MECOM POWER AND CONSTRUCTION LIMITED
澳能建設控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1183)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "Board") of directors (the "Directors") of MECOM Power and Construction Limited ("MECOM" or the "Company") is pleased to present the unaudited condensed consolidated results ("interim results announcement") of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 (the "Period"), together with the comparative figures for the corresponding period in 2025 (the "Previous Period") as follows:

FINANCIAL HIGHLIGHTS

	30.6.2026 ***MOP'000*** **(Unaudited)**	30.6.2025 *MOP'000* (Unaudited)	Change
Revenue	**933,767**	803,167	+16.3%
Gross profit	**105,404**	71,919	+46.6%
Profit before tax	**25,204**	24,689	+2.1%
Profit for the period	**18,163**	20,378	-10.9%

	30.6.2026 ***MOP'000*** **(Unaudited)**	31.12.2025 *MOP'000* (Audited)	Change
Aggregate value of contracts on hand yet to complete			
– Intelligent manufacturing business	**739,231**	601,917	+22.8%
– Construction business	**523,003**	539,002	-3.0%

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026
(Expressed in Macanese Pataca ("MOP"))

	Notes	Six months ended 30.6.2026 MOP'000 (Unaudited)	30.6.2025 MOP'000 (Unaudited)
Revenue	3	**933,767**	803,167
Cost of goods and services		**(828,363)**	(731,248)
Gross profit		**105,404**	71,919
Other income		**2,981**	8,581
Other gains, net		**2,212**	4,169
Distribution costs		**(34,385)**	(15,098)
Impairment losses reversed on property, plant and equipment		**1,076**	–
Impairment losses reversed (recognised) under expected credit loss model, net		**256**	(2,631)
Gain on fair value changes of derivative financial instruments		**1,503**	–
Administrative expenses		**(48,809)**	(37,813)
Finance costs		**(5,069)**	(4,444)
Share of results of associates		**35**	6
Profit before tax		**25,204**	24,689
Income tax expense	4	**(7,041)**	(4,311)
Profit for the period		**18,163**	20,378
Other comprehensive income			
Item that may be reclassified subsequently to profit and loss:			
Exchange differences arising on translation of foreign operations		**3,480**	7,854
Total comprehensive income for the period		**21,643**	28,232
Profit for the period attributable to:			
Owners of the Company		**10,867**	15,867
Non-controlling interests		**7,296**	4,511
		18,163	20,378
Total comprehensive income for the period attributable to:			
Owners of the Company		**12,466**	20,826
Non-controlling interests		**9,177**	7,406
		21,643	28,232
Basic earnings per share (MOP cents)	5	**0.27**	0.40
Diluted earnings per share (MOP cents)	5	**0.27**	0.40

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	**30.6.2026** **MOP'000** **(Unaudited)**	31.12.2025 *MOP'000* (Audited)
Non-current assets			
Property, plant and equipment		**365,256**	337,958
Interests in associates		**2,525**	2,490
Deposit paid for leasehold lands		**–**	4,127
		367,781	344,575
Current assets			
Inventories		**119,812**	135,778
Contract assets	*6*	**52,021**	53,972
Trade and other receivables	*7*	**584,236**	569,743
Amounts due from related companies		**2,864**	12,375
Derivative financial instruments		**1,524**	–
Pledged bank deposits		**45,711**	39,181
Cash and cash equivalents		**62,894**	122,487
		869,062	933,536
Current liabilities			
Amount due to a related company		**80**	211
Trade payables and accrued charges	*8*	**368,858**	418,243
Deferred income		**–**	2,042
Tax liabilities		**10,236**	8,898
Bank borrowings		**229,920**	180,668
Lease liabilities		**634**	267
Contract liabilities		**88,128**	83,068
		697,856	693,397
Net current assets		**171,206**	240,139
Total assets less current liabilities		**538,987**	584,714
Non-current liabilities			
Bank borrowings		**5,793**	73,587
Lease liabilities		**424**	–
		6,217	73,587
Net assets		**532,770**	511,127
Capital and reserves			
Share capital		**41,001**	41,001
Reserves		**363,538**	351,072
Equity attributable to owners of the Company		**404,539**	392,073
Non-controlling interests		**128,231**	119,054
Total equity		**532,770**	511,127

NOTES:

1. BASIS OF PREPARATION

The interim results announcement of the Company and its subsidiaries (the "Group") is prepared solely for the purpose of complying with the Rule 13.49(6) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. PRINCIPAL ACCOUNTING POLICIES

The interim results announcement has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the interim results announcement for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's interim results announcement:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in the interim results announcement.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive Directors, being the chief operating decision maker ("CODM"), for the purpose of resources allocation and assessment of segment performance focuses on the category of services delivered or provided. The Group's reportable segments under IFRS 8 *Operating Segments* are therefore as follows:

(1) Construction business – the provision of construction services, including construction and fitting out works, high voltage power substation construction and its system installation works, electrical and mechanical ("E&M") engineering services works, and provision of facilities management services;

(2) Electric vehicle ("EV") business – the provision of EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) design, production, sales and marketing of EVs and EV charging systems; and (iii) provision of EV charging/swapping solutions; and

(3) Intelligent manufacturing business – the sale and processing of new construction materials and income from the leasing of steel structures.

No analysis of the Group's assets and liabilities is disclosed as such information is not regularly provided to the CODM for review.

