

G&M Holdings Limited

信越控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 6038

Interim Report

2026



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lee Chi Hung
(*Chairman and Chief Executive Officer*)
Ms. Lam Suk Yee, Patricia

Non-executive Director

Mr. Leung Ping Kwan

Independent Non-Executive Directors

Mr. Tai Kwok Leung, Alexander
Mr. Kwan Cheuk Kui
Dr. Liu Yuk Shing

AUDIT COMMITTEE

Mr. Tai Kwok Leung, Alexander (*Chairman*)
Mr. Kwan Cheuk Kui
Dr. Liu Yuk Shing

NOMINATION COMMITTEE

Mr. Lee Chi Hung (*Chairman*)
Mr. Tai Kwok Leung, Alexander
Mr. Kwan Cheuk Kui
Dr. Liu Yuk Shing
Ms. Lam Suk Yee, Patricia

REMUNERATION COMMITTEE

Mr. Kwan Cheuk Kui (*Chairman*)
Mr. Lee Chi Hung
Mr. Tai Kwok Leung, Alexander
Dr. Liu Yuk Shing

RISK MANAGEMENT COMMITTEE

Mr. Lee Chi Hung (*Chairman*)
Mr. Tai Kwok Leung, Alexander
Mr. Kwan Cheuk Kui
Dr. Liu Yuk Shing

JOINT COMPANY SECRETARIES

Ms. Huen Shuk Man
Mr. Lee Baldwin

AUTHORISED REPRESENTATIVES

Mr. Lee Chi Hung
Ms. Huen Shuk Man

REGISTERED OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 1101, 1102, 1103, 1107 and 1108
11th Floor
Magnet Place Tower 1
77-81 Container Port Road
Kwai Chung, New Territories
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

AUDITOR

BDO Limited
*Certified Public Accountants and
Registered Public Interest
Entity Auditor*

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Hong Kong and Shanghai
Banking Corporation

COMPANY WEBSITE

www.gm-eng.com.hk

STOCK CODE

6038

MANAGEMENT DISCUSSION AND ANALYSIS



The board (the “**Board**”) of directors (the “**Directors**”) of G & M Holdings Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2026 (the “**Period**”), together with the comparative figures for the corresponding period in 2025 (the “**Corresponding Period**”). These information should be read in conjunction with the annual report of the Company for the year ended 31 December 2025 (the “**2025 Annual Report**”).

BUSINESS REVIEW

The Group has 30 years history in Hong Kong and provides one-stop design and build solutions and repair and maintenance services in relation to podium facade and curtain wall works in Hong Kong.

It is still a challenging year for the Company, even there are subtle signs of recovery approaching. We noted that a slightly more projects being launched but the customers are still conscious with pricing. We also observed that our competitors adopted aggressive bidding strategies to maintain operations resulting in a further intensification of competition within the local construction industry.

Even fierce competition in the construction market, the Group is blessed to have the work portfolio to sustain a practically full scale operation for the year ending 2026. However, due to the slowdown in growth in the private property projects and the keen competition in the construction market are expected to continue for a period of time. We will strengthen our work quality, safety and cost control enhancement and keep a prudent approach on bidding new projects and maintain the quality of projects with reasonable gross profit margins.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

The Group's major projects on hand as at 30 June 2026 can be summarised as follows:

No.	Type of works undertaken	Location	Expected completion date	Estimated remaining contract value as at 30 June 2026 HK\$ million
1.	Facade	Sha Tin, New Territories	Nov 2026	139.9
2.	Facade	Yuen Long, New Territories	Mar 2027	33.7
3.	Facade	Ma Tau Kok, Kowloon	Jun 2027	33.4
4.	Facade	Causeway Bay, Hong Kong	Jun 2027	16.7
5.	Facade	Central, Hong Kong	May 2027	15.9
6.	Facade	Tsuen Wan, New Territories	Oct 2026	14.4
				254.0

Subsequent to the end of the Period and up to the date of this report, the Group had been awarded a podium facade contract with the contract sum of approximately of HK\$24.4 million. Meanwhile, the Group is in the process of bidding for or pending the results of six sizeable podium facade project tenders with an estimated total contract value of approximately HK\$328.6 million.

