Analogue Holdings Limited
安樂工程集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1977)

2025

Interim Report

About Analogue Holdings Limited

(Stock Code: 1977)

Established in 1977, Analogue Holdings Limited together with its subsidiaries (collectively the "Group") is a leading provider of E&M engineering solutions and ICT services for smart cities, with headquarters in Hong Kong and operations in Macau, Mainland China, the US and the UK.

Over 47 years of operating history with an extensive client portfolio

Business covers diverse sectors, including:

- Building Services (provides one-stop E&M Services to Buildings, Data Centres and Infrastructure)
- Environmental Engineering
- Information, Communications & Building Technologies (ICBT)
- Lifts & Escalators

Pioneer technical excellence and R&D; garnered 61 patents and designs internationally

- Enter into an alliance with Transel Elevator & Electric Inc.
- Associate partner Nanjing Canatal Data-Centre Environmental Tech Co., Ltd specialises in manufacturing of precision air conditioners

The Group manufactures and sells lifts and escalators internationally

Sustained Market Leading Position

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Contents

Financial Highlights

	For the six months ended 30 June	
	2025	2024
	HK$'M	HK$'M
Revenue	**2,874.2**	3,265.4
Gross profit	**484.3**	477.7
Profit attributable to the owners of the Company	**80.8**	82.4
Basic earnings per share	**HK$0.06**	HK$0.06

The Board has resolved to pay an interim dividend of HK2.60 cents per share for the six months ended 30 June 2025.[(i)]

(i) The interim dividend for the six months ended 30 June 2025 of HK2.60 cents per share, amounting to approximately HK$36.4 million in aggregate.

Order Intake

HK$**4,906.5** million

+ 39.8%

Contracts-in-hand

HK$**13,085.0** million

+ 11.8%

Revenue

HK$**2,874.2** million

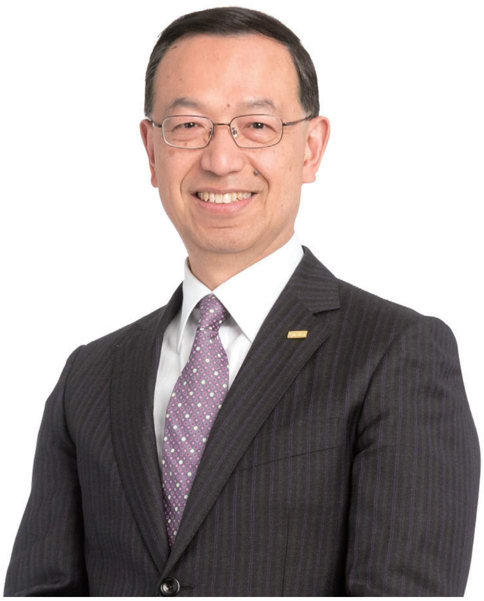
Gross Profit Margin

16.8%

Profit Attributable to Owners of the Company

HK$**80.8** million

Chairman's Statement



"The Group is pleased to report a record high in contracts-in-hand in the first half of 2025. Leveraging continuous advancements in construction techniques and innovative technologies, and comprehensive engineering capabilities, we have won the recognition and support of customers in diverse sectors."

Fruitful Results

With comprehensive, result-driven engineering services, Analogue Holdings Limited and its subsidiaries (collectively "The Group" or "ATAL Engineering") have been committed to becoming the leading integrated multidisciplinary electrical and mechanical ("E&M") engineering cum innovative smart city technology service group. Our business encompasses the diverse segments of Building Services, Environmental Engineering, Information, Communications and Building Technologies (ICBT), as well as Lifts and Escalators, and has expanded internationally from Hong Kong, Macau, and Mainland China, to the United States ("US"), the United Kingdom ("UK") and other markets in the world.

The Group is pleased to report a record high in contracts-in-hand in the first half of 2025. Leveraging continuous advancements in construction techniques and innovative technologies, and comprehensive engineering capabilities, we have won the recognition and support of customers in diverse sectors, including hospitals, public and private housing, commercial and industrial developments, Macau projects, environmental engineering, data centres, universities, technology services, as well as lifts and escalators.

In the Building Services segment, the Group has invested in advancing construction techniques, accumulated extensive experience, and set professional benchmarks. In the first half of the year, the Group capitalised on such leadership in innovative Multi-trade Integrated Mechanical, Electrical and Plumbing ("MiMEP"), Building Information Modelling ("BIM") and Design for Manufacture and Assembly ("DfMA") to secure many significant contracts for landmark construction. In the robust environmental engineering segment, the Group maintains its leading position with a portfolio of self-developed, unique, high-performance, biological and smart processes. We actively participated in tenders, with different projects due to commence in phases.

Chairman's Statement

The Group has since early years been engaging in research and development on our own and in collaboration with leading universities and international technology partners, which gives us the early-mover advantage in putting the fast-developing innovative technologies to effective use in the engineering industry. We have worked with customers to apply artificial intelligence and digital technologies in diverse projects, to co-create values and solutions that incorporate smart infrastructure, applications and integrated systems. One of these exemplary projects is to provide for a Grade A commercial building in Causeway Bay, a total solution integrating data technology, IoT infrastructure, security applications, automation and control systems, which is set to become a model for digital and sustainable engineering.

The Group manufactures and sells lifts and escalators worldwide. With a comprehensive service model that integrates product design, manufacturing, installation and maintenance, we have successfully expanded from Hong Kong to the US, the UK, and other markets in the world. Our associate, TEI, being one of the largest independent lifts and escalators companies in New York, continued its steady growth in the southern part of the US. In the first half of 2025, it stood out from competitors by winning a contract for installing the lifts and escalators in a landmark building that rises 1,067 feet above New York's Times Square. Installing lifts and escalators for such a towering building, which requires exceptional technical capability, marks a milestone for the Group in the industry.

Forging Ahead

The Group invests in the future and contributes to Hong Kong. Our new headquarters building, which became fully operational this year, is equipped with state-of-the-art facilities that enhance customer service and team operations. The Group has set up the ATAL Design, Research and Training Centre ("Centre") in the new headquarters, to nurture young engineering talent and foster co-creation with clients and stakeholders. At the ATAL Tower Grand Opening, we were deeply encouraged by the positive remarks of Ms Bernadette Linn, Secretary for Development of the Hong Kong SAR Government, who cited ATAL Tower as an exemplary success of the policy of the industrial building revitalisation scheme. Since its opening, over 70 workshops had been held at the Centre for the industry, business partners and educational institutions alike, to forge forward in developing E&M engineering and smart city technology in Hong Kong.

With our leading position in E&M engineering, ATAL Engineering will continue to create shared value for our customers, stakeholders and shareholders.

Dr. MAK Kin Wah
Chairman

Hong Kong, 29 August 2025

Management Discussion and Analysis

INTERIM BUSINESS REVIEW

Overview

The Group achieved a record high contracts-in-hand of HK$13,085.0 million as of 30 June 2025 (30 June 2024: HK$11,704.3 million) by winning contracts across diverse sectors, including hospitals, residential and commercial developments, Macau hotels, data centres, universities, environmental engineering, technological services, and lifts and escalators. Successfully staying agile for the opportunities in our diverse business base, the Group increased the order intake by 39.8% or HK$1,396.3 million to HK$4,906.5 million for the six months ended 30 June 2025 ("1H2025") (For the six months ended 30 June 2024 ("1H2024"): HK$3,510.2 million). This will provide a solid foundation for the business in the coming two years and beyond.

The Group maintained active tendering activities in the first half of 2025 and submitted a total of 498 tenders or quotations, each valued at over HK$1 million (1H2024: 581 tenders or quotations each valued at over HK$1 million), across our four business segments: Building Services; Environmental Engineering; Information, Communications and Building Technologies ("ICBT"); and Lifts and Escalators. The award of many of the submitted tenders is due for announcement in phases later this year.

