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## **CR Construction Group Holdings Limited**

**華營建築集團控股有限公司**

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

**(Stock code: 1582)**

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

#### **FINANCIAL HIGHLIGHTS**

The total revenue of the Group for the year ended 31 December 2025 increased to approximately HK\$8,572.2 million as compared to that of approximately HK\$6,066.0 million for the year ended 31 December 2024.

The total gross profit of the Group increased to approximately HK\$486.2 million for the year ended 31 December 2025 as compared to that of approximately HK\$353.2 million for the year ended 31 December 2024.

The profit for the year ended 31 December 2025 amounted to approximately HK\$42.2 million as compared to that of approximately HK\$54.0 million for the year ended 31 December 2024.

The board (the “**Board**”) of directors (the “**Directors**”) of CR Construction Group Holdings Limited (the “**Company**”) hereby announces the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024, as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*Year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Revenue</b>	4	<b>8,572,220</b>	6,066,037
Contract costs		<u><b>(8,086,049)</b></u>	<u>(5,712,805)</u>
<b>Gross profit</b>		<b>486,171</b>	353,232
Other income	4	<b>7,554</b>	9,025
Administrative expenses		<b>(183,559)</b>	(162,548)
Other operating expenses, net		<b>(3,684)</b>	(7,342)
Impairment of financial assets, net		<b>(179,512)</b>	(46,003)
Finance costs	6	<u><b>(54,198)</b></u>	<u>(65,820)</u>
<b>Profit before tax</b>	5	<b>72,772</b>	80,544
Income tax expense	7	<u><b>(30,606)</b></u>	<u>(26,594)</u>
<b>Profit for the year</b>		<u><b>42,166</b></u>	<u>53,950</u>
Attributable to:			
– Owners of the Company		<b>39,221</b>	53,715
– Non-controlling interests		<u><b>2,945</b></u>	<u>235</u>
		<u><b>42,166</b></u>	<u>53,950</u>
<b>Earnings per share attributable to ordinary equity holders of the company</b>	9		
Basic and diluted		<u><b>HK7.84 cents</b></u>	<u>HK10.74 cents</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year	<b>42,166</b>	53,950
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>36,017</b>	(1,234)
Other comprehensive income/(loss) for the year, net of tax	<b>36,017</b>	(1,234)
Total comprehensive income for the year	<b>78,183</b>	52,716
Attributable to:		
– Owners of the Company	<b>74,638</b>	52,797
– Non-controlling interests	<b>3,545</b>	(81)
	<b>78,183</b>	52,716

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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		<b>116,751</b>	22,415
Right-of-use assets		<b>35,470</b>	48,578
Investment properties		<b>42,297</b>	–
Interest in a joint venture		<b>50,512</b>	–
Operating concession rights		<b>30,270</b>	30,927
Receivables and contract assets under service concession arrangements		<b>249,170</b>	249,613
Other intangible assets		<b>189</b>	164
Prepayments and deposits		<b>4,974</b>	9,606
Deferred tax assets		<b>8,695</b>	5,073
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>538,328</b>	366,376
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Current assets</b>			
Receivables and contract assets under service concession arrangements		<b>4,089</b>	8,879
Contract assets		<b>4,081,939</b>	3,169,364
Trade receivables	<i>10</i>	<b>549,572</b>	775,887
Prepayments, deposits and other receivables		<b>96,228</b>	106,671
Properties held for sale		<b>8,132</b>	46,576
Amounts due from intermediate holding companies		<b>1,222</b>	6,322
Amounts due from fellow subsidiaries		<b>36,608</b>	43,276
Tax recoverable		<b>3,833</b>	2,032
Cash and cash equivalents		<b>211,560</b>	330,799
		<hr/>	<hr/>
<b>Total current assets</b>		<b>4,993,183</b>	4,489,806
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Current liabilities</b>			
Trade and retention payables	<i>11</i>	<b>2,164,070</b>	1,920,405
Other payables, accruals and provision		<b>1,884,638</b>	1,538,468
Interest-bearing bank borrowings	<i>12</i>	<b>375,793</b>	318,011
Amount due to an intermediate holding company		<b>3,077</b>	3,001
Amount due to the immediate holding company		–	11,000
Amounts due to fellow subsidiaries		<b>11,019</b>	12,613
Loans from intermediate holding companies		<b>21,916</b>	80,521
Lease liabilities		<b>16,022</b>	16,480
Tax payable		<b>20,178</b>	23,854
<b>Total current liabilities</b>		<b>4,496,713</b>	3,924,353
<b>Net current assets</b>		<b>496,470</b>	565,453
<b>Total assets less current liabilities</b>		<b>1,034,798</b>	931,829
<b>Non-current liabilities</b>			
Provision		<b>5,700</b>	5,700
Lease liabilities		<b>22,180</b>	33,519
Interest-bearing bank borrowings	<i>12</i>	<b>255,604</b>	216,153
Deferred tax liabilities		<b>545</b>	564
<b>Total non-current liabilities</b>		<b>284,029</b>	255,936
<b>Net assets</b>		<b>750,769</b>	675,893
<b>Equity</b>			
Equity attributable to equity holders of the company			
Share capital	<i>13</i>	<b>5,000</b>	5,000
Reserves		<b>716,323</b>	650,685
		<b>721,323</b>	655,685
Non-controlling interests		<b>29,446</b>	20,208
<b>Total equity</b>		<b>750,769</b>	675,893

# NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

31 December 2025

## 1. CORPORATE AND GROUP INFORMATION

CR Construction Group Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Unit Nos. 3-16, Level 32, Standard Chartered Tower of Millennium City 1, No. 388 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of Company and its subsidiaries (collectively referred to as the “**Group**”) are the construction operations which comprised of the provision of building construction works and repair, maintenance, addition and alteration (“**RMAA**”) works in Hong Kong, Malaysia and the United Kingdom and the environmental operations in the People’s Republic of China (the “**PRC**”).

