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Analogue Holdings Limited
安樂工程集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 1977)

ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

Financial Highlights

	2025	2024
	HK\$'M	HK\$'M
Value of outstanding contracts	17,878.7	11,052.7
Revenue	6,087.6	6,450.1
Gross profit	997.8	1,002.3
Profit attributable to owners of the Company	167.0	135.3
Basic earnings per share	HK\$0.12	HK\$0.10

The Board has resolved to pay a second interim dividend of HK2.9 cents per share for the year ended 31 December 2025. ⁽ⁱ⁾

- (i) The second interim dividend for the year ended 31 December 2025 of HK2.9 cents per share, in an aggregate amount of approximately HK\$40.6 million, is expected to be paid on or around 29 April 2026. Together with the first interim dividend of HK2.6 cents per share, paid in September 2025, total distribution of dividends made by the Company for the year ended 31 December 2025 will be HK5.5 cents per share, amounting to approximately HK\$76.9 million in aggregate.

RESULTS

The board of directors (the “Board”) of Analogue Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025.

**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	<i>3</i>	6,087,641	6,450,144
Cost of sales and services		<u>(5,089,880)</u>	<u>(5,447,887)</u>
Gross profit		997,761	1,002,257
Other income		19,246	26,012
Other gains and losses	<i>5</i>	(24,950)	(28,890)
Impairment losses under expected credit loss model, net of reversal	<i>13</i>	(19,274)	(85,084)
Selling and distribution expenses		(918)	(1,128)
Administrative expenses		(719,697)	(714,815)
Share of results of associates		(23,746)	(5,759)
Finance costs	<i>6</i>	<u>(17,301)</u>	<u>(21,200)</u>
Profit before tax		211,121	171,393
Income tax expense	<i>7</i>	<u>(48,427)</u>	<u>(37,505)</u>
Profit for the year	<i>8</i>	<u>162,694</u>	<u>133,888</u>
Other comprehensive income (expense)			
<i>Items that will not be reclassified to profit or loss:</i>			
Loss on revaluation of properties		–	(2,479)
Income tax relating to loss on revaluation of properties		–	409
Remeasurement of long service payment obligation		(840)	(689)
		<u>(840)</u>	<u>(2,759)</u>
<i>Items that may be subsequently reclassified to profit or loss:</i>			
Exchange differences arising from translation of foreign operations		26,570	(21,149)
Reclassification of cumulative translation reserve upon dissolution of interest in a subsidiary		–	267
		<u>26,570</u>	<u>(20,882)</u>
Other comprehensive income (expense) for the year, net of tax		<u>25,730</u>	<u>(23,641)</u>
Total comprehensive income for the year		<u>188,424</u>	<u>110,247</u>

	<i>NOTE</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit (loss) for the year attributable to:			
Owners of the Company		167,041	135,265
Non-controlling interests		(4,347)	(1,377)
		<u>162,694</u>	<u>133,888</u>
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		192,760	111,646
Non-controlling interests		(4,336)	(1,399)
		<u>188,424</u>	<u>110,247</u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share			
Basic	<i>10</i>	<u>12</u>	<u>10</u>
Diluted	<i>10</i>	<u>12</u>	<u>10</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	<i>NOTES</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Investment properties		15,200	62,540
Property, plant and equipment		871,007	908,488
Right-of-use assets		49,750	35,572
Intangible assets		–	1,532
Interests in associates	<i>11</i>	459,827	459,509
Deposits		23,603	9,214
Deferred tax assets		25,774	23,729
		<u>1,445,161</u>	<u>1,500,584</u>
Current assets			
Asset classified as held for sale		15,800	–
Inventories		86,996	81,931
Contract assets	<i>12</i>	1,415,878	1,460,393
Trade receivables	<i>13</i>	1,022,510	958,265
Other receivables, deposits and prepayments		124,016	123,024
Amount due from an associate		–	–
Amounts due from partners of joint operations		5,031	5,959
Derivative financial instruments		183	–
Tax recoverable		11,088	8,025
Pledged bank deposits		17,106	25,915
Bank balances and cash		1,020,849	1,035,936
		<u>3,719,457</u>	<u>3,699,448</u>
Current liabilities			
Trade and retention payables	<i>14</i>	712,138	637,185
Other payables and accrued expenses		1,661,181	1,623,543
Contract liabilities		128,099	78,032
Amounts due to partners of joint operations		21,198	5,649
Bank borrowings – due within one year		14,625	247,514
Derivative financial instruments		–	2,430
Lease liabilities		23,487	13,327
Tax payable		10,967	24,876
		<u>2,571,695</u>	<u>2,632,556</u>
Net current assets		<u>1,147,762</u>	<u>1,066,892</u>
Total assets less current liabilities		<u>2,592,923</u>	<u>2,567,476</u>

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Capital and reserves		
Share capital	14,000	14,000
Reserves	<u>2,308,099</u>	<u>2,179,686</u>
Equity attributable to owners of the Company	2,322,099	2,193,686
Non-controlling interests	<u>(2,949)</u>	<u>1,387</u>
Total equity	<u>2,319,150</u>	<u>2,195,073</u>
Non-current liabilities		
Long service payment obligation	11,725	9,049
Bank borrowings – due after one year	219,375	326,676
Lease liabilities	25,359	20,700
Deferred tax liabilities	16,227	14,622
Deferred income	<u>1,087</u>	<u>1,356</u>
	<u>273,773</u>	<u>372,403</u>
	<u>2,592,923</u>	<u>2,567,476</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“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 the 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 (“Listing Rules”) and by the Hong Kong Companies Ordinance.

To supplement the consolidated results of the Group prepared in accordance with HKFRS Accounting Standards, a certain non-GAAP financial measure, profit attributable to owners of the Company before loss from change in fair value of investment properties in Hong Kong, loss of disposal of an investment property in Hong Kong, a provision for expected credit loss on certain receivables and contract assets, and a one-off expense in relation to relocation to the new consolidated headquarters, is presented. The Company’s management believes that the non-GAAP financial measures provide investors with a more meaningful view on the Group’s financial results. Nevertheless, the use of this non-GAAP financial measures has limitations as an analytical tool. The non-GAAP financial measures should be considered supplement to, not as a substitute for, analysis of the Company’s financial performance prepared in accordance with HKFRS Accounting Standards.

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 the 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* (“HKFRS 9”) 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* (“HKFRS 7”) 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* (“HKFRS 18”), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements* (“HKAS 1”). 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* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of HKFRS 18) 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. HKFRS 18 requires retrospective application with specific transition provisions. 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

The Group recognises revenue from three major sources, namely, contracting work, maintenance work and sales of goods for both years.

(i) Disaggregation of revenue from contracts with customers

The following is an analysis of the Group's revenue from its major products and services:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<i>Timing of revenue recognition and category of revenue</i>		
Recognised over time and long-term contracts		
Contracting work	4,753,294	5,080,980
Maintenance work	1,228,537	1,230,123
	<u>5,981,831</u>	<u>6,311,103</u>
Recognised at a point of time and short-term contracts		
Sales of goods	105,810	139,041
	<u>6,087,641</u>	<u>6,450,144</u>

(ii) Transaction price allocated to the remaining performance obligations for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and the expected timing of recognising revenue are as follows:

	Contracting work <i>HK\$'000</i>	Maintenance work <i>HK\$'000</i>	Sales of goods <i>HK\$'000</i>
Within one year	5,157,589	1,050,830	134,277
More than one year but not more than two years	3,313,799	593,991	–
More than two years	6,575,871	1,052,354	–
	<u>15,047,259</u>	<u>2,697,175</u>	<u>134,277</u>

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2024 and the expected timing of recognising revenue are as follows:

	Contracting work <i>HK\$'000</i>	Maintenance work <i>HK\$'000</i>	Sales of goods <i>HK\$'000</i>
Within one year	4,860,357	1,263,993	155,209
More than one year but not more than two years	2,575,637	373,999	–
More than two years	1,204,704	618,849	–
	<u>8,640,698</u>	<u>2,256,841</u>	<u>155,209</u>

4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”) for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments are as follows:

Building services:	Provision of electrical and mechanical engineering building services, including the design, installation, testing and commissioning and maintenance of heating, ventilation and air-conditioning system, fire service system, plumbing and drainage system and electrical and extra low voltage system
Environmental engineering:	Provision of total solutions for the design, construction, operation and maintenance of environmental engineering systems for treatment of sewage, water, solid waste, sludge and gas
Information, communications and building technologies (“ICBT”):	Provision for design, installation and servicing of a wide range of intelligent systems, information and communications technology (“ICT”) systems and building technology systems
Lifts and escalators:	Provision of i) total solution for design, supply and installation of a wide range of lifts and escalators offered under the trade name of “Anlev Elex” and ii) repair and maintenance services for lifts and escalators

Reconciliation of segment revenue

For the year ended 31 December 2025

	Building services HK\$’000	Environmental engineering HK\$’000	ICBT HK\$’000	Lifts and escalators HK\$’000	Total HK\$’000
Revenue					
– Contracting work	2,867,263	1,138,029	444,117	303,885	4,753,294
– Maintenance work	409,798	396,733	159,466	262,540	1,228,537
– Sales of goods	1,816	56,690	26,756	20,548	105,810
Total revenue	<u>3,278,877</u>	<u>1,591,452</u>	<u>630,339</u>	<u>586,973</u>	<u>6,087,641</u>

