LS 黎氏建築
Lai Si Construction

Lai Si Enterprise Holding Limited
黎氏企業控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2266)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

*(in Macau Patacas ("**MOP**") thousand, unless otherwise stated)*

	For the six months ended 30 June		
	2026	2025	Percentage decrease
	(Unaudited)	(Unaudited)	
Revenue	**71,238**	111,211	**(36)%**
Gross profit	**5,155**	19,156	**(73)%**
Gross profit margin	**7.2%**	17.2%	**(10)%**
(Loss)/profit attributable to owners of the Company	**(14,185)**	1,092	**(1,399)%**
(Loss)/earnings per share for the period *(Macau cents)*	**(3.5)**	0.3	**(1,267)%**

	As at 30 June 2026	As at 31 December 2025	Percentage decrease
	(Unaudited)	(Audited)	
Equity attributable to owners of the Company	**112,530**	126,695	**(11)%**

INTERIM DIVIDEND

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

The board (the "**Board**") of directors (the "**Directors**") of Lai Si Enterprise Holding Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the corresponding six months ended 30 June 2025 as set out below:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	**2026** *MOP'000* **(Unaudited)**	2025 *MOP'000* (Unaudited)
Revenue	4	**71,238**	111,211
Cost of sales		**(66,083)**	(92,055)
Gross profit		**5,155**	19,156
Other income, gains and losses, net		**507**	1,541
Administrative expenses		**(16,943)**	(16,560)
Impairment losses on financial assets and contract assets	5	**(1,476)**	(302)
Changes in fair value of investment properties		**(495)**	(2,575)
Share of profit of an associate		**456**	15
Finance costs		**(745)**	(492)
(LOSS)/PROFIT BEFORE TAX	5	**(13,541)**	783
Income tax credit	6	**126**	309
(LOSS)/PROFIT FOR THE PERIOD		**(13,415)**	1,092
Attributable to:			
– Owners of the Company		**(14,185)**	1,092
– Non-controlling interests		**770**	–
		(13,415)	1,092
		Macau cents	*Macau cents*
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic and diluted	8	**(3.5)**	0.3

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	2026	2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
(LOSS)/PROFIT FOR THE PERIOD	**(13,415)**	1,092
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value, net of nil tax	**20**	(5)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**20**	(5)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	**(13,395)**	1,087
Attributable to:		
– Owners of the Company	**(14,165)**	1,087
– Non-controlling interests	**770**	–
	(13,395)	1,087

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	**30 June 2026** *MOP'000* **(Unaudited)**	31 December 2025 *MOP'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	**95,668**	96,393
Investment properties		**3,996**	4,491
Investment in an associate		**6,710**	6,254
Equity investments designated at fair value through other comprehensive income		**1,401**	1,381
Total non-current assets		**107,775**	108,519
CURRENT ASSETS			
Trade receivables	10	**26,991**	23,365
Contract assets		**53,134**	44,573
Prepayments, other receivables and other assets		**38,859**	4,888
Amount due from a director		**26**	26
Amount due from the ultimate holding company		**1**	1
Pledged bank deposits		**4,119**	1,092
Cash and bank balances		**15,858**	33,986
Total current assets		**138,988**	107,931
CURRENT LIABILITIES			
Trade payables	11	**37,428**	23,069
Contract liabilities		**2,742**	1,222
Other payables and accruals		**16,206**	23,500
Interest-bearing bank borrowings		**73,742**	38,493
Total current liabilities		**130,118**	86,284
NET CURRENT ASSETS		**8,870**	21,647
Total assets less current liabilities		**116,645**	130,166

	30 June 2026 MOP'000 (Unaudited)	31 December 2025 MOP'000 (Audited)
NON-CURRENT LIABILITIES		
Defined benefit plan obligations	**175**	175
Deferred tax liabilities	**3,112**	3,238
Total non-current liabilities	**3,287**	3,413
Net assets	**113,358**	126,753
CAPITAL AND RESERVES		
Share capital	**4,120**	4,120
Reserves	**108,410**	122,575
	112,530	126,695
Non-controlling interests	**828**	58
Total equity	**113,358**	126,753

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1 CORPORATE AND GROUP INFORMATION

Lai Si Enterprise Holding Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on 1 June 2016 under the Companies Law, Cap. 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 10 February 2017. The Company's immediate and ultimate holding company is SHK-Mac Capital Limited ("**SHKMCL**"), a company incorporated in British Virgin Islands ("**BVI**") with limited liability. The Company's registered office address is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business is located at Macau Lai Si Enterprise Centre, Rua Da Ribeira Do Patane No. 54, Macau.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "**Group**"), are principally engaged in fitting-out, alteration and addition works, construction works and repair and maintenance services.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with *HKAS 34 Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following revised HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The adoption of the above revised HKFRS Accounting Standards had no significant financial effect on this financial information.

