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CR Construction Group Holdings Limited

華營建築集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1582)

ANNOUNCEMENT OF THE INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

The total revenue of the Group for the six months ended 30 June 2026 increased to approximately HK$3,785.6 million as compared to that of approximately HK$3,570.9 million for the six months ended 30 June 2025.

The gross profit of the Group decreased to approximately HK$195.2 million for the six months ended 30 June 2026 as compared to that of approximately HK$295.4 million for the six months ended 30 June 2025.

Profit for the period of the Group for the six months ended 30 June 2026 amounted to approximately HK$0.4 million as compared to that of approximately HK$25.9 million for the six months ended 30 June 2025.

The Board has resolved not to declare interim dividend for the six months ended 30 June 2026.

The board (the "**Board**") of directors (the "**Directors**") of CR Construction Group Holdings Limited (the "**Company**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2025, as follows:

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	*4*	**3,785,612**	3,570,868
Contract costs		**(3,590,375)**	(3,275,451)
Gross profit		**195,237**	295,417
Other income	*4*	**3,497**	3,062
Administrative expenses		**(76,349)**	(90,630)
Other operating income/(expenses), net		**5,523**	(3,712)
Impairment of financial assets, net		**(93,712)**	(133,802)
Finance costs	*6*	**(28,311)**	(31,417)
Profit before tax	*5*	**5,885**	38,918
Income tax expense	*7*	**(5,448)**	(12,981)
Profit for the period		**437**	25,937
Attributable to:			
Owners of the Company		**(1,797)**	24,278
Non-controlling interests		**2,234**	1,659
		437	25,937
(Loss)/earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted	*9*	**HK(0.36) cents**	HK4.86 cents

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Profit for the period	**437**	25,937
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**3,250**	28,122
Other comprehensive income for the period, net of tax	**3,250**	28,122
Total comprehensive income for the period	**3,687**	54,059
Attributable to:		
Owners of the Company	**168**	52,063
Non-controlling interests	**3,519**	1,996
	3,687	54,059

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**At 30 June 2026** *HK$'000*	At 31 December 2025 *HK$'000*
Non-current assets			
Property, plant and equipment		**150,363**	116,751
Right-of-use assets		**28,964**	35,470
Investment properties		**39,333**	42,297
Interest in joint ventures		**51,612**	50,512
Operating concession rights		**30,763**	30,270
Receivables and contract assets under service concession arrangements		**255,106**	249,170
Other intangible assets		**194**	189
Prepayments and deposits		**–**	4,974
Deferred tax assets		**13,042**	8,695
Total non-current assets		**569,377**	538,328
Current assets			
Receivables and contract assets under service concession arrangements		**6,337**	4,089
Trading securities		**35,632**	–
Contract assets		**4,096,748**	4,081,939
Trade receivables	*10*	**520,269**	549,572
Prepayments, deposits and other receivables		**110,990**	96,228
Properties held for sale		**10,370**	8,132
Amounts due from intermediate holding companies		**1,807**	1,222
Amounts due from fellow subsidiaries		**40,085**	36,608
Tax recoverable		**1,805**	3,833
Cash and cash equivalents		**508,153**	211,560
Total current assets		**5,332,196**	4,993,183

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 June 2026

	Notes	At 30 June 2026 HK$'000	At 31 December 2025 HK$'000
Current liabilities			
Trade and retention payables	*11*	**2,002,447**	2,164,070
Other payables, accruals and provision		**1,921,096**	1,884,638
Interest-bearing bank borrowings	*12*	**725,217**	375,793
Amounts due to intermediate holding companies		**3,078**	3,077
Amounts due to fellow subsidiaries		**1,390**	11,019
Loans from an intermediate holding company		**133,112**	21,916
Lease liabilities		**14,489**	16,022
Tax payable		**24,449**	20,178
Total current liabilities		**4,825,278**	4,496,713
Net current assets		**506,918**	496,470
Total assets less current liabilities		**1,076,295**	1,034,798
Non-current liabilities			
Provision		**5,700**	5,700
Lease liabilities		**17,312**	22,180
Interest-bearing bank borrowings	*12*	**291,448**	255,604
Deferred tax liabilities		**564**	545
Total non-current liabilities		**315,024**	284,029
Net assets		**761,271**	750,769
Equity			
Equity attributable to equity holders of the Company			
Share capital	*13*	**5,000**	5,000
Reserves		**716,491**	716,323
		721,491	721,323
Non-controlling interests		**39,780**	29,446
Total equity		**761,271**	750,769

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

1 CORPORATE AND GROUP INFORMATION

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

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

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

2.1 BASIS OF PREPARATION

The interim results set out in this announcement do not constitute the Group's financial statements for the six months ended 30 June 2026 but are extracted from the interim financial report.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). It was authorised for issue on 17 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.2.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year, but is derived from those financial statements.

2.2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7*, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The Amendments to HKFRS 9*, Financial instruments* and HKFRS 7*, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*

The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.