CR Construction Investments Limited (“**CR Investments**”), a company incorporated in the British Virgin Islands (the “**BVI**”), is the immediate holding company of the Company. In the opinion of the Directors, Zhejiang State-owned Capital Operation Company Limited, a company established in the PRC, is the ultimate holding company of the Company.

## 2. MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of preparation

The annual results set out in this announcement do not constitute the Group’s financial statements for the year ended 31 December 2025 but are extracted from those financial statements.

The financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

### 2.2 Changes in accounting policies and disclosures

The HKICPA has issued certain new or amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group.

None of the developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (i) The construction operations segment engages in contract works as a main contractor primarily in respect of building construction works and RMAA works in Hong Kong, Malaysia and the United Kingdom.
- (ii) The environmental operations segment engages in construction, rehabilitation and operation of sewage and reclaimed water treatment plants as well as water distribution plants and other environmental related facilities and infrastructure in the PRC.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss is measured consistently with the Group's profit before tax except that interest income, corporate and other unallocated expenses, finance costs (other than interest on lease liabilities and discounted amounts of retention payables arising from the passage of time) are excluded from such measurement.

Segment assets exclude balances/loans with related parties, tax recoverable and deferred tax assets, as these assets are managed on a group basis.

Segment liabilities exclude balances/loans with related parties, interest-bearing bank borrowings, tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

There were no material intersegmental sales and transfers during the reporting period.

Year ended 31 December	Construction operations		Environmental operations		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue (note 4)</b>						
Sales to external customers	<b>8,416,655</b>	5,926,563	<b>155,565</b>	139,474	<b>8,572,220</b>	6,066,037
<b>Segment results</b>	<b>99,496</b>	107,267	<b>31,696</b>	23,100	<b>131,192</b>	130,367
<b>Reconciliation:</b>						
Interest income					<b>303</b>	1,366
Corporate and other unallocated expenses					<b>(22,748)</b>	(10,201)
Finance costs (other than interest on lease liabilities and discounted amounts of retention payables arising from passage of time)					<b>(35,975)</b>	(40,988)
Profit before tax					<b>72,772</b>	80,544
Income tax expense					<b>(30,606)</b>	(26,594)
Profit for the year					<b>42,166</b>	53,950

Year ended 31 December	Construction operations		Environmental operations		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Other segment information</b>						
Depreciation of property, plant and equipment	<b>9,035</b>	10,113	<b>1,975</b>	802	<b>11,010</b>	10,915
Depreciation of right-of-use assets	<b>17,819</b>	21,978	<b>1,619</b>	92	<b>19,438</b>	22,070
Amortisation of operating concession rights	–	–	<b>1,362</b>	1,368	<b>1,362</b>	1,368
Amortisation of other intangible assets	–	–	<b>109</b>	139	<b>109</b>	139
Impairment of receivables and contract assets under service concession arrangements	–	–	<b>9</b>	34	<b>9</b>	34
Impairment/(reversal of impairment) of trade receivables	<b>74,747</b>	(9,173)	<b>376</b>	344	<b>75,123</b>	(8,829)
Impairment of contract assets	<b>103,852</b>	54,156	<b>528</b>	642	<b>104,380</b>	54,798
(Reversal of impairment)/impairment of properties held for sale	<b>(1,620)</b>	8,941	–	–	<b>(1,620)</b>	8,941
Capital expenditure	<b>3,714</b>	6,456	<b>100,737</b>	504	<b>104,451</b>	6,960

As at 31 December	Construction operations		Environmental operations		Total	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
<b>Segment assets</b>	<b>4,728,725</b>	4,238,966	<b>752,428</b>	560,513	<b>5,481,153</b>	4,799,479
<u>Reconciliation:</u>						
Amounts due from intermediate holding companies					1,222	6,322
Amounts due from fellow subsidiaries					36,608	43,276
Tax recoverable					3,833	2,032
Deferred tax assets					8,695	5,073
Total assets					<b>5,531,511</b>	4,856,182
<b>Segment liabilities</b>	<b>3,829,923</b>	3,337,560	<b>262,687</b>	177,012	<b>4,092,610</b>	3,514,572
<u>Reconciliation:</u>						
Amount due to an intermediate holding company					3,077	3,001
Amount due to the immediate holding company					–	11,000
Amounts due to fellow subsidiaries					11,019	12,613
Loans from intermediate holding companies					21,916	80,521
Interest-bearing bank borrowings					631,397	534,164
Tax payable					20,178	23,854
Deferred tax liabilities					545	564
Total liabilities					<b>4,780,742</b>	4,180,289

## Geographical information

### (a) Revenue from external customers

	2025 HK\$'000	2024 HK\$'000
Hong Kong	7,838,697	5,098,983
Chinese Mainland	155,565	139,474
Malaysia	137,716	163,405
United Kingdom	440,242	664,175
Total revenue	<b>8,572,220</b>	6,066,037