For the year ended 31 December 2024

	Building services HK\$’000	Environmental engineering HK\$’000	ICBT HK\$’000	Lifts and escalators HK\$’000	Total HK\$’000
Revenue					
– Contracting work	3,506,706	851,692	450,361	272,221	5,080,980
– Maintenance work	421,515	426,091	141,877	240,640	1,230,123
– Sales of goods	4,796	70,346	47,911	15,988	139,041
Total revenue	<u>3,933,017</u>	<u>1,348,129</u>	<u>640,149</u>	<u>528,849</u>	<u>6,450,144</u>

Segment revenue and results

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

For the year ended 31 December 2025

	Building services <i>HK\$'000</i>	Environmental engineering <i>HK\$'000</i>	ICBT <i>HK\$'000</i>	Lifts and escalators <i>HK\$'000</i>	Inter segment elimination/ unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue						
– external	3,278,877	1,591,452	630,339	586,973	–	6,087,641
– inter-segment	5,816	–	38,713	472	(45,001)	–
Total revenue	<u>3,284,693</u>	<u>1,591,452</u>	<u>669,052</u>	<u>587,445</u>	<u>(45,001)</u>	<u>6,087,641</u>
Segment profit	106,538	88,535	45,409	14,954	–	255,436
Loss on disposal of an investment property						(1,100)
Share of result of an associate						(9,285)
Bank interest income						7,075
Finance costs						(17,301)
Unallocated income/gains						8,742
Unallocated expenses/losses						<u>(32,446)</u>
Profit before tax						211,121
Income tax expense						<u>(48,427)</u>
Profit for the year						<u><u>162,694</u></u>
Other segment information						
Depreciation of property, plant and equipment	1,465	1,757	352	5,899	41,480	50,953
Depreciation of right-of-use assets	6,630	8,000	1,459	4,472	340	20,901
Impairment loss on intangible assets	–	–	–	–	1,596	1,596
Impairment losses recognised under expected credit loss model, net	5,739	7,091	3,862	2,546	36	19,274
Loss on disposal of property, plant and equipment	24	7	4	67	1,049	1,151
Share of results of associates	–	16,800	–	(2,339)	9,285	23,746
Write-down of inventories, net	68	–	1,036	442	–	1,546
	<u>68</u>	<u>–</u>	<u>1,036</u>	<u>442</u>	<u>–</u>	<u>1,546</u>

For the year ended 31 December 2024

	Building services <i>HK\$'000</i>	Environmental engineering <i>HK\$'000</i>	ICBT <i>HK\$'000</i>	Lifts and escalators <i>HK\$'000</i>	Inter segment elimination/ unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue						
– external	3,933,017	1,348,129	640,149	528,849	–	6,450,144
– inter-segment	47,609	–	75,844	2,812	(126,265)	–
Total revenue	3,980,626	1,348,129	715,993	531,661	(126,265)	6,450,144
Segment profit	56,315	98,362	42,553	24,600	–	221,830
Share of result of an associate						6,107
Impairment loss on interest in an associate						(12,645)
Bank interest income						13,732
Finance costs						(21,200)
Unallocated income/gains						1,580
Unallocated expenses/losses						(38,011)
Profit before tax						171,393
Income tax expense						(37,505)
Profit for the year						133,888
Other segment information						
Depreciation of property, plant and equipment	1,335	1,946	563	5,685	26,814	36,343
Depreciation of right-of-use assets	6,761	3,599	2,037	3,125	19,056	34,578
Amortisation of intangible assets	–	–	–	–	402	402
Impairment losses recognised (reversed) under expected credit loss model, net	78,074	(7,848)	13,349	(240)	1,749	85,084
Loss (gain) on disposal of property, plant and equipment	6	(3)	11	44	7,894	7,952
Share of results of associates	–	12,800	–	(934)	(6,107)	5,759
Write-down of inventories, net	126	–	1,697	2,663	–	4,486

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs, certain other income, certain other gains and losses, loss on disposal of an investment property, share of result of an associate, impairment loss on interest in an associate, bank interest income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment revenue are charged at prevailing market rates.

Segment assets and liabilities

No analysis of the Group's assets and liabilities by operating segments is disclosed as it is not regularly provided to the CODM for review.

Information about major customers

Revenue from customers that individually contributing over 10% of the total revenue of the Group of the corresponding years are as follows:

	2025 HK\$'000	2024 <i>HK\$'000</i>
Customer A*	1,017,256	1,206,645
Customer B*	705,960	N/A [#]

* Revenue from all four segments.

[#] The corresponding revenue did not contribute 10% of the total revenue of the Group.

Geographical information

The Group's operations are located in Hong Kong, Macau, the Chinese Mainland, the United Kingdom ("UK"), the United States of America ("USA") and others.

Information about the Group's revenue from external customers is presented based on the location of the customers.

	2025 HK\$'000	2024 <i>HK\$'000</i>
Revenue		
Hong Kong	5,585,641	5,492,957
Macau	170,855	615,684
Chinese Mainland	158,008	214,936
UK	164,998	126,019
Others	8,139	548
Total	6,087,641	6,450,144

Information about the Group's non-current assets other than financial instruments and deferred tax assets is presented based on the geographical location of the assets/operation of associates.

	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets		
Hong Kong	889,347	945,222
Chinese Mainland	345,762	348,503
Macau	1,177	2,334
UK	9,648	10,807
USA	170,378	168,039
Total	1,416,312	1,474,905

5. OTHER GAINS AND LOSSES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss from change in fair value of investment properties	(27,940)	(3,640)
Loss on disposal of property, plant and equipment	(1,151)	(7,952)
Loss on disposal of an investment property	(1,100)	–
Impairment loss on interest in an associate (<i>Note 11</i>)	–	(12,645)
Impairment loss on intangible assets	(1,596)	–
Impairment loss on property, plant and equipment	(227)	–
Net exchange gain (losses)	7,068	(4,598)
Gain on lease remeasurement	–	126
(Loss) gain on derecognition of right-of-use assets and lease liabilities under early termination	(4)	86
Loss on dissolution of interest in a subsidiary	–	(267)
	<u>(24,950)</u>	<u>(28,890)</u>

6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest expenses on bank borrowings	14,589	18,047
Interest on lease liabilities	2,424	2,006
Ancillary costs in respect of banking facilities	288	2,578
	<u>17,301</u>	<u>22,631</u>
Total finance costs	17,301	22,631
Less: amount capitalised in the cost of qualifying assets	–	(1,431)
	<u>17,301</u>	<u>21,200</u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax		
Hong Kong	46,457	38,877
Macau	2,345	4,951
PRC Enterprise Income Tax	840	3,443
	<u>49,642</u>	<u>47,271</u>
(Over)underprovision in prior years		
Hong Kong	(76)	(3,207)
Macau	99	(802)
PRC Enterprise Income Tax	(354)	(1)
UK	(321)	(46)
	<u>(652)</u>	<u>(4,056)</u>
	48,990	43,215
Deferred tax	(563)	(5,710)
	<u>48,427</u>	<u>37,505</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

During the year ended 31 December 2024, the Hong Kong Inland Revenue Department allowed a Hong Kong subsidiary of the Group in Hong Kong to share and utilise the tax loss of approximately HK\$11,741,000 from its associate in Hong Kong under section 19C(5) of the Inland Revenue Ordinance for the year ended 31 December 2023. Therefore, overprovision of income tax expense in prior year of approximately HK\$1,937,000 was recognised by such Hong Kong subsidiary during the year ended 31 December 2024.

Under Macau Complementary Tax Law, companies are divided into Group A and Group B tax payers. Group A tax payers are assessed based on their actual taxable profits. Group B tax payers are assessed based on deemed profits ascertained by the Macau Finance Bureau. The Group has Group A and Group B tax payers and Macau Complementary Tax is calculated at a rate of 12% on the assessable profit above Macau Pataca (“MOP”) 600,000 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 of the PRC subsidiaries of the Group is 25% for both years. A subsidiary of the Company is qualified as advanced technology enterprise and has obtained approval from the relevant tax authority for the applicable tax rate reduced to 15% for a period of three years up to 2024. Such qualification was renewed for another 3 years in 2024.

The Company’s subsidiaries and an associate of the Group that are tax residents in the PRC are subject to the PRC dividend withholding tax at 10% when and if undistributed earnings out of profits that arose on or after 1 January 2008 are declared to be paid as dividends to its immediate holding company which is a non-PRC tax resident. According to the “Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income” and Guoshuifa [2008] No. 112, where the Hong Kong resident company directly owns at least 25% of the capital of the Mainland company, 5% dividend withholding tax rate is applicable. Whereas the Hong Kong resident company directly owns less than 25% of the capital of the Mainland company, 10% dividend withholding tax rate is applicable. During the year ended 31 December 2025, 5% and 10% withholding tax rates were used for the Company’s subsidiaries and the Group’s associate, respectively (2024: 5% and 10%, respectively).