Upon adoption of the amendments, the Group has elected to apply the exception for the derecognition of certain trade payables settled in cash using qualifying electronic payment systems. Under the exception, these trade payables are derecognised when the Group initiates a payment instruction through a qualifying electronic payment system and, as a result, no longer has the practical ability to withdraw, stop, or cancel the payment instruction and to access the cash to be used for settlement, and the settlement risk associated with the payment system is insignificant. The Group has applied this election consistently to all settlements made through the same qualifying electronic payment system.

The Group has applied the amendments retrospectively. As permitted by the transition requirements, the Group has not restated prior periods. The application of the exception does not have a material impact on the Group's consolidated financial statements for the periods presented.

The Group has adopted the accounting policy for investments in securities during the current period as follows:

Investments in securities

The Group's policies for investments in securities, other than investments in subsidiaries and joint ventures, are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("**FVPL**") for which transaction costs are recognised directly in profit or loss.

These investments are subsequently accounted for as follows, depending on their classification.

Equity investments

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at fair value through other comprehensive income ("**FVOCI**") (non-recycling) such that subsequent changes in fair value are recognised in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income.

3 OPERATING SEGMENT INFORMATION

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

(i) The construction operations segment engages in contract works as a main contractor primarily in respect of building construction works and RMAA works in Hong Kong, Malaysia and the United Kingdom.

(ii) The environmental operations segment engages in construction, rehabilitation and operation of sewage and reclaimed water treatment plants as well as water distribution plants and other environmental related facilities and infrastructure in the Chinese Mainland.

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

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

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

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

	Construction operations		**Environmental operations**		**Total**	
	Six months ended 30 June		**Six months ended 30 June**		**Six months ended 30 June**	
	2026	2025	**2026**	2025	**2026**	2025
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue *(note 4)*						
Sales to external customers	**3,687,941**	3,496,608	**97,671**	74,260	**3,785,612**	3,570,868
Segment result	**23,390**	57,824	**11,551**	13,663	**34,941**	71,487
Reconciliation:						
Interest income					**120**	404
Fair value gain on trading securities					**12,124**	–
Corporate and other unallocated expenses					**(20,970)**	(14,063)
Finance costs (other than interest on lease liabilities and discounted amounts of retention payables arising from passage of time)					**(20,330)**	(18,910)
Profit before tax					**5,885**	38,918
Income tax expense					**(5,448)**	(12,981)
Profit for the period					**437**	25,937

The following table presents the asset and liability information of the Group's operating segments as at 30 June 2026 and 31 December 2025:

	Construction operations		Environmental operations		Total	
	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*	**30 June 2026 (Unaudited)** ***HK$'000***	31 December 2025 (Audited) *HK$'000*	**30 June 2026 (Unaudited)** ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Segment assets	**4,968,357**	4,679,279	**840,845**	801,874	**5,809,202**	5,481,153
Reconciliation:						
Trading securities					**35,632**	–
Amounts due from intermediate holding companies					**1,807**	1,222
Amounts due from fellow subsidiaries					**40,085**	36,608
Tax recoverable					**1,805**	3,833
Deferred tax assets					**13,042**	8,695
Total assets					**5,901,573**	5,531,511
Segment liabilities	**3,692,203**	3,829,923	**268,841**	262,687	**3,961,044**	4,092,610
Reconciliation:						
Amounts due to intermediate holding companies					**3,078**	3,077
Amounts due to fellow subsidiaries					**1,390**	11,019
Loans from an intermediate holding company					**133,112**	21,916
Interest-bearing bank borrowings					**1,016,665**	631,397
Tax payable					**24,449**	20,178
Deferred tax liabilities					**564**	545
Total liabilities					**5,140,302**	4,780,742

4 REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue from contracts with customers	**3,779,856**	3,565,330
Revenue from other source		
Finance income from service concession arrangements	**5,756**	5,538
Total	**3,785,612**	3,570,868

Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
(a) Types of goods or services		
Construction operations segment		
Building construction works	**3,468,540**	3,141,772
RMAA works	**219,401**	354,836
	3,687,941	3,496,608
Environmental operations segment		
Construction and rehabilitation services for environmental related facilities	**19,075**	7,706
Sewage and reclaimed water treatment services	**65,350**	55,174
Water distribution services	**7,490**	4,425
Sales of equipment	**–**	1,417
	91,915	68,722
Total revenue from contracts with customers	**3,779,856**	3,565,330
Revenue from other sources		
Finance income from service concession arrangements	**5,756**	5,538
Total revenue	**3,785,612**	3,570,868

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
(b) Geographical markets		
Hong Kong		
Construction operations segment	**3,568,517**	3,235,352
Chinese Mainland		
Environmental operations segment	**91,915**	68,722
Malaysia		
Construction operations segment	**24,421**	36,718
United Kingdom		
Construction operations segment	**95,003**	224,538
Total revenue from contracts with customers	**3,779,856**	3,565,330
Revenue from other sources		
Finance income from service concession arrangements from Chinese Mainland	**5,756**	5,538
Total revenue	**3,785,612**	3,570,868

