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 2025

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 2025 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2024 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*5*	**4,404,110**	4,883,569
Cost of sales		**(4,103,040)**	(4,602,888)
Gross profit		**301,070**	280,681
Other income	*6*	**42,777**	35,763
Other (loss)/gain, net	*7*	**(46,486)**	46,070
Selling and marketing expenses		**(26,820)**	(24,783)
General and administrative expenses		**(128,658)**	(133,415)
Operating profit	*8*	**141,883**	204,316

		Six months ended 30 June	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Finance income		**33,757**	22,018
Finance cost		**(70,504)**	(148,089)
Finance costs, net	*9*	**(36,747)**	(126,071)
Share of results of associated companies		**(23,710)**	(23,937)
Share of results of joint ventures		**(567)**	(11)
Profit before income tax		**80,859**	54,297
Income tax expense	*10*	**(29,835)**	(24,669)
Profit for the period		**51,024**	29,628
Other comprehensive income/(expense)			
Item that may be reclassified subsequently to profit or loss:			
— Exchange differences arising from translation of foreign operations		**174,052**	(22,072)
— Reclassification of cumulative translation reserve upon disposal of subsidiaries		**–**	11
		174,052	(22,061)
Total comprehensive income for the period		**225,076**	7,567
Profit for the period attributable to:			
Owners of the Company		**29,920**	23,831
Non-controlling interests		**21,104**	5,797
		51,024	29,628

	Notes	Six months ended 30 June **2025** ***HK$'000*** **(Unaudited)**	 2024 *HK$'000* (Unaudited)
Total comprehensive income for the period attributable to:			
Owners of the Company		**203,598**	4,011
Non-controlling interests		**21,478**	3,556
		225,076	7,567
Earnings per share attributable to owners of the Company during the period	*11*		
Basic (HK$)			
— ordinary shares		**0.018**	0.014
— convertible preference shares		**0.018**	0.014
Diluted (HK$)			
— ordinary shares		**0.018**	0.014
— convertible preference share		**0.018**	0.014

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	Notes	**30 June 2025** **HK$'000** **(Unaudited)**	31 December 2024 *HK$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**469,691**	440,016
Right-of-use assets		**65,641**	69,159
Goodwill		**585,749**	563,768
Other intangible assets		**55,209**	58,150
Investments in associated companies		**125,813**	125,528
Investments in joint ventures		**29,140**	30,585
Deferred income tax assets		**35,927**	38,280
Financial assets at fair value through other comprehensive income		**1,507**	1,395
Financial assets at fair value through profit or loss		**167,380**	167,380
Prepayments, other receivables and deposits	*12*	**2,114,879**	1,607,451
Derivative financial instruments		**–**	1,443
		3,650,936	3,103,155
Current assets			
Development properties for sale		**873,156**	1,055,373
Trade and other receivables, prepayments and deposits	*12*	**1,636,377**	1,377,658
Contract assets		**2,117,978**	2,416,446
Tax recoverable		**3,554**	2,636
Pledged bank deposits		**4,358**	4,009
Cash and cash equivalents		**762,710**	1,127,809
Derivative financial instruments		**–**	6,226
Total current assets		**5,398,133**	5,990,157
Total assets		**9,049,069**	9,093,312

	Notes	30 June 2025 HK$'000 (Unaudited)	31 December 2024 HK$'000 (Audited)
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		**(1,064,577)**	(1,238,255)
Retained earnings		**328,085**	298,165
		2,541,165	2,337,567
Non-controlling interests		**418,659**	459,949
Total equity		**2,959,824**	2,797,516
LIABILITIES			
Non-current liabilities			
Borrowings		**1,615,380**	2,107,761
Lease liabilities		**49,574**	48,844
Deferred income tax liabilities		**76,735**	60,950
Derivative financial instruments		**6,994**	–
		1,748,683	2,217,555
Current liabilities			
Trade and other payables	13	**2,841,419**	2,819,611
Contract liabilities		**4,502**	23,795
Income tax payables		**67,863**	100,904
Borrowings		**1,387,825**	1,111,002
Lease liabilities		**27,203**	22,929
Derivative financial instruments		**11,750**	–
Total current liabilities		**4,340,562**	4,078,241
Total liabilities		**6,089,245**	6,295,796
Total equity and liabilities		**9,049,069**	9,093,312

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 related 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 2025 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 Security 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 2024 ("**2024 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 2025 are consistent with the 2024 Financial Statements.

(a) Amendment to existing standard effective for the financial year beginning 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability

The adoption of this amendment to existing standard 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
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	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 — Singapore and Southeast Asia

Information regarding the above segments is reported below.