Based on the expected work program of projects on hand, the Group expects the progress of projects on hand will speed up in the second half of year 2026, with improvement in revenue and overall financial results as compared to the first half of the year.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately HK\$112.8 million or 47.1% from approximately HK\$239.3 million for the Corresponding Period to approximately HK\$126.5 million for the Period, which was mainly because the delay in progress of a few of the Group's on-going projects and that substantial portion of contract works of newly awarded projects will be performed in the second half of year 2026 or afterwards. Therefore, less revenue generated during the Period.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately HK\$17.9 million or 29.1% from approximately HK\$61.5 million for the Corresponding Period to approximately HK\$43.6 million for the Period as a result of decrease in revenue while gross profit margin for the Period increased from 25.7% to 34.5% mainly due to the adjustment of final accounts of certain projects.

Administrative and other operating expenses

The Group's administrative and other operating expenses decreased by approximately HK\$2.8 million or 14.3% from approximately HK\$19.6 million for the Corresponding Period to approximately HK\$16.8 million for the Period, such decrease was mainly due to the decrease in right-of-use assets and employee benefit expenses.

Profit for the Period

The Group's profit for the Period amounted to approximately HK\$22.9 million, representing a decrease of approximately HK\$16.6 million or 42.0% as compared to approximately HK\$39.5 million for the Corresponding Period. The decrease in profit was due to the decrease in gross profit of approximately HK\$17.9 million and decrease in other income of approximately HK\$3.7 million and net off with decrease in administrative and other operating expenses of HK\$2.8 million.

Receivable turnover days

The Group's receivable turnover days for the Period decreased to approximately 28.3 days as compared to that of approximately 31.4 days as at 31 December 2025 because there was a decrease in average trade receivables. The Group did not observe any signs of default on any of its trade receivables balance as at 30 June 2026.

Bank borrowings

The Group had no bank borrowings as at 30 June 2026.



MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group had no borrowings as at 30 June 2026 and 31 December 2025 and accordingly did not have any gearing ratio as at both dates.

The Group's cash and cash equivalents balances as at 30 June 2026 amounted to approximately HK\$325.0 million, representing a decrease of approximately HK\$62.3 million as compared to that of approximately HK\$387.3 million as at 31 December 2025. The decrease was mainly due to the payment of dividend and accruals.

The Group had no bank borrowings at 30 June 2026.

EMPLOYEES AND REMUNERATION POLICIES

The Group had 94 staff as at 30 June 2026 (30 June 2025: 94 staff) and the total employee benefit expenses for the Period amounted to approximately HK\$31.2 million (Corresponding Period: HK\$33.9 million). The Group determines the remuneration of its employees based on each employee's qualifications, experience and past performance. The remuneration committee makes recommendations to the Board on the overall remuneration policy and structure for our Directors and senior management. The Group maintains a good relationship with its employees and has not experienced any major labour disputes nor any difficulty in recruiting suitable staff.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period to date of the report.



DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of Directors and the chief executive of the Company in the shares of the Company (the **"Shares"**), underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the **"SFO"**)) as recorded in the register required to be kept under section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix C3 of the Rules Governing the Listing Securities on the Stock Exchange (the **"Listing Rules"**), are as follows:

(i) Directors' interests in the Company

Name of Directors	Capacity	Number of Shares/ Position	Percentage of shareholding
Mr. Lee Chi Hung ("Mr. Lee")	Interest in a controlled corporation; interest held jointly with another person (<i>Note 1</i>)	750,000,000 Long Position	74.8%
Mr. Leung Ping Kwan ("Mr. Leung")	Interest in a controlled corporation; interest held jointly with another person (<i>Note 1</i>)	750,000,000 Long Position	74.8%
Ms. Lam Suk Yee, Patricia ("Ms. Lam")	Interest of spouse (<i>Note 2</i>)	750,000,000 Long Position	74.8%