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
(c) Timing of revenue recognition		
Goods transferred at a point in time		
Environmental operations segment	**7,490**	5,842
Services transferred over time		
Construction operations segment	**3,687,941**	3,496,608
Environmental operations segment	**84,425**	62,880
	3,772,366	3,559,488
Total revenue from contracts with customers	**3,779,856**	3,565,330
Revenue from other sources		
Finance income from service concession arrangements	**5,756**	5,538
Total revenue	**3,785,612**	3,570,868

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income		
Bank interest income	**120**	404
Consultancy service income	**–**	120
Rental income	**781**	780
Government grants *(note)*	**2,131**	1,284
Others	**465**	474
	3,497	3,062

Note: Being subsidies for the incurred operating expenses arising from research and development activities provided by The People's Government of Zhejiang Province for both six months ended 30 June 2026 and 2025. For the six months ended 30 June 2026, the Group also applied funding support from the Construction Innovation and Technology Fund set by the Construction Industry Council for encourage wider adoption of innovative construction methods and new technologies in the construction industry, and subsidies from Vocational Training Council for providing training opportunities for engineering graduates. There are no unfilled conditions or contingencies related to these subsidies.

5 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Contract costs	**3,590,375**	3,275,451
Depreciation of property, plant and equipment	**4,200**	4,744
Less: Amount included in contract costs	**(2,205)**	(2,334)
Amount included in administrative expenses	**1,995**	2,410
Depreciation of investment properties	**433**	–
Depreciation of right-of-use assets	**6,590**	10,332
Less: Amount included in contract costs	**(842)**	(2,842)
Amount included in administrative expenses	**5,748**	7,490
Amortisation of operating concession rights included in contract costs	**709**	677
Amortisation of other intangible assets	**239**	356
Less: Amount included in contract costs	**(192)**	(288)
Amount included in administrative expenses	**47**	68
Lease payments relating to short-term leases	**40,446**	58,431
Less: Amount included in contract costs	**(39,606)**	(50,671)
Amount included in administrative expenses	**840**	7,760

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Employee benefit expense (including directors' remuneration):		
Salaries, allowances and benefits in kind	**226,791**	257,019
Pension scheme contributions	**11,688**	10,943
	238,479	267,962
Less: Amount included in contract costs	**(195,465)**	(220,790)
Amount included in administrative expenses	**43,014**	47,172
Auditor's remuneration	**2,565**	2,700
Impairment of trade receivables*	**64,361**	34,250
Impairment of contract assets*	**29,364**	99,551
Reversal of impairment of investment properties**	**(360)**	–
(Reversal of impairment)/impairment of receivables and contract assets under service concession arrangements*	**(13)**	1
Loss on disposal of items of property, plant and equipment**	**42**	2
Fair value gain on trading securities**	**12,124**	–
Foreign exchange differences, net**	**6,783**	3,160
Research and development expenses***	**2,116**	9,977

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

** These items are included in "Other operating income/(expenses), net" on the face of the consolidated statement of profit or loss.

*** Research and development expenses are included in "Administrative expenses" on the face of the consolidated statement of profit or loss.

6 FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans	**20,330**	18,205
Interest on loans from intermediate holding companies	**–**	705
Interest on discounted amounts of retention payables arising from the passage of time	**6,013**	10,993
Interest on lease liabilities	**1,968**	1,514
Total	**28,311**	31,417

7 INCOME TAX

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

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the six month ended 30 June 2026, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

Pursuant to the Administrative Measures for Recognition of High-New Technology Enterprise ("HNTE") jointly issued by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, one of the indirect wholly owned subsidiary of the Company, was certified as a HNTE. According to the provisions of Article 28 "Corporate Income Tax Law of the People's Republic of China", the effective Corporate Income Tax ("CIT") rate for the six months ended 30 June 2026 and 2025 was subject to a reduced tax rate of 15%. Subsidiaries that qualify as Small and Low-Profit Enterprises were subject to lower tax rate of 5% (2025: 5%), other Chinese Mainland subsidiaries were subject to statutory tax rate of 25% (2025: 25%).

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

The withholding tax calculated at 5% on dividends in the Chinese Mainland.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current tax – Hong Kong	**6,419**	31,722
Current tax – outside Hong Kong	**1,942**	1,382
Withholding tax on dividend income outside Hong Kong	**1,420**	–
Deferred tax	**(4,333)**	(20,123)
Total tax charge for the period	**5,448**	12,981

8 DIVIDEND

No final dividend was declared for the year ended 31 December 2025 (for the year ended 31 December 2024: HK1.8 cents per ordinary share, in an aggregate amount of HK$9,000,000).

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

9 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic (loss)/earnings per share amount is based on the loss for the period attributable to ordinary equity holders of the Company of HK$1,797,000 (2025: profit of HK$24,278,000), and the weighted average number of ordinary shares of 500,000,000 (2025: 500,000,000) outstanding during the period.

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2026 and 30 June 2025.