(a) Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

    The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) Annual Improvements to HKFRS Accounting Standards — Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3 OPERATING SEGMENT INFORMATION

Six months ended 30 June 2026

	Fitting-out, alteration and addition works *MOP'000* (Unaudited)	Construction works *MOP'000* (Unaudited)	Repair and maintenance services *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Segment revenue				
Sales to external customers	**29,760**	**38,532**	**2,946**	**71,238**
Segment results	**1,608**	**2,040**	**1,205**	**4,853**
Corporate expenses				**(16,641)**
Other income, gains and losses, net				**507**
Impairment losses on financial assets and contract assets				**(1,476)**
Changes in fair value of investment properties				**(495)**
Share of profit of an associate				**456**
Finance costs				**(745)**
Loss before tax				**(13,541)**

Six months ended 30 June 2025

	Fitting-out, alteration and addition works *MOP'000* (Unaudited)	Construction works *MOP'000* (Unaudited)	Repair and maintenance services *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Segment revenue				
Sales to external customers	103,623	5,366	2,222	111,211
Segment results	17,113	1,817	(72)	18,858
Corporate expenses				(16,262)
Other income, gains and losses				1,541
Impairment losses on financial assets and contract assets, net				(302)
Changes in fair value of investment properties				(2,575)
Share of profit of an associate				15
Finance costs				(492)
Profit before tax				783

Information about major customers

Revenue from customers individually amounting to over 10% of the total revenue of the Group is as follows:

	For the six months ended 30 June	
	2026	2025
	MOP'000	*MOP'000*
Customer A [(b)]	**38,417**	N/A[(c)]
Customer B [(a)]	**12,233**	N/A[(c)]
Customer C [(a)]	**N/A[(c)]**	15,739

Notes:

(a) The revenue was derived from fitting-out, alteration and addition works.

(b) The revenue was derived from fitting-out, alteration and addition works and construction works.

(c) Revenue from the customers is less than 10% of the total revenue of the Group.

4 REVENUE

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Fitting-out, alteration and addition works	**29,760**	103,623
Construction works	**38,532**	5,366
Repair and maintenance services	**2,946**	2,222
	71,238	111,211

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2026

Segments	Fitting-out, alteration and addition works	Construction works	Repair and maintenance services	Total
	MOP'000	***MOP'000***	***MOP'000***	***MOP'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Geographical markets				
Macau	**22,014**	**38,532**	**2,320**	**62,866**
Hong Kong	**7,746**	**–**	**626**	**8,372**
Total revenue from contracts with customers	**29,760**	**38,532**	**2,946**	**71,238**
Timing of revenue recognition				
Services transferred over time	**29,760**	**38,532**	**–**	**68,292**
Services transferred at a point in time	**–**	**–**	**2,946**	**2,946**
Total revenue from contracts with customers	**29,760**	**38,532**	**2,946**	**71,238**

For the six months ended 30 June 2025

Segments	Fitting-out, alteration and addition works *MOP'000* (Unaudited)	Construction works *MOP'000* (Unaudited)	Repair and maintenance services *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Geographical markets				
Macau	58,354	5,366	1,345	65,065
Hong Kong	45,269	–	877	46,146
Total revenue from contracts with customers	103,623	5,366	2,222	111,211
Timing of revenue recognition				
Services transferred over time	103,623	5,366	–	108,989
Services transferred at a point in time	–	–	2,222	2,222
Total revenue from contracts with customers	103,623	5,366	2,222	111,211

5 (LOSS)/PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Cost of services provided*	**66,083**	92,055
Depreciation of property, plant and equipment	**765**	507
Impairment losses on financial assets and contract assets, net:		
Impairment losses/(reversal of impairment losses) on trade receivables	**1,038**	(10)
Impairment losses on contract assets	**438**	312
	1,476	302
Foreign exchange differences, net	**60**	(476)

* Included in cost of services provided are the staff costs incurred in the amount of approximately MOP9,529,000 (six months ended 30 June 2025: MOP13,544,000).

