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CNQC INTERNATIONAL HOLDINGS LIMITED

青建國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1240)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the “**Board**”) of directors (the “**Directors**”) of CNQC International Holdings Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2026 (the “**Reporting Period**”), together with the comparative figures for the six months ended 30 June 2025 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
	Notes		
Revenue	5	4,103,720	4,404,110
Cost of sales		(3,975,886)	(4,103,040)
Gross profit		127,834	301,070
Other income	6	44,461	42,777
Other gain/(loss), net	7	1,737	(46,486)
Selling and marketing expenses		(3,299)	(26,820)
General and administrative expenses		(130,277)	(128,658)
Operating profit	8	40,456	141,883

		Six months ended 30 June	
		2026	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Finance income		21,494	33,757
Finance cost		(55,333)	(70,504)
Finance costs, net	9	(33,839)	(36,747)
Share of results of associated companies		183,717	(23,710)
Share of results of joint ventures		(88)	(567)
Profit before income tax		190,246	80,859
Income tax expense	10	(15,528)	(29,835)
Profit for the period		174,718	51,024
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
— Exchange differences arising from translation of foreign operations		28,830	174,052
		28,830	174,052
Total comprehensive income for the period		203,548	225,076
Profit for the period attributable to:			
Owners of the Company		34,124	29,920
Non-controlling interests		140,594	21,104
		174,718	51,024

		Six months ended 30 June	
		2026	2025
<i>Notes</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Total comprehensive income for the period attributable to:			
Owners of the Company		55,811	203,598
Non-controlling interests		147,737	21,478
		203,548	225,076
Earnings per share attributable to owners of the Company during the period			
	<i>11</i>		
Basic (HK\$)			
— ordinary shares		0.021	0.018
— convertible preference shares		0.021	0.018
Diluted (HK\$)			
— ordinary shares		0.021	0.018
— convertible preference shares		0.021	0.018

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		30 June 2026	31 December 2025
	<i>Notes</i>	HK\$'000	HK\$'000
		(Unaudited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		427,095	445,138
Right-of-use assets		77,651	96,223
Goodwill		580,548	580,500
Other intangible assets		54,568	54,692
Investments in associated companies		408,574	323,639
Investments in joint ventures		28,576	30,300
Deferred income tax assets		15,701	17,608
Financial assets at fair value through other comprehensive income		347	347
Financial assets at fair value through profit or loss		167,380	167,380
Prepayments, other receivables and deposits	12	1,252,543	1,613,031
		3,012,983	3,328,858
Current assets			
Development properties for sale		715,297	720,889
Trade and other receivables, prepayments and deposits	12	2,110,398	1,880,747
Contract assets		1,134,286	1,331,273
Tax recoverable		4,529	3,336
Cash and cash equivalents		773,192	1,083,993
Total current assets		4,737,702	5,020,238
Total assets		7,750,685	8,349,096

		30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
	<i>Notes</i>		
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital — ordinary shares	14	15,183	15,183
Share capital — convertible preference shares	14	1,249	1,249
Share premium		3,261,225	3,261,225
Other reserves		(1,092,221)	(1,113,908)
Retained earnings		399,514	365,390
		2,584,950	2,529,139
Non-controlling interests		717,839	715,142
Total equity		3,302,789	3,244,281
LIABILITIES			
Non-current liabilities			
Borrowings		511,461	1,622,939
Lease liabilities		48,291	60,688
Deferred income tax liabilities		50,168	50,708
Derivative financial instruments		—	1,591
		609,920	1,735,926
Current liabilities			
Trade and other payables	13	2,283,545	2,575,788
Contract liabilities		138,381	28,299
Income tax payables		31,982	39,095
Borrowings		1,347,170	681,596
Lease liabilities		34,009	38,700
Derivative financial instruments		2,889	5,411
Total current liabilities		3,837,976	3,368,889
Total liabilities		4,447,896	5,104,815
Total equity and liabilities		7,750,685	8,349,096

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

CNQC International Holdings Limited (the “**Company**”) is an investment holding company. The Company and its subsidiaries (together the “**Group**”) are principally engaged in foundation and construction business, property development and property investment business in Singapore and Southeast Asia, Hong Kong and Macau.

The Company is a limited liability company incorporated in the Cayman Islands. The address of the Company’s registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited.

This unaudited condensed consolidated interim financial information (“**Interim Financial Information**”) is presented in Hong Kong Dollar (“**HK\$**”), unless otherwise stated.

2 BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Interim Financial Information should be read in conjunction with the consolidated financial statements for the year ended 31 December 2025 (“**2025 Financial Statements**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) issued by HKICPA.

This Interim Financial Information has been prepared on the historical cost basis, except for financial assets at fair value through profit or loss (“**FVPL**”), financial assets at fair value through other comprehensive income (“**FVOCI**”) and derivative financial instruments which are measured at fair value.

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied to prepare this unaudited Interim Financial Information for the six months ended 30 June 2026 are consistent with the 2025 Financial Statements.

(a) Amendments to existing standards effective for the financial year beginning 1 January 2026:

Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11
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

The adoption of these amendments to existing standards did not have a significant impact on the Group's results of operations and its financial position and did not require retrospective adjustments.

(b) New standards and amendments to existing standards have been published but are not yet effective and which the Group has not early adopted:

		Effective for annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency	1 January 2027
Amendments to HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Management is in the process of making an assessment of the financial impact of adoption of these new standards and amendments to existing standards. The management will adopt these new standards and amendments to existing standards when they become effective.

4 SEGMENT INFORMATION

The Group's reportable and operating segments, which are based on information reported to the executive directors (being the chief operating decision maker ("CODM")) of the Company for the purpose of resource allocation and performance assessment under HKFRS 8 are as follows:

- Foundation and construction — Hong Kong and Macau
- Property development — Hong Kong
- Construction — Singapore and Southeast Asia
- Property development and investment — Singapore and Southeast Asia

Information regarding the above segments is reported below.

	Foundation and construction — Hong Kong and Macau <i>HK\$'000</i>	Property development — Hong Kong <i>HK\$'000</i>	Construction — Singapore and Southeast Asia <i>HK\$'000</i>	Property development and investment — Singapore and Southeast Asia <i>HK\$'000</i>	Total <i>HK\$'000</i>
Six months ended 30 June 2026					
(Unaudited)					
Sales					
Sales to external parties	1,688,718	–	2,399,898	15,104	4,103,720
Inter-segment sales	–	–	–	–	–
Total segment sales	<u>1,688,718</u>	<u>–</u>	<u>2,399,898</u>	<u>15,104</u>	<u>4,103,720</u>
Adjusted segment profit/(loss)	(9,414)	(2)	69,508	2,326	62,418
Depreciation of property, plant and equipment	13,318	–	10,522	482	24,322
Depreciation of right-of-use assets	10,952	–	9,638	1,226	21,816
Amortisation of intangible assets	<u>3</u>	<u>–</u>	<u>122</u>	<u>–</u>	<u>125</u>

	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development and investment — Singapore and Southeast Asia HK\$'000	Total HK\$'000
Six months ended 30 June 2025					
(Unaudited)					
Sales					
Sales to external parties	1,484,590	–	2,513,116	406,404	4,404,110
Inter-segment sales	–	–	180,651	–	180,651
	<u>1,484,590</u>	<u>–</u>	<u>2,693,767</u>	<u>406,404</u>	<u>4,584,761</u>
Total segment sales	1,484,590	–	2,693,767	406,404	4,584,761
Adjusted segment profit/(loss)	21,743	(15)	34,847	95,571	152,146
Depreciation of property, plant and equipment	20,547	–	8,911	441	29,899
Depreciation of right-of-use assets	6,340	–	2,225	1,186	9,751
Amortisation of intangible assets	75	–	3,002	–	3,077

The following tables present segment assets and liabilities as at 30 June 2026 and 31 December 2025 respectively.