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	96,029	70,852
Chinese Mainland	136,479	33,040
Malaysia	42,661	1,096
United Kingdom	1,173	2,215
	<u>276,342</u>	<u>107,203</u>
Total non-current assets	<u>276,342</u>	<u>107,203</u>

The non-current asset information of above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

**Information about major customers**

Revenue from each major customer which accounted for 10% or more of the Group's revenue for each reporting period is set out below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A	2,447,786	1,090,399
Customer B	1,982,974	818,125
Customer C	1,013,111	*
	<u>1,013,111</u>	<u>          </u>

\* Nil or less than 10% of the Group's revenue

**4. REVENUE AND OTHER INCOME**

An analysis of revenue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<i>Revenue from contracts with customers</i>	8,561,236	6,055,107
<i>Revenue from other source</i>		
Finance income from service concession arrangements	10,984	10,930
	<u>10,984</u>	<u>10,930</u>
Total	<u>8,572,220</u>	<u>6,066,037</u>

**Revenue from contracts with customers**

**(a) Disaggregated revenue information**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>(A) Types of goods or services</b>		
<u>Construction operations segment</u>		
Building construction works	7,697,767	5,414,578
RMAA works	<u>718,888</u>	<u>511,985</u>
	<b>8,416,655</b>	<b>5,926,563</b>
 <u>Environmental operations segment</u>		
Construction and rehabilitation services for environmental related facilities	25,341	27,274
Sewage and reclaimed water treatment services	106,053	92,891
Water distribution services	<u>13,187</u>	<u>8,379</u>
	<b>144,581</b>	<b>128,544</b>
 <i>Total revenue from contracts with customers</i>	<b>8,561,236</b>	<b>6,055,107</b>
 <i>Revenue from other sources</i>		
Finance income from service concession arrangements	<u>10,984</u>	<u>10,930</u>
 Total revenue	<b><u>8,572,220</u></b>	<b><u>6,066,037</u></b>
 <b>(B) Geographical markets</b>		
<u>Hong Kong</u>		
Construction operations segment	7,838,697	5,098,983
 <u>Chinese Mainland</u>		
Environmental operations segment	144,581	128,544
 <u>Malaysia</u>		
Construction operations segment	137,716	163,405
 <u>United Kingdom</u>		
Construction operations segment	<u>440,242</u>	<u>664,175</u>
 <i>Total revenue from contracts with customers</i>	<b>8,561,236</b>	<b>6,055,107</b>
 <i>Revenue from other sources</i>		
Finance income from service concession arrangements from Chinese Mainland	<u>10,984</u>	<u>10,930</u>
 Total revenue	<b><u>8,572,220</u></b>	<b><u>6,066,037</u></b>

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>(C) Timing of revenue recognition</b>		
<u>Goods transferred at a point in time</u>		
Environmental operations segment	13,187	8,379
<u>Services transferred over time</u>		
Construction operations segment	8,416,655	5,926,563
Environmental operations segment	131,394	120,165
	<u>8,548,049</u>	<u>6,046,728</u>
Total revenue from contracts with customers	8,561,236	6,055,107
<i>Revenue from other sources</i>		
Finance income from service concession arrangements	10,984	10,930
Total revenue	<u>8,572,220</u>	<u>6,066,037</u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<u>Other income</u>		
Bank interest income	303	1,366
Gain on disposal of properties held for sale	24	–
Insurance compensation	507	5,701
MPF refund	1,138	–
Government grants ( <i>note</i> )	2,419	506
Management fee income	1,674	686
Others	1,489	766
Total other income	<u>7,554</u>	<u>9,025</u>

*Note:* Being subsidies for the incurred operating expenses arising from research and development activities provided by The People's Government of Zhejiang Province for both years ended 31 December 2025 and 2024. In 2025, the Group also applied funding support from the Construction Innovation and Technology Fund set by the Construction Industry Council for encourage wider adoption of innovative construction methods and new technologies in the construction industry, and subsidies from Vocational Training Council for providing training opportunities for engineering graduates. There are no unfilled conditions or contingencies related to these subsidies.

## 5. PROFIT BEFORE TAX

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Contract costs	8,086,049	5,712,805
Depreciation of property, plant and equipment	11,010	10,915
Less: Amount included in contract costs	<u>(6,731)</u>	<u>(4,842)</u>
Amount included in administrative expenses	<u>4,279</u>	<u>6,073</u>
Depreciation of right-of-use assets	19,438	22,070
Less: Amount included in contract costs	<u>(6,374)</u>	<u>(6,668)</u>
Amount included in administrative expenses	<u>13,064</u>	<u>15,402</u>
Amortisation of operating concession rights included in contract costs	1,362	1,368
Amortisation of other intangible assets	109	139
Less: Amount included in contract costs	<u>(109)</u>	<u>(67)</u>
Amount included in administrative expenses	<u>–</u>	<u>72</u>
Lease payments relating to short-term leases	126,739	70,922
Less: Amount included in contract costs	<u>(124,658)</u>	<u>(67,479)</u>
Amount included in administrative expenses	<u>2,081</u>	<u>3,443</u>
Employee benefit expense (including directors' remuneration):		
Salaries, allowances and benefits in kind	483,891	489,931
Pension scheme contributions	<u>21,175</u>	<u>21,596</u>
	505,066	511,527
Less: Amount included in contract costs	<u>(413,524)</u>	<u>(427,787)</u>
Amount included in administrative expenses	<u>91,542</u>	<u>83,740</u>

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration	4,672	4,990
Impairment of receivables and contract assets under service concession arrangements*	9	34
Impairment/(reversal of impairment) of trade receivables*	75,123	(8,829)
Impairment of contract assets*	104,380	54,798
(Reversal of impairment)/impairment of properties held for sale**	(1,620)	8,941
Loss on disposal of items of property, plant and equipment, net**	43	591
	<u>4,020</u>	<u>(2,374)</u>
Foreign exchange differences, net**	4,020	(2,374)
Research and development expenses***	23,307	20,074
	<u>23,307</u>	<u>20,074</u>

\* These items are included in “Impairment of financial assets, net” on the face of the consolidated statement of profit or loss.