	Foundation and construction — Hong Kong and Macau *HK$'000*	Property development — Hong Kong *HK$'000*	Construction — Singapore and Southeast Asia *HK$'000*	Property development — Singapore and Southeast Asia *HK$'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**
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**

	Foundation and construction — Hong Kong and Macau *HK$'000*	Property development — Hong Kong *HK$'000*	Construction — Singapore and Southeast Asia *HK$'000*	Property development — Singapore and Southeast Asia *HK$'000*	Total *HK$'000*
Six months ended 30 June 2024 (Unaudited)					
Sales					
Sales to external parties	1,478,610	–	2,770,578	634,381	4,883,569
Inter-segment sales	–	–	114,370	–	114,370
Total segment sales	1,478,610	–	2,884,948	634,381	4,997,939
Adjusted segment profit/(loss)	35,901	(2)	62,654	120,833	219,386
Depreciation of property, plant and equipment	20,159	–	8,863	476	29,498
Depreciation of right-of-use assets	4,878	–	10,128	1,160	16,166
Amortisation of intangible assets	96	–	3,011	–	3,107

The following tables present segment assets and liabilities as at 30 June 2025 and 31 December 2024 respectively.

	Foundation and construction — Hong Kong and Macau ***HK$'000***	**Property development — Hong Kong** ***HK$'000***	**Construction — Singapore and Southeast Asia** ***HK$'000***	**Property development — Singapore and Southeast Asia** ***HK$'000***	**Total** ***HK$'000***
As at 30 June 2025 (Unaudited)					
Segment assets	**2,457,281**	**713,056**	**4,037,623**	**3,806,821**	**11,014,781**
Segment liabilities	**1,845,445**	**678,108**	**3,143,981**	**2,587,157**	**8,254,691**

	Foundation and construction — Hong Kong and Macau *HK$'000*	Property development — Hong Kong *HK$'000*	Construction — Singapore and Southeast Asia *HK$'000*	Property development — Singapore and Southeast Asia *HK$'000*	Total *HK$'000*
As at 31 December 2024 (Audited)					
Segment assets	2,074,237	666,877	4,311,408	4,019,523	11,072,045
Segment liabilities	1,630,216	672,497	3,509,165	2,776,053	8,587,931

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

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Adjusted segment profit for reportable segments	**152,146**	219,386
Unallocated expenses	**(9,650)**	(11,504)
Elimination	**(613)**	(3,566)
Finance income	**33,757**	22,018
Finance costs	**(70,504)**	(148,089)
Share of results of associated companies	**(23,710)**	(23,937)
Share of results of joint ventures	**(567)**	(11)
Profit before income tax	**80,859**	54,297

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

	As at 30 June 2025	As at 31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Segment assets	**11,014,781**	11,072,045
Unallocated	**5,393,519**	5,118,356
Elimination	**(7,359,231)**	(7,097,089)
Total assets	**9,049,069**	9,093,312

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

	As at 30 June 2025	As at 31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Segment liabilities	**8,254,691**	8,587,931
Unallocated	**5,079,842**	4,804,954
Elimination	**(7,245,288)**	(7,097,089)
Total liabilities	**6,089,245**	6,295,796

5 REVENUE

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue		
Construction contracts income	**3,989,834**	4,248,668
Sales of development properties	**404,310**	634,381
Income from loaning labour to other contractors	**9,966**	520
	4,404,110	4,883,569
Revenue from contracts with customers		
— recognised at a point in time	**9,966**	520
— recognised over time	**4,394,144**	4,883,049
	4,404,110	4,883,569

6 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Management fee income	**23,496**	12,987
Rental income	**10,248**	14,261
Government grants *(Note)*	**809**	1,407
Forfeited customer deposits	**1,140**	–
Scrap sales	**4,572**	6,144
Others	**2,512**	964
	42,777	35,763

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 (LOSS)/GAIN, NET

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/gain on disposals of property, plant and equipment	**(102)**	132
Foreign exchange forward contracts fair value (loss)/gain	**(25,943)**	844
Gain on disposal of subsidiaries	**–**	43,225
Financial assets at FVPL fair value gain	**–**	2,045
Exchange differences	**(15,293)**	(3,805)
Others	**(5,148)**	3,629
Other (loss)/gain, net	**(46,486)**	46,070

8 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Contractor and material costs included in "Cost of sales"	**3,076,141**	3,689,389
Property development costs included in "Cost of sales"	**277,242**	486,888
Rental expenses on operating leases included in "Cost of sales"	**101,756**	121,021
Staff costs, including directors' emoluments	**481,558**	465,882
Depreciation of property, plant and equipment	**29,899**	29,498
Depreciation of right-of-use assets	**9,751**	16,166
Amortisation of intangible assets	**3,077**	3,107
Legal and professional fees	**10,688**	19,695