	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development and investment — Singapore and Southeast Asia HK\$'000	Total HK\$'000
As at 30 June 2026 (Unaudited)					
Segment assets	<u>3,719,812</u>	<u>681,294</u>	<u>3,343,415</u>	<u>2,518,636</u>	<u>10,263,157</u>
Segment liabilities	<u>3,149,676</u>	<u>686,973</u>	<u>2,306,227</u>	<u>1,209,194</u>	<u>7,352,070</u>
	Foundation and construction — Hong Kong and Macau HK\$'000	Property development — Hong Kong HK\$'000	Construction — Singapore and Southeast Asia HK\$'000	Property development and investment — Singapore and Southeast Asia HK\$'000	Total HK\$'000
As at 31 December 2025 (Audited)					
Segment assets	<u>2,891,945</u>	<u>678,353</u>	<u>4,297,074</u>	<u>2,981,523</u>	<u>10,848,895</u>
Segment liabilities	<u>2,295,420</u>	<u>684,031</u>	<u>3,409,869</u>	<u>1,821,328</u>	<u>8,210,648</u>

A reconciliation of segment results to profit before income tax is as follows:

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Adjusted segment profit for reportable segments	62,418	152,146
Unallocated expenses	(25,104)	(9,650)
Elimination	3,142	(613)
Finance income	21,494	33,757
Finance costs	(55,333)	(70,504)
Share of results of associated companies	183,717	(23,710)
Share of results of joint ventures	(88)	(567)
	<u>190,246</u>	<u>80,859</u>
Profit before income tax	<u>190,246</u>	<u>80,859</u>

A reconciliation of segment assets to total assets is as follows:

	As at	As at
	30 June	31 December
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Segment assets	10,263,157	10,848,895
Unallocated	5,580,485	5,562,657
Elimination	(8,092,957)	(8,062,456)
	<u>7,750,685</u>	<u>8,349,096</u>
Total assets	<u>7,750,685</u>	<u>8,349,096</u>

A reconciliation of segment liabilities to total liabilities is as follows:

	As at	As at
	30 June	31 December
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Segment liabilities	7,352,070	8,210,648
Unallocated	5,055,655	5,027,891
Elimination	(7,959,829)	(8,133,724)
	<u>4,447,896</u>	<u>5,104,815</u>
Total liabilities	<u>4,447,896</u>	<u>5,104,815</u>

5 REVENUE

	Six months ended 30 June	
	2026	2025
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Revenue		
Construction contracts income	4,074,263	3,989,834
Sales of development properties	12,901	404,310
Income from loaning labour to other contractors	16,556	9,966
	<u>4,103,720</u>	<u>4,404,110</u>
Revenue from contracts with customers		
— recognised at a point in time	16,556	9,966
— recognised over time	4,087,164	4,394,144
	<u>4,103,720</u>	<u>4,404,110</u>

6 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Management fee income	19,456	23,496
Rental income	19,615	10,248
Government grants (<i>Note</i>)	1,389	809
Forfeited customer deposits	—	1,140
Scrap sales	2,878	4,572
Others	1,123	2,512
	<u>44,461</u>	<u>42,777</u>

Note: Government grants primarily represent subsidies granted by local governments for foreign worker levy rebates. These subsidies were granted in the form of cash payment. There were no unfulfilled condition and other contingencies affected to the receipts of these subsidies.

7 OTHER GAIN/(LOSS), NET

	Six months ended 30 June	
	2026	2025
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Gain/(loss) on disposals of property, plant and equipment	77	(102)
Gain on disposal of right-of-use assets	126	–
Derivative financial instruments fair value gain/(loss)	1,473	(25,943)
Exchange differences	75	(15,293)
Others	(14)	(5,148)
	<u>1,737</u>	<u>(46,486)</u>
Other gain/(loss), net	<u>1,737</u>	<u>(46,486)</u>

8 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2026	2025
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Contractor and material costs included in “Cost of sales”	3,414,615	3,076,141
Property development costs included in “Cost of sales”	–	277,242
Rental expenses on operating leases	104,725	101,756
Staff costs, including directors’ emoluments	507,529	481,558
Depreciation of property, plant and equipment	28,932	29,899
Depreciation of right-of-use assets	21,816	9,751
Amortisation of intangible assets	125	3,077
Legal and professional fees	<u>10,462</u>	<u>10,688</u>

9 FINANCE COSTS, NET

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Finance income		
Interest income from bank deposits	1,070	885
Interest income from loans to associated companies	18,510	31,377
Interest income from loans to a joint venture	322	–
Interest income from loans to an investment company accounted for as financial assets at FVOCI	1,592	1,495
	<u>21,494</u>	<u>33,757</u>
	-----	-----
Finance cost		
Interest expenses on lease liabilities	(1,726)	(1,366)
Interest expenses on bank borrowings and arrangement fee amortised in respect of bank facilities	(49,348)	(80,070)
Interest expenses on loans from non-controlling interests	(4,279)	(9,754)
	<u>(55,353)</u>	<u>(91,190)</u>
Net foreign exchange gains	20	20,686
	<u>(55,333)</u>	<u>(70,504)</u>
	-----	-----
Finance costs, net	<u>(33,839)</u>	<u>(36,747)</u>

10 INCOME TAX EXPENSE

Hong Kong profits tax, Singapore corporate income tax and Malaysia corporate tax have been provided for at the rate of 16.5%, 17% and 24% respectively, others have been provided for at the applicable rate for the six months ended 30 June 2026 and 2025 on the estimated assessable profit for the period in the respective jurisdiction.

	Six months ended 30 June	
	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	—	2,817
— Singapore corporate income tax	12,768	7,202
— Malaysia corporate income tax	2,352	2,242
Overprovision in prior year		
— Singapore corporate income tax	(1,175)	(1,144)
	<u>13,945</u>	<u>11,117</u>
Deferred income tax	<u>1,583</u>	<u>18,718</u>
Income tax expense	<u><u>15,528</u></u>	<u><u>29,835</u></u>

11 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Six months ended 30 June	
	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Profit attributable to ordinary shares	31,531	27,646
Profit attributable to convertible preference shares (“CPS”)	<u>2,593</u>	<u>2,274</u>
Profit attributable to owners of the Company	<u><u>34,124</u></u>	<u><u>29,920</u></u>

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Ordinary shares (Unaudited)	CPS (Unaudited)	Ordinary shares (Unaudited)	CPS (Unaudited)
Weighted average number of issued shares for the purpose of calculating basic earnings per share (in thousands)	1,518,320	124,876	1,518,320	124,876
Basic earnings per share (HK\$)	<u>0.021</u>	<u>0.021</u>	<u>0.018</u>	<u>0.018</u>

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares and CPS outstanding for each of the periods presented.

In addition to a non-cumulative preferred distribution from the date of the issue of the CPS at a rate of 0.01% per annum on the issue price of HK\$2.75 per CPS payable annually in arrears, each CPS is entitled to any dividend pari passu with the holders of the ordinary shares. In addition, the holders of the CPS shall have priority over the holders of ordinary shares on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company up to an amount equal to the aggregate nominal amounts of the CPS issued. Distributions beyond this amount are to be made on a pari passu basis among the holders of any class of shares including the CPS. Hence, the rights of the CPS to the entitlements of dividend and distribution of assets are substantially the same as those of the ordinary shares of the Company. Accordingly, the CPS is accounted for as an equity instrument and is included in the calculation of earnings per share.