(i) Disaggregation of revenue from contracts with customers

	Six months ended	
	30.6.2026	30.6.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Construction business		
Construction and fitting out works	**220,582**	85,468
High voltage power substation construction and its system installation works	**–**	50,849
E&M engineering services works	**–**	11,646
Facilities management services	**100,581**	125,194
	321,163	273,157
EV business		
Sale of EV charging systems	**16**	27
Provision of EV charging facilities	**407**	305
	423	332
Intelligent manufacturing business		
Sale and processing of new construction materials	**604,024**	517,922
Total revenue from contracts with customers	**925,610**	791,411
Income from leasing of steel structures	**8,157**	11,756
Total revenue	**933,767**	803,167
Timing of revenue recognition		
A point in time	**604,040**	517,949
Over time	**321,570**	273,462
	925,610	791,411

(ii) Segment information

Segment results represent the profit before tax resulted from each segment without allocation of certain administrative expenses of head office and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Six months ended 30 June 2026

	Construction business *MOP'000* (Unaudited)	EV business *MOP'000* (Unaudited)	Intelligent manufacturing business *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Revenue from external customers	**321,163**	**423**	**612,181**	**933,767**
Intersegment revenue	**–**	**–**	**2,085**	**2,085**
	321,163	**423**	**614,266**	**935,852**
Elimination of intersegment revenue				**(2,085)**
Total revenue				**933,767**
Segment results	**5,746**	**(213)**	**20,866**	**26,399**
Central administration costs				**(1,230)**
Share of results of associates				**35**
Profit before tax				**25,204**

Six months ended 30 June 2025

	Construction business *MOP'000* (Unaudited)	EV business *MOP'000* (Unaudited)	Intelligent manufacturing business *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Revenue from external customers	273,157	332	529,678	803,167
Intersegment revenue	–	–	1,784	1,784
	273,157	332	531,462	804,951
Elimination of intersegment revenue				(1,784)
Total revenue				803,167
Segment results	16,014	(182)	10,245	26,077
Central administration costs				(1,394)
Share of results of associates				6
Profit before tax				24,689

(iii) Geographical information

The Group's operations are located in Macau, Hong Kong, the People's Republic of China (the "PRC"), Singapore and Cyprus.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	Six months ended			
	30.6.2026	30.6.2025	**30.6.2026**	31.12.2025
	MOP'000	*MOP'000*	***MOP'000***	*MOP'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
Macau	**437,559**	500,933	**56,236**	68,503
The PRC	**129,329**	98,942	**306,836**	274,087
Hong Kong	**115,180**	164,592	**313**	–
Singapore	**116,632**	20,899	**2,513**	1,437
Cyprus	**135,067**	17,801	**1,883**	548
	933,767	803,167	**367,781**	344,575

4. INCOME TAX EXPENSE

	Six months ended	
	30.6.2026	30.6.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Current tax		
– Macau Complementary Tax	**1,570**	1,556
– PRC Enterprise Income Tax	**991**	253
– Cyprus Corporate Income Tax	**388**	824
– Hong Kong Profit Tax	**1,204**	359
– Singapore Corporate Income Tax	**816**	508
	4,969	3,500
Under provision in prior years	**2,072**	811
	7,041	4,311

The Company was incorporated in the Cayman Islands and is exempted from Cayman Islands income tax.

Subsidiaries in Macau are subject to Macau Complementary Tax at a rate of 12% on the assessable income exceeding MOP600,000 each for both periods.

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

The subsidiary in Cyprus is subject to Cyprus Corporate Income Tax at a rate of 12.5% on the assessable income for both periods.

Subsidiaries in Hong Kong which are qualified for the two-tiered profit tax regime are subject to Hong Kong Profit Tax at a rate of 8.25% on the first HK$2 million assessable income and 16.5% on the assessable income above HK$2 million. Subsidiaries in Hong Kong are subject to Hong Kong Profit Tax at a rate of 8.25% for both periods.

The subsidiary in Singapore is subject to Singapore Corporate Income Tax at a rate of 17% on the assessable income for both periods.

At the end of the current interim period, the Group has unused tax losses of MOP46,800,000 (31 December 2025: MOP55,925,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

5. EARNINGS PER SHARE

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

	Six months ended	
	30.6.2026	30.6.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit for the purpose of calculating basic and diluted earnings per share (profit for the period attributable to owners of the Company)	**10,867**	15,867
	'000	*'000*
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	**3,980,719**	3,980,817

There were no potential ordinary shares in issue for both periods.

6. CONTRACT ASSETS

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Contract assets from contract with customers	**58,275**	60,075
Less: Allowance for credit losses	**(6,254)**	(6,103)
	52,021	53,972

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Represented by:		
Construction and fitting out works	**30,336**	29,826
High voltage power substation construction and its system installation works	**2,124**	2,499
E&M engineering services works	**19,527**	21,613
Provision of EV charging facilities	**34**	34
	52,021	53,972

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Analysed as current		
Unbilled revenue	**10,752**	10,627
Retention receivables	**41,269**	43,345
	52,021	53,972

Typical payment terms which impact on the amount of contract assets recognised are as follows:

Construction business – construction works

The Group's construction contracts include payment schedules which require stage payments over the construction period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits and typically net offs the deposits with first payments. Unbilled revenue included in contract assets represents the Group's rights to receive consideration for works completed but not yet billed because the exercise of such rights is conditional upon customers' satisfaction with the contract works completed by the Group, customers' or external surveyors' issuance of certification on the works or the payment milestones being met. The contract assets are transferred to trade receivables when the rights become unconditional, which is typically at the time the Group obtains certification of the completed contract works from customers or external surveyors or meets payment milestones.