9 FINANCE COSTS, NET

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Finance income		
Interest income from bank deposits	**885**	3,451
Interest income from loans to associated companies	**31,377**	17,106
Interest income from loans to an investment company accounted for as financial assets at FVOCI	**1,495**	1,461
	33,757	22,018
Finance cost		
Interest expenses on lease liabilities	**(1,366)**	(1,414)
Interest expenses on bank borrowings and arrangement fee amortised in respect of bank facilities	**(80,070)**	(125,859)
Interest expenses on loans from non-controlling interests	**(9,754)**	(28,821)
	(91,190)	(156,094)
Less: Interest expenses capitalised	**–**	10,505
	(91,190)	(145,589)
Net foreign exchange gains/(losses)	**20,686**	(2,500)
	(70,504)	(148,089)
Finance costs, net	**(36,747)**	(126,071)

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 2025 and 2024 on the estimated assessable profit for the period in the respective jurisdiction.

	Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	**2,817**	3,554
— Singapore corporate income tax	**7,202**	517
— Malaysia corporate income tax	**2,242**	–
Overprovision in prior year		
— Singapore corporate income tax	**(1,144)**	(8,741)
	11,117	(4,670)
Deferred income tax	**18,718**	29,339
Income tax expense	**29,835**	24,669

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	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit attributable to ordinary shares	**27,646**	22,020
Profit attributable to convertible preference shares ("**CPS**")	**2,274**	1,811
Profit attributable to owners of the Company	**29,920**	23,831

	Six months ended 30 June 2025		Six months ended 30 June 2024	
	Ordinary shares	**CPS**	Ordinary shares	CPS
	(Unaudited)	**(Unaudited)**	(Unaudited)	(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$)	**0.018**	**0.018**	0.014	0.014

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 2025		Six months ended 30 June 2024	
	Ordinary shares	**CPS**	Ordinary shares	CPS
	(Unaudited)	**(Unaudited)**	(Unaudited)	(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$)	**0.018**	**0.018**	0.014	0.014

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 2025 and 2024, 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 2025	31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Current		
Trade receivables *(Note (b))*		
— Associated companies	**35,190**	89,624
— Related parties	**5,547**	5,135
— A joint venture	**4,611**	6,804
— An investment company accounted for as financial assets at FVOCI	**39,667**	7,452
— Third parties	**735,336**	607,720
	820,351	716,735
Retention receivables from customers for contract work *(Note (c))*		
— Associated companies	**616**	570
— A joint venture	**5,685**	5,263
— An investment company accounted for as financial assets at FVOCI	**1,861**	245
— Third parties	**542,440**	456,252
	550,602	462,330

	30 June 2025 HK$'000 (Unaudited)	31 December 2024 HK$'000 (Audited)
Other receivables *(Note (d))*		
— Associated companies	**57,440**	29,197
— Related parties	**19,358**	24,673
— A joint venture	**2,143**	–
— Third parties	**52,603**	11,671
Prepayments	**59,336**	55,469
Deposits	**51,687**	44,189
Staff advances	**2,966**	2,952
Goods and services tax receivable	**3,579**	5,269
	249,112	173,420
Loans and interests receivables		
— Associated companies *(Note (e))*	**16,312**	25,173
	1,636,377	1,377,658
Non-current		
Loans and interests receivables		
— Associated companies *(Note (e))*	**1,926,480**	1,430,398
— A joint venture *(Note (f))*	**111,450**	111,450
— An investment company accounted for as financial assets at FVOCI *(Note (g))*	**73,209**	64,042
Prepayments, other receivables and deposits	**3,740**	1,561
	2,114,879	1,607,451

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 2025 HK$'000 (Unaudited)	31 December 2024 HK$'000 (Audited)
1–30 days	**695,912**	487,781
31–60 days	**66,081**	126,489
61–90 days	**8,375**	2,749
Over 90 days	**49,983**	99,716
	820,351	716,735

(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$383,972,000 (31 December 2024: HK$303,890,000) 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$1,942,792,000 (31 December 2024: HK$1,455,571,000) 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**") (31 December 2024: same) per annum as at 30 June 2025.

The directors of 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 provision for impairment was recognised against the loans receivables, interest receivables and other receivables to associated companies as at 30 June 2025 (31 December 2024: Nil).

Details of the material loans and interest receivables to associated companies of the Group as at 30 June 2025 are as follows:

As at 30 June 2025, loan and interest receivable of HK$486,900,000 (31 December 2024: HK$399,934,000) 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, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position.