Diluted

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Ordinary shares (Unaudited)	CPS (Unaudited)	Ordinary shares (Unaudited)	CPS (Unaudited)
Weighted average number of issued shares for the purpose of calculating basic earnings per share (in thousands)	1,518,320	124,876	1,518,320	124,876
Diluted earnings per share (HK\$)	<u>0.021</u>	<u>0.021</u>	<u>0.018</u>	<u>0.018</u>

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares and CPS outstanding to assume conversion of all dilutive potential ordinary shares relating to the outstanding share options issued by the Company as at period end dates. The number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price of the Company's share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share. For the periods ended 30 June 2026 and 2025, no diluted earnings per share were presented as there were no potential ordinary shares in issue.

12 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Current		
Trade receivables (<i>Note (b)</i>)		
— Associated companies	545	38,091
— Related parties	5,684	5,678
— A joint venture	2,828	2,345
— An investment company accounted for as financial assets at FVOCI	19,635	57,639
— Third parties	825,021	779,498
	<u>853,713</u>	<u>883,251</u>
Retention receivables from customers for contract work (<i>Note (c)</i>)		
— Associated companies	—	605
— A joint venture	4,267	5,911
— An investment company accounted for as financial assets at FVOCI	5,216	3,037
— Third parties	601,080	538,726
	<u>610,563</u>	<u>548,279</u>

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Other receivables (<i>Note (d)</i>)		
— Associated companies	46,546	47,003
— Related parties	18,113	17,332
— A joint venture	27,740	4,496
— Third parties	134,642	88,047
Prepayments	65,103	72,597
Deposits	44,238	48,038
Staff advances	4,283	3,325
Goods and services tax receivable	1,851	2,207
	<u>342,516</u>	<u>283,045</u>
Loans and interests receivables		
— Associated companies (<i>Note (e)</i>)	303,606	166,172
	<u>2,110,398</u>	<u>1,880,747</u>
Non-current		
Loans and interests receivables		
— Associated companies (<i>Note (e)</i>)	1,052,474	1,424,745
— A joint venture (<i>Note (f)</i>)	111,450	111,450
— An investment company accounted for as financial assets at FVOCI (<i>Note (g)</i>)	75,099	73,511
Prepayments, other receivables and deposits	13,520	3,325
	<u>1,252,543</u>	<u>1,613,031</u>

Notes:

- (a) The credit periods granted to customers were generally 30 days. No interest was charged on the outstanding balance.
- (b) The aging analysis of trade receivables based on invoice date is as follows:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
1–30 days	752,570	761,901
31–60 days	82,555	53,484
61–90 days	4,851	17,033
Over 90 days	13,737	50,833
	<u>853,713</u>	<u>883,251</u>

- (c) Retention receivables in respect of the construction and foundation businesses are settled in accordance with the terms of respective contracts. Retention receivables held by customers for construction and foundation work amounting to approximately HK\$383,515,000 (31 December 2025: HK\$335,937,000) are expected to be recovered in more than twelve months from the reporting date.
- (d) Other receivables due from associated companies, related parties, a joint venture and third parties were unsecured and interest-free.
- (e) Loans receivables to associated companies of HK\$1,356,080,000 (31 December 2025: HK\$1,590,917,000) represent shareholders' loans provided by the Group to various associated companies that engage in property development in Singapore and Hong Kong.

In accordance with the shareholders' agreements, the Group and the other shareholders contributed minimal amount of capital and substantially all portion of the associates' capital expenditures and working capital were funded through shareholders' loans and other external financings. The shareholders' loans were provided pursuant to the commitments set out in the respective shareholders' agreements entered into when the property development companies were established and were made in proportion to the percentages of the Group's shareholdings in these property development companies. Loans receivables to associated companies are unsecured and have no fixed repayment terms. The shareholders' loans are repayable in part or in full on any date to be agreed between the associated companies and its shareholders and are interest-bearing at a fixed rate of 4% to 5% or at a floating rate of 1% over Singapore Overnight Rate Average ("**SORA**") per annum as at 30 June 2026 (31 December 2025: same).

The directors of the Company assessed the impairment of loans receivables to the associated companies on a regular basis with reference to the financial position, the financial budget and the estimated future cash flows of the associated companies, which the Group has full access to the financial statements and the complete books and records of the associated companies. Factors including the pre-sale of the relevant development properties (for property development projects in Singapore), progress of construction of the development properties and other current market conditions are considered in the impairment assessment. Based on the assessment performed by the directors, no further provision for impairment was recognised against the loans receivables, interest receivables and other receivables to associated companies as at 30 June 2026 (31 December 2025: \$20,000,000 impairment was recognised).

Details of the material loans and interest receivables to associated companies of the Group as at 30 June 2026 are as follows:

As at 30 June 2026, loan and interest receivable of HK\$Nil (31 December 2025: HK\$159,724,000) represent shareholders' loan to TQS Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest bearing at a fixed rate of 4% per annum. The directors of the Company consider that the loan and interest receivable from TQS Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of Temporary Occupation Permit ("**TOP**") by the Building and Construction Authority of Singapore which was done in 2025, hence, it is classified as current asset in the interim condensed consolidated statement of financial position.

As at 30 June 2026, loan and interest receivable of HK\$121,592,000 (31 December 2025: HK\$277,197,000) represent shareholders' loan to TQS (2) Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a fixed rate of 4% per annum. The directors of the Company consider that the loan and interest receivable from TQS (2) Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore which was done in early 2026, hence, it is classified as current asset in the interim condensed consolidated statement of financial position.

As at 30 June 2026, loan and interest receivable of HK\$175,299,000 (31 December 2025: HK\$171,427,000) represent shareholders' loan to Jubilant Castle Limited, an associated company of the Group that engage in property development in Hong Kong through its subsidiary, Wealth Honour Limited. The loan receivable is unsecured and interest-bearing at a fixed rate of 5% per annum. The directors of the Company consider that the loan and interest receivable from Jubilant Castle Limited will be repayable within one year from the end of the reporting period, hence, it is classified as current assets in the interim condensed consolidated statement of financial position accordingly.

As at 30 June 2026, loan and interest receivable of HK\$285,191,000 (31 December 2025: HK\$282,403,000) represent shareholders' loan to Media Circle Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Media Circle Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

As at 30 June 2026, loan and interest receivable of HK\$474,770,000 (31 December 2025: HK\$470,026,000) represent shareholders' loan to Pasir Ris Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Pasir Ris Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

As at 30 June 2026, loan and interest receivable of HK\$201,152,000 (31 December 2025: HK\$184,635,000) represent shareholders' loan to Media Circle Alpha Development Pte. Limited, an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Media Circle Alpha Development Pte. Limited will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

As at 30 June 2026, loan and interest receivable of HK\$52,194,000 (31 December 2025: HK\$Nil) represent shareholders' loan to CNQC Realty (Prime) Pte. Limited, an associated company of the Group that engage in investment holding of property development company in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from CNQC Realty (Prime) Pte. Limited will be settled after the invested company's development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position.