The Group's profit attributable to the owners of the Company was HK$80.8 million for 1H2025 and was HK$82.4 million for 1H2024, the difference being 1.9% or HK$1.6 million. For adjusted comparison between 1H2025 and 1H2024, the Group's profit attributable to the owners of the Company of HK$80.8 million for 1H2025 would be 18.2% or HK$18.0 million lower compared with the adjusted profit attributable to the owners of the Company of HK$98.8 million for 1H2024 (after excluding the Group's share of a once-off net insurance claim income of approximately HK$15.2 million (net of associated expenses) received by our associate in the United States ("US") as well as the impairment loss on goodwill and the impairment loss on brand name for this associate in the US totalling HK$31.6 million).

The revenue generated by the Group for 1H2025 amounted to HK$2,874.2 million. Compared with HK$3,265.4 million for 1H2024, this was lower by 12.0% or HK$391.2 million mainly due to phasing of projects.

The Group maintained a solid consolidated gross profit of HK$484.3 million at 16.8% to revenue for 1H2025 (1H2024: HK$477.7 million at 14.6% to revenue). New projects are scheduled to start progressively and will contribute to the future profit pipeline in phases as they reach the threshold for profit recognition.

The Group maintained a strong cash position, with bank balances and cash of HK$1,140.1 million as of 30 June 2025 (31 December 2024: HK$1,035.9 million), enabling the Group to take on additional work as appropriate and other business opportunities arising in the market.

Management Discussion and Analysis

The Group's success in building a lead in the advanced construction technologies of Multi-trade Integrated Mechanical, Electrical and Plumbing (MiMEP), Design for Manufacturing and Assembly (DfMA), Modular Integrated Construction (MiC) and Building Information Modelling (BIM) was critical to the success in securing many new contracts in 1H2025, including those for hospitals and commercial developments. These technologies are transforming traditional engineering workflows, improving quality, enhancing safety, reducing site time, minimising waste, and ultimately preventing site issues before they arise.

Our MiMEP Design and Manufacturing Centre, and High Productivity Research Centre in Zhuhai also serve as industry hubs to showcase how MiMEP can offer tangible benefits in terms of productivity and sustainability. The centres are digitally linked to ATAL Tower, our intelligent headquarters, enabling real-time monitoring and seamless coordination across regions.

With ATAL Tower now fully operational, the Group has entered a new era. This all-in-one headquarters consolidates all our operating units under one roof and serves as a dynamic centre for nurturing ideas, technologies and future leaders, enhancing collaboration across business units, accelerating innovation, and positioning the Group for sustainable growth in the coming decades.

In parallel, ATAL Data Centre Infrastructure Limited has obtained the property management licence, further strengthening our capability to maintain, operate and manage mission-critical infrastructure services, including high-performance data centres.

The intake of new maintenance contracts for infrastructure, housing programmes, and lifts and escalators in the 1H2025 totalled HK$862.5 million. With the renewal of major term maintenance contracts, this represents an increase of 143.0% or HK$507.6 million, from the HK$354.9 million recorded in 1H2024. Recurring maintenance revenue was steady at HK$616.9 million during the 1H2025, compared with HK$614.7 million in 1H2024.

To reinforce our differentiation, the Group continues to invest in research and development (R&D) in target areas to develop and deploy technologies including AI, Digital Twins, IoT (Internet of Things), and energy optimisation to support intelligent building and smart city solutions; liquid cooling to boost high performance computing data centres; robotic solutions; integrated water and wastewater treatment systems to improve thermal management and sustainability; climate and environmental engineering solutions, such as flood mitigation systems and barrages, and renewable energy systems to support green buildings and carbon reduction goals.

These innovations are not only improving project outcomes, but also enabling the Group to lead in emerging business segments and respond proactively to evolving market demands.

The Group continues to explore opportunities in the US, the United Kingdom ("UK"), and other international markets. Notably, the Group's associate, Transel Elevator & Electric Inc. ("TEI"), one of the largest independent lifts and escalators companies in New York, secured the contract for the world-class vertical transportation system in the iconic 56-storey luxury hotel skyscraper on the border of Times Square, incorporating an observation deck and an amusement drop-ride. Furthermore, TEI continued to expand in the southern part of the country and opened a second branch in Florida in the first half of 2025. In addition, the Group has established a company in Germany to capitalise on business opportunities in Europe.

Building Services

The Building Services segment reports a high level of contracts-in-hand totalling approximately HK$6,934 million as of 30 June 2025, providing a solid business foundation for the coming two years and beyond (30 June 2024: HK$5,585 million). Our competitive edge in multidisciplinary packaged projects and industry leadership in innovative MiMEP and other new engineering techniques were instrumental in securing major contracts. These contracts include projects for hospitals in Sheung Shui, Yuen Long and Lai King, public and private residential projects, commercial developments in Tung Chung and other areas, significant hotel projects in Macau, data centre development and university works.

Order intake for 1H2025 totalled HK$3,392 million, representing an increase of 80.3% or HK$1,511 million, compared to HK$1,881 million for 1H2024. Revenue generated by the Building Services segment for 1H2025 was HK$1,565 million, 25.9% lower than the previous year (1H2024: HK$2,111 million), due to the phasing of projects. Newly launched projects are scheduled to progressively reach the threshold for profit recognition, contributing to the future profit pipeline in phases.

New maintenance contracts for housing programmes and modernisation projects were added to the large Management, Operation and Maintenance ("MOM") service contracts for mission-critical data centres that commenced in the previous year.

With strategic investments to accelerate innovation and modern manufacturing facilities in Zhuhai and Hong Kong, the Group continues to lead in MiMEP and DfMA technologies. These facilities are now fully integrated with our headquarters, enabling real-time monitoring and seamless collaboration across regions.

We have successfully obtained the property management licence, allowing us to offer integrated solutions throughout the building lifecycle, from construction through maintenance and operations to long-term facility management, and creating a potential revenue stream that complements our core services.

To continuously improve productivity, we have integrated manpower deployment across different units under the Building Services segment to encourage more agile and efficient resource allocation between healthcare, infrastructure and building services projects, as well as between different regions.

Through continuous development of innovative technologies, and operational optimisation, the Building Services segment is positioning itself to maintain market competitiveness and continue to grow its core business.

Management Discussion and Analysis

Environmental Engineering

Contracts-in-hand of the Environmental Engineering segment amounted to HK$4,580 million as at 30 June 2025 (30 June 2024: HK$4,514 million).

The segment secured the order intake of HK$966 million in 1H2025 (1H2024: HK$970 million). This included the award of a four-year water supply maintenance contract, upgrading works for a sewage pumping station to serve the expanded population in the New Territories East region, and variation orders under an existing water treatment works contract. The segment maintained active tendering activities throughout 1H2025 and the award of many of the submitted tenders is due for finalisation in phases later in the year.

The Environmental Engineering segment recorded revenue of HK$717 million in 1H2025, representing an increase of 15.5% or HK$96 million from HK$621 million in 1H2024.

With increasing market potential, AI-enabled Digital Twins and other innovative solutions have been introduced under the Algo brand in water, wastewater and solid waste design-and-build projects, as well as in operation and maintenance projects for electrical and mechanical ("E&M") works, to help optimise operational decisions, extend plant life cycles, and ensure the excellent serviceability of environmental infrastructure in Hong Kong.

In addition to the project opportunities in Asia and the Middle East, the segment is exploring opportunities to extend its expert services to European projects through a newly-established company in Germany.

Information, Communications and Building Technologies ("ICBT")

The contracts-in-hand of the ICBT segment totalled HK$863 million as at 30 June 2025, lower by 8.0% compared with the HK$938 million as at 30 June 2024. The segment's order intake was HK$207 million in 1H2025, lower than the HK$391 million in 1H2024 mainly due to the timing of major project opportunities. The segment maintained active tendering activities throughout 1H2025 and the award of many submitted tenders is due for finalisation in phases later in the year.