The main rate of UK Corporation Tax is 25% for the financial year beginning on 1 April 2023 (previously 19% in the financial year beginning on 1 April 2022). This main rate applies to companies with profits in excess of British pounds (“GBP”) 250,000. For UK resident companies with augmented profits below GBP50,000, a lower rate of 19% is generally applicable. For companies with augmented profits between GBP50,000 and GBP250,000, there is a sliding scale of tax rates. During the years ended 31 December 2025 and 2024, the UK Corporation Tax of 19% was applied by the Group’s subsidiaries as the assessable profits were below GBP50,000.

The Group is operating in certain jurisdictions where the Global Anti-base Erosion Rules (“Pillar Two Rules”) are effective. However, as the Group’s consolidated annual revenue does not exceed European dollar (“EUR”) 750 million in at least two of the four fiscal years preceding the tested year. Therefore, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

8. PROFIT FOR THE YEAR

	2025 HK\$'000	2024 <i>HK\$'000</i>
Profit for the year has been arrived at after charging (crediting):		
Staff costs (including directors' remuneration):		
– Directors' remuneration	22,759	23,640
– Salaries and other benefits (excluding directors)	1,431,846	1,376,920
– Retirement benefit scheme contributions (excluding directors)	70,379	65,274
– Share-based payment expense (excluding directors)	–	1,297
	<u>1,524,984</u>	<u>1,467,131</u>
Cost of inventories recognised as expenses (included in cost of sales and services)	252,247	325,372
Amortisation of intangible assets	–	402
Depreciation of property, plant and equipment	50,953	36,343
Depreciation of right-of-use assets	20,901	34,578
Write-down of inventories, net	1,546	4,486
(Gain) loss from change in fair value of derivative financial instruments	(2,613)	3,898
Rental income from investment properties	(116)	–
Less: direct operating expenses incurred for investment properties that generated rental income during the year	24	–
Less: direct operating expenses incurred for investment properties that did not generate rental income during the year	344	167
	<u>252</u>	<u>167</u>
Auditors' remuneration	<u>5,865</u>	<u>5,888</u>

9. DIVIDENDS

Dividends for ordinary shareholders of the Company recognised as distribution during the year:

	2025 HK\$'000	2024 <i>HK\$'000</i>
2025 interim dividend – HK2.6 cents (2024: 2024 interim dividend – HK2.38 cents) per share	36,370	32,993
2024 second interim dividend – HK2 cents (2024: 2023 second interim dividend – HK1 cent) per share	27,977	13,863
	<u>64,347</u>	<u>46,856</u>

Subsequent to the end of the reporting period, a second interim dividend in respect of the year ended 31 December 2025 of HK2.9 cents per ordinary share in an aggregate amount of approximately HK\$40,566,000 (2024: HK2 cents per ordinary share in an aggregate amount of approximately HK\$27,977,000 for the year ended 31 December 2024), has been resolved by the board of directors of the Company to pay to the shareholders of the Company.

10. EARNINGS PER SHARE

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<u>167,041</u>	<u>135,265</u>
	2025	2024
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	1,398,840,000	1,386,700,345
Effect of dilutive potential ordinary shares	<u>–</u>	<u>6,815,014</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>1,398,840,000</u>	<u>1,393,515,359</u>

During the years ended 31 December 2025 and 2024, the weighted average numbers of ordinary shares for the calculation of basic and diluted earnings per share have been adjusted for the effect of shares held by the trustees pursuant to the share award schemes.

The computation of diluted earnings per share assumed the effect of certain Company's awarded shares for the year ended 31 December 2024. Save as the awarded shares mentioned above, there were no other dilutive potential ordinary shares in existence during the year ended 31 December 2024. There were no dilutive potential ordinary shares in existence during the year ended 31 December 2025.

During the years ended 31 December 2025 and 2024, the earnings for the purpose of calculating diluted earnings per share have not been adjusted for any changes in the Group's share of result of an associate that was attributable to the increase in the number of ordinary shares of the associate as a result of the conversion of convertible bonds issued by the associate as it is anti-dilutive.

11. INTERESTS IN ASSOCIATES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Investment cost		
Listed outside Hong Kong (<i>Note i</i>)	91,817	91,817
Unlisted	240,840	240,840
Impairment loss recognised (<i>Note ii</i>)	(137,245)	(137,245)
Share of post-acquisition profits and other comprehensive income, net of dividends received	<u>264,415</u>	<u>264,097</u>
Interests in associates	<u>459,827</u>	<u>459,509</u>

Notes:

- (i) The Group is able to exercise significant influence over Nanjing Canatal Data-Centre Environmental Tech Co., Ltd. (“NCA”) because the Company owns 15.70% of NCA as at 31 December 2025 and 2024, and appointed two directors out of nine directors.
- (ii) The Group performed impairment assessment on the interest in Transel Elevator & Electric Inc. (“TEI”) for the year ended 31 December 2024. The Group engaged a third party qualified valuer to perform the valuation. Determining whether impairment loss should be recognised requires an estimation of the recoverable amount of the relevant associate which is the higher of value in use and fair value less costs of disposal. The recoverable amount of the Group’s interest in TEI had been determined based on a value in use calculation. The recoverable amount was based on certain key assumptions including discount rate and the estimated cash flows. The value in use calculation used cash flow projections based on financial forecasts approved by management covering a 5-year period with a pre-tax discount rate of 25%. Cash flow projections beyond the 5-year period were extrapolated using a steady 2.1% growth rate. This growth rate did not exceed the average long-term growth rate for the relevant industry in which the business of TEI operates.

Cash flow projections during the forecast period for TEI were also based on management’s estimation of cash inflows/outflows including gross revenue, gross margin, operating expenses and working capital requirements during the forecast period. The assumptions and estimations were based on TEI’s past performance, management’s expectations of the market development. Due to the continuing unfavourable market conditions in the USA, TEI faced a lower than expected demand during the year ended 31 December 2024, its financial performance was less satisfactory than expected. As a result, an impairment loss of approximately HK\$12,645,000 had been recognised in respect of the Group’s interest in TEI during the year ended 31 December 2024. The relevant goodwill was fully impaired as of 31 December 2024.

12. CONTRACT ASSETS

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Contract assets	1,494,150	1,538,702
Less: allowances for credit losses	<u>(78,272)</u>	<u>(78,309)</u>
	<u>1,415,878</u>	<u>1,460,393</u>

As at 1 January 2024, contract assets amounted to approximately HK\$1,346,713,000.

The decrease in current year was mainly attributable to decrease in contracting work.

As at 31 December 2025, contract assets include retention receivables of approximately HK\$572,709,000 (2024: HK\$513,650,000). The Group generally provides their customers with one-year warranty period. Upon the expiration of retention period, the customers will provide a final inspection and acceptance certificate and pay the retention within the term specified in the contract.

Retention receivables are interest-free and repayable at the end of the retention period of the respective construction contract.

Details of the impairment assessment are set out in Note 13.

13. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	928,403	907,080
Less: allowances for credit losses	<u>(109,137)</u>	<u>(90,280)</u>
	819,266	816,800
Unbilled revenue (<i>Note</i>)	197,988	136,315
Bills receivables	<u>5,256</u>	<u>5,150</u>
	<u>1,022,510</u>	<u>958,265</u>

Note: Unbilled revenue represents accrued revenue for works performed by the Group but yet to bill. The Group has unconditional right to the payment of unbilled revenue which is expected to be billed within 90 days and settled within twelve months from the end of the reporting period.

As at 1 January 2024, total gross trade receivables including unbilled revenue and bills receivables amounted to approximately HK\$1,243,722,000.

As at 31 December 2025, the Group's bills receivables are of age within one year (2024: within one year).

The Group generally allows credit period ranging from 14 to 90 days (2024: 14 to 90 days). The Group assesses the credit quality of each potential customer and define rating and credit limit for each customer. In addition, the Group reviews the repayment history of receivables by each customer with reference to the payment terms stated in contracts to determine the recoverability of trade receivables. The Group does not hold any collateral over these balances.

Aging of trade receivables net of allowances for credit losses presented based on the invoice dates are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 – 30 days	467,860	513,363
31 – 90 days	247,147	175,373
91 – 360 days	102,309	126,880
Over 1 year	<u>1,950</u>	<u>1,184</u>
Total	<u>819,266</u>	<u>816,800</u>

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$318,048,000 (2024: HK\$370,572,000) which are past due as at the reporting date. Out of the past due balances, approximately HK\$72,215,000 (2024: HK\$89,527,000) has been past due 90 days or more and is not considered as in default due to the long-term/on-going relationship, good repayment record and continuous repayment from these customers.

During the year ended 31 December 2025, the Group recognised impairment allowance of approximately HK\$31,140,000 (2024: HK\$19,117,000) and reversed impairment allowance of approximately HK\$13,165,000 (2024: HK\$16,509,000) for not credit-impaired trade receivables. Impairment allowance of approximately HK\$18,468,000 (2024: HK\$45,107,000) was made and approximately HK\$17,145,000 (2024: HK\$21,064,000) was reversed on credit-impaired trade receivables. During the year ended 31 December 2025, trade debtors with gross carrying amount of approximately HK\$27,204,000 (2024: HK\$23,055,000) became credit-impaired and therefore, approximately HK\$9,077,000 (2024: HK\$5,390,000) lifetime ECL was transferred from not credit-impaired to credit-impaired.