- (f) As at 30 June 2026, loan receivable of HK\$111,450,000 (31 December 2025: HK\$111,450,000) represents shareholders' loan to CNQC & SAMBO Co. Ltd., a joint venture of the Group that engages in property development in Hong Kong through its non-wholly owned subsidiary, Apex Intelligence Limited. The loan receivable is unsecured, interest-free and repayable on demand. The directors of the Company consider that the loan receivable from CNQC & SAMBO Co. Ltd. will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position accordingly. Shareholders' loan was granted on same basis in note (e). Based on assessment performed by the directors with same basis in note (e), no provision for impairment was recognised against the loans and interest receivables to a joint venture as at 30 June 2026 (31 December 2025: Nil).
- (g) As at 30 June 2026, loan and interest receivable of HK\$75,099,000 (31 December 2025: HK\$73,511,000) represents shareholders' loan to ZACD LV Development Pte. Ltd., an investment company that engages in property development in Singapore. The investment company is accounted for as financial assets at FVOCI. The loan is unsecured and interest bearing at a fixed rate of 5% per annum. The directors of the Company consider that the loan and interest receivable from ZACD LV Development Pte. Ltd. will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position accordingly. Shareholders' loan was granted on same basis in note (e). Based on assessment performed by the directors with same basis in note (e), no provision for impairment was recognised against the loans and interest receivable to an investment company accounted for as financial assets at FVOCI as at 30 June 2026 (31 December 2025: Nil).

The carrying amounts of the Group's trade and other receivables (excluding prepayments) approximate their fair values. The Group did not hold any collateral as security for its trade and other receivables.

13 TRADE AND OTHER PAYABLES

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Current		
Trade payables (<i>Note (b)</i>)		
— Related parties	1,544	1,733
— An associated company	—	143
— Third parties	1,600,509	1,658,403
	<u>1,602,053</u>	<u>1,660,279</u>
Other payables		
— Non-controlling interests	27,847	66,152
— Related parties	174,067	282,303
— Associated companies	72	956
— Third parties	174,471	53,689
— Goods and services tax payable	24,104	25,134
	<u>400,561</u>	<u>428,234</u>
Accruals for operating expenses	76,585	135,886
Accruals for construction costs	157,192	262,717
Deposits received from customers	3,031	3,020
Deferred gain	36,147	75,101
Provision for foreseeable losses on construction contracts	7,976	10,551
	<u>280,931</u>	<u>487,275</u>
	<u><u>2,283,545</u></u>	<u><u>2,575,788</u></u>

Notes:

(a) The credit terms granted by the suppliers were usually within 14 to 60 days.

- (b) The aging analysis of trade payables (including amounts due to related parties of trading in nature) based on invoice date was as follows:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
1–30 days	804,039	635,068
31–60 days	165,230	364,696
61–90 days	56,342	121,027
Over 90 days	576,442	539,488
	<u>1,602,053</u>	<u>1,660,279</u>

Included in other payables, the amounts due to non-controlling interests, associated companies, related parties and third parties were unsecured, interest-free and repayable on demand. The carrying amounts of trade and other payables approximated their fair values.

14 SHARE CAPITAL

	Number of shares (thousands)	Share capital HK\$'000
Authorised:		
<i>Ordinary Shares</i>		
As 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	<u>6,000,000</u>	<u>60,000</u>
<i>CPS</i>		
As 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	<u>1,000,000</u>	<u>10,000</u>
Issued and fully paid:		
<i>Ordinary shares</i>		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	<u>1,518,320</u>	<u>15,183</u>
<i>CPS</i>		
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	<u>124,876</u>	<u>1,249</u>

15 DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: same).

16 COMMITMENTS

Capital commitments

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Contracted but not provided for:		
Machinery	1,113	–

17 PERFORMANCE BONDS AND CONTINGENT LIABILITIES

As at each statement of financial position date, the Group had the following performance bonds:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Guarantees on performance bonds in respect of construction contracts	1,935,154	1,536,378

The Company also issued corporate guarantees to banks for borrowings of the Group's associated companies, joint ventures and a related party of which the subsidiaries of the Company are non-controlling shareholders. As at 30 June 2026, corporate guarantees issued in relation to these bank borrowings amounted to HK\$214,720,000 (31 December 2025: HK\$2,461,913,000).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the six months ended 30 June 2026 (the “**Reporting Period**”), the Group had two major sources of income from foundation and construction business and property development and investment business.

Construction business

The construction projects undertaken by the Group can be broadly divided into two major geographical segments, namely “Singapore & other Southeast Asia” and “Hong Kong & Macau”. In Singapore & other Southeast Asia, the Group tenders for public construction works, and external private construction works and has been engaged in the Group’s property development projects, whereas in Hong Kong & Macau, the Group is mainly responsible for superstructure construction, foundation works and provision of ancillary services with particular specialisation in piling works.

The Group’s revenue from Singapore and other Southeast Asia for the Reporting Period was approximately HK\$2,399.8 million (six months ended 30 June 2025: approximately HK\$2,513.1 million). The revenue from the construction contracts of the Hong Kong & Macau segment was approximately HK\$1,688.7 million (six months ended 30 June 2025: approximately HK\$1,484.6 million).

During the Reporting Period, for the Singapore segment, the Group completed 1 executive condominium project. During the Reporting Period, the Group obtained 2 public residential projects awarded by the Housing & Development Board of Singapore and 1 hotel project with an aggregated contract sum of approximately HK\$4,709.1 million. As at 30 June 2026, the Group had 20 external construction projects on hand and the outstanding contract sums were approximately HK\$15,121.8 million.

During the Reporting Period, for the other Southeast Asia construction market, the Group completed 1 private condominium project, 1 private condominium renovation project and 1 factory project. During the Reporting Period, the Group obtained 1 piling project with contract sum of approximately HK\$57.8 million. As at 30 June 2026, the Group had 4 external construction projects on hand and the outstanding contract sums were approximately HK\$539.3 million. After the Reporting Period, the Group obtained 1 service apartment project with contract sum of approximately HK\$683.3 million in July 2026.

As for the Hong Kong & Macau segment, the Group was awarded 6 new projects, mainly foundation and superstructure work for residential and public facility projects with aggregated contract sums of approximately HK\$5,068.4 million. As at 30 June 2026, there were 30 projects on hand with outstanding contract sums of HK\$9,822.5 million.

Property development and investment business

As of 30 June 2026, the cumulative contract sales rate of the Arden (a private condominium development project of the Group at 2/2A/2B–24/24A/24B Phoenix Road, Singapore (even numbers)) was approximately 100%, with 105 units sold. This project obtained temporary occupation permit and started the delivery of residential units in August 2025.

As of 30 June 2026, the cumulative contract sales rate of Tenet (an executive condominium development project of the Group at Tampines Street 62, Singapore) was approximately 100%, with 618 units sold. This project obtained the temporary occupation permit and started the delivery of residential units in September 2025.

As of 30 June 2026, the cumulative contract sales rate of Altura (an executive condominium development project of the Group at Bukit Batok West Avenue 8, Singapore) was approximately 99.8%, with 359 units sold. This project obtained the temporary occupation permit and started the delivery of residential units in February 2026.

As of 30 June 2026, the cumulative contract sales rate of Bloomsbury Residences (a private condominium development project of the Group at 61, 63, 65 Media Circle Road, Singapore) was approximately 77.4%, with 300 units sold.

As of 30 June 2026, the cumulative contract sales rate of Coastal Cabana (an executive condominium development project of the Group at 2-32 Jalan Loyang Besar, Singapore (even number)) was approximately 68.2%, with 502 units sold.