10 TRADE RECEIVABLES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	HK$'000	*HK$'000*
Trade receivables	**669,540**	635,135
Impairment	**(149,271)**	(85,563)
Net carrying amount	**520,269**	549,572

The Group's trading terms with its customers are on credit. The Group's credit period with customers range from 14 to 180 days. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	HK$'000	*HK$'000*
Within 1 month	**262,116**	231,073
1 to 2 months	**27,744**	78,750
2 to 3 months	**5,410**	27,486
3 to 12 months	**144,551**	95,602
1 to 2 years	**59,098**	95,520
2 years to 3 years	**21,350**	21,141
Total	**520,269**	549,572

11 TRADE AND RETENTION PAYABLES

	Notes	**30 June 2026 (Unaudited)** *HK$'000*	31 December 2025 (Audited) *HK$'000*
Trade payables	*(a)*	**1,027,440**	1,276,900
Retention payables	*(b)*	**975,007**	887,170
Total		**2,002,447**	2,164,070

Notes:

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

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Within 1 month	**29,909**	65,303
1 to 2 months	**30,166**	89,481
2 to 3 months	**87,913**	195,131
Over 3 months	**879,452**	926,985
Total	**1,027,440**	1,276,900

The average credit period on trade payables is 30 to 180 days.

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

12 INTEREST-BEARING BANK BORROWINGS

	30 June 2026			31 December 2025		
	Contractual interest rate ***(%)***	**Maturity**	***HK$'000***	Contractual interest rate *(%)*	Maturity	*HK$'000*
Current						
Bank loans – unsecured	**Hong Kong Interbank Offered Rate (HIBOR) +0.98%-1.3%**	**On demand**	**582,127**	HIBOR +1.05%-1.07%	On demand	350,121
Bank loans – unsecured	**HIBOR +0.9%-1.05%**	**On demand**	**110,000**	–	–	–
Bank loans – secured *(note (b))*	**3.9%**	**2026-2027**	**13,792**	3.9%	2026	13,262
Bank loans – secured *(note (c))*	**China Loan Prime Rate ("LPR") – 0.49%-0.5%**	**2026-2027**	**7,854**	LPR – 0.5%	2026	7,314
Bank loans – secured *(note (c))*	**LPR**	**2026-2027**	**2,299**	LPR	2026	2,210
Bank loans – unsecured	**LPR-0.89%**	**2027**	**1,149**	–	–	–
Bank loans – secured *(note (d))*	**LPR – 0.72%-0.82%**	**2026-2027**	**5,124**	LPR – 0.72%-0.82%	2026	2,886
Bank loans – secured *(note (d))*	**LPR-0.7%**	**2026-2027**	**2,872**	–	–	–
Total – current			**725,217**			375,793
Non-current						
Bank loans – secured *(note (b))*	**3.9%**	**2027-2030**	**89,645**	3.9%	2027 – 2030	92,829
Bank loans – secured *(note (c))*	**LPR – 0.49%-0.5%**	**2027-2038**	**94,996**	LPR-0.5%	2027 – 2038	95,182
Bank loans – secured *(note (c))*	**LPR**	**2027-2034**	**17,584**	LPR	2027 – 2034	18,013
Bank loans – unsecured	**LPR-1.05%**	**2028-2045**	**34,479**	LPR-1.05%	2028 – 2045	33,153
Bank loans – secured *(note (d))*	**LPR – 0.72%-0.82%**	**2027-2034**	**34,630**	LPR – 0.72%-0.82%	2027 – 2034	16,427
Bank loans – secured *(note (d))*	**LPR-0.7%**	**2027-2034**	**20,114**	–	–	–
Total – non-current			**291,448**			255,604
Total			**1,016,665**			631,397

	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
Analysed into:		
Bank loans repayable:		
Within one year or on demand	**725,217**	375,793
In the second year	**36,475**	25,994
In the third to fifth years, inclusive	**139,243**	121,315
Beyond five years	**115,730**	108,295
Total	**1,016,665**	631,397

Notes:

(a) All bank borrowings were denominated in Hong Kong dollars or Renminbi.

(b) The bank borrowings are secured by the pledge of shares of ZCIED held by the Group.

(c) The bank borrowings are secured by the pledge of receivables and future revenue entitlement under certain service concession arrangements.

(d) The bank borrowings are secured by the pledge of receivables arise from certain Chinese Mainland energy storage projects of the Group.

13 SHARE CAPITAL

	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
Authorised:		
10,000,000,000 ordinary shares of HK$0.01 each	**100,000**	100,000
Issued and fully paid:		
500,000,000 ordinary shares of HK$0.01 each	**5,000**	5,000

14 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group has entered into a capital increase agreement with a third party on 23 July 2026, to subscribe 50% equity interest in a target company with consideration of Renminbi 20 million.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Construction Operations

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

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

As at 30 June 2026, the Group had 46 projects on hand with an aggregate original contract sum of approximately HK$32.3 billion, which includes projects in progress and projects that have been awarded to the Group but not yet commenced.

During the Reporting Period, the Group had been awarded 6 new projects with an aggregate original contract sum of approximately HK$5.2 billion and had completed 10 projects with original contract sum of approximately HK$5.5 billion.