\*\* These items are included in “Other operating expenses, net” on the face of the consolidated statement of profit or loss.

\*\*\* Research and development expenses are included in “administrative expenses” on the face of the consolidated statement of profit or loss.

## 6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank loans	34,909	38,449
Interest on loans from intermediate holding companies	1,066	2,539
Interest in discounted amounts of retention payables arising from the passage of time	15,460	22,382
Interest on lease liabilities	2,763	2,450
	<u>54,198</u>	<u>65,820</u>
Total	54,198	65,820

## 7. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Pursuant to the Administrative Measures for Recognition of High-New Technology Enterprise (“HNTE”) jointly issued by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, one of the indirect wholly owned subsidiary of the Company, was certified as a HNTE. According to the provisions of Article 28 “Corporate Income Tax Law of the People’s Republic of China”, the effective Corporate Income Tax (“CIT”) rate for 2025 and 2024 was subject to a reduced tax rate of 15%. Subsidiaries that qualify as Small and Low-Profit Enterprises were subject to lower tax rate of 5% (2024: 5%), other Chinese Mainland subsidiaries were subject to statutory tax rate of 25% (2024: 25%).

Taxation for overseas subsidiaries are charged at the appropriate current rates of taxation ruling in the relevant countries.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Current tax – Hong Kong Profits Tax</b>		
Charge for the year	27,942	23,196
Under/(over)-provision in respect of prior years	<u>3,033</u>	<u>(15)</u>
	----- 30,975	----- 23,181
<b>Current tax – Outside Hong Kong</b>		
Charge for the year	2,208	1,386
Under/(over)-provision in respect of prior years	<u>666</u>	<u>–</u>
	----- 2,874	----- 1,386
<b>Deferred tax</b>		
Origination and reversal of temporary differences	----- (3,243)	----- 2,027
Total tax charge for the year	<u><u>30,606</u></u>	<u><u>26,594</u></u>

## 8. DIVIDEND

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim – HK nil (2024: HK1.5 cents) per ordinary share	–	7,500
Proposed final – HK nil (2024: HK1.8 cents) per ordinary share	–	9,000
	<u>–</u>	<u>16,500</u>
	<u>–</u>	<u>16,500</u>

The Board did not recommend the payment of a dividend for the year ended 31 December 2025.

## 9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$39,221,000 (2024: HK\$53,715,000), and the weighted average number of ordinary shares of 500,000,000 (2024: 500,000,000) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 31 December 2024.

## 10. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	635,135	783,606
Impairment	(85,563)	(7,719)
	<u>549,572</u>	<u>775,887</u>
Net carrying amount	<u>549,572</u>	<u>775,887</u>

The Group's trading terms with its customers are on credit. The Group's credit period with customers range from 14 to 180 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Apart from trade receivable balance of HK\$32,007,000 as of 31 December 2024, the Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	231,073	539,661
1 to 2 months	78,750	26,693
2 to 3 months	27,486	34,630
3 to 12 months	95,602	84,379
1 to 2 years	95,520	87,903
2 years to 3 years	21,141	2,621
	<u>549,572</u>	<u>775,887</u>

#### 11. TRADE AND RETENTION PAYABLES

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	<i>(a)</i>	1,276,900	1,207,115
Retention payables	<i>(b)</i>	887,170	713,290
		<u>2,164,070</u>	<u>1,920,405</u>

*Notes:*

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	65,303	88,321
1 to 2 months	89,481	105,803
2 to 3 months	195,131	265,745
Over 3 months	926,985	747,246
	<u>1,276,900</u>	<u>1,207,115</u>

The average credit period on trade payables is 30 to 180 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time-frame.

- (b) Retention payables held by the Group arose from the Group's building construction works and RMAA works and are normally settled to subcontractors within a period ranging from one year to two years after the completion of the contract work by the subcontractors, as stipulated in the subcontracting contracts.