6 INCOME TAX

No provision for Macau complementary tax has been provided for both current and prior periods as the assessable profits have been absorbed by unused tax losses.

No provision for Hong Kong Profits Tax has been made as subsidiaries incorporated in Hong Kong have available tax losses carried forward for future set off or have no assessable profit during both current and prior periods.

	For the six months ended 30 June	
	2026	2025
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Deferred tax credit	**(126)**	(309)

7 DIVIDENDS

No dividend has been paid or declared by the Group during the six months ended 30 June 2026 and 2025.

8 (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share amounts is based on the (loss)/profit for the period, and the weighted average number of ordinary shares of 400,000,000 (six months ended 30 June 2025: 400,000,000) in issue during the six months ended 30 June 2026.

The Group's loss attributable to owners of the Company for the period was MOP14,185,000 (six months ended 30 June 2025: profit of MOP1,092,000).

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

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at cost of MOP40,000 (six months ended 30 June 2025: MOP10,648,000).

10 TRADE RECEIVABLES

	30 June 2026	31 December 2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Trade receivables	**48,998**	44,334
Impairment	**(22,007)**	(20,969)
	26,991	23,365

The Group allows an average credit period of 30 days to its customers. Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customers. Recoverability of existing customers is reviewed by the Group regularly.

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	31 December 2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Within 1 month	**16,340**	14,707
1 to 2 months	**203**	2,026
2 to 3 months	**1,294**	559
3 to 6 months	**7,095**	587
6 months to 1 year	**1,522**	5,237
Over 1 year	**537**	249
	26,991	23,365

11 TRADE PAYABLES

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	31 December 2025
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Within 1 month	**19,007**	5,278
1 to 2 months	**7,078**	2,697
2 to 3 months	**1,152**	1,428
Over 3 months	**10,191**	13,666
	37,428	23,069

12 CONTINGENT LIABILITIES

(a) Sin Fong Garden Building

In October 2012, one of the supporting pillars of the residential building called "Sin Fong Garden Building" collapsed due to the loss of stability. Such collapse was accused to be caused by the dismantlement and construction of the foundation work undertaken in an adjacent new residential building project, of which Lai Si Construction & Engineering Company Limited ("**Lai Si**") was one of the contractors. As a result, in September 2015, several flat owners of Sin Fong Garden Building filed a lawsuit against several defendants including Lai Si, seeking for a compensation for the loss of property, in a total sum of approximately HK$48,950,000, to be borne jointly by the defendants. However, according to the report issued by the team of technical advisors and experts engaged by the Macau Government to study the causes of the incident, the collapse of Sin Fong Garden Building was caused by the substandard supporting pillars of Sin Fong Garden Building, instead of the dismantlement and foundation work undertaken in the adjacent new residential building.

The hearings were held from 17 November 2023 to July 2024. On 12 January 2026, the court issued its final ruling that the plaintiffs' request for compensation was deemed unfounded and the defendants, including the subsidiary of the Group, were acquitted. The plaintiffs appealed the judgement on 27 April 2026 and the appeal remains pending as at 30 June 2026.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that the significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2026.

(b) Dispute on payment with a subcontractor

As at 30 June 2026 and 31 December 2025, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount with interest of MOP2,485,000.

On 11 February 2025, the hearing was conducted. The Court gave the judgement on 21 March 2025 by which it was decided that the subsidiary of the Group should repay the amount of MOP317,000 to the plaintiff. During the six months ended 30 June 2025, the subsidiary of the Group fully settled the payment.

On 10 June 2025, an appeal against the subsidiary of the Group was filed by the solicitors acting on behalf of plaintiff. The written legal arguments have been filed by the plaintiff and the Group on 9 September 2025 and 4 November 2025 respectively.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that a significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

On 10 February 2017 (the "**Listing Date**"), the Company's shares (the "**Shares**") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") when 100,000,000 Shares were offered for subscription at HK$1.15 each.

The Group provides services of (i) fitting-out works as an integrated fitting-out contractor; (ii) construction works as a main contractor; and (iii) repair and maintenance services in Macau and Hong Kong. All of the Group's revenue was derived from projects from both private and public sectors in Macau and Hong Kong.