During the year ended 31 December 2025, net impairment allowance of approximately HK\$3,241,000 was recognised (2024: HK\$77,000 was reversed) on not credit-impaired contract assets and approximately HK\$3,301,000 was reversed (2024: HK\$56,761,000 was recognised) on credit-impaired contract assets with gross carrying amount of approximately HK\$8,667,000 (2024: HK\$81,043,000).

During the year ended 31 December 2025, impairment allowance of approximately HK\$36,000 (2024: HK\$1,749,000) was recognised on other receivables which are credit-impaired.

14. TRADE AND RETENTION PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	429,147	392,838
Trade payables (unbilled)	103,440	65,783
Retention payables	179,551	178,564
	<u>712,138</u>	<u>637,185</u>

The credit period on trade payables is ranging from 0 to 90 days. The aging analysis of the Group's trade payables below is presented based on the invoice date at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 – 30 days	194,052	198,258
31 – 90 days	158,083	112,183
91 – 360 days	35,688	45,279
Over 1 year	41,324	37,118
	<u>429,147</u>	<u>392,838</u>

15. PLEDGE OF ASSETS

At the end of the reporting period, the Group had the following pledge of assets:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Properties	731,724	774,976
Investment properties (<i>Note i</i>)	15,200	62,540
Asset classified as held for sale (<i>Note i</i>)	15,800	–
Bank deposits	17,106	25,915
Others (<i>Note ii</i>)	138,004	104,677
	<u>917,834</u>	<u>968,108</u>

Notes:

- (i) The decrease in “Investment properties” under pledge of assets mainly represents the loss from change in fair value and the reclassification of an investment property to asset classified as held for sale during the year ended 31 December 2025.
- (ii) Included in others, there was the assignment of certain trade receivables of a wholly owned subsidiary of the Company of approximately HK\$66,900,000 (2024: HK\$2,909,000) and fixed and floating charges over all assets of several wholly owned subsidiaries of the Company amounting to approximately HK\$71,104,000 (2024: HK\$101,768,000), out of which approximately HK\$67,146,000 (2024: HK\$78,566,000) represents the leasehold improvements, plant and equipment in ATAL Tower upon the completion of renovation in 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Group achieved a record-high contracts-in-hand of HK\$17,878.7 million as at 31 December 2025, which is 61.8% higher than the contracts-in-hand of HK\$11,052.7 million as at 31 December 2024. This was made possible by a 113.7% increase in order intake to HK\$12,913.6 million for the year ended 31 December 2025 (“FY2025”) from HK\$6,043.3 million for the year ended 31 December 2024 (“FY2024”). Contracts were won across diverse sectors in hospitals, residential and commercial developments, Macau hotels, data centres, universities, environmental infrastructure, technology services, and lifts and escalators. In particular, a record-breaking contract was won for the relocation of Shatin sewage treatment works to caverns. These awards will provide a solid foundation for the business in the coming three years and beyond.

Leveraging with agility our comprehensive capabilities across the diverse business segments of Building Services, Environmental Engineering, Information, Communications and Building Technologies (“ICBT”), and Lifts and Escalators, the Group stayed active and focused in pursuing tender opportunities during the reporting period, submitting a total of 965 tenders or quotations each valued over HK\$1 million (FY2024: 1,177 tenders or quotations each valued over HK\$1 million).

The Group recorded a 23.5% increase in profit attributable to owners of the Company to reach HK\$167.0 million for FY2025 or HK\$31.7 million over the HK\$135.3 million for FY2024. One of the former offices (used prior to relocation to ATAL Tower) was disposed of during the year. Excluding a property value fluctuation of HK\$29.0 million relating to these offices, the adjusted profit attributable to owners of the Company for FY2025 would be HK\$196.0 million. This is 4.9% or HK\$10.0 million lower than the adjusted profit attributable to owners of the Company for FY2024 at HK\$206.0 million (after excluding a one-off expense of HK\$23.1 million before tax for our relocation of headquarters, and a provision for expected credit loss of HK\$88.0 million before tax to reflect the recoverability risks of certain receivables and contract assets held by the Group in relation to certain construction companies as at 31 December 2024).

The revenue generated by the Group for FY2025 amounted to HK\$6,087.6 million. Reflecting different phasing of projects, this is 5.6% or HK\$362.5 million lower than the revenue of HK\$6,450.1 million reported for FY2024. The consolidated gross profit for FY2025 was HK\$997.8 million, similar to HK\$1,002.3 million for FY2024.

The intake of new maintenance contracts for housing programmes, environmental projects, and lifts and escalators in FY2025 totalled HK\$1,669 million. With the renewal of major maintenance term contracts, this represents an increase of 51.4% or HK\$566 million, from HK\$1,103 million recorded in FY2024. Recurring maintenance revenue was steady at HK\$1,229 million during FY2025, close to that in FY2024 at HK\$1,230 million.

The Group maintained a strong cash position, with bank balances and cash of HK\$1,020.8 million as of 31 December 2025 (31 December 2024: HK\$1,035.9 million), with gearing reduced to 10.1% for FY2025 from 26.2% in FY2024, enabling the Group to take on additional work and other business opportunities arising in the market as appropriate.

ATAL Tower, our intelligent headquarters revitalised from an existing industrial building, became fully operational during the period. This strategic investment does not only unify all our operating units under one roof; it offers a real-world environment for advancing practical technology that benefits employees and encourages actionable innovation, realising cross-disciplinary collaboration, end-to-end technology integration across systems, and scalable solutions that create value for customers.

In particular, to address the pain points of labour shortage, ageing workforce and rising demand for quality in many regions, the Group is an early mover and leader in deploying the advanced construction technique of MiMEP (Multi-trade Integrated Mechanical, Electrical and Plumbing), integrating Design for Manufacturing and Assembly (DfMA), Modular Integrated Construction (MiC) and Building Information Modelling (BIM) with our own research and varied practical project experience. Factory-prefabricated electric & mechanical (E&M) works, enabled by such advanced technology and revamped engineering workflows, boost quality and safety while reducing on-site labour and time.

The advanced digital infrastructure in ATAL Tower allows seamless coordination between manufacturing in our MiMEP Design and Manufacturing Centre and High Productivity Research Centre in Zhuhai and real-time monitoring in Hong Kong, to pre-empt site issues before they arise, and facilitate early adoption of MiMEP that ultimately enhances win-win benefits for stakeholders.

To reinforce our differentiation and prepare the Group for leading in emerging business opportunities, we are conducting our own research & development (R&D) and collaborating with leading universities and technology partners to develop solutions with digital technology, artificial intelligence (“AI”) and Internet of Things (“IoT”), energy optimisation, renewable energy, pilot liquid-cooling solutions for AI data centres, and other climate solutions and environmental engineering technologies.

The Group continues to build on opportunities in the United States (“US”) and the United Kingdom (“UK”), and to explore other international markets. The Group’s associate, Transel Elevator & Electric Inc. (“TEI”), one of the largest independent lifts and escalators companies in New York, secured the contract for the world-class vertical transportation system in the iconic 56-storey luxury hotel skyscraper on the border of Times Square, incorporating an observation deck and an amusement drop-ride. Furthermore, TEI continued to expand in the southeastern part of United States in 2025.

Building Services

The Building Services segment achieved a record-high level of contracts-in-hand totalling HK\$8,297 million as of 31 December 2025 (31 December 2024: HK\$5,107 million); this 62.5% increase represents a significant boost that provides a solid business foundation for the coming three years and beyond. Our competitive edge in multidisciplinary packaged projects, industry leadership in innovative MiMEP and other new engineering techniques and the market’s confidence in our comprehensive capabilities, execution excellence and commitment were instrumental in securing major contracts. During the year, we secured varied significant new projects for hospitals in the Northern District, Lai King and Yuen Long; public and private residential developments; commercial projects in Tung Chung and other districts; hotel projects in Macau; data centres and university works.

The total value of new contracts secured in FY2025 was HK\$6,470 million, doubling the HK\$3,225 million recorded for FY2024. Revenue generated by the Building Services segment for FY2025 was HK\$3,279 million, 16.6% lower than that in the previous year (FY2024: HK\$3,933 million), largely due to different phasing of projects.

New maintenance contracts for housing programmes and modernisation projects were secured during the year, augmenting the large Management, Operation and Maintenance (“MOM”) service contracts for mission-critical data centres that commenced the previous year.

With strategic investments to accelerate innovation and the establishment of modern manufacturing facilities in Zhuhai and Hong Kong, the Group continues to lead the industry in MiMEP and DfMA technologies. These facilities are now fully integrated with our headquarters, enabling real-time monitoring and seamless collaboration across regions.

Following the successful acquisition of a property management licence, we have expanded our business to deliver integrated solutions across the entire building lifecycle – from construction through maintenance and operations to long-term facility management – thereby creating a potential revenue stream that complements our core services.

Manpower across the various units within the Building Services segment has been integrated to enhance productivity and better respond to market needs, enabling more agile and efficient resource allocation among healthcare, infrastructure and building services projects, as well as across different regions.