## 12. INTEREST-BEARING BANK BORROWINGS

	31 December 2025			31 December 2024		
	Contractual interest rate (%)	Maturity	HK\$'000	Contractual interest rate (%)	Maturity	HK\$'000
<b>Current</b>						
Bank loans – unsecured	Hong Kong Interbank Offered Rate ("HIBOR") +1.05%-1.07%	On demand	350,121	HIBOR +1.3%-1.5%	On demand	100,000
Bank loans – unsecured	-	-	-	HIBOR +1.1%	2025	200,000
Bank loans – secured	3.9%	2026	13,262	3.9%	2025	12,959
Bank loans – secured	China Loan Prime Rate ("LPR") -0.5%	2026	7,314	LPR -0.5%	2025	2,892
Bank loans – secured	LPR	2026	2,210	LPR	2025	2,160
Bank loans – secured	LPR– 0.72%-0.82%	2026	2,886	-	-	-
Total – current			<u>375,793</u>			<u>318,011</u>
<b>Non-current</b>						
Bank loans – secured	3.9%	2027-2030	92,829	3.9%	2026-2030	103,670
Bank loans – secured	LPR -0.5%	2027-2038	95,182	LPR-0.5%	2026-2038	92,720
Bank loans – secured	LPR	2027-2034	18,013	LPR	2026-2034	19,763
Bank loans – unsecured	LPR -1.05%	2028-2045	33,153	-	-	-
Bank loans – secured	LPR– 0.72%-0.82%	2027-2034	16,427	-	-	-
Total – non-current			<u>255,604</u>			<u>216,153</u>
<b>Total</b>			<u>631,397</u>			<u>534,164</u>

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Analysed into:		
Bank loans repayable:		
Within one year or on demand	<b>375,793</b>	318,011
In the second year	<b>25,994</b>	21,942
In the third to fifth years, inclusive	<b>121,315</b>	92,713
Beyond five years	<b>108,295</b>	101,498
	<u><b>631,397</b></u>	<u>534,164</u>
Total	<u><b>631,397</b></u>	<u>534,164</u>
<b>13. SHARE CAPITAL</b>		
	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Authorised:		
10,000,000,000 (2024: 10,000,000,000) ordinary shares of HK\$0.01 each	<b>100,000</b>	100,000
	<u><b>100,000</b></u>	<u>100,000</u>
Issued and fully paid:		
500,000,000 (2024: 500,000,000) ordinary shares of HK\$0.01 each	<b>5,000</b>	5,000
	<u><b>5,000</b></u>	<u>5,000</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW**

### **BUSINESS REVIEW**

#### **Construction Operations**

The Group is one of the leading building contractors in Hong Kong and principally acts as a main contractor in building construction works and repair, maintenance, alteration and addition (“**RMAA**”) works across the public and private sectors in Hong Kong, Malaysia and the United Kingdom.

The building construction services provided by the Group primarily consist of building works for new buildings, including residential, commercial and industrial buildings, while the Group’s RMAA works include the general upkeep, maintenance, improvement, refurbishment, alteration and addition of existing facilities and components of buildings and their surroundings.

As at 31 December 2025, the Group had 50 projects on hand with an aggregate original contract sum of approximately HK\$32.6 billion, which includes projects in progress and projects that have been awarded to the Group but not yet commenced.

During the Reporting Period, the Group had been awarded 15 new projects with an aggregate original contract sum of approximately HK\$5.6 billion and had completed 17 projects with an aggregate original contract sum of approximately HK\$6.1 billion.

During the reporting period, the Group received a total of 104 honors. Notable recognitions included being named one of the “Top 10 Construction Contractors in Hong Kong” by BCI Asia for the fourth consecutive year, receiving the Hong Kong Housing Authority’s “Outstanding Contractor Award – Innovative Use of BIM Technology,” and earning the “Best ESG Pioneer Award” from the Hong Kong Ta Kung Wen Wei Media Group. Additionally, the Group was recognized as the Main Contractor for the “Five Stars Residency of the Year 2021 – Grand Central” by the Hong Kong Professional Building Inspection Academy.

During the Reporting Period, the Group has appeared in 236 articles by media platforms, namely Hong Kong Economic Times, Ta Kung Pao and HK01.

## **Environmental Operations**

The environmental services provided by the Zhejiang Construction Investment Environment Engineering Company Limited (the “ZCIEE”), primarily consist of the environmental works for the construction, restoration, and operation of wastewater and recycled water treatment plants, water distribution plants and other environmental facilities and infrastructure, as well as architectural services related to environmental improvement in the PRC.

As at 31 December 2025, the Group had 8 projects with an aggregate original contract sum of approximately HK\$158.4 million and 28 projects relating to service concession arrangements and operation services.

During the reporting period, ZCIEE demonstrated its capacity for market expansion by securing its first wastewater treatment construction contract outside of Zhejiang Province in Gaoping City, Shanxi. Furthermore, the Company strategically formed a joint venture with Tiantai Construction and the Group to pursue new opportunities in environmental services and sewage treatment, thereby enhancing its existing business.

During the Reporting Period, the ZCIEE has been awarded the Third Prize in the ‘Navigator Cup’ Zhejiang State-owned Assets Innovation Competition organized by the Zhejiang Provincial State-owned Assets Supervision and Administration Commission, in recognition of its outstanding contributions to innovation of construction technologies, ZCIEE won the Gold Prize at the Zhejiang Provincial Water Industry Vocational Skills Competition, a testament to its commitment to cultivating high-skilled water conservancy talent within the Zhejiang Province. During the Reporting Period, the ZCIEE has appeared in different media platforms, namely the Zhidian Wencheng and Zhejiang Workers’ Daily.

## **THE PROSPECTS**

During the Reporting Period, the global and Hong Kong economies were in a phase of recovery, the sentiment of the property market had been gradually stabilizing.

Subsequent to 31 December 2025, the Group has been further awarded 3 new projects relating to 1 building construction works contract with original contract sum of approximately HK\$3,590 million and 2 RMAA works contracts and with an aggregate original contract sum of approximately HK\$9.3 million.

The Group has also placed significant emphasis on technological innovation to enhance its core competitiveness in the construction industry. The total expenditure for research and development was approximately by HK\$23.3 million.