As at 30 June 2025, loan and interest receivable of HK$277,258,000 (31 December 2024: HK$252,142,000) 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, hence, it is classified as non-current asset in the interim condensed consolidated statement of financial position.

As at 30 June 2025, loan and interest receivable of HK$187,491,000 (31 December 2024: HK$179,798,000) 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 and will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current assets in the interim condensed consolidated statement of financial position accordingly.

As at 30 June 2025, loan and interest receivable of HK$284,296,000 (31 December 2024: HK$232,420,000) 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 2025, loan and interest receivable of HK$426,415,000 (31 December 2024: HK$341,232,000) 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 2025, loan and interest receivable of HK$223,953,000 (31 December 2024: HK$nil) 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.

(f) As at 30 June 2025, loan receivable of HK$111,450,000 (31 December 2024: 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 2025 (31 December 2024: Nil).

(g) As at 30 June 2025, loan and interest receivable of HK$73,209,000 (31 December 2023: HK$64,042,000) 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 2025 (31 December 2024: 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 2025 HK$'000 (Unaudited)	31 December 2024 HK$'000 (Audited)
Current		
Trade payables *(Note (b))*		
— Related parties	**1,708**	1,282
— An associated company	**–**	151
— Third parties	**1,728,844**	1,644,259
	1,730,552	1,645,692
Other payables		
— Non-controlling interests	**65,739**	210,338
— Related parties	**151,900**	235,152
— Associated companies	**495**	278
— Third parties	**152,911**	53,172
— Goods and services tax payable	**35,951**	29,895
	406,996	528,835
Accruals for operating expenses	**77,136**	126,879
Accruals for construction costs	**464,706**	399,854
Deposits received from customers	**34,284**	10,538
Deferred gain	**125,017**	104,944
Provision for foreseeable losses on certain construction contracts	**2,728**	2,869
	703,871	645,084
	2,841,419	2,819,611

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 2025	31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
1–30 days	**1,260,542**	1,029,423
31–60 days	**184,620**	334,389
61–90 days	**99,107**	109,709
Over 90 days	**186,283**	172,171
	1,730,552	1,645,692

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:		
Ordinary Shares		
As 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	6,000,000	60,000
CPS		
As 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	1,000,000	10,000
Issued and fully paid:		
Ordinary shares		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	1,518,320	15,183
CPS		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	124,876	1,249

15 DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: same).

16 COMMITMENTS

Capital commitments

	30 June 2025	31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Contracted but not provided for:		
Development expenditure	**–**	932
Machinery	**–**	1,400
	–	2,332

17 PERFORMANCE BONDS AND CONTINGENT LIABILITIES

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

	30 June 2025	31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Guarantees on performance bonds in respect of construction contracts	**1,615,462**	955,177

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 2025, corporate guarantees issued in relation to these bank borrowings amounted to HK$1,681,563,000 (31 December 2024: HK$1,596,630,000).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the six months ended 30 June 2025 (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 & Southeast Asia" and "Hong Kong & Macau". In Singapore & Southeast Asia, the Group tenders for public construction works, and external private construction works and has been engaged in 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 Southeast Asia for the Reporting Period was approximately HK$2,513.1 million (six months ended 30 June 2024: approximately HK$2,770.5 million).

During the Reporting Period, for the Singapore segment, the Group completed 3 external construction projects, including 2 public residential project and 1 private condominium project. During the Reporting Period, the Group obtained 1 public residential project awarded by the Housing & Development Board of Singapore with the contract sum of approximately HK$1,053.2 million. As at 30 June 2025, the Group had 20 external construction projects on hand and the outstanding contract sums were approximately HK$11,031.2 million.

During the Reporting Period, for the Southeast Asia construction market, the Group completed 1 private resort project. As at 30 June 2025, the Group had 6 external construction projects on hand and the outstanding contract sums were approximately HK$979.7 million.

The Group's revenue from the construction contracts in Hong Kong and Macau for the Reporting Period was approximately HK$1,484.6 million (six months ended 30 June 2024: approximately HK$1,478.6 million). During the Reporting Period, the Group had undertaken 3 new projects, mainly superstructure work for residential and public housing or facility projects in Hong Kong. The total contract sum of these projects was approximately HK$1,321.9 million. As at 30 June 2025, there were 25 projects on hand with outstanding contract sums of HK$6,993.9 million.

Property development and investment business

The Group focused on the property development and investment in residential projects in Singapore.