The Group also typically agrees to a retention period ranging from one year to two years for 5% to 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on its satisfaction of the defect liability period of individual contracts. The Group typically reclassifies contract assets to trade receivables when the defect liability period expires.

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

As at 30 June 2026, retention money held by customers for contract works amounted to MOP41,269,000 (31 December 2025: MOP43,345,000), of which MOP nil (31 December 2025: MOP51,000) represented the retention money held by China State Construction (Hong Kong) – China Construction (Macau) – EHY Joint Venture, the associate of the Group. Retention money is unsecured, interest-free and recoverable at the end of the defect liability period of individual contracts ranging from one year to two years from the date of the completion of the respective projects.

The following is an aging analysis of retention money which is to be settled, based on the expiry of defect liability period, at the end of the reporting period.

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Within one year	**20,038**	12,563
After one year	**21,231**	30,782
	41,269	43,345

As at 30 June 2026, included in the Group's contract assets are retention money with a carrying amount of MOP18,420,000 (31 December 2025: MOP12,349,000), which are past due but not impaired as there has not been a significant change in credit quality and the amounts are still considered as recoverable based on historical experience. The Group does not hold any collateral over these balances.

7. TRADE AND OTHER RECEIVABLES

	30.6.2026 *MOP'000* (Unaudited)	31.12.2025 *MOP'000* (Audited)
Trade receivables from contracts with customers	**451,693**	471,836
Less: allowance for credit losses	**(31,119)**	(31,609)
	420,574	440,227
Other debtors, deposits and prepayments		
– Deposits	**6,488**	8,168
– Prepayments for new construction materials	**98,461**	47,017
– Prepayments for construction	**8,863**	8,389
– Others *(Note 1)*	**57,064**	77,318
Less: Allowance for credit losses	**(7,214)**	(7,249)
	584,236	573,870

	30.6.2026 *MOP'000* (Unaudited)	31.12.2025 *MOP'000* (Audited)
Analysed as:		
Current assets	**584,236**	569,743
Non-current assets *(Note 2)*	**–**	4,127
	584,236	573,870

Notes:

1. Others mainly included value-add taxes recoverable, receivables from certain sub-contractors and other receivables.

2. Amount represents the deposit paid for the bid for the land use rights of a piece of land in Gujing Town, Xinhui District, Jiangmen, Guangdong Province, the PRC.

The Group allows a credit period of 0 to 90 days to its customers. The aging analysis of the Group's trade receivables, net of allowance for credit losses, based on the invoice date at the end of the reporting period are as follows:

	30.6.2026 *MOP'000* (Unaudited)	31.12.2025 *MOP'000* (Audited)
0 – 90 days	**297,391**	332,484
91 – 365 days	**110,249**	89,722
1 – 2 years	**7,205**	12,506
Over 2 years	**5,729**	5,515
	420,574	440,227

As at 30 June 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of MOP223,392,000 (31 December 2025: MOP361,704,000), which are past due as at the reporting date. Out of the past due balances, MOP95,160,000 (31 December 2025: MOP84,976,000) has been past due more than 90 days and is not considered to be in default. Majority of the Group's trade receivables that are past due but not impaired are from customers with good credit quality with reference to their respective settlement history and forward-looking information. The Group does not hold any collateral over these balances.

8. TRADE PAYABLES AND ACCRUED CHARGES

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Trade payables	**191,321**	220,883
Retention payables	**20,579**	23,594
Other payables and accrued charges		
– Accrued staff costs	**22,103**	25,940
– Accrued construction costs	**53,160**	62,533
– Accrued labour fee	**15,995**	19,009
– Accrued transportation costs	**41,376**	34,187
– Other accruals	**24,288**	32,068
– Receipt in advance	**36**	29
	368,858	418,243

Trade payables

The credit period on trade purchases is 0 to 90 days. The aging analysis of the Group's trade payables based on the invoice date at the end of the reporting period is as follows:

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
0 – 90 days	**108,983**	122,493
91 – 365 days	**63,174**	93,483
1 – 2 years	**18,621**	4,381
Over 2 years	**543**	526
	191,321	220,883

Retention payables

Retention payables are interest-free and payable at the end of the defect liability period of individual contracts ranging from one to two years from the date of completion of the respective project.

The following is an aging analysis of retention payables which are to be settled, based on the expiry of the defect liability period, at the end of the reporting period.

	30.6.2026	31.12.2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
On demand or within one year	**18,256**	17,941
After one year	**2,323**	5,653
	20,579	23,594

9. DIVIDENDS

No dividend for both periods had been declared by the Directors.

MANAGEMENT DISCUSSION & ANALYSIS

COMPANY OVERVIEW

The Group is a renowned comprehensive construction company that has completed a number of highly challenging international construction projects, power substations and structural steelworks, with its operations spanning high-potential countries and regions, such as Macau, Hong Kong, Singapore and Australia. The Group's business scope covers: (1) intelligent manufacturing business, including the research and development and sales of new construction materials and manufacturing and sales of intelligent equipment; (2) construction business, including construction and fitting out works, high voltage power substation construction and its system installation works, E&M engineering services works, and facilities management and operation and maintenance services; and (3) EV-related services.