During the reporting period, the Group continued to implement its enhanced Smart Site Safety System (4S), reinforcing our safety management framework and maintaining our ISO 27001 certification. We have also integrated a range of digital solutions – including BIM, 4S, RPA, and the MaiaAI System – into project management and daily operations, significantly improving both efficiency and safety standards. Additionally, the Group’s AI Tower Crane System received the 2025 CIC Construction Innovation Award – Local Award (Construction Safety 2nd Prize).

Leveraging these favorable policies, the Group will capitalize on its integrated strengths in smart construction, BIM technology, and project management. We remain committed to major infrastructure and public housing projects, supporting Hong Kong’s evolution into a livable, low-carbon, and resilient city

The proactive measures outlined in the 2025 Policy Address to accelerate infrastructure and stimulate industry growth present a significantly positive outlook for the local construction sector. The commitment to major projects such as the Northern Metropolis, the Hong Kong-Shenzhen Innovation and Technology Park, and new transportation infrastructure is expected to generate substantial momentum for the Group’s business. However, the industry-wide challenges of talent shortages and rising costs for labour and materials persist. To navigate this environment, the Group will actively support and leverage government initiatives, including the enhanced capital works expenditure, while continuing to optimise the Labour Importation Scheme for the Construction Sector. We will remain focused on securing new and profitable project opportunities. Furthermore, building on our proven expertise, the Group is strategically positioned to explore and pursue suitable construction business ventures both in Hong Kong and in overseas markets.

## **FINANCIAL REVIEW**

### **Revenue**

The total revenue of the Group increased by approximately HK\$2,506.2 million or approximately 41.3% from approximately HK\$6,066.0 million for the year ended 31 December 2024 to approximately HK\$8,572.2 million for the Reporting Period.

### ***Construction Operations***

- *Building Construction Works*

The revenue generated from the building construction works increased by approximately HK\$2,283.3 million or approximately 42.1% from approximately HK\$5,414.5 million for the year ended 31 December 2024 to approximately HK\$7,697.8 million for the Reporting Period. The increase was mainly due to the increase in revenue generated from new and existing projects to the Group during the Reporting Period.

- *RMAA Works*

The revenue generated from the RMAA works increased by approximately HK\$206.9 million or approximately 40.4% from approximately HK\$512.0 million for the year ended 31 December 2024 to approximately HK\$718.9 million for the Reporting Period. The increase was mainly attributable to increase in revenue generated from new and existing projects to the Group during the Reporting Period.

### ***Environmental Operations***

The revenue generated from the environmental operations increased by approximately HK\$16.0 million or approximately 11.5% from approximately HK\$139.5 million for the year ended 31 December 2024 to approximately HK\$155.5 million for the Reporting Period. The increase was mainly attributable to increase in revenue from new and existing projects from sewage and reclaimed water treatment services during the Reporting Period.

### **Contract Costs**

The Group's contract costs primarily consisted of subcontracting costs, material costs, direct staff costs and site overheads. The contract costs of the Group increased by approximately HK\$2,373.2 million or approximately 41.5% from approximately HK\$5,712.8 million for the year ended 31 December 2024 to approximately HK\$8,086.0 million for the Reporting Period. Such increase was in line with the increase in revenue and was mainly attributable to the increase in subcontracting costs, material costs, direct staff costs and site overheads for new and existing projects during the Reporting Period.

## **Gross Profit and Gross Profit Margin**

The gross profit of the Group increased from approximately HK\$353.2 million for the year ended 31 December 2024 to approximately HK\$486.2 million for the Reporting Period. The Group's gross profit margin was approximately 5.8% and 5.7% for each of the two years ended 31 December 2024 and 2025, respectively.

### ***Construction Operations***

- *Building Construction Works*

The gross profit of building construction works was approximately HK\$334.6 million for the Reporting Period, representing an increase of approximately HK\$96.5 million from approximately HK\$238.1 million for the year ended 31 December 2024. The gross profit margin decreased from approximately 4.4% for the year ended 31 December 2024 to approximately 4.3% for the Reporting Period.

- *RMAA Works*

The gross profit of RMAA works was approximately HK\$93.3 million for the Reporting Period, representing an increase of approximately HK\$22.4 million from the gross profit of approximately HK\$70.9 million for the year ended 31 December 2024. The gross profit margin decreased by approximately 0.8 percentage points from approximately 13.8% for the year ended 31 December 2024 to approximately 13.0% for the Reporting Period. The increase in gross profit and decrease in gross profit margin was mainly due to increase in revenue from RMAA works projects with lower gross profit margin during the Reporting Period.

### ***Environmental Operations***

The gross profit of environmental operations was approximately HK\$58.3 million for the Reporting Period, representing an increase of approximately HK\$14.1 million from the gross profit of approximately HK\$44.2 million for the year ended 31 December 2024. The gross profit margin increased by approximately 5.8 percentage points from approximately 31.7% for the year ended 31 December 2024 to approximately 37.5% for the Reporting Period. The increase in the gross profit and increase in gross profit margin for the Reporting Period was mainly due to increase in revenue from sewage and reclaimed water treatment services which contributed higher gross profit margin during the Reporting Period.

### **Other Income**

The other income of the Group decreased by approximately HK\$1.5 million, from approximately HK\$9.0 million for the year ended 31 December 2024 to approximately HK\$7.5 million for the Reporting Period. The decrease was mainly attributable to the decrease in insurance compensation received during the Reporting Period, which was partially offset by increase in government grants received and refund of MPF, during the Reporting Period.