As of 30 June 2026, the cumulative contract sales rate of Hudson Place Residences (a private condominium development project of the Group at 18, 20 Media Circle Road, Singapore) was approximately 45.0%, with 171 units sold.

As of 30 June 2026, the cumulative contract sales rate of Le Mont (a private residential project of the Group at 19 Ma Wo Road, Tai Po, New Territories, Hong Kong) was approximately 77.6%, with 1,280 units sold.

The sales revenue and average selling price (“ASP”) by the Group are set out in the table below:

Project	Sales Revenue (HK\$' million)	ASP (HK\$/sq.m)
	Six months ended 30 June 2026	Six months ended 30 June 2026
The Arden	12.9	125,262

The Arden is a mid-end private condominium development project. The project recognised the sales revenue based on percentage of construction completion. During the Reporting Period, it recognised revenue of HK\$12.9 million.

As at 30 June 2026, the Group's current portfolio of property development and investment projects consisted of 3 private condominium development projects, 3 executive condominium development projects in Singapore and 1 residential development project in Hong Kong. The total salable area ("SFA") is approximately 310,000 sq.m. The project details are as follows:

Project	Location	Intended use	Site area sq.m.	Total SFA sq.m.	Cumulative contracted sales area sq.m.	Cumulative contracted sales amount (HK\$ billion)	% of completion as at 30 June 2026	Estimated year of construction completion	Ownership interest
The Arden	2/2A/2B-24/24A/24B Phoenix Road, Singapore (even numbers)	Residential, Private and Retail Space	6,465	9,687	9,687	1.13	100%	August 2025	Subsidiary
Tenet	Tampines Street 62, Singapore	Residential	23,799	62,159	62,159	5.68	100%	September 2025	Associated company
Altura	Bukit Batok West Avenue 8, Singapore	Residential	12,499	38,951	38,859	3.79	100%	February 2026	Associated company
Bloomsbury Residences	61, 63, 65 Media Circle Road, Singapore	Residential, Private and Retail Space	10,632	29,434	22,784	3.79	33.8%	July 2028	Associated company
Costal Cabana	2-32 Jalan Loyang Besar, Singapore (even numbers)	Residential	28,405	69,767	47,598	5.61	11.8%	August 2029	Associated company
Hudson Place Residences	18, 20 Media Circle Road, Singapore	Residential, Private and Retail Space	7,630	27,180	12,234	2.00	4.2%	October 2029	Associated company
Le Mont	19 Ma Wo Road, Tai Po, New Territories, Hong Kong	Residential	22,608	72,641	56,352	6.15	95.3%	October 2026	Associated company

The Arden

The Arden is a private condominium project on a leasehold land with a lease term of 99 years. The project has a total land site area of 6,465 sq.m.. It was developed into 3 blocks of 5-storey with about 105 residential units, underground car parks and communal facilities. The project is located at 2/2A/2B-24/24A/24B Phoenix Road, Singapore (even numbers).

The total SFA of this project is approximately 9,687 sq.m. and the percentage of saleable area sold was 100% as at 30 June 2026. The construction was completed in August 2025.

Tenet

Tenet is an executive condominium project on a leasehold land with a lease term of 99 years, including 11 blocks 15-storey apartments with 618 residential units, 1 block of multi-storey carpark lots and 1 floor of underground car park. It has communal facilities and landscape views. The project is located at Tampines Street 62, Singapore.

The total SFA of this project is approximately 62,159 sq.m.. As of 30 June 2026, the percentage of saleable area sold was 100% and the construction was completed in September 2025.

Altura

Altura is an executive condominium project on a leasehold land with a lease term of 99 years. The total land site area is 12,499 sq.m., including 6 blocks of 15-storey residential buildings with around 360 residential units, 1 block of multi-storey car park and 1 floor of underground car park. It has communal facilities and landscape views. The project is located at Bukit Batok West Avenue 8, Singapore.

The project's SFA is 38,951 sq.m.. As of 30 June 2026, the percentage of saleable area sold was approximately 99.8% and the construction was completed in February 2026.

Bloomsbury Residences

Bloomsbury Residences is a private condominium project on a leasehold land with land right of 99 years. The project has a total land area of 10,632 sq.m.. It is intended to be developed into 3 blocks of (14-23)-storey residential buildings with around 358 residential units, one floor commercial space, above and underground car park. It has communal facilities and landscape views. The project is located at 61, 63, 65 Media Circle Road, Singapore.

The total SFA of this project is 29,434 sq.m.. As of 30 June 2026, the percentage of saleable area sold was approximately 77.4% and the construction is scheduled to be completed in July 2028.

Coastal Cabana

Coastal Cabana is an executive condominium project on a leasehold land with land right of 99 years. The project has a total land area of 28,405 sq.m.. It is intended to be developed into 16 blocks of (11-12)-storey residential buildings with around 748 residential units, underground car park. It has communal facilities and landscape views. The project is located at 2-32 Jalan Loyang Besar, Singapore (even numbers).

The total SFA of this project is 69,767 sq.m.. As of 30 June 2026, the percentage of saleable area sold was approximately 68.2% and the construction is scheduled to be completed in August 2029.

Hudson Place Residences

Hudson Place Residences is a private condominium development project on a leasehold land with land right of 99 years. The project has a total land area of 7,630 sq.m.. It is intended to be developed into 2 blocks of (15-23)-storey residential buildings with around 327 residential units, one floor commercial space, above and underground car park. It has communal facilities and landscape views. The project is located at 18, 20 Media Circle Road, Singapore.

The total SFA of this project is 27,180 sq.m.. As of 30 June 2026, the percentage of saleable area sold was approximately 45.0% and the construction is scheduled to be completed in October 2029.

Le Mont

Le Mont is a private residential project on a leasehold land with land right of 44 years. The project has a total land area of 22,608 sq.m.. It is intended to be developed into 6 blocks of (14-17)-storey residential buildings with around 1,650 residential units and underground car park. It has communal facilities and landscape views. The project is located at 19 Ma Wo Road, Tai Po, New Territories, Hong Kong.

The total SFA of this project is 72,641 sq.m.. As of 30 June 2026, the percentage of saleable area sold was approximately 77.6% and the construction is scheduled to be completed in October 2026.

Land bank status

Yau Tong project, Hong Kong

The Group acquired the land parcel located at Yau Tong Marine Lot No. 58 & 59 and their extensions thereto for a total consideration of HK\$530 million. The site area for the lots and its extensions thereto are approximately 17,400 sq. ft. and 5,400 sq. ft. respectively. Under the Approved Outline Zoning Plan, the site features a maximum allowable plot ratio of 5. Town Planning Board Application to redevelop the site into a residential development was approved in June 2020, with subsequent planning approvals secured in March 2022. The General Building Plans (GBP) were formally approved by the Buildings Department in February 2024. Following the closure and subsequent demolition of an adjacent concrete plant in April 2025 mandated by government environmental regulations, the quality of the surrounding neighborhood has improved significantly. To maximize the project's potential, the Group is in active negotiations regarding joint-venture opportunities and has engaged professional consultants to optimize the design scheme. It is planned to adopt the MiC (Modular Integrated Construction) method to enhance the environmental performance and efficiency of the construction process. Concurrently, benefiting from relevant government incentive policies, it is expected to increase the saleable floor area, thereby further improving the project's economic benefits. In addition, strategic discussions are underway with industry partners to introduce new investors, securing the necessary capital to expedite project commencement.

