, electrical and mechanical, interior refurbishment and fitting-out works. Total revenue from construction contracts amounted to HK\$13.6 billion for the year ended 31 December 2025 (2024: HK\$14.2 billion). As of the date of the announcement, the Group had total contracts on hand amounting to HK\$30.8 billion, which secure the revenue of the Group for the next two years. Segment profit, after deducting direct costs, decreased to HK\$530 million (2024: HK\$581 million). The decline was mainly attributable to delays in certain newly awarded projects caused by slow land resumption, as well as a decrease in the price fluctuation index.

Environmental infrastructure projects in Mainland China

The Group operates a sewage treatment plant in Wuxi that treats household and industrial wastewater, as well as steam supply plants in Gansu and Hubei that provide steam to clients in industrial parks. Total revenue generated from environmental infrastructural operations in Mainland China amounted to HK\$241 million for the year ended 31 December 2025 (2024: HK\$215 million). Segment profit, after deducting direct costs, increased to HK\$34 million (2024: loss of HK\$17 million). Total output capacity for the Group's five operating steam plants increased from an average of 90 tons per hour in 2024 to an average of 115 tons per hour in 2025, representing an increase of 28%.

Major investment

The Group holds a 10% interest in Haitao Garden, an urban renewal project located at 58 Haitao Road, Yantian District, Shenzhen, the People's Republic of China. The project, originally built in the 1980s, is being redeveloped for residential and commercial use. Construction of the project has commenced, and sales may begin as early as the third quarter of 2026. As at 31 December 2025, the remaining 90% interest of the project was held by Road King Infrastructure Limited, a connected person of the Company under the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Employees and Remuneration Policies

As at 31 December 2025, the Group had a total of 3,587 employees, and total remuneration for the year ended 31 December 2025 was approximately HK\$2,132 million. Competitive remuneration packages are structured for each employee commensurate with individual responsibility, qualifications, experience, and performance. In addition, discretionary bonuses may be paid depending upon the financial performance of the Group as well as the performance of the individual.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 December 2025, the Group had liquid assets of HK\$2,661 million (2024: HK\$1,992 million) comprising financial assets at fair value through profit or loss of HK\$73 million (2024: HK\$460 million), time deposits with an original maturity of not less than three months of HK\$1 million (2024: HK\$1 million) and bank balances and cash of HK\$2,587 million (2024: HK\$1,531 million).

As at 31 December 2025, the Group had a total of interest-bearing borrowings of HK\$88 million (2024: HK\$99 million) comprising bank loans of HK\$88 million (2024: HK\$76 million), other creditors of nil (2024: HK\$23 million). The maturity profile of the interest-bearing borrowings for both years is as follows:

	At 31 December 2025	At 31 December 2024
	HK\$ million	HK\$ million
On demand or within one year	48	73
In the second year	1	1
In the third to fifth year inclusive	39	25
	88	99

The Group's borrowings, bank balances and cash, and financial assets at fair value through profit or loss were mainly denominated in Hong Kong dollars. As a result, the Group is not significantly exposed to foreign exchange rate fluctuations. During the year, the Group had no financial instrument for hedging purposes. As at 31 December 2025, total borrowings of HK\$42 million (2024: HK\$27 million) carried interest at fixed rates.

Capital Structure and Gearing

As at 31 December 2025, total equity was HK\$2,910 million (2024: HK\$2,675 million) comprising ordinary share capital of HK\$124 million (2024: HK\$124 million), reserves of HK\$2,797 million (2024: HK\$2,538 million) and non-controlling interests of (HK\$11 million) (2024: HK\$13 million).

As at 31 December 2025, the gearing ratio, representing total interest-bearing borrowings as a percentage of total equity, was 3% (2024: 4%).

Pledge of Assets

As at 31 December 2025, bank deposits of the Group amounting to HK\$90 million (2024: HK\$81 million) were pledged to banks for securing the banking facilities granted to the Group.

CORPORATE GOVERNANCE CODE

The Company is committed to attaining good standard of corporate governance practices and has complied with the code provisions in Part 2 of Corporate Governance Code for the year ended 31 December 2025 set out in Appendix C1 of the Listing Rules except for code provision C.2.1 in respect of the separate roles of the chairman and chief executive officer.

Mr. Zen Wei Peu, Derek has been both the Chairman and Chief Executive Officer of the Company. In addition to his responsibilities as Chairman overseeing the function of the Board and formulating overall strategies and policies of the Company, Mr. Zen has taken up the management of the Group's business and overall operation. However, the day-to-day running of the Company has been delegated to the divisional heads responsible for the different aspects of the business.

The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the business of the Group given that there are a strong and independent element on the Board and a clear division of responsibility in running the business of the Group. The Board believes that the structure outlined above is beneficial to the Company and its business.

Details of corporate governance report are set out in Annual Report 2025.

AUDIT COMMITTEE

The Audit Committee of the Company has conducted a meeting with the management and external auditor to review the accounting policies adopted by the Group, the consolidated financial statements for the year ended 31 December 2025, the general scope of audit work conducted by the external auditor and assessment of the Group's internal controls.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the year.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) for the year ended 31 December 2025.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at Academy Room I-II, 1st Floor, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 22 May 2026 at 2:00 p.m. and the Notice of the Annual General Meeting will be published and despatched to the shareholders of the Company in the manner as required by the Listing Rules.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the Company's website (www.buildking.hk) and the Stock Exchange's website (www.hkexnews.hk). The Annual Report 2025 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange and despatched to the shareholders of the Company in due course.

BOARD OF DIRECTORS

As at the date hereof, the Board comprises four executive directors, namely Mr. Zen Wei Peu, Derek, Mr. Lui Yau Chun, Paul, Mr. Tsui Wai Tim and Mr. Chan Chi Ming, three non-executive Directors, namely Mr. David Howard Gem, Mr. Chan Chi Hung, Anthony and Mr. Chang Kam Chuen, Desmond, and four independent non-executive Directors, namely Mr. Ho Tai Wai, David, Mrs. Ling Lee Ching Man, Eleanor, Mr. Lo Yiu Ching, Dantes and Ms. Ng Cheuk Hei, Shirley.

By order of the Board
Build King Holdings Limited
Zen Wei Peu, Derek
Chairman

Hong Kong, 26 March 2026