The Group's customers primarily include (i) hotel and casino developers and owners, international retailers and restaurant owners for fitting-out works; (ii) land owners and the Macau Government for construction works; and (iii) operators of hotels and casinos, retail shops and restaurants for repair and maintenance works.

The Group's revenue comprised of (a) fitting-out works; (b) construction works; and (c) repair and maintenance services. During the six months ended 30 June 2026, the total value for the new fitting-out projects awarded to the Group, representing the aggregate awarded contract sum, amounted to approximately MOP36.9 million as compared to the six months ended 30 June 2025 of approximately MOP46.7 million. As at 30 June 2026, the Group had an aggregate value of backlog for fitting-out projects and construction projects of approximately MOP162.5 million as compared to approximately MOP50.9 million as at 30 June 2025.

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 by business segments:

	Six months ended 30 June (Unaudited)			
	2026		2025	
	MOP'000	*%*	*MOP'000*	*%*
Fitting-out works	**29,760**	**41.8**	103,623	93.2
Construction works	**38,532**	**54.1**	5,366	4.8
Repair and maintenance works	**2,946**	**4.1**	2,222	2.0
Total	**71,238**	**100.0**	111,211	100.0

During the six months ended 30 June 2026, the Group's revenue decreased by approximately MOP40.0 million or 35.9%. The decrease was attributable to decrease in fitting-out works, although there was increase in construction works by approximately MOP33.2 million or 618.1%. Construction works increased was due to a government project.

Gross profit/(loss) and gross profit/(loss) margin

The following table sets forth a breakdown of the Group's gross profit/(loss) and gross profit/(loss) margin during the six months ended 30 June 2026 and 2025 by business segments:

	Six months ended 30 June (Unaudited)			
	2026		2025	
	Gross profit	**Gross profit margin**	Gross profit/(loss)	Gross profit/(loss) margin
	MOP'000	*%*	*MOP'000*	*%*
Fitting-out works	**1,738**	**5.8**	17,331	16.7
Construction works	**2,207**	**5.7**	1,890	35.2
Repair and maintenance works	**1,210**	**41.1**	(65)	(2.9)
Total/overall	**5,155**	**7.2**	19,156	17.2

During the six months ended 30 June 2026, the Group's gross profit decreased by approximately MOP14.0 million or 73.1% from approximately MOP19.2 million for the six months ended 30 June 2025 to approximately MOP5.2 million for the six months ended 30 June 2026.

The Group's gross profit margin decreased from approximately 17.2% for the six months ended 30 June 2025 to approximately 7.2% for the six months ended 30 June 2026. The decrease in gross profit margin was mainly attributable to decrease gross profit margin of fitting-out works for the six months ended 30 June 2026.

Other income, gains and losses, net

The Group's other income, gains and losses, net, decreased from approximately MOP1.5 million for the six months ended 30 June 2025 to approximately MOP0.5 million for the six months ended 30 June 2026. The decrease was due to decrease in bank interest income and foreign exchange gain reduced upon RMB currency was strengthened.

Administrative expenses

The Group's administrative expenses increased by approximately MOP0.4 million or 2.3% from approximately MOP16.6 million for the six months ended 30 June 2025 to approximately MOP16.9 million for the six months ended 30 June 2026. There was no material fluctuation.

Impairment losses on financial assets and contract assets

The amount represented the provision made for financial assets and contract assets. The Group has assessed recoverability of financial assets and contract assets from time to time, and adjusted expected credit losses provision when deterioration of credit quality has come to management's attention. For the six months ended 30 June 2026, there was MOP1.5 million provision made (30 June 2025: MOP0.3 million) under current assessment.

Fair value loss on investment properties

The amount approximately MOP0.5 million represented the decrease of market value of the investment properties held as at 30 June 2026 as compared with that as at 30 June 2025.

Finance costs

The Group's finance costs were approximately MOP0.7 million for the six months ended 30 June 2026, compared to that for the six months ended 30 June 2025 of approximately MOP0.5 million. There was no material fluctuation.

Income tax credit

The Group had income tax credit of approximately MOP126,000 for the six months ended 30 June 2026. There was approximately MOP309,000 income tax credit for the six months ended 30 June 2025. The change is due to deferred tax.