During the Reporting Period, the Group received a total of 18 honors, including, but not limited to, two major accolades from the Hong Kong Quality Assurance Agency (HKQAA) for sustainable construction, the "Out-performer Award" and "ESG Contribution Advocate Award" from the Hong Kong Construction Association (HKCA), four accolades at the HKIHRM Excellence Awards 25/26, the "Construction Safety - 2nd Prize" from the Construction Industry Council (CIC), and the "Outstanding Smart Safety Project Award" at the CICES Awards 2026. During the Reporting Period, the Group was featured in 87 articles by media platforms at the provincial level and above, such as China.org.cn, China Economic Herald, China.com, China Daily, Bloomberg, and Hong Kong Economic Times.

Environmental Operations

The environmental services provided by the Zhejiang Construction Investment Environment Development Group Company Limited (the "**ZCIED**"), primarily consist of the environmental works for the construction, restoration, and operation of wastewater and recycled water treatment plants, water distribution plants and other environmental facilities and infrastructure, as well as architectural services related to environmental improvement in the Chinese Mainland.

As at 30 June 2026, the Group had 14 projects with an aggregate original contract sum of approximately HK$188.9 million and 37 projects relating to service concession arrangements and operation services.

During the Reporting Period, ZCIED achieved strategic expansion across multiple business segments. Notably, the Company broadened its municipal environmental footprint by securing the RMB426 million Wastewater Treatment Plant Project for the Dinghai Industrial Park New Materials Industry Park, setting new historical records in both single-contract and investment-oriented project values. Concurrently, the Company strengthened its core service portfolio in rural wastewater management through the consecutive awards of five operation and maintenance contracts across Jinhua Jindong, Jiashan, Suichang, Wenling, and Changxing Meishan, expanding its active operational coverage to 13 counties and districts. Additionally, the Company accelerated its penetration into emerging green sectors by securing 19 new energy projects — highlighted by the benchmark 40MWh user-side energy storage contract for Zhejiang Medicine Changhai Biological — and obtaining county-wide energy-saving management agreements in Haiyan and Longgang, thereby consolidating its market share and enhancing its competitive advantage within Zhejiang Province.

During the Reporting Period, the ZCIED achieved major recognition in technological innovation as its project "Key Technologies and Applications for Eco-Friendly Rural Domestic Wastewater Treatment" won the First Class Award of the 2025 Huaxia Construction Science and Technology Award. Concurrently, an employee of the ZCIED was conferred the prestigious "Zhejiang Golden Blue Collar" title. During the Reporting Period, the ZCIED significantly amplified its publicity on corporate innovation and transformation, publishing 4 articles across media platforms at the provincial level and above.

THE PROSPECTS

During the Reporting Period, the global and Hong Kong economies continued to develop steadily, and the progress of construction bidding also remained stable.

Subsequent to 30 June 2026, the Group has been further awarded 6 new projects relating to building construction works with an original contract sum of approximately HK$2.5 billion.

The Group has also attached great emphasis to technological innovation, enhancing its core competitiveness in the construction industry, and actively utilises digital technology to improve work efficiency and site safety. The total expenditure for research and development is approximately HK$2.1 million during the Reporting Period.

During the Reporting Period, the Group achieved significant breakthroughs in smart construction equipment and technology. The public housing redevelopment project at Pak Tin Estate Phase 13, undertaken by the Group's subsidiary, CR Construction Company Limited, became the first public housing project in Hong Kong to deploy intelligent tower crane technology. Through systematic construction planning, rigorous safety verifications, and comprehensive operator training, the technology achieved stable operation over several months, earning high recognition from the Labour Department and relevant government authorities, as well as the Construction Innovation Award from the Construction Industry Council (CIC) in January 2026. Furthermore, following frontline training and system testing, the Group officially launched its self-developed "4S Mobile (Early Access Edition)" in June 2026, marking an important milestone in the practical implementation of Smart Site Safety Systems at the frontline level.

To maintain its competitive edge and explore new growth drivers, the Group actively advanced technical feasibility studies and market research for emerging equipment, such as exterior wall cleaning robots and material handling robots, and conducted technical exchanges on wall-climbing robotics with the Department of Engineering at Zhejiang University. The Group also deepened its industry-university-research ecosystem by conducting strategic cooperation talks with institutions including The Hong Kong Polytechnic University, the Construction Industry Council, the Hong Kong Centre for Construction Robotics (HKCRC), and Zhejiang University, preparing for joint research laboratories and collaborative agreements.

In tandem with hardware innovations, the Group's Building Information Modelling (BIM) business expanded steadily, completing 4D construction animations and technical submissions for various internal and external tender projects, including the orderly progression of the Tin Wah Road project (TWR1). Additionally, the Group comprehensively upgraded its IT systems and security infrastructure by completing 85% of its office network architecture restructuring, reinstalling the Document Management System (DMS), introducing BeyondTrust enterprise remote support software, and continuously advancing the ISO 20000 IT Service Management System certification to fortify overall cyber defense capabilities.