(1) The Group is engaged in the research and development and sales of new construction materials (such as reinforced bars, steel sheet piles, galvanized sheets and other construction materials in various dimensions) to main contractors and/or construction companies for their use in construction projects, which enables the Group to serve upstream industries of its principal construction business. In addition, the Group also puts intelligent equipment into official production for use in various types of high-rise buildings.

(2) The Group's construction and fitting out works comprise structural steelworks services, civil engineering construction services and fitting out and improvement works.

- Structural steelworks services generally involve the provision of customised and target-oriented steel structure erection services including structural steelworks, concreting and builder works, and the integration of these constructional methods for building highly efficient structures.

- Civil engineering construction services generally cover demolition, ground field investigation, site formation and foundation works, as well as substructures and superstructures, and roads and drainage.

- Fitting out and improvement works generally involve alteration, renovation and upgrading works of various types, including preparation of shop drawings, modification, removal and installation of equipment and general improvement works.

High voltage power substation construction and its system installation works involve the provision of planning, scheduling, project management and construction services for customised high-voltage substations and complex power transmission infrastructures installed with high voltage power systems.

E&M engineering services works generally involve a combination of the supply and/or installation of (i) low voltage ("LV") systems works; (ii) heating, ventilation and air-conditioning ("HVAC") systems works; and (iii) extra low voltage ("ELV") systems works, and the relevant testing and commissioning thereof, as well as management and monitoring of quality and delivery of our E&M engineering services works. LV systems works include the supply and installation of cables, earthing, lighting systems, power cables, electrical wiring, switchboards, power outlets and other related electrical equipment that relates to the power supply and distribution within a building. HVAC systems works include the supply and installation of variable refrigerant volume units, ventilation and exhaust air systems for buildings, as well as the supply and installation of related pipes, ducts, air-conditioning units, ventilation fans and other related equipment. ELV systems works include the procurement and installation of telephones, closed-circuit television (used for security video surveillance purposes) and any other systems within a building that require a transmission signal.

Facilities management, operation and maintenance services involve the provision of facilities operation and maintenance management, alteration, upgrading, maintenance works and emergency repairs of various buildings, properties and their components (especially for hotels and resorts), high voltage power substations and their respective systems. Swimming pool and tap water disinfection system works include renewal, facilities operation and maintenance works for hotel swimming pools, spa pools, and secondary disinfection systems for hotel tap water supply. In addition, the Group also provides data centre maintenance services, covering infrastructure operation, power equipment cooling management, security monitoring and technical support.

(3) The Group's EV business is a sustainable business opportunity which involves supplying EV related services, including but not limited to (i) provision of EV charging services including sale of EV charging systems and provision of EV charging facilities for subscription fee; (ii) design, production, sales and marketing of EVs and EV charging systems; and (iii) provision of EV charging/swapping solutions.

BUSINESS REVIEW

During the first half of 2026, the operating environment in key markets, namely Macau, Hong Kong and Singapore, continued to improve. In Macau, the gaming industry continued to recover. Gross gaming tax revenue for the first half of 2026 reached MOP51.2 billion, representing an increase of 13.1% as compared with the corresponding period last year and achieving 55.2% of the full-year target. During the same period, tourist arrivals reached approximately 20.94 million, representing an increase of approximately 9% as compared with the corresponding period last year. The sustained improvement in tourism and spending power has driven the demand for facilities renovation and upgrades by casino operators, resulting in a project upgrade-driven construction market in Macau. Meanwhile, amid the trend of digital transformation, the Macau Government continued to promote the construction of new infrastructure such as data centres, with demand for related construction and maintenance works recording considerable growth. In particular, as a key project of the Hengqin Guangdong-Macao Cooperation Industrial Park (橫琴粵澳合作產業園), the Macau (Hengqin) International Data Centre (澳門(橫琴)國際數據中心) has a total investment exceeding RMB280 million, with its current capacity reaching 0.35 EFLOPS (exa floating-point operations per second). It is expected that the total capacity of AI computing power locally and synergistically available in Macau may further increase to 2.5 EFLOPS by 2030. In addition to the strong demand for facilities upgrades by casino operators and other infrastructure, such data centre projects are expected to generate additional demand, creating medium- to long-term growth opportunities for the Macau construction industry.

In Hong Kong, the overall economy maintained strong growth during the first quarter of 2026, with real gross domestic product (Real GDP) increasing by 5.9% year-on-year, and the government maintaining its forecast of real GDP growth of 2.5% to 3.5% for the full year. For infrastructure, key development plans such as the "Northern Metropolis" (北部都會區) continued to be implemented. During the first quarter of 2026, the nominal gross value of construction works performed by main contractors amounted to HK$72.7 billion, representing an increase of 2.9% as compared with the corresponding period last year. As demand for construction works continued to increase steadily, it has in turn led to the rise in demand for new construction materials and steel structural products.

In Singapore, the economy grew by 6% year-on-year during the first quarter of 2026, with full-year growth forecast remaining at between 2% and 4%. The construction industry, in particular, has remained buoyant. Linesight, an international construction consultancy, projected that the real growth rate of construction output in 2026 could reach as high as 4.5% in the country. The Building and Construction Authority also projected that total construction demand for the full year would be in the range of S$47 billion to S$53 billion, reflecting strong momentum across public housing and infrastructure projects.