(Loss)/profit for the period

As a combined result of the above, the Group's loss for the period amounted to approximately MOP13.4 million for the six months ended 30 June 2026 as compared to the Group's profit for the period of approximately MOP1.1 million for the six months ended 30 June 2025.

(Loss)/earnings per Share

The Company's Loss per Share for the six months ended 30 June 2026 was Macau cents 3.5 (30 June 2025: Earnings Macau cents 0.3), representing a decrease in earnings of Macau cents 3.8 per Share. This was in line with loss making situation.

Interim dividend

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

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and financial resources and capital structure

The management and control of the Group's financial, capital management and external financing functions are centralised at its headquarter in Macau. The Group adheres to the principle of prudent financial management to minimise financial and operational risks. The Group mainly relies upon internally generated funds and bank borrowings to finance its operations and expansion.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group, and mitigate the effects of fluctuations in cash flows. The management of the Group believes that the Group has sufficient working capital for its future operational requirement.

As at 30 June 2026, the Group had net current assets of approximately MOP8.9 million, decreased by approximately MOP12.7 million over the net current assets of approximately MOP21.6 million as recorded at 31 December 2025.

As at 30 June 2026, the Group had cash and bank balances of MOP15.9 million (31 December 2025: MOP34.0 million).

As at 30 June 2026, the Group had an aggregate of pledged bank deposits of MOP4.1 million (31 December 2025: MOP1.1 million) that were used to secure banking facilities.

As at 30 June 2026, interest-bearing bank borrowings amounted to MOP73.7 million (31 December 2025: MOP38.5 million) of which MOP55.4 million, MOP2.9 million, MOP9.4 million and MOP6.0 million (31 December 2025: MOP18.7 million, MOP2.9 million, MOP9.3 million and MOP7.6 million) will mature within one year, one year to two years, two years to five years and more than five years, respectively. The loans carry interest at variable market rates by reference to the prevailing Prime Rate. The effective interest rates as at 30 June 2026 (which were also equal to contracted interest rates) was 2.6% to 3.75% (31 December 2025: 2.7% to 5.4%).

The Group continued to maintain a healthy liquidity position. As at 30 June 2026, the Group's current assets and current liabilities were MOP139.0 million (31 December 2025: MOP107.9 million) and MOP130.1 million (31 December 2025: MOP86.3 million), respectively. The Group's current ratio as at 30 June 2026 remained stable at 1.1 (31 December 2025: 1.25). The Group has maintained sufficient liquid assets to finance its operations.

The Group's gearing ratio, calculated by dividing total debts (i.e. interest-bearing bank borrowings) with total equity, was 0.7 as at 30 June 2026 (31 December 2025: 0.3). The increase was primarily due to increase in short term bank borrowings.

As at 30 June 2026, the share capital and equity attributable to owners of the Company amounted to MOP4.1 million and MOP112.5 million, respectively (31 December 2025: MOP4.1 million and MOP126.7 million, respectively).

Charge on the Group's assets

As at 30 June 2026, land and building and bank deposits were pledged to secure certain borrowings granted to the Group amounted to MOP71.8 million and MOP4.1 million (31 December 2025: MOP72.1 million and MOP1.1 million), respectively.

Contingent liabilities and operating lease and capital commitments

(a) Sin Fong Garden Building

In October 2012, one of the supporting pillars of the residential building called "Sin Fong Garden Building" collapsed due to the loss of stability. Such collapse was accused to be caused by the dismantlement and construction of the foundation work undertaken in an adjacent new residential building project, of which Lai Si Construction & Engineering Company Limited ("**Lai Si**") was one of the contractors. As a result, in September 2015, several flat owners of Sin Fong Garden Building filed a lawsuit against several defendants including Lai Si, seeking for a compensation for the loss of property, in a total sum of approximately HK$48,950,000, to be borne jointly by the defendants. However, according to the report issued by the team of technical advisors and experts engaged by the Macau Government to study the causes of the incident, the collapse of Sin Fong Garden Building was caused by the substandard supporting pillars of Sin Fong Garden Building, instead of the dismantlement and foundation work undertaken in the adjacent new residential building.

The hearings were held from 17 November 2023 to July 2024. On 12 January 2026, the court issued its final ruling that the plaintiffs' request for compensation was deemed unfounded and the defendants, including the subsidiary of the Group, were acquitted. The plaintiffs appealed the judgement on 27 April 2026 and the appeal remains pending as at 30 June 2026.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that the significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2026.