In the second half of 2026, Hong Kong's economic activities are expected to continue steady development, while cost pressure is expected to rise with increasing construction volume. The government has introduced strategic initiatives in the Budget Proposal, which are anticipated to have positive impacts on the Group's operations. The increase of capital works expenditure creates new project opportunities for the construction sector, thereby expanding the market for the Group's core businesses. The Skills Enhancement Allowance Scheme for the construction sector is projected to reduce the Group's workforce development expenditures and enhance the skillsets of its human capital.

Our Group will continue to work hard to find new potential construction business opportunities to achieve Group's profit growth. At the same time, leveraging our experience in the industry, our Group is keen to explore suitable business opportunities in construction and environmental industries and other areas both domestic and overseas.

FINANCIAL REVIEW

Revenue

The total revenue of the Group increased by approximately HK$214.7 million or approximately 6.0% from approximately HK$3,570.9 million for the six months ended 30 June 2025 to approximately HK$3,785.6 million for the six months ended 30 June 2026.

Construction Operations

Building Construction Works

The revenue generated from the building construction works increased by approximately HK$326.7 million or approximately 10.4% from approximately HK$3,141.8 million for the six months ended 30 June 2025 to approximately HK$3,468.5 million for the six months ended 30 June 2026. The increase in revenue was attributable to the increase in revenue generated from new and existing projects to the Group during the Reporting Period.

RMAA Works

The revenue generated from the RMAA works decreased by approximately HK$135.4 million or approximately 38.2% from approximately HK$354.8 million for the six months ended 30 June 2025 to approximately HK$219.4 million for the six months ended 30 June 2026. The decrease was mainly attributable to decrease in revenue generated from new projects during the Reporting Period.

Environmental Operations

The revenue generated from the environmental operations increased by approximately HK$23.4 million or approximately 31.5% from approximately HK$74.3 million for the six months ended 30 June 2025 to approximately HK$97.7 million for the six months ended 30 June 2026. The increase was mainly attributable to increase in revenue from new and existing projects from construction and rehabilitation services, and sewage and reclaimed water treatment services, during the Reporting Period.

Contract Costs

The Group's contract costs primarily consisted of subcontracting costs, material costs, direct staff costs and site overheads. The contract costs of the Group increased by approximately HK$314.9 million or approximately 9.6% from approximately HK$3,275.5 million for the six months ended 30 June 2025 to approximately HK$3,590.4 million for the six months ended 30 June 2026. Such increase was attributable to the increase in subcontracting costs, material costs and direct staff costs for new projects and existing projects during the Reporting Period.

Gross Profit and Gross Profit Margin

The gross profit of the Group decreased from approximately HK$295.4 million for the six months ended 30 June 2025 to approximately HK$195.2 million for the six months ended 30 June 2026. The Group's gross profit margin was approximately 5.2% and 8.3% for the six months ended 30 June 2026 and 2025, respectively. The gross profit margin of the Group decreased by approximately 3.1 percentage points by comparing the six months ended 30 June 2026 against the six months ended 30 June 2025.

Construction Operations

Building Construction Works

The gross profit of building construction works was approximately HK$149.8 million for the six months ended 30 June 2026, representing a decrease of approximately HK$15.5 million from approximately HK$165.3 million for the six months ended 30 June 2025. The gross profit margin decreased from approximately 5.3% for the six months ended 30 June 2025 to approximately 4.3% for the six months ended 30 June 2026. The decrease in gross profit and gross profit margin was mainly due to additional cost incurred for variation orders for projects during the Reporting Period.

RMAA Works

The gross profit of RMAA works was approximately HK$14.6 million for the six months ended 30 June 2026, representing a decrease of approximately HK$88.6 million from the gross profit of approximately HK$103.2 million for the six months ended 30 June 2025. The gross profit margin decreased by approximately 22.4 percentage points from approximately 29.1% for the six months ended 30 June 2025 to approximately 6.7% for the six months ended 30 June 2026. The decrease in the gross profit and gross profit margin for the six months ended 30 June 2026 was mainly due to additional cost incurred for variation orders for projects during the Reporting Period.

Environmental Operations

The gross profit of environmental operations was approximately HK$30.8 million for the six months ended 30 June 2026, representing an increase of approximately HK$3.9 million from the gross profit of approximately HK$26.9 million for the six months ended 30 June 2025. The gross profit margin decreased by approximately 4.6 percentage points from approximately 36.2% for the six months ended 30 June 2025 to approximately 31.6% for the six months ended 30 June 2026. The increase in the gross profit and decrease in gross profit margin for the six months ended 30 June 2026 was mainly due to increase in revenue from construction and rehabilitation services which contributed lower gross profit margin during the Reporting Period.

Other Income

The other income of the Group increased by approximately HK$0.4 million, from approximately HK$3.1 million for the six months ended 30 June 2025 to approximately HK$3.5 million for the six months ended 30 June 2026. The increase was mainly attributable to the receipt of government grants during the Reporting Period.