Sham Shui Po project, Hong Kong

In January 2023, the Group successfully acquired the entire ownership of 4 lots located at 163–169 Yee Kuk Street in Sham Shui Po with plans to redevelop the site into a composite residential building. The project's general building plans were approved by the Buildings Department in October 2020, and development is currently progressing alongside joint-venture partners. Following the completion of site demolition in the fourth quarter of 2023, foundation works commenced in October 2025 and concluded in the first quarter of 2026. Superstructure construction is now fully underway and progressing on schedule.

Investment in medicine fund

In 2020, the Group entered into subscription agreements to subscribe for limited partnership interests in a fund which is engaged in the investment in healthcare and biotechnology related business at an aggregate subscription amount of up to US\$25.64 million (equivalent to HK\$200 million). As at 30 June 2026, the Group had an aggregate subscription amount of approximately US\$20.92 million (equivalent to HK\$163 million). The fund is focusing on research and development of certain new medicines, including super antibiotics against super bacteria, and new drugs for the treatment of rheumatoid arthritis, chronic obstructive pulmonary disease and atopic dermatitis. Please refer to the announcement of the Company dated 21 May 2020 for further details.

During the Reporting Period, the fund manager adopted prudent research and development and commercialization strategies aimed at maximizing asset value. Amid the rapidly evolving market environment for innovative drugs, the fund manager did not indiscriminately conduct capital-intensive early-stage clinical trials. Instead, it focused resources on comprehensive in-silico evaluation, retrospective data mining and De-risking validation of the underlying data, formulation development (CMC), and clinical development pathways for the existing pipeline. Concurrently, it actively pursued opportunities for external strategic collaborations and regional out-licensing.

The highly mature status and latest progress of various core new drug candidates during the Reporting Period are set out below:

- **New drug for the treatment of chronic obstructive pulmonary disease:** This project aims to address an unmet medical need in the current market, with the potential advantages of oral administration and efficacy comparable to certain cutting-edge biological products. The first approval for Phase I clinical trial of this pipeline candidate was obtained in the first half of 2021. To align with the latest technical review guidelines and higher clinical endpoint requirements of the regulatory authorities, the fund manager comprehensively upgraded and supplemented the technical data package for this project, and successfully renewed and obtained the latest approval in February 2025. This move has not only strengthened the regulatory barrier of this asset but also ensured that it is ready for clinical implementation to access top-tier industrial resources at any time.
- **New medicine for the treatment of atopic dermatitis:** Targeting the global atopic dermatitis market, valued at over tens of billions of US dollars, this non-hormonal innovative drug project obtained Investigational New Drug (IND) approval for Phase I clinical trial in the first half of 2022. During the Reporting Period, the fund manager conducted an in-depth technical evaluation and theoretical optimization of the cream formulation for this project during the preclinical stage, addressing pain points such as localized skin irritation observed with first-generation drugs in real-world settings. The asset is currently in a highly advanced Phase I-Ready state, demonstrating significant potential for Best-in-Class commercial transformation.
- **New medicine of the super antibiotics:** This pipeline directly addresses the critical challenge faced by critically ill patients in ICUs, where effective treatment options are often unavailable, by focusing on core multidrug-resistant (MDR) organisms such as carbapenem-resistant enterobacteriaceae (CRE). The project obtained IND approval for Phase I clinical trial in the second half of 2022. During the Reporting Period, the fund manager continuously tracked the latest global evaluation standards in the field of anti-drug-resistant bacteria, confirming that this pipeline maintains an extremely high industry barrier in terms of its underlying screening mechanisms and process stability, so that it can be introduced as a high-quality asset to attract specialized industrial capital for joint advancement at any time.

- **New medicine for the treatment of rheumatoid arthritis:** In response to the severe metabolic side effects associated with the long-term use of traditional hormonal drugs, such as osteoporosis and obesity, this project aims to retain anti-inflammatory efficacy while eliminating metabolic side effects, striving to fill the gap in the market for safe oral anti-inflammatory medications. The project obtained IND approval for Phase I clinical trial in the second half of 2023. The fund manager is closely monitoring the latest competitive landscape to optimize its differentiated clinical positioning and is actively engaging with multiple potential pharmaceutical partners with strong capabilities and government guidance funds to explore diverse pathways for asset realization and joint development.

The fund manager will continue to leverage the high technical barriers, asset maturity, and regulatory compliance consistency of this batch of new medicines to accelerate the strategic spin-offs, introduction of specialized guidance funds, or license-out of the relevant pipelines, aiming to unlock the intrinsic fair value and commercial returns of these cutting-edge biomedical assets as soon as possible.

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period was approximately HK\$4,103.7 million (six months ended 30 June 2025: approximately HK\$4,404.1 million), representing a decrease of approximately 6.8% over the six months ended 30 June 2025. The decrease was mainly due to the decrease in revenue recognition from property development projects during the Reporting Period.

During the Reporting Period, the revenue of the "Foundation and construction — Hong Kong and Macau" segment was approximately HK\$1.69 billion (six months ended 30 June 2025: approximately HK\$1.48 billion), representing an increase of approximately 13.7% over the same period last year.

During the Reporting Period, revenue derived from the projects in Singapore and other South East Asia was approximately HK\$2.42 billion (six months ended 30 June 2025: approximately HK\$2.92 billion). Out of the HK\$2.42 billion revenue derived from the Singapore segment, revenue derived from construction business was HK\$2.40 billion, representing a decrease of 4.5% over the same period last year; the aggregate contract sales of properties amounted to HK\$15 million, representing a decrease of 96.3% over the same period last year.

Gross Profit Margin

The Group's gross profit margin during the Reporting Period was approximately 3.1% (six months ended 30 June 2025: approximately 6.8%). The decrease in gross profit margin was mainly due to the fact that the construction cost in Singapore has continued to rise and hence the gross profit margin declined during the Reporting Period when compared to the corresponding period of 2025.

Selling and Marketing Expenses

The Group's selling and marketing expenses for the Reporting Period were approximately HK\$3.3 million (six months ended 30 June 2025: approximately HK\$26.8 million), which was approximately 0.1% (six months ended 30 June 2025: approximately 0.6%) of the Group's total revenue. The decrease was mainly due to less sales revenue recognition from property development projects during the Reporting Period.

General and Administrative Expenses

The Group's general and administrative expenses for the Reporting Period were approximately HK\$130.3 million (six months ended 30 June 2025: approximately HK\$128.7 million), representing an increase of approximately 1.3% over the six months ended 30 June 2025. The increase was mainly due to the increase in staff costs recognized during the Reporting Period.

Finance Costs

During the Reporting Period, the Group has decreased their total borrowings which resulted in a decrease in the Group's finance costs to approximately HK\$55.3 million during the Reporting Period (six months ended 30 June 2025: approximately HK\$70.5 million).

Net Profit

During the Reporting Period, the Group recorded a net profit of approximately HK\$174.7 million (six months ended 30 June 2025: net profit of approximately HK\$51.0 million). The profit attributable to owners of the Company was approximately HK\$34.1 million (six months ended 30 June 2025: profit attributable to owners of the Company of HK\$29.9 million). The increase in the net profit was mainly due to cost saving effect in decrease of finance costs.

Basic earnings per share was HK\$0.021 (six months ended 30 June 2025: HK\$0.018).

OUTLOOK

Looking ahead to 2026, the global economic outlook faces considerable uncertainty amid escalating trade frictions and complex geopolitical dynamics. Despite moderating external demand, global trade has demonstrated greater resilience than anticipated, bolstered by the robust momentum of emerging industries such as artificial intelligence (AI).