(b) Dispute on payment with a subcontractor

As at 30 June 2026 and 31 December 2025, a subsidiary of the Group was a defendant in a lawsuit brought by a subcontractor of two of the Group's fitting-out projects on a total settlement dispute amount with interest of MOP2,485,000.

On 11 February 2025, the hearing was conducted. The Court gave the judgement on 21 March 2025 by which it was decided that the subsidiary of the Group should repay the amount of MOP317,000 to the plaintiff. During the six months ended 30 June 2025, the subsidiary of the Group fully settled the payment.

On 10 June 2025, an appeal against the subsidiary of the Group was filed by the solicitors acting on behalf of plaintiff. The written legal arguments have been filed by the plaintiff and the Group on 9 September 2025 and 4 November 2025 respectively.

After consulting the Group's lawyer, the directors of the Company are of the opinion that it is not probable that a significant outflow resources embodying economic benefits will be required to settle the obligation and hence no provision is made in the consolidated financial statements as at 30 June 2026.

Exposure to fluctuations in exchange rates and interest rates and corresponding hedging arrangements

The Group entities collect most of the revenue and settle most of the expenditures in their respective functional currencies. The Group is exposed to currency risk primarily through purchase of raw materials and sales proceeds received from customers that are denominated in a currency other than the Group entities' functional currency. The currencies giving rise to this risk are primarily HK$ and RMB. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

The Group currently does not have a foreign currency hedging policy. However, the management of the Company monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank balances, bank overdrafts and bank borrowings. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

Credit exposure

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees arisen from the carrying amount of the respective recognised financial assets as stated in the interim condensed consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable and other receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The policy of allowances for doubtful debts of the Group is based on the evaluation and estimation of collectability and ageing analysis of the outstanding debts. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flows expected to receive, discounted using the original effective interest rate and the carrying value. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required. The management closely monitors the subsequent settlement of the counterparties.

In addition to the above, in year 2018, upon the implementation of HKFRS 9, the Group took forward looking approach in assessing credit risk (expected credit losses). General provision on account receivables was made accordingly.

In this regard, the management of the Group considers that credit risk is well taken care and addressed.

The Group is exposed to concentration of credit risk as at 30 June 2026 on trade receivables and contract assets from the Group's five major customers amounting to approximately MOP41.1 million (31 December 2025: MOP26.8 million) and accounted for approximately 51.2% (31 December 2025: 39.4%) of the Group's total trade receivables and contract assets. The major customers of the Group are certain reputable organisations. The management of the Group considers that the credit risk is limited in this regard.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Liquid funds were also under the scope of review by the professional valuer as in account receivables.

EVENTS AFTER THE REPORTING PERIOD

There is no significant events after 30 June 2026 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the total number of full-time employees of the Group was 101 (31 December 2025: 153).

The Group remunerates its employees based on their performance, experience and the prevailing industry practice. The Group may pay a discretionary bonus to its employees based on individual performance in recognition of their contribution and hard work.

The Group's gross staff costs from operations (including the directors' emoluments) was MOP19.7 million for the six months ended 30 June 2026 (30 June 2025: MOP24.0 million).

The Company adopted a new share option scheme on 25 June 2024 which has compiled with the new definition under Chapter 17 of the Listing Rules which became effective 1 January 2023, so that the Company may grant options to the eligible participants as incentives or rewards for their contribution to the Group.

Since the listing of the Shares, no share option had been granted under the old and new share option schemes.

MARKET REVIEW

In the first half of 2026, the economy of Macau continued its trend of steady recovery, with the cultural tourism and consumption market warming up further. Backed by the recovery of tourism consumption and the deepening of industrial diversification, the quality and efficiency of the overall economic operation continued to improve and market confidence steadily restored. The economic development has moved from a post-pandemic recovery phase to one where visitor arrivals have fully returned to pre-pandemic normalized levels. Along with the iterative upgrading of the cultural tourism industry, diversified experiential business functions such as large-scale performing arts and concerts, international speciality dining experiences, themed cultural exhibitions, as well as leisure and cultural tourism activities have become Macau's core advantages and key selling points in attracting domestic and overseas visitors, continuously enhancing visitors' willingness to visit and their consumption vitality.