In view of the prevailing market environment across key markets, the Group capitalized on structural growth opportunities in the Asia-Pacific market, and continued to expand its business footprint in intelligent manufacturing, construction works and facilities maintenance. Leveraging its industry reputation and delivery track record accumulated over the years, the Group steadily expanded its market share, achieving stable growth in overall operating performance as compared with last year. During the Period, the Group's total revenue amounted to MOP933.8 million (the Previous Period: MOP803.2 million), representing a year-on-year increase of 16.3%, primarily attributable to the stable infrastructure demand in key markets, as well as the continuous increase in delivery volumes and revenue contributions from its overseas market operations.

By geographical region, revenue generated from Macau amounted to MOP437.6 million, representing a year-on-year decrease of 12.7%. Affected by fluctuations in project delivery cycles, revenue from the Hong Kong market amounted to MOP115.2 million during the Period, representing a year-on-year decrease of 30.0%. However, the expansion into overseas markets achieved significant results, with the Singapore and Cyprus markets contributing revenue of MOP116.6 million and MOP135.1 million, representing substantial year-on-year increases of 458.1% and 658.8%, respectively. These markets have, in turn, become the key drivers of overall revenue growth during the Period. Such rapid development also fully demonstrated the effectiveness of the Group's expansion into overseas markets through high value-added products under its intelligent manufacturing business.

By business segment, revenue from the intelligent manufacturing business (including research and development and sales of new construction materials) during the Period amounted to MOP612.2 million (the Previous Period: MOP529.7 million), representing a year-on-year increase of 15.6% and accounting for 65.5% of total revenue (the Previous Period: 65.9%), which continued to be the key source of revenue of the Group. Revenue from the construction business amounted to MOP321.2 million (the Previous Period: MOP273.2 million), representing a year-on-year increase of 17.6% and accounting for 34.4% of total revenue (the Previous Period: 34.0%), maintaining an overall stable business and revenue mix.

In respect of profitability, driven by the rising proportion of revenue from high gross margin Singapore market, and the continuous realization of economies of scale in the intelligent manufacturing business, the Group's gross profit during the Period increased significantly by 46.6% year-on-year to MOP105.4 million (the Previous Period: MOP71.9 million). The overall gross profit margin increased by 2.3 percentage points as compared with the Previous Period to 11.3%, indicating a significant improvement in earnings quality. However, affected by staffing costs for the early-stage expansion into overseas markets, as well as logistics costs arising from the increased delivery tonnage of new construction materials and rising fuel costs, net profit for the Period amounted to MOP18.2 million, representing a slight year-on-year decrease of 10.9%, with a corresponding net profit margin of 1.9% (the Previous Period: 2.5%). Nevertheless, such operating investments represented phased strategic costs for overseas deployment. It is expected that profit margins will further improve as the scale of overseas business continues to expand in the future.

As at 30 June 2026, the values of the Group's contracts on hand yet to be completed in respect of the intelligent manufacturing business and construction business were MOP739.2 million (31 December 2025: MOP601.9 million) and MOP523.0 million (31 December 2025: MOP539.0 million), respectively.

Intelligent Manufacturing Business (including research and development and sales of new construction materials and manufacturing and sales of intelligent equipment)

In the first half of 2026, the Group's intelligent manufacturing business maintained steady development, supported by high capacity utilization, growing production efficiency, and increasing economies of scale. During the Period, segment revenue increased by 15.6% year-on-year to MOP612.2 million (the Previous Period: MOP529.7 million). Benefiting from the steady growth in order volume and improved cost control, gross profit margin increased significantly by 4.3 percentage points as compared with the corresponding period last year to 13.1%. During the Period, the Group delivered a total of approximately 123,130 tonnes of new construction materials. Such products were widely used in key construction projects in Macau, Hong Kong, Singapore and other locations.

In respect of overseas expansion, leveraging its standardized production processes and well-established supply chain system, the Group has proactively expanded its presence in overseas markets such as Hong Kong, Singapore, and Australia. This has broken through the geographical constraints of its traditional construction business, which is labor-intensive and reliant on local teams and experience, thereby validating the Group's core capability through product export. Beyond product export, the Group has established a local team in Singapore, one of the Group's key overseas markets, and is reporting steady business expansion progress. The Group has also made progress in the Australian market. Through referrals from local partners, the Group has gained entry into the market and is actively negotiating the supply of steel products for large-scale local sports facilities, with a view to capturing the substantial infrastructure demand arising from the 2032 Brisbane Olympic Games.

The Group also increased its investment in product research and development. By deepening its strategic collaboration with state-owned enterprise Beijing Institute of Construction Mechanization Co., Ltd.* (北京建築機械化研究院有限公司), the Group continued to advance the research and development of high value-added products, including intelligent window-cleaning equipment and intelligent robots, in order to further expand the Group's intelligent equipment product portfolio. At the same time, to capture growing demand in overseas and other key markets, the Group is also actively advancing Phase II development of the Jiangmen production base with the relevant government authorities. Upon completion of the project, the overall production capacity and efficiency will be significantly enhanced, which is expected to further strengthen the Group's economies of scale and overall competitiveness.