Focusing on the Singapore market, the economy is projected to maintain a steady growth trajectory. Buoyed by strong global AI demand driving stellar performance in electronics manufacturing and wholesale trade, the Singapore government has revised its 2026 full-year GDP growth forecast upwards from the earlier range of 1% to 3% to 2% to 4%. In the medium to long term, Singapore's economic fundamentals remain robust. According to the International Institute for Management Development (IMD) *World Competitiveness Yearbook 2026*, Singapore ranks first globally, placing within the top five worldwide across all four key competitiveness factors: economic performance, government efficiency, business efficiency, and infrastructure. Against this backdrop, the Government Land Sales (GLS) Programme for the second half of 2026 will release nine sites under the Confirmed List, expected to yield approximately 4,745 private residential units. This provides sufficient supply to maintain stability in the property market. The Group will capitalise on these market opportunities, leveraging its professional expertise in project development, resource integration, and risk management to source quality collaborative projects. By focusing on prime assets in core locations and optimising asset allocation and operational efficiency, the Group aims to further solidify its position as a leading and influential real estate investor and developer in the domestic market, ensuring steady and sustainable growth. Concurrently, the construction market is expected to remain stable, underpinned by public infrastructure, public housing, and large-scale integrated developments. The government's continued advancement of major infrastructure projects including Terminal 5 at Changi Airport and the expansion of the MRT and LRT networks coupled with the widespread adoption of advanced technologies such as Green Building, Design for Manufacturing and Assembly (DfMA), Building Information Modelling (BIM), and AI, is poised to enhance industry productivity and construction efficiency. The Group will continue to selectively undertake high-quality projects, strengthen cost control and risk management, and actively improve project execution efficiency and promote the application of construction technologies to consolidate its market competitiveness.

In the Malaysia market, the economy is expected to sustain moderate growth, supported by resilient domestic demand and continued foreign capital inflows. As global supply chains reorganise and digital transformation accelerates, Malaysia's strategic location and cost advantages have established it as a pivotal data centre hub in Southeast Asia. The construction market will exhibit characteristics of "steady aggregate volume, structural divergence, and intensifying competition." Data centres, industrial plants, logistics facilities, and other non-residential buildings will remain key growth drivers, while major cross-border projects such as the East Coast Rail Link (ECRL) and the Johor Bahru-Singapore Rapid Transit System (RTS Link) provide fundamental support as they progress into their final testing and commissioning phases. However, the industry continues to face challenges, including tight supply of skilled labour and elevated construction costs. Navigating this complex environment, the Group will maintain its focus on high-growth sectors such as data centres and industrial infrastructure, strengthening full-cycle project delivery capabilities. We are committed to seizing structural growth opportunities amidst keen market competition to achieve high-quality development of the Group's Southeast Asian operations.

Entering the second half of 2026, the Hong Kong economy continues its recovery momentum, outperforming expectations with real GDP rising by 5.9% year-on-year in the first quarter — the highest growth in five years. The Hong Kong SAR Government forecasts full-year economic growth of 2.5% to 3.5%. The construction market will continue to benefit from substantial infrastructure investment, with the 2026/27 Budget estimating annual capital works expenditure at approximately HK\$128 billion, maintained at similar levels in the coming years. The Northern Metropolis, as the core engine for Hong Kong's future development, has entered a phase of accelerated construction. Over the next five years, it is expected to provide over 70,000 housing units and 1 million square metres of economic floor space. Furthermore, the Airport Authority Hong Kong has launched the HK\$100 billion "Airport City" development plan, providing substantial and sustained engineering demand for the construction sector.

In the property market, the residential sector continued its recovery in the first half of 2026, with transaction volumes rising markedly. According to Land Registry data, residential sales volume increased by 28% year-on-year in the first half; price declines narrowed to less than 1%, and the rental index recorded its seventh consecutive monthly increase, signalling a broad-based upward cycle. Looking ahead to the second half of 2026, the market is poised for a continued moderate recovery, underpinned by multiple favourable factors: contracting supply (with an average of approximately 17,000 private residential units completed annually over the next five years, marking a four-year low); demographic inflows (with the population projected to reach 7.64 million in 2026, and a clear trend of talent transitioning from renting to buying); and an increasingly accommodative interest rate environment (with forecasted 1-month and 3-month HIBOR at 2.85% and 3.0%, respectively). The government has also consistently optimised policies, including the 2026/27 Land Sale Programme, which offers a potential supply of approximately 22,000 units, alongside a suspension of commercial land sales to facilitate market absorption. These policy directions provide clear support for the stable development of the property market in Hong Kong.

In response to these market opportunities, the Group will continue to leverage the unique advantages of its synergistic business model, upholding stringent standards in quality, schedule, and cost management. We will deepen collaborative relationships with government agencies, actively tender for more project contracts, and diversify our portfolio across social infrastructure, commercial properties, industrial plants, and public utilities. Committed to enhancing project management standards and core competitiveness, the Group strives to deliver sustained long-term value for its shareholders.

DEBTS AND CHARGE ON ASSETS

The total interest bearing bank borrowings of the Group, including bank borrowings, loans from non-controlling interests and lease liabilities, decreased from approximately HK\$2.4 billion as at 31 December 2025 to approximately HK\$1.9 billion as at 30 June 2026. Borrowings were denominated mainly in Hong Kong Dollar, US Dollar and Singapore Dollar. Interests on bank borrowings were charged at floating rates. The Group currently does not have an interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary.

These banking facilities were secured by the Group's property, plant and equipment and development properties for sale with net carrying amounts as at 30 June 2026 of HK\$177,077,000 (As at 31 December 2025: HK\$203,394,000) and HK\$678,342,000 (As at 31 December 2025: HK\$691,373,000), respectively.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has funded the liquidity and capital requirements primarily through bank borrowings and cash inflows from the operating activities.

As at 30 June 2026, the Group had cash and cash equivalents of approximately HK\$0.8 billion (As at 31 December 2025: HK\$1.1 billion) of which approximately 79.2% was held in Singapore Dollar, 15.4% was held in Hong Kong Dollar, 3.8% was held in Malaysian Ringgit and the remaining was mainly held in US Dollar. The gearing ratio of the Group as at 30 June 2026 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings and lease liabilities less cash and cash equivalents) was approximately 26.1% (As at 31 December 2025: approximately 28.9%).

During the Reporting Period, the Group has employed foreign exchange forward contracts for hedging purposes.

FOREIGN EXCHANGE

Since the Group mainly operates in Singapore and Hong Kong and most of the revenue and transactions arising from its operations were settled in Singapore Dollar and Hong Kong Dollar, and the Group's assets and liabilities were primarily denominated in Singapore Dollar and Hong Kong Dollar, the Board believes that the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates and has not adopted any currency hedging policy or other hedging instruments other than those as disclosed in the section headed "Liquidity, Financial Resources and Capital Structure" above during the Reporting Period.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Reporting Period, there was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had capital commitments of approximately HK\$1.1 million (31 December 2025: HK\$nil) for purchase of property, plant and equipment. Save as disclosed in this announcement, the Group did not have any existing plan for acquiring other material investments or capital assets.

CONTINGENT LIABILITIES

Save as disclosed in this announcement, the Group had no other contingent liabilities as at 30 June 2026 and 31 December 2025.