MANAGEMENT DISCUSSION AND ANALYSIS

(ii) Directors' interests in the associated corporation of the Company

Name of Directors	Name of associated corporation	Capacity	Number of shares interested	Percentage of shareholding
Mr. Lee	Luxury Booming Limited ("Luxury Booming")	Beneficial owner	3	75%
Mr. Leung	Luxury Booming	Beneficial owner	1	25%
Ms. Lam	Luxury Booming	Interest of spouse (Note 2)	3	75%

Notes:

1. Luxury Booming is the registered and the beneficial owner holding 74.8% of the issued shares of the Company. The issued share capital of Luxury Booming is owned as to 75% by Mr. Lee and 25% by Mr. Leung. By virtue of the concert parties confirmatory deed entered into between Mr. Lee and Mr. Leung dated 9 January 2017, each of Mr. Lee and Mr. Leung is deemed to be interested in the entire shareholding interests of Luxury Booming in the Company under SFO.
2. Ms. Lam is the spouse of Mr. Lee and is deemed or taken to be interested in all Shares in which Mr. Lee has interest under the SFO.



SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, so far as the Directors are aware, the interest and short positions of the persons, other than a director or chief executive of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO are as follows:

Substantial shareholders' interest in the Company

Name of shareholders	Capacity	Number of Shares held/ Position	Percentage of shareholding
Luxury Booming (<i>Note 1</i>)	Beneficial owner	750,000,000 Long Position	74.8%
Ms. Ku Nga Ping (<i>Note 2</i>)	Interest of spouse	750,000,000 Long Position	74.8%

Notes:

1. Luxury Booming is the registered and beneficial owner holding 74.8% of the issued shares of the Company. The issued share capital of Luxury Booming is owned as to 75% by Mr. Lee and 25% by Mr. Leung. By virtue of the concert parties confirmatory deed entered into between Mr. Lee and Mr. Leung dated 9 January 2017, each of Mr. Lee and Mr. Leung is deemed to be interested in the entire shareholding interests of Luxury Booming in the Company under the SFO.
2. Ms. Ku Nga Ping is the spouse of Mr. Leung and is deemed, or taken to be, interested in all Shares in which Mr. Leung has interest under the SFO.

SHARE OPTION SCHEME

No share options were granted or exercised during the six months ended 30 June 2026 and the Company had no outstanding share options that are exercisable as at 30 June 2026.



MANAGEMENT DISCUSSION AND ANALYSIS

PLEDGE OF ASSETS

As at 30 June 2026, there is no pledged deposits.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the Period, the Group did not have any material acquisitions and disposals of subsidiaries.

SIGNIFICANT INVESTMENT HELD

The Group had not held any significant investments during the Period.

CAPITAL COMMITMENT

The Group had no significant capital commitment as at 30 June 2026.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2026.

EVENTS AFTER END OF THE PERIOD

No event has occurred after 30 June 2026 and up to the date of this report which would have a material effect on the Group.

CORPORATE GOVERNANCE

The Company has adopted the code provisions of the Corporate Governance Code (the **"CG Code"**) as set out in Appendix C1 of the Rules of Governing the Listing of Securities on the Stock Exchange (the **"Listing Rules"**) and has complied with the CG Code throughout the Period, except in relation to provision C.2.1 of the CG Code where the roles of the Group's Chairman and chief executive officer are both performed by Mr. Lee Chi Hung. The provision C.2.1 of the CG Code requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Please refer to the annual report for year ended 31 December 2025 for the nature of the non-compliance with the provision C.2.1 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Upon specific enquiries being made with all Directors, each of them confirmed that they have complied with the required standards set out in the Model Code for the Period and up to the date of this report.

SPECIAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board takes into account the Group's overall results of operation, financial position and capital requirements, among other factors, in considering the declaration of dividends.

Having considered that no final dividends had been declared for the year ended 31 December 2025, the profit and cash flows generated during the Period, and that the Group had accumulated sufficient liquidity for its expected operational needs, the Directors recommended the payment of a special dividend of HK6.0 cents, amounting to a total of HK\$60,180,000, to shareholders whose names appear on the register of members of the Company at the close of business on 14 September 2026, which is expected to be paid on or about 29 September 2026.

To ascertain entitlement to the special dividend, the register of members of the Company will be closed from Thursday, 10 September 2026 to Monday, 14 September 2026 (both days inclusive). In order to qualify for the special dividend, holders of shares of the Company must ensure that all transfers of shares be lodged with the Company's branch share registrar and transfer office in Hong Kong no later than 4:00 p.m. on Wednesday, 9 September 2026.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) currently comprises three independent non-executive Directors, namely Mr. Tai Kwok Leung, Alexander, Mr. Kwan Cheuk Kui and Dr. Liu Yuk Shing, and is chaired by Mr. Tai Kwok Leung, Alexander.

The Audit Committee has reviewed the accounting standards and policies adopted by the Group and the unaudited condensed consolidated interim financial statements of the Group for the Period.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
	Notes		
Revenue	5	126,473	239,257
Cost of revenue		(82,852)	(177,729)
Gross profit		43,621	61,528
Other income, gains and losses	6	(77)	3,638
Administrative and other operating expenses		(16,849)	(19,550)
Fair value (loss)/gain on financial asset at fair value through profit or loss		(85)	371
Finance costs		(288)	(234)
Profit before income tax	7	26,322	45,753
Income tax expense	8	(3,393)	(6,291)
Profit for the period		22,929	39,462
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
– Exchange difference arising from translation of foreign operation		21	24
Total comprehensive income for the period		22,950	39,486
		HK cents	HK cents
Earnings per share			
– Basic	11	2.3	3.9
– Diluted	11	2.3	3.9

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 (unaudited) HK\$'000	31 December 2025 (audited) HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	2,473	3,069
Deposits	14	509	509
Right-of-use assets		4,037	4,105
		7,019	7,683
Current assets			
Inventories		788	612
Contract assets	13	59,417	62,663
Trade and other receivables, deposits and prepayments	14	32,374	20,459
Financial assets at fair value through profit or loss		1,138	1,223
Income tax recoverable		—	2,038
Cash and bank balances		325,026	387,299
		418,743	474,294
Current liabilities			
Contract liabilities	13	40,468	99,745
Trade and other payables	15	59,486	45,538
Lease liabilities		1,482	1,471
Tax payable		1,351	—
Dividend payables		—	35,105
		102,787	181,859
Net current assets		315,956	292,435
Total assets less current liabilities		322,975	300,118

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	30 June 2026 (unaudited) HK\$'000	31 December 2025 (audited) HK\$'000
Non-current liabilities			
Lease liabilities		2,555	2,648
NET ASSETS		320,420	297,470
CAPITAL AND RESERVES			
Share capital	16	10,030	10,030
Reserves		310,390	287,440
TOTAL EQUITY		320,420	297,470

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Equity attributable to owners of the Company					
	Share capital HK\$'000	Share premium* HK\$'000	Merger reserve* HK\$'000	Translation reserves* HK\$'000	Retained profits* HK\$'000	Total equity HK\$'000
At 1 January 2026	10,030	83,424	(4,592)	(219)	208,827	297,470
Profit for the period	–	–	–	–	22,929	22,929
Other comprehensive income for the period						
– Exchange difference arising from translation of foreign operation	–	–	–	21	–	21
Total comprehensive income for the period	–	–	–	21	22,929	22,950
At 30 June 2026 (unaudited)	10,030	83,424	(4,592)	(198)	231,756	320,420
At 1 January 2025	10,030	83,424	(4,592)	(233)	188,361	276,990
Profit for the period	–	–	–	–	39,462	39,462
Other comprehensive income for the period						
– Exchange difference arising from translation of foreign operation	–	–	–	24	–	24
Total comprehensive income for the period	–	–	–	24	39,462	39,486
At 30 June 2025 (unaudited)	10,030	83,424	(4,592)	(209)	227,823	316,476