Through continuous development of innovative technologies and operational optimisation, the Building Services segment is positioning itself to maintain the market competitiveness of its core business.

Environmental Engineering

The contracts-in-hand of the Environmental Engineering segment amounted to the record-high level of HK\$8,094 million as at 31 December 2025, representing an 86.9% increase from HK\$4,330 million as at 31 December 2024. The segment maintained active tendering throughout the period and was awarded significant contracts, including contracts of a record-breaking value to relocate sewage treatment works in Sha Tin to caverns, sewage pumping station at Ma On Shan, as well as variation orders under an existing water treatment works contract.

The segment secured a record-high order intake of HK\$5,355 million in FY2025, representing a significant 253.7% or HK\$3,841 million increase over the HK\$1,514 million for FY2024.

The Environmental Engineering segment recorded revenue of HK\$1,591 million in FY2025, 18.0% or HK\$243 million higher than the HK\$1,348 million for FY2024.

With increasing market demands, the Group has introduced AI-enabled Digital Twins and other innovative solutions under the ALGO brand in water, wastewater and solid waste design-and-build projects, as well as in operation and maintenance projects for E&M works. These integrated solutions support the operators in optimising operational decisions, extending asset life cycles and ensuring the high serviceability and resilience of environmental infrastructure in our communities.

Renewal of a major maintenance term contract was secured for mechanical and electric works for water supply facilities. Furthermore, a joint venture company was formed in Qingyang city to explore the operation and maintenance business in the Chinese Mainland.

In addition, the segment was seizing project opportunities in Asia and the Middle East, and exploring the expansion of its expert services into Europe.

The Nanjing University – Hong Kong ATAL Smart Environmental Technology Centre (南京大學 – 香港安樂智慧環境科技研究院) was set up in Nanjing University, to research and develop new sewage processes in anticipation of the future high environmental standard in municipal and industrial sectors.

Information, Communications and Building Technologies (“ICBT”)

The contracts-in-hand of the ICBT segment totalled HK\$852 million as at 31 December 2025, 11.2% lower compared with HK\$959 million as at 31 December 2024. Order intake was HK\$523 million for FY2025, 30.9% lower compared with HK\$757 million for FY2024, resulting from the different timing of major tender opportunities.

Revenue for the ICBT segment amounted to HK\$630 million in FY2025, 1.5% or HK\$10 million lower compared with HK\$640 million in FY2024.

The ICBT segment continued to reinforce its leadership in green and intelligent building solutions under the DigiFusion brand, powered by an integrated suite of advanced technologies. These include AI-enabled Digital Twin platforms, IoT applications, energy management and renewable energy systems, solar paver technology, high-efficiency HVAC systems, ESG dashboards, indoor environmental quality (IEQ) management solutions, automation and control systems, AI-driven video analytics, advanced security technologies, robotic applications and smart lampposts. Together, these innovations enable the development of smarter, more sustainable urban environments, enhancing quality of life, transforming how people live and work, and deepening their connection with the built environment.

One of the signature projects during the year was to deliver holistic digital and engineering solutions for a new Grade A commercial building in the heart of Causeway Bay. Integrating automation and control systems, security systems, IT networks and IoT infrastructure, the development is a showcase of digital and sustainable engineering excellence in Hong Kong and the surrounding regions. Meanwhile, the ICBT segment continued to leverage ATAL Tower as a platform for developing innovative technologies and demonstrating these solutions to customers.

We also continued to broaden our technological capabilities through strategic collaborations with leading manufacturers in the Chinese Mainland and around the world. These partnerships strengthen our ability to deliver scalable, high-performance solutions across a wide range of sectors, including ready-to-use BIM assets, IoT integration, AI-powered analytics and prefabrication technologies, and reinforce our position as a trusted provider of smart and sustainable engineering innovations.

Lifts and Escalators

The contracts-in-hand of the Group's lifts, escalators and moving walkways amounted to HK\$635 million as at 31 December 2025, being 3.2% or HK\$21 million lower compared with HK\$656 million as at 31 December 2024. Major contracts were received, including the renewal of a three-year term maintenance contract in Hong Kong, and projects in the UK.

The order intake of the Lifts and Escalators segment was HK\$566 million as at 31 December 2025, up 3.2% or by HK\$18 million from HK\$548 million in FY2024.

In parallel, the Group's associate, TEI, secured the contract for a world-class vertical transportation system in the iconic 56-storey luxury hotel skyscraper including an observation deck and an amusement drop-ride, on the border of Times Square in New York.

Revenue from the Lifts and Escalators segment (excluding TEI) was HK\$587 million in FY2025, an increase of 11.0% or HK\$58 million from HK\$529 million in FY2024.

Through continuous refinement and improvement, our Nanjing factory streamlined its manufacturing processes, broadened our product portfolio and strengthened the overall product quality. These enhancements align with our global vision and reaffirm our commitment to delivering reliable, high-performance vertical transportation solutions.

Our machine-room-less lift products continued to gain traction in key international markets, including the UK, driven by their space-saving design, energy efficiency, simplified installation and low maintenance requirements.

As one of the largest independent lift and escalator companies in New York, TEI further strengthened its market position by extending its footprint into the southeastern part of US during 2025. The Group also actively built on its presence in the UK and broadened its network across other international markets, reinforcing our global ambitions in vertical transportation solutions.

Innovation, Resources Management and Other Operational Initiatives

Innovation continues to be a strategic driver of the Group's sustainable growth and operational excellence. In a highly competitive, technology-driven market, we remain committed to applying advanced engineering methodologies and digital technologies to enhance quality, productivity and customer value while strengthening environmental performance and resource efficiency.

The Group further expanded the use of MiMEP, DfMA, BIM, AI and Digital Twin technologies across its operations. These solutions are integrated throughout the entire project lifecycle – from early-stage design through construction, to commissioning and long-term operations – enabling improvements in material utilisation, waste reduction, energy optimisation, safety and overall project delivery. Our leadership in MiMEP continues to set new industry benchmarks, achieving 85-90% adoption rates and contributing to improved project coordination, shorter construction durations, enhanced site safety and better end-product quality. These capabilities have been increasingly recognised by clients and contributed to key contract awards during the year.

The MiMEP Design and Manufacturing Centre and the MiMEP High Productivity Research Centre in Zhuhai expanded their support for projects across Hong Kong and the Greater Bay Area. Their digital connectivity with ATAL Tower through real-time monitoring systems enhances traceability, cross-regional collaboration and quality assurance, reinforcing our commitment to responsible and efficient operational practices.

Our unwavering commitment to R&D continued to strengthen our innovation capabilities. The ATAL Design, Research and Training Centre has become an active hub for collaboration, bringing together business partners, engineers, data specialists, and industry experts to co-create practical solutions. Through cooperation with leading universities, research institutions and technology partners, we accelerated the development of new construction methods, smart building and city applications, and advanced environmental technologies that support climate resilience and long-term sustainability.

AI-enabled Digital Twin platforms are now being deployed more broadly to simulate performance, optimise energy consumption, and support predictive maintenance in buildings, infrastructure and specialised industrial facilities.

Meanwhile, the Group's Smart Data Automation ("SDA") unit made solid progress in developing intelligent automation solutions for water treatment plants, sewage facilities and mission-critical infrastructure, including data centres, tunnel etc. SDA's portfolio now spans AI-based monitoring systems, predictive analytics and smart control platforms that enhance operational efficiency, reliability and safety.

In the year, we launched a series of training programmes based on Capability Maturity Model Integration ("CMMI") and incorporated CMMI concepts into employee orientation. With these initiatives to enhance engineering discipline and process maturity for mitigating possible risks in the software development, the Group successfully achieved CMMI Maturity Level 3 certification for software development, validating that our development processes are robust, consistently executed and continuously improved, to ensure reliable, high-quality outcomes.

For protecting confidential data, the Group implemented a robust information security management system certified under ISO 27001 as well as formalised the Information Security Policy and Security Manual to set out the security standards that all staff must adhere to, to assure consistent and robust protection of information assets.

Mandatory cybersecurity training was offered to all Hong Kong employees. We also implemented ongoing awareness programmes and regularly shared targeted cybersecurity reminders to reinforce staff vigilance and readiness for mitigating potential cybersecurity issues.

The Group took proactive steps to set out an Artificial Intelligence (“AI”) Policy, to guide responsible use of AI. We also developed the ATAL Retrieval-Augmented Generation AI App which integrates multiple AI models and offers built-in tools to allow our employees to increase productivity while aligning with the Group’s cybersecurity standards.

To better serve market demands, our Mechanical Handling and Lifting Solutions Unit was restructured to encompass more comprehensive solutions in mechanical systems and lifting applications.

Our Lifts and Escalators segment continued to advance its vertically integrated business model – integrating design, manufacturing, installation and after-sales service – while developing new products to support its presence in the UK, US and other international markets.

To further enhance productivity and agility, the Group continued the strategic integration of resource deployment across business units and regions, particularly within the Building Services segment. This includes the consolidation of project teams, design expertise and manufacturing capabilities across Hong Kong and the Greater Bay Area (GBA). These cross-unit synergies improve responsiveness to market needs and enable faster project delivery.