Revenue for the ICBT segment amounted to HK$303 million in 1H2025, up by 2.7% or HK$8 million, from HK$295 million in 1H2024.

The ICBT segment continued to sustain its leadership in green and intelligent building solutions under the DigiFusion brand, leveraging our integrated spectrum of cutting-edge technologies, including AI-enabled Digital Twin platforms, IoT, energy management and renewable energy systems, solar paver technology, energy-efficient HVAC (Heating, Ventilation, and Air Conditioning) systems, ESG dashboards and IEQ (Indoor Environment Quality) management, automation and control systems, AI video analytics, advanced security solutions, robotic solutions and smart lampposts. These solutions are designed to foster smarter and more sustainable urban environments that elevate quality of life, transform how people live and work, and strengthen their connection with the spaces around them.

One of our signature projects is to provide holistic solutions for a new Grade A commercial building in the heart of Causeway Bay, integrating automation and control systems, security solutions, IT networks and IoT infrastructure, which will be a showcase for digital and sustainable engineering in Hong Kong and the surrounding regions.

We have continued to expand our technological reach through strategic collaborations with leading manufacturers in Mainland China and around the world. One notable partnership during the 1H2025 involved a world-renowned pump manufacturer, enabling us to deliver digital solutions including ready-to-use BIM assets, prefabrication technologies, IoT integration, and AI-powered analytics. These collaborations reinforce our ability to deliver scalable, high-performance solutions in diverse sectors.

Lifts and Escalators

The Group's lifts, escalators and moving walkways demonstrate success in tapping into overseas markets, with enrichment in the product range and enhancement in production capacity.

Contracts-in-hand of the Lifts and Escalators segment reached HK$708 million as at 30 June 2025 (30 June 2024: HK$667 million). The segment's order intake was HK$341 million in 1H2025, up 26.8% or HK$72 million, compared with HK$269 million in 1H2024. This was attributable to the award of several major contracts in Hong Kong, including the renewal of a three-year term maintenance contract, and projects in the UK.

In parallel, the Group's associate, TEI, secured the contract of a world-class vertical transportation system in the iconic 56-storey luxury hotel skyscraper including an observation deck and an amusement drop-ride, on the border of Times Square in New York.

Revenue from the Lifts and Escalators segment (excluding TEI) was HK$289 million in 1H2025, an increase of 20.9% or HK$50 million from HK$239 million in 1H2024.

Through continuous refinement and improvement, our Nanjing factory has streamlined manufacturing processes, expanded product offerings and enhanced product quality. These optimisations resonate with our global vision and reinforce our commitment to delivering reliable, high-performance vertical transportation solutions.

Our Machine-Room-Less lift products have gained significant traction in key international markets, including the US and South Korea, by virtue of their space-saving design, energy efficiency, simplified installation and low maintenance requirements.

As one of the largest independent lifts and escalators companies in New York, TEI has gained a foothold in the southern part of the US, opening a second branch in Florida during the 1H2025. The Group is also actively strengthening our presence in the UK and extending our network in other international markets.

Management Discussion and Analysis

Innovation, Resources Management and Other Operational Initiatives

Innovation continues to be the driving force of the Group's sustained growth and transformation. In an increasingly competitive and technology-driven landscape, we remain committed to leveraging advanced engineering methodologies and digital technologies to continuously enhance quality, productivity, and customer value.

The Group has advanced the adoption of MiMEP, DfMA, BIM, AI, and Digital Twin solutions across our business segments, integrating cutting-edge technologies throughout the entire project lifecycle – from design and planning to execution and operations – to deliver smarter, safer, and more sustainable buildings and infrastructure.

We are setting industry-leading benchmarks with the highest MiMEP application rate in flagship commercial building projects, demonstrating significantly improved project coordination, reduced construction time, enhanced safety, and elevated overall quality. These innovations are increasingly being recognised by business partners and the industry and were instrumental in securing major contract awards during the 1H2025.

Our MiMEP Design and Manufacturing Centre, and MiMEP High Productivity Research Centre in Zhuhai have expanded their capabilities to support projects in Hong Kong and the Greater Bay Area ("GBA"). These facilities are digitally connected to our headquarters – ATAL Tower – via real-time monitoring systems, enabling seamless integration and quality assurance across regions.

Our commitment to R&D remains unwavering. The ATAL Design, Research and Training Centre located in ATAL Tower has proven to be an attractive hub for innovation, successfully bringing together business partners, engineers, data scientists, and industry experts to co-create solutions that address real-world challenges. Through active collaborations with world-class universities, research institutions and technology partners, we are accelerating the development of new construction techniques, smart building and city applications, and advanced environmental solutions.

Our AI-enabled Digital Twin platforms are now being used to simulate performance, optimise energy usage and support predictive maintenance, not only in buildings but also for infrastructure and industrial applications.

In addition, the Group's Smart Data Automation ("SDA") unit has made notable progress in deploying intelligent automation solutions for water treatment plants, sewage facilities, and mission-critical infrastructure such as data centres. SDA's offerings now include AI-powered monitoring systems, predictive analytics, and smart control platforms that enhance operational efficiency and reliability.

Meanwhile, with a vertically integrated model covering design, manufacturing, installation, and after-sales service, our Lifts and Escalators segment has been actively developing new products to meet its expanding footprint in international markets, particularly in the UK and the US.

To continuously enhance productivity and agility, the Group has undertaken the strategic integration of resource deployment across business units and regions, particularly within the Building Services segment. This includes the integration of project teams, design capabilities, and manufacturing assets in Hong Kong and the GBA. Through the cross-unit and cross-border coordination of resources and expertise, we are capable of responding more effectively to market demands and accelerating project delivery.

Talent management has always been a critical part of the Group's strategy, with more support provided to managers to ensure effective talent performance management. In addition, the Group has leveraged the government's sector-specific and technical professional importation schemes to address labour shortages in Hong Kong. New team members are provided with structured training programmes to ensure alignment with our standards and values, and are quickly integrated into project teams to become productive contributors.

Meanwhile, we continue to invest in our Graduate Trainee and Technician Trainee programmes and extensive training for local staff, including personalised development for select mid-career professionals. Our focus on technical excellence, leadership development, and continuous learning ensures a strong pipeline of professionals and leaders at different levels, ready to provide strong support for the Group's long-term growth.

To further enhance operational efficiency and decision-making, the Group is upgrading its enterprise systems. The new enterprise resource planning ("ERP") and enterprise performance management ("EPM") platforms are currently being tested and optimised, with full deployment scheduled in 2026 to streamline project management, vendor coordination, human resources, finance, and internal administration. This system will enable real-time data sharing, improve transparency, enhance efficiency, and support scalable operations across all units.

With a strong commitment to innovation, operational excellence and nurturing professional talent, the Group is well-positioned to navigate the evolving business landscape and seize emerging opportunities in Hong Kong, the GBA, and global markets. We remain committed to delivering high-quality, sustainable solutions that create value for our business partners, stakeholders, and the wider community.

FINANCIAL REVIEW

In the first half of 2025, the Group's revenue was HK$2,874.2 million, which was HK$391.2 million or 12.0% lower than the same period last year, and such decrease is mainly attributable to the Building Services segment. Gross profit for the six months ended 30 June 2025 was HK$484.3 million, which was HK$6.6 million or 1.4% above the same period last year. The gross profit margin of 16.8% for the six months ended 30 June 2025 was 2.2 percentage points higher than the same period last year (six months ended 30 June 2024: 14.6%), and the increase in margin was mainly in Environmental Engineering segment.