Construction Business

The Group's clients for its construction business mainly include casino operators, integrated entertainment and resort developers and operators, and public institutions. During the Period, the Group undertook and progressed a number of renovation projects for gaming operators, including key projects such as the ancillary works, plant room renovation, and intelligent system renovation of a major hotel complex at an integrated entertainment and resort. As a result, revenue from the construction business increased significantly by 17.6% to MOP321.2 million (the Previous Period: MOP273.2 million) as compared with the corresponding period last year. In particular, the gross profit margin of the construction and fitting-out works segment increased substantially from -7.1% for the same period last year to 10.4% for the Period, fully demonstrating the Group's project execution capabilities.

In respect of data centres, the Group has proactively capitalised on the opportunities arising from the Macau Government's promotion of smart cities and emerging industries development. The Group continued to undertake relevant works for the construction of small-scale data centres for the Macau Government and has maintained close cooperation with relevant private enterprises, thereby continuously accumulating practical experience in data centre construction that would meet future infrastructure development needs. Participation in such data centre projects has also enabled the Group to secure a number of corresponding maintenance contracts, laying a sound foundation for its long-term business performance.

EV Business

MUCharging (Macau) Limited, an indirect wholly-owned subsidiary of the Company, continued to deepen its presence in electric vehicle charging services in Macau, continuing to provide efficient and convenient charging system services for various high-end integrated entertainment and resort complexes, high-quality residential areas and commercial buildings, including City of Dreams, Studio City, the Venetian, Lisboeta, Ponte 16, Kingsville and China Plaza. By entering into separate contracts with landlords or tenants of parking spaces under those projects, the Group continued to develop new revenue streams for its electric vehicle business. In addition, the Group has actively explored strategic cooperation opportunities with industry leaders, striving to further expand its electric vehicle business footprint, and providing sustained momentum to drive the Group's diversified business development.

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue during the six months ended 30 June 2026 and 2025:

	Six months ended			
	30.6.2026		30.6.2025	
	MOP'000	*%*	*MOP'000*	*%*
	(Unaudited)		(Unaudited)	
Construction business				
Construction and fitting out works	**220,582**	**23.6**	85,468	10.6
High voltage power substation construction and its system installation works	**–**	**–**	50,849	6.3
E&M engineering services works	**–**	**–**	11,646	1.5
Facilities management services	**100,581**	**10.8**	125,194	15.6
	321,163	**34.4**	273,157	34.0
EV business	**423**	**0.1**	332	0.1
Intelligent manufacturing business	**612,181**	**65.5**	529,678	65.9
Total	**933,767**	**100.0**	803,167	100.0

The Group's revenue for the Period increased by MOP130.6 million or 16.3% to MOP933.8 million.

Revenue from the intelligent manufacturing business for the Period increased by MOP82.5 million or 15.6% which was mainly attributable to the increase in the sales volume. During the Period, the Group delivered approximately 123,130 tons (the Previous Period: 102,180 tons) of new construction materials, including reinforced bars, steel sheet piles and galvanized sheets, which contributed MOP612.2 million (the Previous Period: MOP529.7 million) to the Group's revenue.

Revenue from the construction business for the Period increased by MOP48.0 million or 17.6%. In February 2026, the Group entered into contracts with a developer, owner and operator of integrated entertainment resort facilities in Europe for providing construction, enabling and infrastructure works for employee housing accommodation with award contract sums of MOP122.9 million. Of which, progress works of MOP97.9 million were certified during the Period.

Gross profit

The following table sets forth a breakdown of the Group's gross profit and gross profit margin during the six months ended 30 June 2026 and 2025:

	Six months ended			
	30.6.2026		30.6.2025	
	Gross profit/(loss) *MOP'000* **(Unaudited)**	**Gross profit/(loss) margin** *%*	Gross profit/(loss) *MOP'000* (Unaudited)	Gross profit/(loss) margin *%*
Construction business				
Construction and fitting out works	**22,971**	**10.4**	(6,077)	(7.1)
High voltage power substation construction and its system installation works	**–**	**–**	3,467	6.8
E&M engineering services works	**(7,773)**	**–**	507	4.4
Facilities management services	**10,124**	**10.1**	27,643	22.1
	25,322	**7.9**	25,540	9.3
EV business	**(13)**	**(3.1)**	(33)	(10.1)
Intelligent manufacturing business	**80,095**	**13.1**	46,412	8.8
Total	**105,404**	**11.3**	71,919	9.0

The Group's gross profit increased by MOP33.5 million or 46.6% to MOP105.4 million for the Period. Gross profit margin improved from 9.0% for the Previous Period to 11.3% for the Period.

Gross profit margin of the intelligent manufacturing business improved from 8.8% for the Previous Period to 13.1% for the Period, as approximately 19.1% (the Previous Period: 3.9%) or MOP116.6 million (the Previous Period: MOP20.9 million) revenue was contributed by customers from Singapore, which have generally higher gross profit margin for its sales orders.

Benefiting from the new contracts awarded for the provision of construction, enabling and infrastructure works for employee housing accommodation, performance of the construction and fitting out works improved from gross loss margin of 7.1% in the Previous Period to gross profit margin of 10.4% in the Period.

Due to the unexpected delays in the certification of contract works (completed with the project costs incurred during the Period) for mechanical ventilation and air conditioning system and electrical services system for a hotel complex in an integrated resort in Cotai, Macau, the E&M engineering services works generated a gross loss of MOP7.8 million.