Talent development remains a cornerstone of the Group’s long-term strategy. Additional support has been provided to managers to strengthen performance management across teams. The Group also continued to make use of government labour importation schemes to help ease industry-wide manpower shortages. New joiners receive structured onboarding and technical training to ensure alignment with our safety, quality and professional standards.

We continue to invest in our Graduate Trainee and Technician Trainee programmes, alongside extensive training for mid-career and senior professionals. Our commitment to technical excellence, leadership development and continuous learning ensures a strong talent pipeline, supporting the Group’s growth in Hong Kong, the GBA and overseas markets.

To improve operational efficiency and support scalable growth, the Group is upgrading its enterprise systems. The new enterprise resource planning (“ERP”) and enterprise performance management (“EPM”) platforms are currently under testing and optimisation, with full deployment targeted for 2026. These systems will streamline project management, vendor coordination, human resources, finance and administrative processes. They will strengthen data transparency, enhance decision-making and support seamless collaboration across the Group.

With a sustained focus on innovation, operational excellence and talent development, the Group is well positioned to navigate the evolving business landscape and capture emerging opportunities in Hong Kong, the Greater Bay Area (GBA) and international markets. We remain committed to delivering high-quality, sustainable solutions that create long-term value for our business partners, stakeholders and the wider community.

FINANCIAL REVIEW

In FY2025, the Group’s revenue was HK\$6,087.6 million, which was HK\$362.5 million or 5.6% lower than FY2024. Compared to FY2024, the lower revenue of HK\$654.1 million in the Building Services segment was partly offset by a higher revenue of HK\$243.3 million in the Environmental Engineering segment. Gross profit of HK\$997.8 million for FY2025, was close to that of FY2024 (HK\$1,002.3 million). The gross profit margin of 16.4% for FY2025 was 0.9 percentage point above that for FY2024 (15.5%), which was mainly attributable to the ICBT segment.

The Group's profit attributable to owners of the Company was HK\$167.0 million in FY2025, representing a year-on-year increase of 23.5% when compared with FY2024 (HK\$135.3 million).

However, as disclosed above, when compared to the adjusted profit attributable to owners of the Company of HK\$206.0 million for FY2024, the adjusted profit attributable to owners of the Company for FY2025 in the amount of HK\$196.0 million, was 4.9% lower year-on-year.

In FY2025, the main adjustment item was a HK\$29.0 million loss relating to investment properties held by the Group, comprising a HK\$27.9 million fair value adjustment plus a HK\$1.1 million realised loss on disposal of investment properties.

In FY2024, there were two main items of adjustment: i) a provision for expected credit loss of HK\$88.0 million before tax to reflect risks with the recoverability of certain receivables and contract assets held by the Group in relation to certain construction companies, and ii) a one-off expense of approximately HK\$23.1 million before tax in relation to our relocation to the new consolidated headquarters.

The Group maintained a strong cash position and sufficient committed banking facilities to finance our growth and development. The Group's bank balance and cash amounted to HK\$1,020.8 million as of 31 December 2025 (31 December 2024: HK\$1,035.9 million). The Group's bank borrowings were reduced to HK\$234.0 million (31 December 2024: HK\$574.2 million).

Non-Generally Accepted Accounting Principles (“GAAP”) Financial Measures

To supplement the Group's consolidated results prepared in accordance with HKFRS Accounting Standards, a certain non-GAAP financial measure, namely profit attributable to owners of the Company excluding (i) loss from change in fair value of investment properties in Hong Kong, (ii) loss on disposal of an investment property in Hong Kong, (iii) a provision for expected credit loss on certain receivables and contract assets, and (iv) a one-off expense in relation to relocation to the new consolidated headquarters, is presented. The Company's management believes that the non-GAAP financial measure provides investors with a more meaningful view of the Group's financial results. However, there are limitations to the use of this non-GAAP financial measure as an analytical tool. Non-GAAP financial measures should be viewed as supplement to, and not a substitute for, analysis of the Company's financial performance prepared in accordance with HKFRS Accounting Standards.

Revenue

In FY2025, the Group reported a total revenue of HK\$6,087.6 million, representing a decrease of HK\$362.5 million or 5.6% when compared with FY2024. The decrease in revenue is mainly attributable to a decrease in revenue of the Building Services segment of HK\$654.1 million, which is partly offset by an increase in revenue of the Environmental Engineering segment of HK\$243.3 million.

Revenue from maintenance work for FY2025 amounted to HK\$1,228.5 million, representing 20.2% of total revenue, which is similar to that of FY2024 in the amount of HK\$1,230.1 million.

	For the year ended 31 December			
	2025	% of total	2024	% of total
	HK\$'M	Revenue	HK\$'M	Revenue
Contracting work	4,753.3	78.1%	5,081.0	78.8%
Maintenance work	1,228.5	20.2%	1,230.1	19.0%
Sales of goods	105.8	1.7%	139.0	2.2%
Total	<u>6,087.6</u>	<u>100.0%</u>	<u>6,450.1</u>	<u>100.0%</u>

Gross Profit

Gross profit amounted to HK\$997.8 million for FY2025, which is similar to HK\$1,002.3 million in FY2024. Gross profit margin for FY2025 was 16.4%, representing an increase of 0.9 percentage point year-on-year, which is mainly attributable to the ICBT segment.

Impairment Losses under Expected Credit Loss Model, Net of Reversal

The Group recorded an impairment loss under expected credit loss model, net of reversal, of HK\$19.3 million in FY2025 (FY2024: HK\$85.1 million). The substantial reduction in net impairment losses was primarily attributable to the one-off provision made in FY2024 relating to the recoverability of certain receivables and contract assets in relation to certain construction companies.

Other Income

The Group's other income in FY2025 was HK\$19.2 million (FY2024: HK\$26.0 million), the year-on-year decrease was mainly due to lower bank interest income resulting from a decrease in bank interest rate.

Other Gains and Losses

As for other gains and losses, the Group recorded a net loss of HK\$25.0 million in FY2025 (FY2024: net loss of HK\$28.9 million).

In FY2025, the main item was the HK\$29.0 million loss relating to investment properties held by the Group, comprising a HK\$27.9 million fair value adjustment plus a HK\$1.1 million realised loss on disposal, as compared to a HK\$3.6 million fair value adjustment reported in FY2024.

The Group has assets in British Pound ("GBP") and Renminbi ("RMB"). In FY2025 as both currencies appreciated against the Hong Kong Dollar ("HKD"), an exchange gain of HK\$7.1 million was recorded, compared to an exchange loss of HK\$4.6 million in FY2024.

In FY2025, there was no impairment loss reported for the Group's USA associate, compared a reported impairment of HK\$12.6 million in FY2024.

Administrative Expenses

The Group's administrative expenses increased by HK\$4.9 million or 0.7% to HK\$719.7 million in FY2025 (FY2024: HK\$714.8 million). Excluding the one-off expense in relation to our relocation to the new consolidated headquarters in FY2024, the year-on-year increase would be HK\$20.1 million or 2.9%, which is mainly attributable to annual salary increments.

Share of Results of Associates

The Group's share of loss from associates was HK\$23.7 million in FY2025, representing an increase in loss by HK\$18.0 million from FY2024.

In FY2025, our associate in the Chinese Mainland turned from profitable to loss making, primarily due to lower gross profit margins as well as an increase in expenses, our share of its results was a loss of HK\$9.3 million, compared to a profit of HK\$6.1 million in FY2024.

Liquidity and Financial Resources

The Group's finance and treasury functions have been centrally managed and controlled at the headquarters in Hong Kong. The Group maintained a healthy liquidity position throughout the year.

As at 31 December 2025, the Group's total cash and bank balances (excluding pledged bank deposits) amounted to HK\$1,020.8 million (31 December 2024: HK\$1,035.9 million), of which 79.2%, 16.7%, 1.8% and 2.3% (31 December 2024: 71.1%, 24.7%, 1.9% and 2.3%) were denominated in Hong Kong dollars or Macau Pataca, Renminbi, US dollars, and other currencies, respectively.

As of 31 December 2025, the Group had bank borrowings amounting to HK\$234.0 million, compared to HK\$574.2 million as of 31 December 2024. As of 31 December 2025, the only bank borrowing was a HKD denominated mortgage loan relating to ATAL Tower, and all other loans were repaid during FY2025. The mortgage loan is scheduled to be repaid by the end of the year 2041.

In addition, as at 31 December 2025, the Group had banking facilities in the form of bonds, bank overdraft and loans, and trade financing of approximately HK\$2,406.0 million (31 December 2024: HK\$2,703.2 million), of which approximately HK\$855.3 million had been utilised (31 December 2024: HK\$1,331.8 million).

Foreign Exchange Risk

The Group operates primarily in Hong Kong, Macau, the Chinese Mainland and the UK and is not exposed to significant foreign exchange risk. In FY2025, the Group further expanded its geographical footprint by establishing subsidiaries in Germany, Singapore and Malaysia. As these entities are still in the initial set up stage, foreign exchange exposure is considered minimal. The Group will continue to closely monitor our exposure to currency risk by reviewing fluctuations in foreign exchange rates.

The Group has entered into foreign currency forward contracts for planned foreign currency transactions in the ordinary course of business. There are no foreign currency net investments hedged by currency borrowings or other hedging instruments.