Administrative Expenses

Administrative expenses of the Group decreased from approximately HK$90.6 million for the six months ended 30 June 2025 to approximately HK$76.3 million for the six months ended 30 June 2026. Such decrease was mainly due to the decrease in short-term lease payments and research and development expenses during the Reporting Period.

Other Operating Income/(Expenses), net

The other operating expenses of the Group increased by approximately HK$9.2 million, from approximately expense of HK$3.7 million for the six months ended 30 June 2025 to approximately income of HK$5.5 million for the six months ended 30 June 2026. The increase was primarily due to fair value gain generated from cornerstone investment in Manycore Tech Inc during the Reporting Period.

Impairment of Financial Assets, Net

The impairment of financial assets of the Group decreased from approximately HK$133.8 million for the six months ended 30 June 2025 to approximately HK$93.7 million for the Reporting Period. The decrease was mainly due to decrease in the addition of expected credit losses provision on trade receivables, retention receivables and contract assets of certain individual projects according to HKFRS 9 during the Reporting Period.

Finance Costs

The finance costs of the Group decreased by approximately HK$3.1 million, from approximately HK$31.4 million for the six months ended 30 June 2025 to approximately HK$28.3 million for the six months ended 30 June 2026. The decrease was mainly due to the decrease in interest on the discounted amounts of retention payables.

Income Tax Expenses

The income tax expenses decreased by approximately HK$7.5 million, from approximately HK$13.0 million for the six months ended 30 June 2025 to approximately HK$5.5 million for the six months ended 30 June 2026. The decrease was mainly due to decrease in assessable profits during the Reporting Period.

Net Profit

The net profit of the Group decreased by approximately HK$25.5 million, or approximately 98.3%, from approximately HK$25.9 million for the six months ended 30 June 2025 to approximately HK$0.4 million for the six months ended 30 June 2026. The net profit margin for the six months ended 30 June 2026 and 2025 were approximately 0.01% and 0.73%, respectively.

EMPLOYEES AND REMUNERATION POLICIES

The Group had a total of 883 employees as at 30 June 2026 (30 June 2025: 944). Total staff costs of the Group (excluding the Directors' remuneration) for the six months ended 30 June 2026 were approximately HK$232.5 million (six months ended 30 June 2025: approximately HK$261.0 million). The Group's remuneration policies were in line with relevant legislation, market conditions and the performance of our employees. The salary and benefit level of the employees of the Group are competitive and individual performance is rewarded through the Group's salary, bonus and other cash subsidies system. The Group conducts review on salary adjustment, discretionary bonuses and promotions based on the performance of each employee twice a year. The emoluments of the Directors and the senior management are decided by the Board with reference to the recommendation from the remuneration committee of the Company, having considered factors such as the Group's financial performance and the individual performance of the Directors, etc.

The Company provides introductory training at the time when members of our staff first join us and thereafter regular on-the-job training, depending on the staff's role. In addition, it is our policy to provide training to our staff on an as-needed basis to enhance their technical and industry knowledge. During the Reporting Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

The Company has adopted a share option scheme (the "**Share Option Scheme**") as an incentive to the Directors and eligible employees. No share option has been granted, exercised, expired or lapsed under the Share Option Scheme since its adoption and up to the date of this report. The Company may grant options in respect of up to 50,000,000 Shares (or such numbers of Shares as shall result from a sub-division or a consolidation of such 50,000,000 Shares from time to time) to the participants under the Share Option Scheme. The total number of Shares issued and to be issued upon exercise of options granted to any participants (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of our Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue.

CAPITAL EXPENDITURE

During the Reporting Period, the Group invested approximately HK$34.5 million (2025: approximately HK$104.5 million) on the acquisition of property, plant and equipment and other intangible assets. Capital expenditure was principally funded by internal resources.

CAPITAL COMMITMENTS

The Group had capital commitments of approximately HK$104.5 million as at 30 June 2026 (31 December 2025: HK$141.9 million).

CONTINGENT LIABILITIES

Save as disclosed below, the Group had no other contingent liabilities as at 30 June 2026:

(a) As at 30 June 2026, performance bonds of approximately HK$1,733.7 million (31 December 2025: approximately HK$2,055.4 million) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligation under the contracts entered into between the Group and their customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released upon completion of the contract work.

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

(b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or of the Group's subcontractors in accidents arising out of and in the course of their employment. At the end of the Reporting Period, the Directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

(c) The Company has provided guarantees to the extent of approximately HK$3,365.0 million (31 December 2025: approximately HK$3,415.0 million) to banks for facilities granted to subsidiaries, of which approximately HK$1,182.0 million (31 December 2025: approximately HK$1,040.6 million) has been utilised.

FOREIGN EXCHANGE EXPOSURE

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

GEARING RATIO

As at 30 June 2026, the gearing ratio of the Group, which is calculated by dividing net debt with the equity attributable to equity holders of the Company plus net debt, was approximately 47.1% (31 December 2025: approximately 38.0%). Net debt includes interest-bearing bank borrowings and loans from intermediate holding companies. Capital represents equity attributable to equity holders of the Company.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

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

As at 30 June 2026, the Group reported net current assets of approximately HK$506.9 million, as compared to approximately HK$496.5 million as at 31 December 2025. As at 30 June 2026, the Group's cash and cash equivalents were approximately HK$508.2 million, representing an increase of approximately HK$296.6 million as compared to approximately HK$211.6 million as at 31 December 2025.