### **Administrative Expenses**

Administrative expenses of the Group increased from approximately HK\$162.5 million for the year ended 31 December 2024 to approximately HK\$183.6 million for the Reporting Period. The increase was mainly due to the increase in staff costs, and professional service fee incurred during the Reporting Period. The increase in staff costs was mainly attributable to increase in number of staff and increment of salaries while additional professional service fee was incurred for the winding up termination of a subsidiary during the Reporting Period.

### **Other Operating Expenses, Net**

The other operating expenses of the Group decreased by approximately HK\$3.6 million, from approximately HK\$7.3 million for the year ended 31 December 2024 to approximately HK\$3.7 million for the Reporting Period. The decrease was primarily due to the reversal of impairment of properties held for sale amounted to HK\$1.6 million during the Reporting Period, while impairment of properties held for sale amounted to HK\$8.9 million was made for the year ended 31 December 2024, which was partially offset by increase in exchange difference of HK\$6.4 million, during the Reporting Period.

### **Impairment of Financial Assets, Net**

The impairment of financial assets of the Group increased from approximately HK\$46.0 million for the year ended 31 December 2024 to approximately HK\$179.5 million for the Reporting Period. The increase was mainly due to increase in the expected credit losses provision on contract assets and trade receivables according to HKFRS 9 during the Reporting Period.

### **Finance Costs**

The finance costs of the Group decreased from approximately HK\$65.8 million for the year ended 31 December 2024 to approximately HK\$54.2 million for the Reporting Period. The decrease was mainly due to the decrease in the Hong Kong Interbank Offered Rate (HIBOR) and China Loan Prime Rate (LPR) on bank loans, decrease in borrowings from an intermediate holding company and decrease in discounted amounts of retention payables arising from the passage of time during the Reporting Period.

### **Income Tax Expense**

The income tax expense increased by approximately HK\$4.0 million, or representing approximately 15.0%, from approximately HK\$26.6 million for the year ended 31 December 2024 to approximately HK\$30.6 million for the Reporting Period. The increase was mainly due to increase in assessable profits during the Reporting Period. The effective tax rates were approximately 33.0% and 42.1% for each of the two years ended 31 December 2024 and 2025, respectively.

## **Net Profit**

The net profit for the year of the Group decreased by approximately HK\$11.8 million, or approximately 21.9%, from approximately HK\$54.0 million for the year ended 31 December 2024 to approximately HK\$42.2 million for the Reporting Period. The net profit margin for the two years ended 31 December 2024 and 2025 were approximately 0.9% and 0.5%, respectively.

## **EMPLOYEES AND REMUNERATION POLICIES**

The Group had a total of 931 employees as at 31 December 2025 (31 December 2024: 1015). Total staff costs of the Group (excluding the Directors' remuneration) for the Reporting Period were approximately HK\$494.0 million (2024: approximately HK\$501.5 million). The Group's remuneration policies were in line with relevant legislation, market conditions and the performance of our employees. The salary and benefit level of the employees of the Group are competitive and individual performance is rewarded through the Group's salary, bonus and other cash subsidies system. The Group conducts review on salary adjustment, discretionary bonuses and promotions based on the performance of each employee twice a year. The emoluments of the Directors and the senior management are decided by the Board with reference to the recommendation from the remuneration committee of the Company, having considered factors such as the Group's financial performance and the individual performance of the Directors, etc.

The Company provides introductory training at the time when members of our staff first join us and thereafter regular on-the-job training, depending on the staff's role. In addition, it is our policy to provide training to our staff on an as-needed basis to enhance their technical and industry knowledge. During the Reporting Period, 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 Company has adopted a share option scheme (the "**Share Option Scheme**") as an incentive to the Directors and eligible employees. No share option has been granted, exercised, expired or lapsed under the Share Option Scheme since its adoption and up to the date of this announcement. The Company may grant options in respect of up to 50,000,000 Shares (or such numbers of Shares as shall result from a sub-division or a consolidation of such 50,000,000 Shares from time to time) to the participants under the Share Option Scheme. The total number of Shares issued and to be issued upon exercise of options granted to any participants (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of our Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue.

## **CAPITAL EXPENDITURE**

During the Reporting Period, the Group invested approximately HK\$104.5 million (2024: approximately HK\$7.0 million) on acquisition of property, plant and equipment and intangible assets. Capital expenditure was principally funded by internal and external resources.

## **CAPITAL COMMITMENTS**

The Group had capital commitments of approximately HK\$141.9 million as at 31 December 2025 (2024: approximately HK\$1.2 million).

## **CONTINGENT LIABILITIES**

Save as disclosed below, the Group had no other contingent liabilities as at 31 December 2025:

- (a) As at 31 December 2025, performance bonds of approximately HK\$2,055.4 million (2024: approximately HK\$2,092.3 million) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligation under the contracts entered into between the Group and their customers. If the Group fails to provide satisfactory performance to their customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released upon completion of the contract work.

At the end of the Reporting Period, the directors do not consider it is probable that such claim will be made against the Group.

- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or of the Group's subcontractors in accidents arising out of and in the course of their employment. At the end of the Reporting Period, the directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.
- (c) The Company has provided guarantees to the extent of approximately HK\$3,415.0 million (2024: approximately HK\$3,476.3 million) to banks for facilities granted to subsidiaries, of which approximately HK\$1,040.6 million (2024: approximately HK\$1,638.0 million) has been utilised.