As of 30 June 2025, the accumulative contracted sales rate of Tenet (an executive condominium development project of the Group at Tampines Street 62, Singapore) was approximately 99.8%, with 617 units sold.

As of 30 June 2025, the accumulative contracted sales rate of Altura (an executive condominium development project of the Group at Bukit Batok West Avenue 8, Singapore) was approximately 99.3%, with 358 units sold.

As of 30 June 2025, the accumulative contracted sales rate of the Arden (a private condominium development project of the Group at Phoenix Road, Singapore) was approximately 82.1%, with 90 units sold.

As of 30 June 2025, the accumulative contracted sales rate of the Bloomsbury Residences (a private condominium development project of the Group at Media Circle, Singapore) was approximately 26.4%, with 117 units sold.

During the Reporting Period, the Group was granted a number of industrial awards, including Top 10 Developers in Singapore from BCI Asia.

The sales revenue, sales area and average selling price ("**ASP**") of the major development project realised by the Group are set out in the table below:

Project	**Sales Revenue** *(HK$' million)* **Six months ended 30 June 2025**	**ASP** *(HK$/sq.m.)* **Six months ended 30 June 2025**
The Arden	404.31	113,196

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 pre-sales revenue of HK$404.31 million.

As at 30 June 2025, the Group's current portfolio of property development projects consisted of 2 private condominium development projects and 2 executive condominium development projects in Singapore. The total salable area ("**SFA**") is approximately 140,231 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 2025	Estimated year of construction completion	Ownership interest
The Arden	2/2A/2B-24/24A/24B Phoenix Road, Singapore	Residential, Private and Retail Space	6,465	9,687	7,952	0.90	94.9%	March 2026	Subsidiary
Tenet	Tampines Street 62, Singapore	Residential	23,799	62,159	62,068	5.48	97.1%	December 2025	Associated company
Altura	Bukit Batok West Avenue 8, Singapore	Residential	12,499	38,951	38,665	3.64	80.0%	March 2026	Associated company
Bloomsbury Residences	61/63/65, Media Circle Road, Singapore	Residential, Private and Retail Space	10,632	29,434	7,785	1.23	10.5%	March 2028	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. and the total estimated gross floor area is 9,687 sq.m.. It is planned to be developed into 3 blocks of 5-storey apartments with about 100 residential units, underground car parks and communal facilities. The project is located at the even numbers of 2/2A/2B-24/24A/24B Phoenix Road.

The total SFA of this project is approximately 9,687 sq.m.. As of 30 June 2025, the percentage of saleable area sold was approximately 82.1% and the construction is scheduled to be completed in March 2026.

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.

The total SFA of this project is approximately 62,159 sq.m.. As of 30 June 2025, the percentage of area sold was approximately 99.8% and the construction is scheduled to be completed in December 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.

The total SFA of this project is approximately 38,951 sq.m. As of 30 June 2025, the percentage of area sold was approximately 99.3% and the construction is scheduled to be completed in March 2026.

Bloomsbury Residences

Bloomsbury Residences 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 10,632 sq.m. It is planned to be developed into 3 blocks of 14 to 23-storey apartments with about 358 residential units, complemented by ground-floor commercial spaces, above-ground and underground parking facilities, as well as public amenities and landscaped areas. The project is located at the numbers of 61/63/65 Media Circle Road.

The total SFA of this project is approximately 29,434 sq.m.. As of 30 June 2025, the percentage of saleable area sold was approximately 26.4% and the construction is scheduled to be completed in March 2028.

Land bank status

(1) *Pasir Ris project, Singapore*

As at 1 August 2024, the Group, Forsea Residence and ZACD Laserblue won a bid in respect of the land on jalan loyang baser located in pasir ris in Singapore at the consideration of S$557 million. The site, is an executive condominium project on a leasehold land with land use right of 99 years. The total land site area is 28,406 sq.m. and the SFA is estimated at 71,014 sq.m. It is intended to be developed into more than 700 residential units, equipped with underground car parks, communal facilities and landscape.

(2) *Media Circle A project Singapore*

As at 13 March 2025, the Group, Forsea Residence and Hoovasun Holding won a bid in respect of the land on One-North Mediapolis located in media circle A in Singapore at the consideration of S$315 million. The site, is an executive condominium project on a leasehold land with land use right of 99 years. The total land site area is 28,230 sq.m. and the SFA is estimated at 7,630 sq.m. It is intended to be developed into about 325 residential units, ground-floor commercial space, underground parking facilities, along with public amenities and landscaped areas.

(3) 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. The maximum allowable plot ratio under the Approved Outline Zoning Plan is 5. Town Planning Board Application to redevelop the site into a residential development was approved in June 2020. The amendment planning of project was approved in March 2022. General building plans were approved by the Buildings Department in February 2024. Land exchange procedures are currently in progress.