In addition, gross profit margin of the facilities management services dropped from 22.1% for the Previous Period to 10.1% for the Period. Apart from the increase in service costs due to inflation, the casino operators also sought cost saving by reducing the unit rate and service scope of the Group's facilities operation and maintenance projects for various properties, which contributed to a decrease in gross profit margin of the projects undertaken by the Group.

The Group continued its investment in the EV business, seeing a potential rapid growth in the number of customers. The Group recorded a gross loss of MOP13,000 (the Previous Period: gross loss of MOP33,000) for the Period in respect of the EV business segment.

Other income

Other income decreased by MOP5.6 million during the Period, which was attributable to the Group's recognition of insurance claims of MOP5.8 million as compensation for certain defects incurred at the phase 2 development of a new hotel complex in Cotai, Macau in the Previous Period.

Other gains and losses

Other gains and losses decreased by MOP2.0 million during the Period, which was attributable to the Group's recognition of exchange gain of MOP2.0 million (the Previous Period: MOP4.2 million) mainly arising from its PRC operations.

Distribution costs

During the Period, the Group incurred transportation costs of MOP30.5 million (the Previous Period: MOP14.0 million) for the intelligent manufacturing business due to the increase in (i) tons of new construction materials delivered; and (ii) fuel costs during the Period.

Impairment losses reversed on property, plant and equipment

An assessment for impairment was conducted to assess the recoverable amount with reference to the higher of the assets' fair value less costs to disposal and value in use. During the Period, certain steel sheet piles which were classified as property, plant and equipment have been sold in the market, and as a result, an impairment loss of MOP1.1 million has been reversed.

Impairment losses reversed (recognised) under expected credit loss ("ECL") model

The Group reversed MOP256,000 impairment losses of trade receivables, trade-nature amounts due from a related company, contract assets and other receivables during the Period (the Previous Period: recognised impairment losses of MOP2.6 million). The Group applied a simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, trade-nature amounts due from a related company, contract assets and other receivables. To measure the ECL, the Group has estimated the expected loss rates for the trade receivables, the trade-nature amounts due from a related company, contract assets and other receivables on the same basis.

Gain on fair value changes of derivative financial instruments

During the Period, the Group recognised a gain of MOP1.5 million on fair value changes of foreign exchange forward contracts with settlement period from June 2026 to March 2027 due to the appreciation of RMB against HK$ (the Previous Period: nil).

Administrative expenses

Administrative expenses increased by MOP11.0 million or 29.1% mainly due to (i) salaries and other staff costs; and (ii) rental costs incurred for the intelligent manufacturing business due to continuous expansion of the manufacturing facilities in the PRC and Singapore during the Period.

Finance costs

The Group repaid bank borrowings of MOP65.2 million in June 2026. With the reported interest expense covering approximately the entire six-month period, finance costs in the Period recorded an increase of MOP625,000 or 14.1%.

Income tax expense

Income tax expense increased by MOP2.7 million or 63.3% mainly due to the (i) increase in profit before tax for the intelligent manufacturing business for the Period; and (ii) under-provision of income tax expense from the previous year.

Profit for the Period

The Group's profit for the Period decreased by MOP2.2 million or 10.9%, which was primarily attributable to the combined effect of the abovementioned items. Net margin dropped from 2.5% for the Previous Period to 1.9% for the Period.

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent approach in cash management to minimise financial and operational risks. The Group's capital expenditure and daily operations during the Period were mainly funded by cash generated from its operations and credit facilities provided by its principal bankers in Macau and the PRC.

To manage its liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of unexpected fluctuations in cash flows.

As at 30 June 2026, the Group had net current assets of MOP171.2 million (31 December 2025: MOP240.1 million). The current ratio of the Group as at 30 June 2026 was 1.2 (31 December 2025: 1.3).

The Group continued to maintain a healthy liquidity position. As at 30 June 2026, the Group had total cash and bank balances of MOP62.9 million (31 December 2025: MOP122.5 million).

As at 30 June 2026, the Group had outstanding bank borrowings of MOP235.7 million (31 December 2025: MOP254.3 million) and unutilised credit facilities of MOP128.4 million (31 December 2025: MOP115.2 million). The Group's gearing ratio (calculated by dividing total debts with total equity) was 44.2% (31 December 2025: 49.7%).

CAPITAL STRUCTURE

As at 30 June 2026, the Company's share capital and equity amounted to MOP41.0 million and MOP532.8 million, respectively (31 December 2025: MOP41.0 million and MOP511.1 million, respectively).

FOREIGN EXCHANGE EXPOSURE

The Group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The Group is exposed to currency risks primarily through the purchases of steel materials which are denominated in RMB, while the sales are denominated in HK$. The management will monitor and review the Group's foreign exchange exposure from time to time and ensure that appropriate measures are adopted in a timely manner to manage the currency risks.

On 26 February 2026, MECOM International New Materials Technology (Guangdong) Co., Ltd* ("MECOM New Materials") (澳能國際新材料科技(廣東)有限公司), an indirect non-wholly owned subsidiary of the Company, entered into a set of foreign exchange hedging contracts with Bank of Communications, Zhuhai Branch*, to hedge against RMB/HK$ currency risk, in respect of the principal amount of HK$100 million. Please refer to the announcement of the Company dated 26 February 2026 for further details.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

On 29 December 2025, MECOM New Materials successfully won the bid for the land use rights of a piece of land in Gujing Town, Xinhui District, Jiangmen, Guangdong Province, the PRC for a total consideration of RMB18,074,400 (equivalent to approximately MOP20,605,000), which will be funded by the Group's internal resources and banking facilities. The Group fully paid the land consideration in February 2026. The Group currently expects to expand the production capacity of its manufacturing facilities in Jiangmen City, Guangdong Province.