The Group's profit attributable to the owners of the Company was HK$80.8 million for six months ended 30 June 2025 and was HK$82.4 million for the six months ended 30 June 2024, the difference being 1.9% or HK$1.6 million. For adjusted comparison between the six months ended 30 June 2025 and 2024, the Group's profit attributable to the owners of the Company of HK$80.8 million for the six months ended 30 June 2025 would be 18.2% or HK$18.0 million lower compared with the adjusted profit attributable to the owners of the Company of HK$98.8 million for the six months ended 30 June 2024 (after excluding the Group's share of a once-off net insurance claim income of approximately HK$15.2 million (net of associated expenses) received by our associate in the US as well as the impairment loss on goodwill and the impairment loss on brand name for this associate in the US totalling HK$31.6 million).

Management Discussion and Analysis

The Group maintained a strong cash position and sufficient committed banking facilities to finance our growth and development. The Group's bank balance and cash amounted to HK$1,140.1 million as at 30 June 2025 (31 December 2024: HK$1,035.9 million). As at 30 June 2025, the Group's bank borrowing balance was HK$440.3 million (31 December 2024: HK$574.2 million), which mainly includes outstanding balance of mortgage loan for the purchase of ATAL Tower of HK$241.3 million (31 December 2024: HK$248.6 million), short-term green loan of HK$160.0 million (31 December 2024: HK$160.0 million), tax loan of HK$13.9 million (31 December 2024: HK$34.4 million). Both the revitalisation loans for ATAL Tower (balance at 31 December 2024: HK$120.4 million) and the loan for the Group's operation in Mainland China (balance at 31 December 2024: HK$10.6 million) have been repaid by end of June 2025. A new short-term trade loan of HK$25.0 million was entered into and drawn as at 30 June 2025.

Out of the total bank borrowing balance, HK$226.7 million (31 December 2024: HK$326.7 million) was non-current liabilities.

Non-Generally Accepted Accounting Principles ("GAAP") Financial Measures

To supplement the Group's condensed consolidated results prepared in accordance with HKFRS Accounting Standards, a certain non-GAAP financial measure, namely profit attributable to owners of the Company before (i) share of the net insurance claim income and (ii) the impairment loss on goodwill and the impairment loss on brand name for an associate in US is presented. The Company's management believes that the non-GAAP financial measure provides investors with a more meaningful view of the Group's financial results. However, there are limitations to the use of this non-GAAP financial measure as an analytical tool. Non-GAAP financial measure should be viewed as supplement to, and not a substitute for, analysis of the Company's financial performance prepared in accordance with HKFRS Accounting Standards.

Revenue

During the six months ended 30 June 2025, the Group reported a total revenue of HK$2,874.2 million, representing a decrease of HK$391.2 million or 12.0% compared to the six months ended 30 June 2024. The decrease in revenue in the Building Services segment was HK$546.4 million, the effect was partly offset by higher revenue in Environmental Engineering segment and Lifts and Escalators segment.

Gross Profit

The Group's gross profit was HK$484.3 million during the six months ended 30 June 2025 (six months ended 30 June 2024: HK$477.7 million) and slightly above the same period last year. 2025 first half gross profit margin of 16.8% (six months ended 30 June 2024: 14.6%) was 2.2 percentage points higher than the first half of 2024, mainly attributable to Environmental Engineering segment.

Other Income

The Group's other income during the six months ended 30 June 2025 was HK$8.7 million (six months ended 30 June 2024: HK$12.3 million) which mainly included bank interest income and government subsidies. Less government subsidies were received in the first half of 2025 compared to that in 2024.

Other Gains and Losses

The Group recorded a net loss of HK$0.3 million during the six months ended 30 June 2025 (six months ended 30 June 2024: net loss of HK$16.4 million), which is reduced by HK$16.1 million. In the first half of 2024, an impairment loss on goodwill of HK$12.6 million, on interest in an associate in the US was recognized but no such impairment in the six months ended 30 June 2025. The Group recognised a net exchange gain of HK$8.6 million arising from revaluation of foreign currency balances, mainly denominated in British Pound ("GBP") and Renminbi ("RMB"), due to appreciation of GBP and RMB from end December 2024 to 30 June 2025 (six months ended 30 June 2024: net exchange loss of HK$3.5 million). The effect of these two factors was partly offset by the fair value loss on investment properties amounting to HK$7.2 million in the first half of 2025, based on valuation by an independent professional valuer (six months ended 30 June 2024: fair value loss of HK$0.2 million).

Administrative Expenses

The Group's administrative expenses for the six months ended 30 June 2025 was HK$365.3 million, close to same period last year (six months ended 30 June 2024: HK$360.9 million).

Share of Results of Associates

The Group's share of results of associates during the six months ended 30 June 2025 decreased by HK$14.5 million when compared to the same period last year. The decrease is mainly attributable to provision made for loan to a Hong Kong associate of HK$10.0 million for the six months ended 30 June 2025.

Liquidity and Financial Resources

The Group's finance and treasury functions have been centrally managed and controlled at the headquarters in Hong Kong. The Group maintained a healthy liquidity position throughout the reporting period.

As at 30 June 2025, the Group's total cash and bank balances (excluding pledged bank deposits) amounted to HK$1,140.1 million (31 December 2024: HK$1,035.9 million), of which 74.9%, 21.3%, 1.9% and 1.9% (31 December 2024: 71.1%, 24.7%, 1.9% and 2.3%) were denominated in Hong Kong dollars or Macau Pataca, RMB, US dollars and other currencies, respectively.

As at 30 June 2025, the Group had bank borrowings amounting to HK$440.3 million, compared to HK$574.2 million as of 31 December 2024. This mainly included a mortgage loan of HK$241.3 million (31 December 2024: HK$248.6 million) and a short-term green loan of HK$160.0 million (31 December 2024: HK$160.0 million).

Except for the mortgage loan, which is scheduled to be repaid by the end of the year 2041, the remaining borrowings will be settled within 1 year. As at 30 June 2025, the loans are mainly denominated in HKD and carrying at floating interest rate; while as at 31 December 2024, the loans were denominated in HKD and RMB.

In addition, as at 30 June 2025, the Group had banking facilities in the form of bonds, bank overdraft and loans, and trade financing of approximately HK$2,830.1 million (31 December 2024: HK$2,703.2 million), of which approximately HK$1,082.3 million had been utilised (31 December 2024: HK$1,331.8 million).

Management Discussion and Analysis

Foreign Exchange Risk

The Group operates primarily in Hong Kong, Macau, Mainland China and the UK and is not exposed to significant foreign exchange risk. The Group will continue to closely monitor its exposure to currency risk by reviewing fluctuations in foreign exchange rates.

The Group has entered into foreign currency forward contracts for planned foreign currency transactions in the ordinary course of business. There are no foreign currency net investments hedged by currency borrowings or other hedging instruments.

Use of proceeds from listing of shares of the Company

The total net proceeds raised by the Company pursuant to the listing of the shares in the Company's global offering in 2019 amounted to approximately HK$335.7 million (the "Net Proceeds"). As at 30 June 2025, the Group had utilised HK$275.9 million of the Net Proceeds.

As disclosed in the Company's annual report for the year ended 31 December 2024, the Net Proceeds were not fully utilised in the year ended 31 December 2024 and the unutilised Net Proceeds as at 31 December 2024 was approximately HK$59.8 million, all of which are intended to be used for the acquisition of or investment in companies and have not been used during the six months ended 30 June 2025.

The management of the Group has decided to take a cautious approach when identifying business acquisitions and investment opportunities due to the macroeconomic and geopolitical uncertainties. In view of such uncertainties, multiple factors will need to be taken into consideration before making decisions on acquisitions and investments. In the circumstances, the Group will continue to cautiously but proactively pursue suitable new business ventures and investment opportunities with the intention of fully utilising the Net Proceeds on or before 31 December 2025. The board of directors of the Company (the "Board") is of the view that such delay is non-material and there is no change in the intended use of the unutilised Net Proceeds.