* The total of these equity accounts as at 30 June 2026 represent "Reserves" in the condensed consolidated statements of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Net cash (used in)/generated from operating activities	(22,827)	40,106
Net cash generated from investing activities	517	114,752
Net cash used in financing activities	(40,011)	(2,080)
(Decrease)/Increase in cash and cash equivalents	(62,321)	152,778
Cash and cash equivalents at the beginning of period	387,299	222,715
Effect of exchange rate changes on cash and cash equivalents	48	38
Cash and cash equivalents at the end of period	325,026	375,531

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

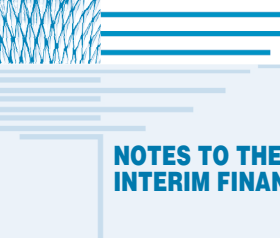


1. GENERAL INFORMATION

G & M Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 29 November 2016 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business is located at units 1101, 1102, 1103, 1107 and 1108, 11th Floor, Magnet Place Tower 1, 77–81 Container Port Road, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company and the principal activities of the Company and its subsidiaries (collectively referred hereafter as the “**Group**”) are the provision of one-stop design and build solutions as well as repair and maintenance services in relation to podium facade and curtain wall works in Hong Kong.

The Company’s parent is Luxury Booming Limited (“**Luxury Booming**”), a limited liability company incorporated in the British Virgin Islands. In the opinion of the directors, Luxury Booming is also the ultimate holding company of the Company.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2025 (“**Financial Statements 2025**”), which have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.

The condensed consolidated interim financial statements have not been audited or reviewed by the Company’s external auditor, but have been reviewed by the audit committee of the Company and approved by the Board of the Company on 25 August 2026.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars (“**HKS**”), which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise stated.



3. CHANGES IN ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. Except for the adoption of the new and amended HKFRS Accounting Standards for annual periods beginning on 1 January 2026, the accounting policies and methods of computation used in the unaudited condensed consolidated interim financial statements are consistent with those described in the Financial Statements 2025.

(a) Adoption of new or amendments HKFRS Accounting Standards effective on 1 January 2026

During the interim period, the Group has adopted all the following new and amended HKFRS Accounting Standards which are first effective for the reporting period and relevant to the Group.

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
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11

The adoption of these amendments to existing standards does not have any significant impact to the results and financial position of the Group and/or Group's unaudited condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) New or amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new or amendments to HKFRS Accounting Standards, potentially relevant to the Group's condensed consolidated interim financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements ¹
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²

¹ Effective for annual periods beginning on or after 1 January 2027.

² The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

The Directors of the Company are currently assessing the possible impact of these new or amendments to standards on the Group's results and financial position but is not yet in a position to determine whether they will have a significant impact on the Group's results of operations and financial position.

4. SEGMENT REPORTING

(a) Segment information

The Group has only one operating segment that qualifies as reporting segment under HKFRS 8 “Operating Segments”. The Group operates in Hong Kong and the People’s Republic of China (the “**PRC**”). All the Group’s revenue are derived from Hong Kong, and more than 96% of the Group’s non-current assets are located in Hong Kong. Accordingly, no separate segmental analysis is presented.