EVENT AFTER THE REPORTING PERIOD

Saved as disclosed in this announcement, there are no other significant events after the Reporting Period and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had 2,563 full-time employees (31 December 2025: 2,708 full-time employees). Most of the Group's employees were based in Singapore and Hong Kong. The remuneration policy and package of the Group's employees are periodically reviewed on the basis of the job nature, market condition, company performance and individual performance. Apart from mandatory provident fund and in-house training programmes, salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance.

The total remuneration cost incurred by the Group for the Reporting Period was approximately HK\$507.5 million compared to approximately HK\$481.6 million for the six months ended 30 June 2025.

ISSUE OF EQUITY SECURITIES

The Group did not issue any equity securities (including securities convertible into equity securities) or sale of treasury shares for cash for the six months ended 30 June 2026.

MANAGEMENT SHARE SCHEME

Pursuant to the Share Purchase Agreement dated 23 May 2015 entered into between the Company and Guotsing Holding (South Pacific) Investment Pte. Ltd. in respect of the Company's acquisition of the entire issued share capital of Wang Bao Development Limited ("**Acquisition**"), a management share scheme (the "**Management Share Scheme**") was set up by Guotsing Holding Company Limited ("**Guotsing BVI**") and a trust (the "**Trust**") was constituted on 15 October 2015. Part of the consideration for the Acquisition was settled by the Company issuing 304,599,273 new non-redeemable convertible preference shares (the "**CPS**") of the Company to the trustee of the Trust for the purpose of the Management Share Scheme. The Management Share Scheme had a term commencing from the completion of the Acquisition and expired on 1 April 2022 ("**Expiry Date**"). The Management Share Scheme involves only existing CPS.

Purpose of the Management Share Scheme

The purpose of the Management Share Scheme was to reward the Selected Participants (as defined below) who have made contributions to the development of the Company and Guotsing BVI, together with its subsidiaries (collectively, "**Guotsing Group**") over the years.

Participants of the Management Share Scheme and number of shares available for issue under the Management Share Scheme

Under the Management Share Scheme, awards shall be conditionally granted to certain senior management and employees of Guotsing Group (including the Company) (“**Selected Participants**”) to purchase from the Trust up to a total of 304,599,273 CPS in accordance with the terms and conditions of the Management Share Scheme. There is no restriction of maximum entitlement of each Selected Participant.

Vesting period

Subject to the terms of the Management Share Scheme and fulfillment of the vesting conditions set out in the Management Share Scheme and the grant notice, the CPS granted to and accepted by Selected Participant (which are originally held by the trustee under the Trust) will become vested in Selected Participant in accordance with the vesting schedule as set out in the grant notice and the trustee of the Trust shall transfer the relevant number of CPS to the Selected Participant or a company to be established by the Selected Participants accordingly.

The amount, if any, payable on application or acceptance of the CPS and the period within which payments must or may be made

Any offer for the grant of the CPS must be accepted within ten days inclusive of the day on which such offer was made. The amount payable by the grantee of the CPS to Guotsing BVI on acceptance of the offer for the grant of CPS is HK\$0.56 per CPS, which shall be paid as soon as practicable after the grant of the offer.

The basis of determining the exercise price of the CPS granted

The purchase price of the CPS granted was determined based on the net asset value of CNQC (South Pacific) Holding Pte. Ltd as at 31 December 2012.

Remaining life of the scheme

The Management Share Scheme had expired on 1 April 2022. No further grant of CPS is allowed. However, the Trust is still valid, and the trust period has automatically extended quarterly until receipt of notice from Guotsing BVI. Pursuant to the rules of the Management Share Scheme, all the CPS remaining under the Trust shall be transferred to Guotsing BVI by the trustee of the Trust upon expiry of the Management Share Scheme.

As at 1 January 2026, 30 June 2026 and the date of this announcement, there was no unvested CPS under the Management Share Scheme and during the Reporting Period, no CPS was granted, vested, cancelled or lapsed under the Management Share Scheme. The amount of the CPS that was available for issue under the Management Share Scheme and the percentage of issued CPS that it represents as at the Expiry Date and the date of this announcement is nil.

There are no other information that are required to be disclosed under Rule 17.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) regarding the Management Share Scheme.

INTERIM DIVIDEND

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

PURCHASE, SALE AND REDEMPTION OF THE COMPANY’S SECURITIES

On 11 June 2026, the Company’s shareholders (“**Shareholders**”) granted a general mandate (the “**Repurchase Mandate**”) to the directors of the Company (“**Director(s)**”) to repurchase the ordinary shares of the Company (“**Share(s)**”) at the annual general meeting (the “**AGM**”). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 151,832,003 Shares, being 10% of the total number of issued Shares as at the date of the AGM, on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including any sale of treasury shares). As at 30 June 2026, the Company did not hold any treasury shares.

CHANGE IN INFORMATION OF DIRECTOR(S) UNDER RULE 13.51B(1) OF THE LISTING RULES

After having made all reasonable enquiry, the Company is not aware of any changes in information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the annual report of the Company for the year ended 31 December 2025 and up to the date of this announcement.

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied with all the applicable code provisions as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the Reporting Period.

With effect from 13 July 2026, Mr. Liu Junchun (“**Mr. Liu**”), an independent non-executive Director, the chairman of the remuneration committee as well as a member of each of the audit committee and nomination committee of the Company, was designated as the lead independent non-executive Director (the “**Lead INED**”).

The designation of the Lead INED is introduced with reference to the amended Corporate Governance Code as set out in the code provision C.1.8 of Appendix C1 to the Listing Rules which has come into effect on 1 July 2025 as recommended best practices.

The Lead INED will not have a separate or higher level of liability relative to other independent non-executive Directors on the Board. Mr. Liu’s primary responsibility as the Lead INED is to facilitate and strengthen communication (i) among the independent non-executive Directors; (ii) between the independent non-executive Directors and the rest of the Board; and (iii) with the Shareholders (in particular, minority Shareholders). The Board believes that the designation of the Lead INED can strengthen the effectiveness and communication of the Board, and further enhance good corporate governance practices across the Company. For details of the said designation, please refer to the announcement of the Company dated 13 July 2026.

CODE OF CONDUCT REGARDING DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as the code of conduct of the Company regarding directors’ transactions of the listed securities of the Company.

The Company has made specific enquiry to all Directors, and all Directors have confirmed that they had complied with the required standards set out in the Model Code and its code of conduct during the Reporting Period.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The audit committee of the Company (the “**Audit Committee**”) has reviewed with the Company’s management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters in relation to the preparation of the unaudited interim financial statements of the Company for the Reporting Period. It has also reviewed the unaudited financial statements of the Company for the Reporting Period and recommended to the Board for approval. The Audit Committee was satisfied that these unaudited financial statements were prepared in accordance with applicable accounting standards.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the websites of the Company (www.cnqc.com.hk) and the Stock Exchange (www.hkexnews.hk). The 2026 interim report will be despatched to the Shareholders and available on the above websites in due course.

By Order of the Board
CNQC International Holdings Limited
Mr. Wang Congyuan
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises (i) five executive Directors, namely Mr. Wang Congyuan (Chairman), Dr. Du Bo, Mr. Li Jun (Chief Executive Officer), Mr. Du Dexiang (Co-Chief Executive Officer) and Mr. Zhu Wenbo; (ii) one non-executive Director, namely Mr. Liu Jiazhen; and (iii) four independent non-executive Directors, namely Mr. Tam Tak Kei, Raymond, Mr. Chan Kok Chung, Johnny, Mr. Liu Junchun (Lead Independent Non-executive Director) and Ms. Zhou Lu.