In respect of government public works, the Macau Government continued to implement its urban livelihood upgrading and infrastructure planning, maintaining a steady and orderly pace of infrastructure investment. With key projects demonstrating strong implementability and high certainty, a solid foundation and continuous business increments were provided for the local construction market, effectively supporting the stable operations of the entire industry. In the private sector projects, benefiting from the sustained prosperity of Macau's tourism economy and the continuous release of market demand, major integrated resorts, star-rated hotels, large shopping malls, and high-end commercial complexes continued to carry out facilities upgrades, spatial optimization, brand revamps, and ancillary renovation works.

OUTLOOK

In the second half of 2026, the construction industry in Macau is expected to present an overall development trend where opportunities and challenges coexist. At the engineering market level, the Macau Government continued to optimize the planning and implementation pace of public construction projects; affected by adjustments to the overall urban construction planning, the new volume of public and private projects contracted, intensifying market competition in the industry and imposing certain pressure on business operations, project undertaking, and day-to-day operations of enterprises. However, at the same time, Macau has continued to advance livelihood protection and urban quality enhancement projects, focusing on the implementation of core public works projects such as public housing construction, urban recreational and greening upgrades, urban infrastructure renewal, and the improvement of public livelihood facilities, which has provided crucial support for stabilizing the fundamental base of the construction industry.

In respect of the cultural tourism market, the growth of total visitor arrivals in Macau gradually stabilized in the second half of 2026, and core indicators such as the overnight rate, length of stay, and per capita consumption of tourists became key considerations for the strategic planning and operations of major integrated enterprises. At present, there is still a continuous demand for renovation and alteration, interior fitting-out, and upgrading works from major casinos, star-rated hotels and resorts in Macau; however, the implementation scale, construction volume and market demand for relevant works still require ongoing observation of market changes.

In respect of the Hong Kong market, the Hong Kong economy is expected to maintain a moderate and positive growth trend in the second half of 2026. The core drivers of growth stem from the sustained recovery of local private consumption and steady improvement in exports of inbound and outbound tourism services, coupled with the continuous optimization of the financial market environment. The resonance of multiple favorable factors will create a favorable business environment and development conditions for the Group's business expansion, project layout, and market development in the Hong Kong region in the second half of the year.

INTERIM DIVIDEND

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

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2026, the Company has complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions (the "**Securities Dealing Code**"). Specific enquiry has been made with all the Directors and all of them confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the six months ended 30 June 2026.

The Company has also adopted the Securities Dealing Code for securities transactions by employees who, because of their office or employment in the Group, are likely to possess inside information of the Company.

No incident of non-compliance of the Securities Dealing Code by the relevant employees was noted by the Company throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The audit committee of the Board (the "**Audit Committee**") comprises three independent non-executive Directors, namely, Mr. Siu Wing Hay (the chairman of the Audit Committee), Mr. Chan Iok Chun and Dr. Liu Ting Chi.

The Audit Committee has reviewed with the management of the Company the accounting principles and policies adopted by the Group. The interim results announcement of the Group for the six months ended 30 June 2026 has been reviewed by the Audit Committee. The Group's auditor, Messrs. Baker Tilly Hong Kong Limited, has reviewed the unaudited interim condensed consolidated financial information in this announcement.

SCOPE OF WORK OF MESSRS. BAKER TILLY HONG KONG LIMITED

The interim results information for the six months ended 30 June 2026 is unaudited, but has been reviewed by the Group's auditor, Baker Tilly Hong Kong Limited, 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 the HKICPA, whose unmodified review report will be included in the interim report to be sent to the shareholders of the Company.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is available on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.lai-si.com). The interim report of the Company for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be published on the above websites and despatched to the shareholders of the Company as applicable in due course.

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 its shareholders, business partners and other professional parties for their support during the six months ended 30 June 2026.

By order of the Board
Lai Si Enterprise Holding Limited
LAI Ieng Man
Executive Director and Chairman

Macau, 27 August 2026

As at the date of this announcement, the executive directors of the Company are Mr. LAI Ieng Man, Mr. LAI Meng San, Ms. LAI Ieng Wai and Ms. CHEONG Weng Si, and the independent non-executive directors of the Company are Mr. SIU Wing Hay, Mr. CHAN Iok Chun and Dr. LIU Ting Chi.