As stated in the Company's announcement dated 27 November 2020, the Board resolved to change the use of the unutilised Net Proceeds as of 31 October 2020.

The following table sets forth the original allocation, the revised allocation as of 31 October 2020, and the actual use as at 30 June 2025:

	Original allocation of Net Proceeds HK$'M	Utilised amount of Net Proceeds up to 31 October 2020 HK$'M	Revised allocation of the unutilised Net Proceeds as at 31 October 2020 HK$'M	Utilised amount of Net Proceeds from 1 November 2020 to 31 December 2024 HK$'M	Unutilised amount of Net Proceeds as at 31 December 2024 HK$'M	Utilised amount of Net Proceeds from 1 January 2025 to 30 June 2025 HK$'M	Unutilised amount of Net Proceeds as at 30 June 2025 HK$'M
Supporting the expansion and development of building services segment	67.1	34.6	42.4	42.4	–	–	–
Enhancing engineering capabilities in environmental engineering segment							
– Acquisition of, investment in, cooperating or forming joint ventures	59.3	17.1	5.6	5.6	–	–	–
– Support the expansion and development of environmental engineering segment, including project working capital needs and additional investment in development of advanced environmental process technologies	41.4	0.5	40.9	40.9	–	–	–
Enhancing engineering capabilities of ICBT segment							
– Setting up dedicated research and development teams	19.3	6.0	13.3	13.3	–	–	–
– Acquisition of, or investment in, companies which possess innovative technology	47.8	–	–	–	–	–	–
Expansion and development of lifts and escalators segment							
– Expanding existing manufacturing facilities and construction of a new production plant	54.1	–	–	–	–	–	–
– Setting up export sales office and sales and service centres in Mainland China	13.0	–	–	–	–	–	–
– Expanding existing manufacturing facilities	–	–	67.1	67.1	–	–	–
Acquisition of, or investment in, companies	–	–	68.0	8.2	59.8	–	59.8
General working capital	33.7	31.8	8.4	8.4	–	–	–
Total	335.7	90.0	245.7	185.9	59.8	–	59.8

Management Discussion and Analysis

Future Plans For Material Investment or Capital Assets

While the Group will continue to target suitable new business ventures and investment opportunities, there are no concrete future plans for material investments or capital assets as at the date of this report.

Material Acquisition or Disposal of Subsidiaries, Associates and Joint Ventures

The Group did not make any material acquisitions or disposals of subsidiaries, associates and joint ventures during the reporting period.

Gearing Ratio and Indebtedness

As at 30 June 2025, the gearing ratio (being gross bank borrowings divided by total equity attributable to the owners of the Company) decreased to 19.5% (31 December 2024: 26.2%) mainly due to repayment of revitalisation loans during the six months ended 30 June 2025 (31 December 2024: HK$120.4 million).

Charges on Group Assets

The Group had pledged assets as security for general short-term banking facilities, mortgage loan as well as loan facilities for the revitalisation and renovation of ATAL Tower, totalling HK$918.1 million as at 30 June 2025 (31 December 2024: HK$968.1 million). Part of the bank deposits were denominated in RMB as at 30 June 2025, same as 31 December 2024.

Capital Commitments

As at 30 June 2025, the Group had capital commitments of HK$14.2 million contracted but not provided for the condensed consolidated financial statements which is mainly related to enterprise resource planning system of HK$12.5 million and expansion of the existing lift and escalator manufacturing facilities in Nanjing of HK$1.7 million.

Contingent Liabilities

As at 30 June 2025, the Group had outstanding performance bonds of approximately HK$604.2 million (31 December 2024: HK$716.6 million), which were given by banks in favour of the Group's customers as security for the proper performance and observance of the Group's contractual obligations to its customers. If the Group fails to provide satisfactory services to these customers, the customers may request the banks to pay them the sum or sums stipulated in the performance bond and the Group will be liable to compensate these banks accordingly. The performance bonds will be released upon completion of the relevant contracted work.

The Group is involved in lawsuits during its normal course of operations. As at 30 June 2025, there were a few legal proceedings related to these lawsuits outstanding against the Group. The Group has made adequate provision for any probable losses based on the current facts and circumstances.

Events after Reporting Period

No major subsequent events have occurred since the end of the reporting period and up to the date of this report.

Human Resources

As at 30 June 2025, the Group employed 3,105 staff (including short-term staff) across Hong Kong, Macau, Mainland China, and the UK (30 June 2024: 3,044).

Safety has been our top priority. Procedures and work instructions are regularly updated to address work-related risks, including dynamic risk management, heat stress, working at height, and confined spaces. A dedicated "Task Force on Smart Site Safety System" has developed advanced technologies to further enhance the safety framework, including a smart safety harness system using AI and IoT for working at height, and robotic welding to enhance safety, efficiency, and sustainability. Advanced construction reality capture is also leveraged to facilitate dynamic risk assessment and enhance safe work practices.

Since 1984, we have demonstrated a steadfast commitment to developing engineering professionals through our long-standing participation in the Hong Kong Institution of Engineers ("HKIE") Graduate Training Scheme and the Vocational Training Council ("VTC") Apprenticeship Programme. These structured training and mentorship initiatives have successfully nurtured over 1,250 young engineers and technicians, many of whom have grown with the Group to assume senior professional and leadership roles, contributing significantly to both the industry and the wider community.

Today, this legacy continues through our team of 27 HKIE Scheme A-accredited Engineering Supervisors (ES) across multiple disciplines. Their extensive industry knowledge and practical expertise provide comprehensive guidance to young engineers at every career stage, from graduate trainees to professional qualifications and beyond. Our dual focus on technical excellence and leadership development ensures a strong pipeline of competent professionals ready to serve society.

In June 2025, more than 130 young trainees were being nurtured through these training programmes, which have now been expanded to cover seven disciplines under the HKIE Graduate Training Scheme: Mechanical, Electrical, Environmental, Building Services, Energy, Electronics, and Control, Automation and Instrumentation. The curriculum has also been extended to reinforce safety and social responsibility education. Outstanding trainees are offered an additional year of advanced training to further broaden their skills.

Employees at all levels are encouraged to undertake continuous training to enhance their knowledge, skills, integrity, customer focus, leadership, and overall capabilities. The Group's diverse training portfolio fosters a spirit of craftsmanship and equips staff with the skills and knowledge required to navigate the rapidly changing environment. In 1H2025, the Group conducted 158 internal training courses, totalling over 13,403 training hours. In recognition of our exemplary efforts in employee development, the Group was awarded the "Manpower Developer" status for April 2024 to March 2026 by the Employees Retraining Board.

To support continuous development, the Group maintains a comprehensive goal setting and performance appraisal system, coupled with competitive remuneration and incentives to attract, retain, and motivate employees. Our remuneration policy rewards strong and sustained performance, with remuneration for directors and senior executives recommended by the Remuneration Committee, approved by the Board, and aligned with business objectives. More support has been given to managers to ensure effective performance differentiation and management, and to recognise competent and committed employees who share our vision and values. This approach encourages staff to realise their potential and supports career advancement, while ensuring high levels of competence and efficiency in line with our strategy and shareholder interests.

Management Discussion and Analysis

The Group is committed to upholding integrity and business ethics. Our Code of Conduct and related policies are clearly communicated to all employees and reinforced through operating procedures and ongoing training. Topics include cybersecurity awareness, the Prevention of Bribery Ordinance, the Competition Ordinance, the anti-discrimination ordinances, the Construction Workers Registration Ordinance, and the Personal Data (Privacy) Ordinance. Mechanisms and policies are in place for whistle-blowing, proactive cooperation with enforcement agencies, and the declaration and avoidance of potential conflicts of interest. In cases of complaints or allegations, a fair and impartial system ensures that facts are accurately established and malicious claims are identified.