(4) Sham Shui Po project, Hong Kong

In January 2023, the Group completed the acquisition for 100% aggregate ownership of all 4 lots located at 163–169 Yee Kuk St in Sham Shui Po. Together with its joint-venture partners, the site will be redeveloped into student apartment with restaurant and rooftop lounge. General building plans were approved by the Buildings Department in October 2020. Demolition works for the existing buildings were completed in the fourth quarter of 2023. The foundation work commenced in 2024.

The management believes that it is essential to replenish its land bank for the Group's sustainable project development in the coming years. The Group will follow its current strategy on land bank reserve whilst taking a prudent approach in selecting quality land at a reasonable price suitable for the Group's investment.

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 2025, 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.

The progress of the research and development of the drugs is as follows:

1. The new medicine for the treatment of chronic obstructive pulmonary disease was approved as an investigational new drug for Phase I clinical trial in the first half of 2021. As there are new requirements for technical review, we have updated the approval in February 2025 with additional information.

2. The new medicine for the treatment of atopic dermatitis was approved as an investigational new drug for Phase I clinical trial in the first half of 2022.

3. The new medicine of the super antibiotics was approved as an investigational new drug for Phase I clinical trial in the second half of 2022.

4. The new medicine for treatment of rheumatoid arthritis was approved as an investigational new drugs for Phase I clinical trial in the second half of 2023.

Currently, the relevant clinical plans for the four new medicines have been formulated and further adjustments will be made given the changing market situation. In view of the gradual recovery of the biopharmaceutical market overall, according to feedback from the fund manager, it is expected to promptly initiate the clinical program for 1-2 new drugs. In addition, the Company has communicated with the fund manager and does not rule out the possibility of finding suitable industrial partners for joint research and development or the transfer of interests.

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period was approximately HK$4,404.1 million (six months ended 30 June 2024: approximately HK$4,883.6 million), representing an decrease of approximately 9.8% over the six months ended 30 June 2024. The decrease was mainly due to the decrease in sales 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$1.48 billion (six months ended 30 June 2024: approximately HK$1.48 billion), representing an increase of approximately 0.4% over the six months ended 30 June 2024.

During the Reporting Period, revenue derived from the projects in Singapore and Southeast Asia was approximately HK$2.92 billion (six months ended 30 June 2024: approximately HK$3.41 billion). Out of the HK$2.92 billion revenue derived from the Singapore segment, revenue derived from construction business was HK$2.51 billion, representing a decrease of 9.3% over the six months ended 30 June 2024; the aggregate contracted sales of properties amounted to HK$0.4 billion, representing a decrease of 35.9% over the six months ended 30 June 2024.

Gross Profit Margin

The Group's gross profit margin during the Reporting Period was approximately 6.8% (six months ended 30 June 2024: approximately 5.7%). The increase in gross profit margin was mainly due to optimisation of construction cost in Singapore and hence the gross profit margin increased during the Reporting Period when compared to the six months ended 30 June 2024.

Selling and Marketing Expenses

The Group's selling and marketing expenses for the Reporting Period were approximately HK$26.8 million (six months ended 30 June 2024: approximately HK$24.8 million), which was approximately 0.6% (six months ended 30 June 2024: approximately 0.5%) of the Group's total revenue. The increase was mainly due to the higher sales commission expenses incurred for property sales during the Reporting Period.

General and Administrative Expenses

The Group's general and administrative expenses for the Reporting Period were approximately HK$128.7 million (six months ended 30 June 2024: approximately HK$133.4 million), representing an decrease of approximately 3.6% over the six months ended 30 June 2024. The decrease was mainly due to the decrease in legal and professional fees recognized during the Reporting Period.

Finance Costs

During the Reporting Period, the Group has decreased their total borrowings and due to HIBOR dropping significantly in second quarter of 2025, the Group's finance costs decreased to approximately HK$70.5 million during the Reporting Period (six months ended 30 June 2024: approximately HK$148.1 million).

Net Profit

During the Reporting Period, the Group recorded a net profit of approximately HK$51.0 million (six months ended 30 June 2024: net profit of approximately HK$29.6 million). The profit attributable to owners of the Company was approximately HK$29.9 million (six months ended 30 June 2024: profit attributable to owners of the Company of approximately HK$23.8 million). The increase in the net profit was mainly due to the significant cost saving effect of decrease in finance costs.

Basic earnings per share was HK$0.018 (six months ended 30 June 2024: HK$0.014).