## **FOREIGN EXCHANGE EXPOSURE**

The Group operates in the PRC, Hong Kong, Malaysia and the United Kingdom and most of the transactions are denominated in Renminbi, Hong Kong Dollars, Malaysian Ringgit and Great British Pound. The Group currently does not have a foreign currency hedging policy. However, the Board closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should that need arise.

## **GEARING RATIO**

As at 31 December 2025, the gearing ratio of the Group, which is calculated by dividing net debt with equity attributable to equity holders of the Company plus net debt, was approximately 38.0% (2024: approximately 30.2%). Net debt includes interest-bearing bank borrowings and loans from an intermediate holding company, less cash and cash equivalents. Capital represents equity attributable to equity holders of the Company.

## **LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

During the Reporting Period, the Group maintained a healthy liquidity position, with working capital financed mainly by internal and external resources.

As at 31 December 2025, the Group reported net current assets of approximately HK\$496.5 million, as compared with approximately HK\$565.5 million as at 31 December 2024. As at 31 December 2025, the Group's cash and cash equivalents were approximately HK\$211.6 million, representing a decrease of approximately HK\$119.2 million as compared to approximately HK\$330.8 million as at 31 December 2024. Analysis of the maturity profile of the interest-bearing bank borrowings of the Group as at 31 December 2025 and 31 December 2024 is set out in the note 12 to the consolidated financial information of this announcement.

The Shares of the Company were successfully listed on the Stock Exchange on 16 October 2019. There has been no change in the capital structure of the Group since then.

## **DEBTS AND CHARGE ON ASSETS**

The Group had interest-bearing bank borrowings of approximately HK\$631.4 million as at 31 December 2025 (2024: HK\$534.2 million). As at 31 December 2025, the Group pledged receivables and contract assets under service concession arrangements with net book value of HK\$191.5 million (31 December 2024: HK\$187.2 million), shares of ZCIEE held by the Group and HK\$157,500 (2024: HK\$nil) receivables arising from PRC energy storage projects to bank to finance loans in the PRC of HK\$158,000.

Borrowings were denominated in Renminbi and Hong Kong dollars and interests on borrowings were mainly charged at floating rate. The Group did not employ any financial instrument for hedging purpose during the Reporting Period. However, the Group pays vigilant attention to monitor interest rate risks and exchange rate risks continuously and cautiously.

## **TREASURY POLICY**

The Group continues to manage its financial position carefully and maintains conservative policies in cash and financial management. The Group's liquidity and financing requirements are frequently reviewed. The Board closely monitors the Group's liquidity position to ensure that the Group can meet its funding requirements for business development.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group may from time to time consider appropriate new business opportunities as and when appropriate, in order to enhance its Shareholders' value. Save as disclosed herein, there was no specific plan for material investments or capital assets as at 31 December 2025.

## **DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: HK1.8 cents).

## **CLOSURE OF THE REGISTER OF MEMBERS**

### **For determining the entitlement to attend and vote at the Annual General Meeting (“AGM”)**

The register of members of the Company will be closed from Monday, 15 June 2026 to Thursday, 18 June 2026, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, during which period no transfers of Shares shall be effected. In order to qualify for attending and voting at the AGM to be held on Thursday, 18 June 2026, all transfers of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged for registration with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 12 June 2026.

## **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules as its own code of corporate governance since the Listing Date.

The Company has complied with all applicable code provisions of the CG Code during the Reporting Period. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE “MODEL CODE”)**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he or she has complied with the required standards as set out in the Model Code for the Reporting Period.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

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

## **AUDIT COMMITTEE**

The Board has established the audit committee which is chaired by an independent non-executive Director, Ms. Dong Yuk Lai, Petrina, and consists of the other three independent non-executive Directors, namely, Mr. Tse Wai Chun Paul *JP*, Mr. Ho Man Yiu Ivan and Mr. Lai Yuk Fai Stephen *JP*. The primary duties of the audit committee are to make recommendations to the Board on the appointment, reappointment and removal of the external auditor; approve the remuneration and terms of engagement of the external auditor; monitor integrity of the Group's financial statements, annual reports and accounts, half year reports; and review the Group's financial controls, risk management and internal control systems.

The audit committee of the Company had, together with the management, reviewed the accounting principles and policies adopted by the Group, risk management and internal controls, financial reporting matters and annual results of the Group for the Reporting Period.

## **SCOPE OF WORK OF KPMG**

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

## **ANNUAL GENERAL MEETING**

The forthcoming AGM of the Company will be held on Thursday, 18 June 2026 and the notice of the AGM will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

**PUBLICATION OF THE ANNUAL RESULTS AND 2025 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<https://www.cr-construction.com.hk>), and the annual report of the Group for the Reporting Period containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board  
**CR Construction Group Holdings Limited**  
**Zhang Guanhua**  
*Chairman*

Hong Kong, 26 March 2026

*As at the date of this announcement, the Company has three executive Directors, namely Mr. Zhang Guanhua, Mr. Jiang Wen, Mr. Yang Haojiang, and one non-executive Director, namely Mr. Jin Hongliang and four independent non-executive Directors, namely Mr. Tse Wai Chun Paul JP, Mr. Ho Man Yiu Ivan, Ms. Dong Yuk Lai Petrina and Mr. Lai Yuk Fai Stephen JP.*