We have long maintained an equal opportunity working environment, offering flexible work arrangements for female staff where appropriate, including nursing rooms, duty adjustments for pregnant employees, and support for women working on-site. The Group also recruits ethnic minority and non-local talent, balancing training and development opportunities for local staff while utilising government labour importation schemes for the construction sector.

To foster a sense of belonging, the ATAL Recreational and Welfare Affairs Club ("ARWA Club") actively organises a variety of sports and welfare activities to promote a happy and healthy workplace. The ARWA Club supports staff sports teams, including dragon boat, bowling, badminton, basketball, and football teams.

OUTLOOK

The transformation of the global strategic landscape and technologies continues to unfold. Expectations are gradually adapting to the ongoing shift. Mainland China continued to show resilience and adaptability, achieving technological breakthroughs, maintaining GDP growth, and continuing with reform and supportive policies. The US maintained its momentum. Europe stayed steady albeit at a slower pace.

For Hong Kong's construction industry, the public sector is expected to see government capital works worth HK$90-120 billion. There are opportunities in different sectors, driven by the development of healthcare, education and the North Metropolis that is being expedited, the need to refresh, improve and extend the life cycle of assets, and ongoing operation and maintenance requirements. This is evidenced by the Group's record high contracts-in-hand and the tendering activities we participated in, with further awards expected this year, providing the Group's business with a solid foundation in the next two years and beyond.

The Group aims to stay agile in pursuit of opportunities across our wide base of business, further building our competitiveness through innovative construction technologies that improve quality, site time requirement and safety, and strengthening our offer of advanced solutions that meet emerging environmental and climate challenges.

The fast development of technology and the national strategy to drive innovation through smart city development will generate demands for engineering solutions that incorporate artificial intelligence. The Group is well positioned for these opportunities. We will strengthen our differentiation as a leader in comprehensive E&M engineering that also provides advanced technological services to facilitate the adoption of smart infrastructure, applications and integrated systems.

With the presence we have already established in the UK, the US and other international markets, the Group is continuing to pursue project and technical services opportunities in Europe, Asia, and the Middle East. The comprehensive model of our Lifts and Escalators business – encompassing design, manufacturing, construction, and after-sales service – will be gradually extended with more products and partners, as well as expansion into the southern part of the US. We will also explore the possibility of broadening our overseas market offering beyond lifts and escalators to include engineering services. Synergetic partnership opportunities often arise in the market, and we will cautiously select those that enhance our local and global market position.

With strong cashflow, the Group will be able to take on additional work as appropriate and to seize valuable opportunities that arise in the market.

Recognising people are the cornerstone of success, the Group is committed to nurturing and developing talent to boost overall productivity and competitiveness. The establishment of the ATAL Design, Research and Training Centre will continue to serve as a hub for cultivating expertise in smart technology, underscoring our confidence in investing in Hong Kong.

We understand that creating added value for our customers is essential for earning their trust and fostering enduring partnerships. We will tirelessly put into action our motto of "We Commit. We Perform. We Deliver.", to maximise value for shareholders, suppliers and other stakeholders, while contributing to the wider communities we serve.

Report on Review of Condensed Consolidated Financial Statements

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF ANALOGUE HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Analogue Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 21 to 48, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
29 August 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	NOTES	Six months ended 30 June 2025 HK$'000 (Unaudited)	2024 HK$'000 (Unaudited)
Revenue	3	**2,874,220**	3,265,383
Cost of sales and services		**(2,389,963)**	(2,787,685)
Gross profit		**484,257**	477,698
Other income		**8,683**	12,260
Other gains and losses	4	**(295)**	(16,385)
Impairment losses under expected credit loss model, net of reversal	14	**(321)**	1,649
Selling and distribution expenses		**(327)**	(545)
Administrative expenses		**(365,280)**	(360,896)
Share of results of associates		**(14,431)**	53
Finance costs	5	**(11,898)**	(8,366)
Profit before tax		**100,388**	105,468
Income tax expense	6	**(21,102)**	(23,188)
Profit for the period	7	**79,286**	82,280
Other comprehensive income (expense)			
Items that will not be reclassified to profit or loss:			
Loss on revaluation of properties		**–**	(2,655)
Income tax relating to loss on revaluation of properties		**–**	438
		–	(2,217)
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising from translation of foreign operations		**16,112**	(17,749)
Reclassification of cumulative translation reserve upon dissolution of interest in a subsidiary		**–**	267
		16,112	(17,482)
Other comprehensive income (expense) for the period, net of tax		**16,112**	(19,699)
Total comprehensive income for the period		**95,398**	62,581
Profit (loss) for the period attributable to:			
Owners of the Company		**80,811**	82,409
Non-controlling interests		**(1,525)**	(129)
		79,286	82,280
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		**96,874**	62,734
Non-controlling interests		**(1,476)**	(153)
		95,398	62,581
		HK cents	HK cents
Earnings per share			
Basic	9	**6**	6
Diluted	9	**6**	6

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	NOTES	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Non-current assets			
Investment properties	10	**55,300**	62,540
Property, plant and equipment	11	**889,742**	908,488
Right-of-use assets	11	**50,852**	35,572
Intangible assets		**–**	1,532
Interests in associates	12	**457,337**	459,509
Deposits		**15,198**	9,214
Deferred tax assets		**25,309**	23,729
		1,493,738	1,500,584
Current assets			
Inventories		**84,427**	81,931
Contract assets	13	**1,363,897**	1,460,393
Trade receivables	14	**1,022,671**	958,265
Other receivables, deposits and prepayments		**116,181**	123,024
Amount due from an associate	12	**–**	–
Amounts due from partners of joint operations		**9,173**	5,959
Derivative financial instruments		**2,084**	–
Tax recoverable		**7,811**	8,025
Pledged bank deposits		**18,019**	25,915
Bank balances and cash		**1,140,092**	1,035,936
		3,764,355	3,699,448
Current liabilities			
Trade and retention payables	15	**630,912**	637,185
Other payables and accrued expenses	16	**1,690,727**	1,623,543
Contract liabilities		**92,550**	78,032
Amounts due to partners of joint operations		**18,651**	5,649
Bank borrowings – due within one year	17	**213,606**	247,514
Derivative financial instruments		**–**	2,430
Lease liabilities		**21,853**	13,327
Tax payable		**46,282**	24,876
		2,714,581	2,632,556
Net current assets		**1,049,774**	1,066,892
Total assets less current liabilities		**2,543,512**	2,567,476

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	NOTES	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Capital and reserves			
Share capital	18	**14,000**	14,000
Reserves		**2,248,583**	2,179,686
Equity attributable to owners of the Company		**2,262,583**	2,193,686
Non-controlling interests		**(89)**	1,387
Total equity		**2,262,494**	2,195,073
Non-current liabilities			
Long service payment obligation		**10,355**	9,049
Bank borrowings – due after one year	17	**226,688**	326,676
Lease liabilities		**27,831**	20,700
Deferred tax liabilities		**14,923**	14,622
Deferred income		**1,221**	1,356
		281,018	372,403
		2,543,512	2,567,476