OUTLOOK

Stepping into 2025, the global economic environment has shown slower growth, with intensifying global trade frictions, uncertainty surrounding tariff policies, persistently high inflation, a delayed pace of U.S. Federal Reserve interest rate cuts, and ongoing structural challenges facing the economy. Despite these headwinds, the Group delivered overall stable and solid performance across its three key regions, namely Hong Kong, Singapore and Malaysia.

According to the latest plans from Singapore's Building and Construction Authority and other relevant government agencies, construction demand and output in Singapore are expected to remain robust in 2025, primarily driven by large-scale, government-led infrastructure projects. These include Changi Airport Terminal 5 (T5) project, the Tuas Port project, public housing developments, and the expansion of the transportation network. Over the next five years, Singapore's annual construction demand is projected to remain in the range of S$39 billion to S$46 billion, supported by ongoing projects in housing, transportation and public infrastructure. With the backing of government policies, the rollout of key infrastructure projects, and the advancement of digitalization and green building strategies, Singapore's construction industry is expected to maintain a steady growth trajectory.

According to the announcement released by the Ministry of Trade and Industry of Singapore, the gross domestic product (GDP) of Singapore is expected to slow down and grow by only about 1%–3% in 2025. In the long term, Singapore's economy will remain competitive. According to the World Competitiveness Yearbook 2025 released by International Institute for Management Development (IMD), Singapore ranks second globally and maintains its leading position among Asian economies. On the other hand, the Singapore Government Land Sales (GLS) for the second half of 2025 will release 10 confirmed list sites, which are expected to yield 4,725 private residential units. For the full year, a total of 20 confirmed list sites will be released, available to yield approximately 9,800 private residential units for providing sufficient supply to maintain the stability of the housing market. The Singapore market continues to offer long-term growth opportunities and expansion space for the Group. The Group will continue to strengthen its presence in the Singapore market and seek quality projects to solidify its standing as a mainstream local developer.

According to statistics from the Construction Industry Development Board (CIDB), the construction industry in Malaysia is expected to grow by 6.1% in 2025. In 2024, the value of construction projects increased by 20.2% year-on-year, which was driven by public infrastructure investment, a recovery in private sector confidence and policy initiatives. At present, the construction industry in Malaysia is in a transitional stage from traditional construction models to digital, green and infrastructure-driven ones. According to the research report, the average annual growth rate of the industry is expected to be around 4.4% from 2025 to 2028, and the industry will continue to benefit from the sustained investment in transportation infrastructure, energy and manufacturing, as well as the waves of digitalization and sustainable development.

In the first half of 2025, Hong Kong's first quarter construction market recorded moderate growth, with the total value of construction works rising by 1.9% year-on-year to HK$70.5 billion. According to the Census and Statistics Department of the Hong Kong Government, such growth was primarily driven by a significant increase in public sector engineering projects, with public works registering a nominal year-on-year growth of 17.4%. This reflects the ongoing progress of infrastructure development projects. In addition, according to the 2025–2026 Budget, the supply of public housing units is expected to reach 190,000 over the next five years, while that of private housing units is projected to reach 80,000. To expedite the construction efficiency of public housing, the Hong Kong Housing Authority pledged to continue implementing and optimizing the modular integrated construction (MiC) method. Starting from the 2025/26 financial year, the Housing Authority will adopt the second-generation modular integrated construction method (MiC 2.0) in the design and planning of new projects. Moreover, the Hong Kong Government is accelerating the planning for the development of the Northern Metropolis and has earmarked HK$3.7 billion to expedite the infrastructure and utility facilities for Phase I of the Hetao Hong Kong Park. Looking ahead to the next five to ten years, Hong Kong's construction market will see an increase in the overall volume of works, bringing broader development prospects and growth opportunities for the construction industry. The Group will continue to focus on the public housing construction market and will certainly benefit from the rich experience of the prefabricated prefinished volumetric construction projects in Singapore and gain more development opportunities.

For the Hong Kong property market, transaction activity remained robust in the first half of 2025, with property prices gradually stabilizing and exhibiting a trend of "rising transaction volumes and stable prices." According to the Hong Kong Land Registry, the number of private residential property transactions from January to June 2025 increased by 15% compared to the second half of 2024, reaching a new high since 2022. According to the Rating and Valuation Department's statistics, Hong Kong's private domestic price index rose for three consecutive months, narrowing the decline in housing prices in the first half of the year to 0.86%. Meanwhile, the rental index rose by 0.3% month-on-month, marking seven consecutive months of increases, indicating that the property market is entering a phase of steady recovery. Looking ahead to the second half of 2025, with the U.S. Federal Reserve expected to initiate a rate-cutting cycle, local mortgage interest rates are anticipated to decline further, attracting more potential buyers and investors back to the market. Simultaneously, the government continues to refine housing policies, including potential measures to relax restrictions on withdrawals from the Mandatory Provident Fund (MPF) and expand the Capital Investment Entrant Scheme, injecting fresh demand into the market. Additionally, as the number of completed private residential units continues to decline while market transactions remain active, the inventory of private residential properties is steadily decreasing, leading to a gradual improvement in the supply-demand balance. Consequently, the Hong Kong property market is poised to rebound from its downturn and enter a period of steady growth.