Save as disclosed above, the Group had no significant investments and no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Period.

PLEDGE OF ASSETS

As at 30 June 2026, the Group had pledged (i) bank deposits of MOP45.7 million (31 December 2025: MOP39.2 million); and (ii) property, plant and equipment (including right-of-use assets) of MOP267.9 million (31 December 2025: MOP252.9 million) with banks as security for credit facilities.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2026 (31 December 2025: nil).

COMMITMENTS

As at 30 June 2026, the Group had no significant capital commitments.

As at 31 December 2025, the Group had capital commitments of approximately MOP16,478,000 in relation to the acquisition of the land use rights of a piece of land in Gujing Town, Xinhui District, Jiangmen, Guangdong Province, the PRC.

EMPLOYEES AND REMUNERATION POLICY

The remuneration package offered to employees generally includes salaries, allowances, benefits-in-kind, fringe benefits including medical insurance, and contributions to pension funds and bonuses. In general, the Group determines employee salaries based on their performance, qualifications, positions and the prevailing industry practice.

As a main contractor for some of the projects, we apply work permits for our workers on a project-by-project basis. As at 30 June 2026, the Group had 540 (31 December 2025: 542) employees in Hong Kong, Macau, the PRC, Singapore and Europe.

The Company has adopted a share option scheme (the "Share Option Scheme") on 23 January 2018, which was effective upon the listing of the Company's shares on the Stock Exchange on 13 February 2018. The purpose of the Share Option Scheme is to recognise and acknowledge the contributions that the eligible participants had or may have made to the Group. During the Period, no option has been granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme.

PROSPECTS

Looking ahead to the second half of 2026 and beyond, the Group will continue to strengthen its foothold in Macau by capitalising on the demand for facilities renovation arising from the recovery of the local gaming industry and the development opportunities in digital infrastructure, so as to further consolidate its local market share. Concurrently, the Group will actively capture the growth opportunities in high-growth markets such as Hong Kong and Singapore, continuously unlocking the overseas potential with its intelligent manufacturing business.

In Macau, the sustained recovery of the gaming and tourism industries will continue to drive demand for casino facilities renovation and upgrades. Together with the government's policy direction of promoting economic diversification and accelerating the development of emerging industries such as data centres, these initiatives are expected to provide sustained and stable demand for the Group's construction works and facilities maintenance businesses. In Hong Kong, with the continuous roll-out of major infrastructure initiatives such as the "Northern Metropolis", demand for new construction materials and steel structural products is expected to further increase, bringing substantial market opportunities for the Group's intelligent manufacturing business. In Singapore, the local construction sector remains in a strong growth cycle. The Group will leverage its localised team to deepen its cooperation with local enterprises and continue to expand its market share. The Group will also endeavour to increase its research and development efforts to further expand the product portfolio under its intelligent manufacturing business, so as to meet the increasingly diverse and complex construction requirements.

Amid macroeconomic uncertainties, the Group will maintain sharp insights into the industry trends, strengthen internal risk management, and continuously enhance its business structure and profitability through multi-dimensional efforts in technological research and development, capacity upgrades and market expansion, thereby consolidating its core competitive advantages and creating long-term and sustainable value for shareholders.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the code provisions set out in Part 2 of the Corporate Governance Code (the "CG Code") under Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as the basis of the Company's corporate governance practices.

The Board is of the opinion that the Company has complied with all the code provisions in Part 2 of the CG Code throughout the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he/she has complied with the required standards set out in the Model Code throughout the Period.

Pursuant to Rule B.13 of the Model Code, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing by the Model Code as if he/she were a Director.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the Period.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) during the Period. As at 30 June 2026, the Company did not have any treasury shares.

AUDIT COMMITTEE

The Company has established the audit committee of the Company (the "Audit Committee") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code. The Audit Committee consists of three members, namely Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong, all being independent non-executive Directors. The Audit Committee is chaired by Ms. Chan Po Yi, Patsy who has appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

REVIEW OF INTERIM FINANCIAL INFORMATION

The Audit Committee and the Company's external auditor, OOP CPA & Co., have reviewed the accounting principles and practices adopted by the Group and have reviewed the condensed consolidated financial statements of the Group for the six months ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there were no other important events affecting the Group that had occurred after 30 June 2026 and up to the date of this announcement.

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

This announcement is published on the Company's website at www.mecommacau.com and the Stock Exchange's website at www.hkexnews.hk. The 2026 Interim Report will be made available on the above websites in due course in accordance with the Listing Rules.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as the shareholders of the Company, business associates and other professional parties for their continuous support to the Group throughout the Period.

By Order of the Board
MECOM Power and Construction Limited
Kuok Lam Sek
Chairman

Hong Kong, 27 August 2026

As at the date of this announcement, the executive Directors are Mr. Kuok Lam Sek and Mr. Sou Kun Tou, and the independent non-executive Directors are Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong.

* *For identification purpose only*