The shares of the Company (the "**Shares**") were successfully listed on the Stock Exchange on 16 October 2019 (the "**Listing Date**"). There has been no change in the capital structure of the Group since then.

DEBTS AND CHARGE ON ASSETS

The Group had interest-bearing bank borrowings of approximately HK$1,016.7 million as at 30 June 2026 (31 December 2025: approximately HK$631.4 million). As at 30 June 2026, the Group pledged receivables and contract assets under service concession arrangements with net book value of HK$198.3 million (31 December 2025: HK$191.5 million), shares of ZCIED held by the Group and HK$1,102,000 (31 December 2025: HK$158,000) receivables arising from Chinese Mainland energy storage projects to bank to finance loans in the Chinese Mainland.

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

TREASURY POLICY

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

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group may from time to time consider appropriate new business opportunities as and when appropriate, in order to enhance its shareholders' value. Save as disclosed herein, there was no specific plan for material investments or capital assets as at 30 June 2026.

DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (six months ended 30 June 2025: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, there were no other material events after the Reporting Period and up to the date of this announcement.

SIGNIFICANT INVESTMENTS

Disclosable transaction in to capital increase in a target company

On 23 July 2026, Zhejiang Construction Investment Environmental Development Group Company Limited* (浙江建投環境發展集團有限公司) ("**ZCIED**"), a direct wholly-owned subsidiary of the Company, entered into a capital increase agreement with Yubang Holdings and Zhoushan Lanjing Environmental Protection Technology Co., Ltd. (舟山藍境環保科技股份有限公司) (the "**Target Company**"), pursuant to which, ZCIED shall subscribe for RMB20 million of new registered capital of the Target Company in cash at a subscription price of RMB20 million (the "**Capital Increase**").

The Board considers that the Capital Increase is in line with the business strategy of the Group to pursue new opportunities in environmental services and sewage treatment, thereby enhancing its existing business and bring investment returns to the Shareholders. Upon completion of the Capital Increase, the Target Company will not become a subsidiary of the Company, the financial results of which will not be consolidated into the consolidated financial statements of the Group.

For details of the Capital Increase, please refer to the announcement of the Company dated 23 July 2026.

Discloseable transaction in relation to cornerstone investment in Manycore Tech Inc.

On 2 April 2026 (after trading hours), the Company as an investor, entered into a cornerstone investment agreement with Manycore Tech Inc., J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited and CCB International Capital Limited (the "**Cornerstone Investment Agreement**"), pursuant to which the Company has agreed to subscribe for certain shares to be issued by Manycore Tech Inc. at the offer price to be determined pursuant to the global offering of Manycore Tech Inc.. The aggregate investment amount of the Company for the aforesaid shares is US$3,000,000 (excluding the Brokerage and the Levies which the Company will pay in respect of the aforesaid shares) (the "**Cornerstone Investment**").

As the highest percentage ratio (as defined under the Listing Rules) in respect of the Cornerstone Investment exceeds 5% but less than 25%, the Cornerstone Investment Agreement and the transactions contemplated thereunder constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

For details of the Cornerstone Investment, please refer to the announcement of the Company dated 2 April 2026.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code and the Corporate Governance Report contained in Appendix C1 to the Listing Rules (the "**CG Code**") as its own code of corporate governance.

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated, and should not be performed by the same individual.

During the Reporting Period, Mr. Pan Shujie was the chief executive officer and he resigned on 28 February 2026. Mr. Jiang Wen was appointed as chief executive officer on 18 March 2026. During the period between 28 February 2026 and 18 March 2026, the position of chief executive officer of the Company remains vacant. The daily operation and management of the Company are monitored by the executive Directors. The Board is of the view that although there is no chief executive officer for the period between 28 February 2026 and 18 March 2026, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting the operation of the Company and the Group. The Board believes that this arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective oversight of management.

Save as disclosed herein, the roles of the chairman and the chief executive officer remains separated with a clear division of responsibilities performed by different individuals to maintain their independence, accountability, well-balanced power and authority.

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

MODEL CODE FOR SECURITIES TRANSACTIONS

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries or consolidated affiliated entities has purchased, sold or redeemed any of the Company's listed securities (including sale or transfer of treasury shares) (as defined under the Listing Rules). As at 30 June 2026, the Group did not hold any treasury shares.

REVIEW OF INTERIM RESULTS

The interim financial report for the six months ended 30 June 2026 is unaudited, but has been reviewed by KPMG, in accordance with Hong Kong Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by HKICPA. The Board, through the audit committee of the Company, has also conducted a review of the internal control and the unaudited consolidated interim results for the six months ended 30 June 2026.

PUBLICATION OF THE INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (https://www.cr-construction.com.hk), and the interim report of the Group for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be dispatched to the Company's shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 17 August 2026

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