The Group will continue to maintain the advantages of its collaborative business development model in the established markets, develop in an active and steady way through quality, progress and cost control, and maintain its competitive advantage in the major markets of Singapore, Hong Kong and Malaysia to make profound and steady progress. It will keep maintaining good business relationships with government agencies to maximize the number of project contracts awarded, and strengthen the active development of social projects as well as participate in other projects such as commercial properties, industrial plants or public utilities. The Group will continue to establish a long-term and solid development blueprint to create higher returns for the shareholders of the Company (the "**Shareholders**").

DEBTS AND CHARGE ON ASSETS

The total interest bearing bank borrowings of the Group, including bank loans, loans from non-controlling interests and lease liabilities, decreased from approximately HK$3.3 billion as at 31 December 2024 to approximately HK$3.1 billion as at 30 June 2025. Borrowings were denominated mainly in Singapore Dollar, Hong Kong Dollar and US 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 2025 of HK$187,092,000 (As at 31 December 2024: HK$201,865,000) and HK$836,201,000 (As at 31 December 2024: HK$1,018,419,000), respectively.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group adopts a conservative approach towards its treasury policies.

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

As at 30 June 2025, the Group had cash and cash equivalents of approximately HK$0.8 billion (As at 31 December 2024: HK$1.1 billion) of which approximately 70.9% was held in Singapore Dollar, 26.3% was held in Hong Kong Dollar and the remaining was mainly held in Malaysian Ringgit and US Dollar. The gearing ratio of the Group as at 30 June 2025 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings less cash and cash equivalents and pledged bank deposits) was approximately 43.9% (As at 31 December 2024: approximately 43.6%).

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. During the Reporting Period, the Group minimises its foreign exchange exposure of borrowing by way of entering into forward contracts with reputable financial institutions. The hedging policies are regularly reviewed by the Group.

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

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

CAPITAL COMMITMENTS

As at 30 June 2025, the Group had capital commitments of HK$nil (31 December 2024: HK$0.9 million) for development expenditure and HK$nil (31 December 2024: HK$1.4 million) 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 2025 and 31 December 2024.

EVENT AFTER THE REPORTING PERIOD

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

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had 2,846 full-time employees (31 December 2024: 2,916 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 Reporting Period was approximately HK$481.6 million compared to approximately HK$465.9 million for the six months ended 30 June 2024.

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 ("**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.

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 been 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 2025, 30 June 2025 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. As the Management Share Scheme is expired on the Expiry Date, no further CPS would be granted thereunder. As such, the amount of the CPS that was available for issue under the Management Share Scheme as at 1 January 2025, 30 June 2025 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 2025 (six months ended 30 June 2024: nil).

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SECURITIES

On 20 June 2025, the Shareholders granted a general mandate (the "**Repurchase Mandate**") to the directors of the Company to repurchase the ordinary shares of the Company 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.

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 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 2024 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.

On 28 August 2025, Ms. Liu Juan ("**Ms. Liu**") has resigned as an independent non-executive Director. Following her resignation, the Company has a single gender Board, which does not meet the board diversity requirement under Rule 13.92 of the Listing Rules.

The Company will use its best endeavours to identify and appoint a suitable female candidate as a Director to meet the relevant requirement as soon as practicable, in any event within three (3) months from the date of resignation of Ms. Liu. The Company will make further announcement(s) as and when appropriate.

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, risk management and financial reporting matters including the review of the unaudited interim financial statements for the Reporting Period and was satisfied that these unaudited interim 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 2025 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, 29 August 2025

As at the date of this announcement, the Board comprises (i) four executive directors, namely Mr. Wang Congyuan (Chairman), Dr. Du Bo, Mr. Li Jun (Chief Executive Officer), Mr. Du Dexiang (Co-Chief Executive Officer); (ii) one non-executive director, namely Mr. Liu Jiazhen; and (iii) three independent non-executive directors, namely Mr. Tam Tak Kei, Raymond, Mr. Chan Kok Chung, Johnny and Mr. Liu Junchun.