Use of Proceeds from the Listing of the Company's Shares

The total net proceeds raised by the Company pursuant to the listing of the shares in the Company's global offering in 2019 amounted to approximately HK\$335.7 million (the "Net Proceeds"). As at 31 December 2025, the Group had utilised HK\$275.9 million of Net Proceeds. The Net Proceeds were not fully utilised in FY2025 and the unutilised Net Proceeds as at 31 December 2025 was approximately HK\$59.8 million, which is the same amount as disclosed in the Company's interim report for the six months ended 30 June 2025.

The management of the Group has decided to take a cautious approach when identifying business acquisitions and investment opportunities due to macroeconomic and geopolitical uncertainties. In view of such uncertainties, multiple factors will need to be taken into consideration before making decisions on acquisitions and investments. In the circumstances, the Group will continue to cautiously but proactively pursue suitable new business ventures and investment opportunities with the intention of fully utilising the Net Proceeds on or before 31 December 2027. The Board is of the view that such delay is non-material and there is no change in the intended use of the unutilised Net Proceeds.

As stated in the Company's announcement dated 27 November 2020, the Board resolved to change the use of the unutilised Net Proceeds as of 31 October 2020.

The following table sets forth the original allocation, the revised allocation as of 31 October 2020. There is no utilisation in the year ended 31 December 2025:

	Original allocation of Net Proceeds <i>HK\$'M</i>	Utilised amount of Net Proceeds up to 31 October 2020 <i>HK\$'M</i>	Revised allocation of the unutilised Net Proceeds as at 31 October 2020 <i>HK\$'M</i>	Utilised amount of Net Proceeds from 1 November 2020 to 31 December 2024 <i>HK\$'M</i>	Unutilised amount of Net Proceeds as at 31 December 2024 <i>HK\$'M</i>	Utilised amount of Net Proceeds from 1 January 2025 to 31 December 2025 <i>HK\$'M</i>	Unutilised amount of Net Proceeds as at 31 December 2025 <i>HK\$'M</i>
Supporting the expansion and development of building services segment	67.1	34.6	42.4	42.4	-	-	-
Enhancing engineering capabilities in environmental engineering segment							
- Acquisition of, investment in, cooperating or forming joint ventures	59.3	17.1	5.6	5.6	-	-	-

	Original allocation of Net Proceeds <i>HK\$'M</i>	Utilised amount of Net Proceeds up to 31 October 2020 <i>HK\$'M</i>	Revised allocation of the unutilised Net Proceeds as at 31 October 2020 <i>HK\$'M</i>	Utilised amount of Net Proceeds from 1 November 2020 to 31 December 2024 <i>HK\$'M</i>	Unutilised amount of Net Proceeds as at 31 December 2024 <i>HK\$'M</i>	Utilised amount of Net Proceeds from 1 January 2025 to 31 December 2025 <i>HK\$'M</i>	Unutilised amount of Net Proceeds as at 31 December 2025 <i>HK\$'M</i>
- Support the expansion and development of environmental engineering segment, including project working capital needs and additional investment in development of advanced environmental process technologies	41.4	0.5	40.9	40.9	-	-	-
Enhancing engineering capabilities of ICBT segment							
- Setting up dedicated research and development teams	19.3	6.0	13.3	13.3	-	-	-
- Acquisition of, or investment in, companies which possess innovative technology	47.8	-	-	-	-	-	-
Expansion and development of lifts and escalators segment							
- Expanding existing manufacturing facilities and construction of a new production plant	54.1	-	-	-	-	-	-
- Setting up export sales office and sales and service centres in the Chinese Mainland	13.0	-	-	-	-	-	-
- Expanding existing manufacturing facilities	-	-	67.1	67.1	-	-	-
Acquisition of, or investment in, companies	-	-	68.0	8.2	59.8	-	59.8
General working capital	33.7	31.8	8.4	8.4	-	-	-
Total	<u>335.7</u>	<u>90.0</u>	<u>245.7</u>	<u>185.9</u>	<u>59.8</u>	<u>-</u>	<u>59.8</u>

Future Plans for Material Investment or Capital Assets

While the Group will continue to target suitable new business ventures and investment opportunities, there are no concrete future plans for material investments or capital assets as at the date of this announcement.

Material Acquisition or Disposal of Subsidiaries, Associates and Joint Ventures

The Group did not make any material acquisitions or disposals of subsidiaries, associates, and joint ventures during the year.

Gearing Ratio and Indebtedness

As of 31 December 2025, the gearing ratio of the Group (being gross bank borrowings divided by total equity attributable to owners of the Company) reduced to 10.1% (31 December 2024: 26.2%) mainly due to repayment of revitalisation loans for ATAL Tower and also several short-term loans during year 2025.

Charges on Group Assets

The Group had pledged assets as security for general short-term banking facilities and the mortgage loan of ATAL Tower, totaling HK\$917.8 million as at 31 December 2025 (31 December 2024: HK\$968.1 million). Part of the Group's bank deposits were denominated in RMB. The year-on-year decrease in charges on group assets was mainly due to a reduction in fair value of investment properties as well as the depreciation of ATAL Tower.

Capital Commitments

As at 31 December 2025, the Group had capital commitments of HK\$11.9 million (31 December 2024: HK\$18.9 million) contracted but not provided for in the consolidated financial statements, including the acquisition of an enterprise resources planning system of HK\$10.5 million, expansion of the existing lift and escalator manufacturing facilities in Nanjing of HK\$1.3 million and renovation improvement work of ATAL Tower of HK\$0.1 million.

Contingent Liabilities

As at 31 December 2025, the Group had outstanding performance bonds of approximately HK\$562.8 million (31 December 2024: HK\$716.6 million), which were given by banks in favour of the Group's customers as security for the proper performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to these customers, the customers may demand the banks to pay them the sum or sums stipulated in the performance bond and the Group will be liable to compensate these banks accordingly. The performance bonds will be released upon completion of the relevant contracted work.

The Group engaged in lawsuits during our normal course of operations. As at 31 December 2025, there were a few legal proceedings related to these lawsuits outstanding against the Group. The Group has made adequate provision for any probable losses based on the current facts and circumstances.

FINANCIAL HIGHLIGHTS

Key Financials

	2025	2024
	HK\$'M	HK\$'M
Current assets	3,719.5	3,699.4
Current liabilities	2,571.7	2,632.6
Bank balances and cash	1,020.8	1,035.9
Net current assets	1,147.8	1,066.9
Total assets less current liabilities	2,592.9	2,567.5
Current ratio (<i>Note i</i>)	1.4 times	1.4 times
Gearing ratio (<i>Note ii</i>)	10.1%	26.2%
Return on equity (<i>Note iii</i>)	7.4%	6.3%

Notes:

- (i) Current ratio: Total current assets/total current liabilities
- (ii) Gearing ratio: Total interest-bearing bank borrowings/equity attributable to owners of the Company as shown in the consolidated statement of financial position x 100%
- (iii) Return on equity: Profit attributable to owners of the Company/average of opening and closing balances on equity attributable to owners of the Company as shown in the consolidated statement of financial position x 100%

Human Resources

As at 31 December 2025, the Group employed 3,107 staff (including short-term staff) across Hong Kong, Macau, the Chinese Mainland, and the UK (31 December 2024: 3,149).

Safety has been our top priority. Operational procedures and work instructions are maintained and regularly updated, and reviews and experience sharing sessions are conducted to address work-related risks, including dynamic risk management, heat stress, working at height, and confined space operations. Our dedicated Task Force on Smart Site Safety System continued to enhance the integration of smart technology into our safety framework. Key initiatives included a smart safety harness system leveraging AI and IoT to improve protection when working at height; the adoption of robotic welding to enhance safety, efficiency, and environmental performance; and the use of advanced construction reality capture to support dynamic risk assessments and strengthen safe work practices.

To enhance vigilance, we carried out a series of additional fire safety inspections, focusing on both site condition and maintenance of fire service installation, to ensure compliance with all relevant regulations and standards. We also introduced a fire safety pledge between our project management teams and subcontractors which not only underlines key fire safety measures to be implemented, but also the disciplinary actions for non-compliance, demonstrating our determination to maintain fire safety in our operations.

Committed to upholding the highest standards of integrity and business ethics, we clearly communicate our Code of Conduct and related policies to employees, and reinforce this through operating procedures and ongoing training. Key training topics include the Prevention of Bribery Ordinance, the Competition Ordinance, cybersecurity awareness, the anti-discrimination ordinances, the Construction Workers Registration Ordinance, and the Personal Data (Privacy) Ordinance. We maintain robust systems for external and internal audits, whistle-blowing, cooperation with enforcement agencies, and the declaration and avoidance of conflicts of interest. Complaints and allegations are handled through a fair and impartial process that ensures accurate fact-finding and discourages malicious claims.

To safeguard data privacy and intellectual property rights, our Operation Manual outlines specific procedures for managing intellectual property, including patent protection for all products and software-related inventions, in full compliance with applicable laws and regulations of the regions in which we operate. We have implemented a comprehensive Personal Data and Privacy Policy to safeguard against the misuse of confidential, privileged or personal information entrusted to us; this policy outlines the obligations and procedures related to data collection, retention, access, and correction. All employees are required to sign the Intellectual Property, Employee Invention Confidential Information Agreement, and Staff's Declaration on Software Policies upon joining the Group. Violations may result in disciplinary measures, including termination.