(b) Information about major customers

Revenue from major customers, each of them accounted for 10% or more of the Group’s revenue, is set out below:

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Customer I	66,814	205,366
Customer II	24,500	–
Customer III	21,752	–

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. REVENUE

The Group is principally engaged in the provision of one-stop design and build solutions as well as repair and maintenance services in relation to podium facade and curtain wall work in Hong Kong. Revenue derived from the Group's principal activities comprises of the followings:

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Revenue recognised over time:		
Design and build projects		
– Podium facade and related works	113,022	222,382
– Curtain wall works	647	123
	113,669	222,505
Repair and maintenance services	12,804	16,752
	126,473	239,257

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

6. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Bank interest income	756	3,811
Dividend income from financial assets at fair value through profit or loss ("FVTPL")	20	15
Gain on disposal	—	198
Loss on exchange difference	(853)	(688)
Government grants (<i>note</i>)	—	302
	(77)	3,638

Note: It represented the advanced construction technologies ("ACT") grants obtained from the Construction Innovation and Technology Fund ("CITF") under Construction Industry Council. Under the CITF, the Group should commit to spend the grants on ACT with specific vendors. The Group did not have other unfulfilled obligations relating to these programs.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging the following:

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Auditor's remuneration	300	300
Cost of inventories recognised as expenses [#]	34,396	79,753
Depreciation charge:		
– Property, plant and equipment [*]	881	732
– Right-of-use assets: properties and machinery leased for own use [*]	844	1,451
	1,725	2,183
Employee benefit expenses (including directors' emoluments)		
– Salaries, allowances and other benefits	29,887	32,796
– Contributions to defined contribution retirement plan	1,311	1,152
	31,198	33,948

[#] Included in cost of revenue

^{*} Included in administrative and other operating expense

8. INCOME TAX EXPENSE

The amount of income tax expense in the condensed consolidated statement of comprehensive income:

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Hong Kong Profits Tax		
– Current tax for the period	3,390	6,126
PRC Enterprise Income Tax		
– Current tax for the period	3	165
Tax for the period	3,393	6,291

The Company and its Hong Kong incorporated subsidiaries are subject to Hong Kong Profits Tax which is calculated at tax rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Company which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The Company's PRC subsidiary was eligible to be classified as small enterprise by local bureau and the corresponding assessable profits are taxed at progressive rate. The first RMB1,000,000 assessable profit is taxed at 5% and assessable profit above RMB1,000,000 but less than RMB3,000,000 is taxed at 10%. PRC Enterprise Income Tax for each of the six months ended 30 June 2026 and 2025 is calculated by applying the applicable progressive tax rate on the estimated assessable profit for the period.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

9. SHARE-BASED PAYMENT

During the six months ended 30 June 2026, no share-based payment expense (six months ended 30 June 2025: HK\$nil) was recognised in profit or loss and no corresponding amount (six months ended 30 June 2025: HK\$nil) was credited to share option reserve.

10. DIVIDENDS

The Directors propose the payment of a special dividend of HK6.0 cents per share, amounting to HK\$60,180,000 for the six months ended 30 June 2026 (six months ended 30 June 2025: nil). The special dividend of HK\$35,105,000 for the year ended 31 December 2025 has been despatched on 30 January 2026.

11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on following data:

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Earnings		
Profit for the period attributable to owners of the Company	22,929	39,462
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purposes of diluted earnings per share	1,003,000	1,003,000

For the six months ended 30 June 2026 and 2025, diluted earnings per share are the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of approximately HK\$259,000 (six months ended 30 June 2025: HK\$646,000). The Group disposed items of property, plant and equipment with a cost of approximately HK\$818,000 during the six months ended 30 June 2026 (six months ended 30 June 2025: HK\$667,000).

13. CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
Contract assets are arising from:		
– Design and build contracts	58,985	60,639
– Repair and maintenance services	4,249	5,841
Contract assets (gross)	63,234	66,480
Less: Loss allowance	(3,817)	(3,817)
	59,417	62,663
Unbilled revenue	16,514	14,540
Contract assets (gross)	42,903	51,940
	59,417	66,480

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

13. CONTRACT ASSETS AND CONTRACT LIABILITIES

(Continued)

(a) Contract assets (Continued)

The expected timing of recovery or settlement of gross amount of contract assets at the end of the reporting period is as follows:

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
Within one year	51,614	53,013
More than one year	7,803	13,467
	59,417	66,480

(b) Contract liabilities

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
Contract liabilities are arising from:		
– Design and build contracts*	38,170	96,443
– Repair and maintenance services	2,298	3,302
	40,468	99,745

* Included warranty provision made for design and build projects amounting to HK\$500,000 as at 30 June 2026 (31 December 2025: HK\$1,603,000). During the six months ended 30 June 2026, warranty cost of HK\$1,103,000 (year ended 31 December 2025: HK\$nil) was incurred and charged against the warranty provision.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
Non-current		
Refundable rental deposits	509	509
Current		
Trade receivables	24,005	14,674
Less: Loss allowance	(328)	(328)
Trade receivables, net (<i>note (b)</i>)	23,677	14,346
Retention receivables	1,490	1,151
Less: Loss allowance	(45)	(45)
Retention receivables, net	1,445	(1,106)
Deposits and prepayments	7,252	(5,007)
	32,374	20,459

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Notes:

- (a) The credit period granted to trade debtors ranged from 20 to 60 days.
- (b) The aging analysis of trade receivables (net of loss allowance) based on the invoice date, as at the end of the reporting period is as follows:

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
0–30 days	12,895	5,203
31–60 days	4,586	3,131
61–90 days	3,276	306
Over 90 days but less than 1 year	284	3,666
Over 1 year	2,636	2,040
	23,677	14,346

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15. TRADE AND OTHER PAYABLES

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
Trade payables (<i>note (a)</i>)	37,713	18,355
Retention payables (<i>note (b)</i>)	9,357	9,402
Accrued staff cost	7,913	12,480
Other payables and accruals	4,503	5,301
	59,486	45,538

Notes:

(a) Trade payables

The credit period granted by the suppliers and subcontractors is normally 0 to 60 days.

The ageing analysis of the trade payables, based on invoice date, as at the end of the reporting period is as follows:

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
0–30 days	23,357	7,470
31–60 days	7,436	4,840
61–90 days	1,927	2,031
Over 90 days	4,993	4,014
	37,713	18,355

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15. TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

(b) Retention payables

Based on the terms and conditions agreed in relation to the release of retention monies to subcontractors and taking into account the status of rectification work, the retention payables as at the end of the reporting period are to be settled as follows:

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
On demand or within one year	6,064	8,202
More than one year	3,293	1,200
	9,357	9,402

16. SHARE CAPITAL

The share capital balance as at 30 June 2026 and 31 December 2025 represents the issued and fully paid share capital of the Company as follows:

Ordinary share of HK\$0.01 each	Number of shares	Amount HK\$'000
Authorised:	10,000,000,000	100,000
Issued and fully paid:	1,003,000	10,030



17. GUARANTEES

The Group provided guarantee in respect of the surety bonds issued by the banks, in favour of the customers of certain construction contracts. Details of these guarantees are as follows:

	As at 30 June 2026 (unaudited) HK\$'000	As at 31 December 2025 (audited) HK\$'000
Aggregate value of surety bonds issued in favour of customers	73,876	68,376

18. LITIGATIONS

During the period ended 30 June 2026 and the year ended 31 December 2025, certain lawsuits and claims arising from the normal course of business were lodged against the Group. Claim amounts are not specified in some of the applications of these lawsuits and claims. All the claims were settled. Having considered the nature of these claims and the underlying insurance coverage, the directors assessed that outflow of significant resources in settling the claims was remote and thus no provision was made for these claims.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

19. RELATED PARTIES TRANSACTIONS

Save as disclosed elsewhere in these condensed consolidated interim financial statements, the Group had the following transactions with its related parties:

Compensation of key management personnel

The remuneration of directors and other members of key management during the periods were as follows:

	Six months ended 30 June	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Salaries, allowances and other benefits	6,496	6,441
Contributions to defined contribution retirement plan	54	63
	6,550	6,504