To reinforce our core values and support our pursuit of excellence, the Group maintains a comprehensive goal-setting and performance appraisal framework. This is supported by competitive remuneration and incentive mechanisms to attract, retain, and motivate talent. Our remuneration policy rewards sustained performance and is aligned with accountability and business priorities. Remuneration packages for directors and senior executives are recommended by the Remuneration Committee and approved by the Board. Additional support has been provided to managers to strengthen performance differentiation, enabling us to recognise committed and high-performing employees who embody our vision and values. This approach strengthens organisational capability, promotes career development and supports the Group's long-term strategy and shareholder interests.

Since 1984, the Group has been running the Hong Kong Institution of Engineers ("HKIE") Graduate Training Scheme and the Vocational Training Council ("VTC") Apprenticeship Programme, demonstrating a long-standing commitment to developing local engineering professionals for the industry. This commitment is supported by our team of 27 HKIE Scheme A-accredited Engineering Supervisors (ES) who possess extensive industry knowledge and practical expertise, and provide comprehensive guidance across multiple disciplines at every stage of professional development – from graduate traineeship to chartership and beyond. Our dual focus on technical excellence and leadership development ensures a strong pipeline of competent professionals.

These structured training and mentorship initiatives have nurtured over 1,300 young engineers and technicians, many of whom have progressed within the Group to take up senior professional and leadership roles, contributing significantly to the industry and the wider community. In 2025, there were more than 130 young participants in our training programmes, which now span seven HKIE disciplines: Mechanical, Electrical, Environmental, Building Services, Energy, Electronics, and Control, Automation and Instrumentation. The curriculum has been further strengthened to cover safety, ethics, and social responsibility while outstanding trainees are offered an additional year of advanced training to broaden their skillset.

We encourage employees at all levels to pursue continuous learning that is aligned with our values of integrity, customer focus, leadership, and technical excellence. Our diverse training portfolio fosters a spirit of craftsmanship and equips colleagues to navigate a rapidly evolving environment. In 2025, the Group delivered 498 internal training courses, representing over 28,000 training hours. In recognition of our commitment to talent development, the Group was awarded the "Manpower Developer" designation for the period April 2024 to March 2026 by the Employees Retraining Board.

The Group promotes a fair and inclusive working environment. We offer flexible arrangements to support female staff, including the provision of nursing rooms, duty adjustments for pregnant employees, and dedicated support for women working on-site. We also welcome talent from ethnic minority and non-local backgrounds, balancing opportunities for local staff with the use of government labour importation schemes for the construction sector.

To foster a strong sense of belonging, the ATAL Recreational and Welfare Affairs (ARWA) Club organises a wide range of sports and social activities that promote a healthy and enjoyable workplace. The ARWA Club supports various sports teams, including dragon boat, bowling, badminton, basketball, and football.

Since its establishment in 1977, ATAL Engineering Group has been a pioneer in electrical and mechanical engineering in Hong Kong, guided by our passion for and commitment to serving clients and society. To further strengthen our community involvement, we established the ATAL Community Service Committee to oversee the planning and alignment of community initiatives. The Community Service Team implemented these community initiatives, focusing on meaningful contributions that leverage our professional strengths to create positive community impact. In 2025, we completed over 1,100 hours of community service, demonstrating our long-standing commitment to giving back to society.

OUTLOOK

The global strategic landscape and technological environment changed significantly during the year of 2025. Notwithstanding this, as economies navigated this ongoing transition, expectations were steadily adjusted. The Chinese Mainland remains resilient, advancing in key technologies, sustaining GDP growth, and supporting development with reform and targeted policies. The Hong Kong economy also remains resilient. The US economy continues to demonstrate strength while Europe maintains growth momentum albeit at a slower pace.

For Hong Kong's construction industry, public sector activity is expected to remain strong, with government capital works projected at HK\$90-120 billion. Opportunities are emerging across multiple sectors, fuelled by continued investment in healthcare and education, the accelerated development of the Northern Metropolis, the renewal and life-cycle extension of existing assets, and ongoing operation and maintenance needs. This aligns with the Group's record-high level of contracts-in-hand and robust volume of tendering activities undertaken. The significant contract awards secured in 2025 will fortify the Group's business over the next three years and beyond. The record-high contracts-in-hand will progressively contribute to the revenue pipeline.

The Group will continue to stay agile and focused in capturing opportunities across our broad business portfolio. We will build on our competitive strengths by leveraging our comprehensive packaged capabilities and deepening the use of innovative construction technologies that enhance quality, reduce site time, and improve safety.

At the same time, with targeted investment in research and development, we will expand our advanced solutions to address emerging environmental and climate-related requirements. Rapid technological development and national strategies to promote smart city initiatives will also further stimulate demand for engineering solutions that incorporate artificial intelligence and advanced technologies.

The Group is well positioned to respond to these developments and opportunities. We will reinforce our differentiation as a leader in comprehensive E&M engineering as well as advanced technological services that support smart infrastructure, intelligent applications, and integrated systems.

With its presence already established in the UK, the US and other international markets, the Group will continue to pursue project and technical service opportunities in Europe, Asia and the Middle East. Our Lifts and Escalators business – spanning design, manufacturing, construction and after-sales service – will be progressively expanded through additional products, strategic partnerships, and further penetration into the southeastern regions of the US. We will also explore opportunities to broaden our overseas portfolio beyond lifts and escalators to include a wider range of engineering services. In identifying synergetic partnerships, the Group will take a prudent and selective approach, ensuring alignment with both local and global market strategies.

Supported by strong cashflow, the Group is well equipped to take on additional work where appropriate and to seize high-value opportunities as they arise.

Recognising that our people are the foundation of our long-term success, the Group remains committed to nurturing and developing talent to enhance productivity and competitiveness. The ATAL Design, Research and Training Centre will continue to serve as a key platform for cultivating expertise in smart technologies, demonstrating our confidence and continued investment in Hong Kong.

We firmly believe that creating added value for our customers is essential to earning their trust and sustaining enduring partnerships. Guided by our motto – “**We Commit. We Perform. We Deliver.**” – we will continue to maximise value for customers, shareholders, suppliers and stakeholders, while contributing to the communities we serve.

SECOND INTERIM DIVIDEND

The Board has resolved to pay a second interim dividend of HK2.9 cents per share of the Company (each, a “Share”) for the year ended 31 December 2025 (the “Second Interim Dividend”) to the shareholders of the Company (the “Shareholders”) whose names appear on the register of members of the Company (the “Register of Members”) as at the close of business on Monday, 20 April 2026. The Second Interim Dividend is expected to be paid to the Shareholders on or around Wednesday, 29 April 2026.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining Shareholders’ entitlement to the Second Interim Dividend, the Register of Members will be closed from Friday, 17 April 2026 to Monday, 20 April 2026, both days inclusive, during which period no transfer of Shares will be registered. The Shares will be traded ex-dividend from Wednesday, 15 April 2026. In order to be entitled to the Second Interim Dividend, Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration by no later than 4:30 p.m. on Thursday, 16 April 2026.

For the purpose of ascertaining Shareholders’ entitlement to attend and vote at the forthcoming annual general meeting of the Company (the “Annual General Meeting”), which will be held on Wednesday, 24 June 2026, the Register of Members will be closed from Wednesday, 17 June 2026 to Wednesday, 24 June 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the aforesaid branch share registrar and transfer office of the Company in Hong Kong, at the abovementioned address, for registration by no later than 4:30 p.m. on Tuesday, 16 June 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules as the basis of the Company’s corporate governance practices. During the year ended 31 December 2025, the Company has complied with all applicable code provisions set out in the CG Code.

REVIEW OF AUDITED ANNUAL RESULTS

The Audit Committee of the Company was established by the Board for the purposes of, among other things, reviewing and providing supervision over the Group's financial reporting process and internal controls. It currently comprises two independent non-executive directors and one non-executive director of the Company. The Audit Committee has reviewed the Group's audited consolidated financial statements for the year ended 31 December 2025.

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 during the year ended 31 December 2025.

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 respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.atal.com). The Company's annual report for the year ended 31 December 2025, containing all information required under the Listing Rules, will be published on the respective websites of the Stock Exchange and the Company in due course and a notice of publication will be sent to the Shareholders. The printed version of the annual report will also be despatched to the Shareholders in accordance with their individual request.

On behalf of the Board
ANALOGUE HOLDINGS LIMITED
Dr. Mak Kin Wah
Chairman

Hong Kong, 27 March 2026

As at the date of this announcement, the executive directors of the Company are Dr. Poon Lok To, Otto, Dr. Mak Kin Wah, Mr. Chan Hoi Ming, Mr. Cheng Wai Lung and Mr. Cheng Wai Keung, Peter; the non-executive director of the Company is Ms. Or Siu Ching, Rerina; and the independent non-executive directors of the Company are Mr. Chan Fu Keung, Mr. Lam Kin Fung, Jeffrey and Ms. Shing Mo Han, Yvonne.