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital HK$'000	Share premium HK$'000	Treasury share reserve HK$'000	Share award reserve HK$'000	Capital redemption reserve HK$'000	Property revaluation reserve HK$'000	Translation reserve HK$'000	Other reserves HK$'000	Retained profits HK$'000	Subtotal HK$'000	Non-controlling interests HK$'000	Total HK$'000
			(Note b)					(Note a)				
At 1 January 2024 (audited)	14,000	358,704	(20,568)	16,108	5	30,414	(38,329)	25,046	1,740,996	2,126,376	2,786	2,129,162
Profit (loss) for the period	–	–	–	–	–	–	–	–	82,409	82,409	(129)	82,280
Other comprehensive expense for the period	–	–	–	–	–	(2,217)	(17,458)	–	–	(19,675)	(24)	(19,699)
Total comprehensive (expense) income for the period	–	–	–	–	–	(2,217)	(17,458)	–	82,409	62,734	(153)	62,581
Dividends recognised as distribution (Note 8)	–	–	–	–	–	–	–	–	(13,863)	(13,863)	–	(13,863)
Recognition of equity-settled share-based payment expense	–	–	–	3,109	–	–	–	–	–	3,109	–	3,109
Purchase of shares under share award schemes (Note 18)	–	–	(451)	–	–	–	–	–	–	(451)	–	(451)
Dissolution of interest in a subsidiary	–	–	–	–	–	–	–	(138)	–	(138)	–	(138)
At 30 June 2024 (unaudited)	14,000	358,704	(21,019)	19,217	5	28,197	(55,787)	24,908	1,809,542	2,177,767	2,633	2,180,400
At 1 January 2025 (audited)	**14,000**	**358,704**	**(1,777)**	**–**	**5**	**28,344**	**(59,189)**	**24,758**	**1,828,841**	**2,193,686**	**1,387**	**2,195,073**
Profit (loss) for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**80,811**	**80,811**	**(1,525)**	**79,286**
Other comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**–**	**16,063**	**–**	**–**	**16,063**	**49**	**16,112**
Total comprehensive income (expense) for the period	**–**	**–**	**–**	**–**	**–**	**–**	**16,063**	**–**	**80,811**	**96,874**	**(1,476)**	**95,398**
Dividends recognised as distribution (Note 8)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(27,977)**	**(27,977)**	**–**	**(27,977)**
At 30 June 2025 (unaudited)	**14,000**	**358,704**	**(1,777)**	**–**	**5**	**28,344**	**(43,126)**	**24,758**	**1,881,675**	**2,262,583**	**(89)**	**2,262,494**

Notes:

(a) Other reserves represent legal reserves of subsidiaries in Macau Special Administrative Region ("Macau") and statutory reserves of subsidiaries in the People's Republic of China ("PRC") and reserve on remeasurement of long service payment obligation.

As stipulated by the relevant laws and regulations for enterprises in the PRC, the Company's PRC subsidiaries are required to maintain a statutory surplus reserve fund. Appropriation to such reserve is made out of at least 10% of profit after taxation as reflected in the statutory financial statements of the relevant PRC subsidiaries while the amounts and allocation basis are decided by their board of directors annually. The appropriation to statutory surplus reserve may cease if the balance of the statutory surplus reserve has reached 50% of the relevant PRC subsidiaries' registered capital. The statutory surplus reserves can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.

In accordance with provision of the Macau Commercial Code, the subsidiaries incorporated in Macau are required to transfer a minimum of 25% of the profit after taxation as reflected in the statutory financial statements of the relevant subsidiaries each year to the legal reserve until the balance has reached 50% of the respective subsidiaries' registered capital. The legal reserve is not distributable to shareholders of the subsidiaries.

(b) During the six months ended 30 June 2024, the Company purchased its own ordinary shares of an aggregate of 430,000 (unaudited) (six months ended 30 June 2025: Nil (unaudited)) shares in the market through the trustees of the Company's share award schemes. Details of the treasury shares and the share award schemes are set out in Notes 18 and 19, respectively.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 **HK$'000** **(Unaudited)**	2024 HK$'000 (Unaudited)
Operating cash flows before movements in working capital	**158,440**	168,291
(Increase) decrease in inventories	**(1,426)**	1,421
Decrease in contract assets	**97,882**	51,276
(Increase) decrease in trade receivables	**(58,172)**	1,257
Decrease in other receivables, deposits and prepayments	**4,211**	18,848
Decrease in trade and retention payables	**(8,802)**	(129,514)
Increase in other payables and accrued expenses	**70,896**	94,896
Increase in contract liabilities	**11,968**	1,182
Decrease in deferred income	**(135)**	(135)
Cash generated from operations	**274,862**	207,522
Tax paid	**(1,269)**	(755)
Tax refund	**374**	–
Payments arising from net settlement of derivative financial instruments	**(523)**	(637)
Net cash generated from operating activities	**273,444**	206,130
Bank interest income received	**4,719**	5,358
Additions of property, plant and equipment	**(10,469)**	(105,084)
Deposits paid for acquisition of property, plant and equipment	**(3,425)**	(13,614)
Proceeds on disposal of property, plant and equipment	**32**	12
Payments for rental deposits	**(951)**	(440)
Refund of rental deposits	**5,112**	206
Placement of pledged bank deposits	**(16,511)**	(4,222)
Release of pledged bank deposits	**25,048**	–
Advance to partners of joint operations	**(3,214)**	(1,760)
Advance to an associate	**(10,000)**	–
Dividend received from an associate	**7,263**	7,344
Net cash used in investing activities	**(2,396)**	(112,200)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Finance costs paid	**(11,761)**	(8,447)
Interest paid and capitalised in assets under construction	**–**	(1,269)
Purchase of shares under share award schemes	**–**	(451)
Repayment of lease liabilities	**(9,528)**	(21,453)
New bank borrowings raised	**25,000**	238,711
Repayment of bank borrowings	**(158,781)**	(38,931)
Dividends paid to owners of the Company	**(27,977)**	(13,863)
Advance from partners of joint operations	**13,002**	1,603
Net cash (used in) generated from financing activities	**(170,045)**	155,900
Net increase in cash and cash equivalents	**101,003**	249,830
Cash and cash equivalents at the beginning of the period	**1,035,936**	906,424
Effect of foreign exchange rate changes	**3,153**	(8,909)
Cash and cash equivalents at the end of the period, represented by bank balances and cash	**1,140,092**	1,147,345

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Analogue Holdings Limited (the "Company") and its subsidiaries (together, the "Group") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND SEGMENT INFORMATION

The Group recognises revenue from three major sources, namely, contracting work, maintenance work and sales of goods.

(i) Disaggregation of revenue from contracts with customers

The following is an analysis of the Group's revenue from its major products and services:

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition and category of revenue		
Recognised over time and long-term contracts		
Contracting work	**2,208,154**	2,585,340
Maintenance work	**616,872**	614,741
	2,825,026	3,200,081
Recognised at a point in time and short-term contracts		
Sales of goods	**49,194**	65,302
	2,874,220	3,265,383
Geographical information		
Hong Kong	**2,644,186**	2,795,938
Macau	**83,391**	291,946
Mainland China	**68,220**	110,284
United Kingdom ("UK")	**74,496**	63,657
United States of America ("USA")	**356**	37
Others	**3,571**	3,521
	2,874,220	3,265,383

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(ii) Transaction price allocated to the remaining performance obligations for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of the respective reporting period are as follows:

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Contracting work	**10,420,524**	8,640,698
Maintenance work	**2,502,516**	2,256,841
Sales of goods	**162,028**	155,209
	13,085,068	11,052,748

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM") for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

Building services:	Provision of electrical and mechanical engineering building services, including the design, installation, testing and commissioning and maintenance of heating, ventilation and air-conditioning system, fire service system, plumbing and drainage system and electrical and extra low voltage system
Environmental engineering:	Provision of total solutions for the design, construction, operation and maintenance of environmental engineering systems for treatment of sewage, water, solid waste, sludge and gas
Information, communications and building technologies ("ICBT"):	Provision for design, installation and servicing of a wide range of intelligent systems, information and communications technology ("ICT") systems and building technology systems
Lifts and escalators:	Provision of i) total solution for design, supply and installation of a wide range of lifts and escalators offered under the trade name of "Anlev Elex"; and ii) repair and maintenance services for lifts and escalators

Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2025

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Reconciliation of segment revenue

For the six months ended 30 June 2025 (Unaudited)

	Building services HK$'000	**Environmental engineering HK$'000**	**ICBT HK$'000**	**Lifts and escalators HK$'000**	**Total HK$'000**
Revenue					
– Contracting work	**1,363,469**	**478,928**	**213,090**	**152,667**	**2,208,154**
– Maintenance work	**201,153**	**203,441**	**81,645**	**130,633**	**616,872**
– Sales of goods	**311**	**34,679**	**8,490**	**5,714**	**49,194**
Total revenue	**1,564,933**	**717,048**	**303,225**	**289,014**	**2,874,220**

For the six months ended 30 June 2024 (Unaudited)

	Building services HK$'000	Environmental engineering HK$'000	ICBT HK$'000	Lifts and escalators HK$'000	Total HK$'000
Revenue					
– Contracting work	1,905,922	363,480	202,741	113,197	2,585,340
– Maintenance work	205,128	223,898	68,344	117,371	614,741
– Sales of goods	298	33,210	23,485	8,309	65,302
Total revenue	2,111,348	620,588	294,570	238,877	3,265,383

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the six months ended 30 June 2025 (Unaudited)

	Building services HK$'000	Environmental engineering HK$'000	ICBT HK$'000	Lifts and escalators HK$'000	Inter segment elimination/ unallocated HK$'000	Total HK$'000
Revenue						
– external	1,564,933	717,048	303,225	289,014	–	2,874,220
– inter-segment	2,018	–	18,437	232	(20,687)	–
Total revenue	1,566,951	717,048	321,662	289,246	(20,687)	2,874,220
Segment profit	31,984	52,538	17,764	19,797	–	122,083
Share of result of an associate						(3,000)
Bank interest income						4,719
Finance costs						(11,898)
Unallocated income/gains						9,288
Unallocated expenses/losses						(20,804)
Profit before tax						100,388
Income tax expense						(21,102)
Profit for the period						79,286
Other segment information						
Depreciation of property, plant and equipment	732	838	207	2,873	20,875	25,525
Depreciation of right-of-use assets	1,412	3,086	599	2,114	1,010	8,221
Impairment losses recognised (reversed) under expected credit loss model, net	1,461	(1,892)	(426)	857	321	321
Impairment loss on intangible assets	–	–	–	–	1,596	1,596
Loss on disposal of property, plant and equipment	–	–	–	21	–	21

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

For the six months ended 30 June 2024 (Unaudited)

	Building services HK$'000	Environmental engineering HK$'000	ICBT HK$'000	Lifts and escalators HK$'000	Inter segment elimination/ unallocated HK$'000	Total HK$'000
Revenue						
– external	2,111,348	620,588	294,570	238,877	–	3,265,383
– inter-segment	35,297	–	27,079	2,688	(65,064)	–
Total revenue	2,146,645	620,588	321,649	241,565	(65,064)	3,265,383
Segment profit	68,616	35,406	12,247	17,587	–	133,856
Share of result of an associate						1,856
Impairment loss on interest in an associate						(12,645)
Bank interest income						5,358
Finance costs						(8,366)
Unallocated income/gains						1,055
Unallocated expenses/losses						(15,646)
Profit before tax						105,468
Income tax expense						(23,188)
Profit for the period						82,280
Other segment information						
Depreciation of property, plant and equipment	682	942	362	2,781	5,993	10,760
Depreciation of right-of-use assets	3,346	2,511	2,173	1,538	13,208	22,776
Amortisation of intangible assets	–	–	–	–	301	301
Impairment losses recognised (reversed) under expected credit loss model, net	2,780	(1,671)	1,298	(4,056)	–	(1,649)
(Gain) loss on disposal of property, plant and equipment	(9)	(3)	11	–	9	8

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs, certain other income, certain other gains and losses, share of result of an associate, impairment loss on interest in an associate, bank interest income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment revenue are charged at prevailing market rates.

Segment assets and liabilities

No analysis of the Group's assets and liabilities by operating segments is disclosed as it is not regularly provided to the CODM for review.

Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2025

4. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2025 **HK$'000** **(Unaudited)**	2024 HK$'000 (Unaudited)
Impairment loss on interest in an associate (Note 12)	**–**	(12,645)
Net exchange gains (losses)	**8,562**	(3,457)
Loss from change in fair value of investment properties	**(7,240)**	(220)
Loss on disposal of property, plant and equipment	**(21)**	(8)
Impairment loss on intangible assets (Note)	**(1,596)**	–
Gain on lease remeasurement	**–**	126
Gain on derecognition of right-of-use assets and lease liabilities under early termination	**–**	86
Loss on dissolution of interest in a subsidiary	**–**	(267)
	(295)	(16,385)

Note: For the six months ended 30 June 2025, a UK subsidiary was loss-making and its financial performance was below projections. It is assessed that the recoverable amount of intangible assets in relation to this UK subsidiary was lower than its carrying value. Therefore, an impairment loss on intangible assets of approximately HK$1,596,000 was recognised during the six months ended 30 June 2025.

5. FINANCE COSTS

	Six months ended 30 June	
	2025 **HK$'000** **(Unaudited)**	2024 HK$'000 (Unaudited)
Interest expenses on bank borrowings	**10,704**	7,429
Interest on lease liabilities	**1,089**	1,063
Ancillary costs in respect of banking facilities	**105**	1,305
Total finance costs	**11,898**	9,797
Less: amount capitalised in the cost of qualifying assets	**–**	(1,431)
	11,898	8,366

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Current tax		
Hong Kong	**21,309**	20,707
Macau	**1,143**	2,130
PRC Enterprise Income Tax	**406**	764
	22,858	23,601
(Over)underprovision in prior years		
Hong Kong	**(44)**	–
PRC Enterprise Income Tax	**1**	(1)
UK	**(317)**	(99)
	(360)	(100)
	22,498	23,501
Deferred tax	**(1,396)**	(313)
	21,102	23,188

Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Under Macau Complementary Tax Law, companies are divided into Group A and Group B tax payers. Group A tax payers are assessed based on their actual taxable profits. Group B tax payers are assessed based on deemed profits ascertained by the Macau Finance Bureau. The Group has Group A and Group B tax payers and Macau Complementary Tax is calculated at a rate of 12% on the assessable profit above Macau Pataca ("MOP") 600,000 for both periods.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries of the Group is 25% for both periods. A subsidiary of the Company is qualified as advanced technology enterprise and has obtained approval from the relevant tax authority for the applicable tax rate reduced to 15% for a period of three years up to 2024. Such qualification was renewed for another 3 years in 2024.

The Company's subsidiaries and an associate of the Group that are tax residents in the PRC are subject to the PRC dividend withholding tax at 10% when and if undistributed earnings out of profits that arose on or after 1 January 2008 are declared to be paid as dividends to its immediate holding company which is a non-PRC tax resident. According to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income" and Guoshuifa [2008] No. 112, where the Hong Kong resident company directly owns at least 25% of the capital of the Mainland company, 5% dividend withholding tax rate is applicable. Whereas the Hong Kong resident company directly owns less than 25% of the capital of the Mainland company, 10% dividend withholding tax rate is applicable. During the six months ended 30 June 2025, 5% and 10% withholding tax rates were used for the Company's subsidiaries and the Group's associate, respectively (six months ended 30 June 2024: 5% and 10%, respectively).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6. INCOME TAX EXPENSE (CONTINUED)

A reversal for deferred tax liabilities on dividend withholding tax of approximately HK$486,000 (unaudited) (six months ended 30 June 2024: HK$20,000 (unaudited)) was credited to profit or loss for the six months ended 30 June 2025. During the six months ended 30 June 2025, withholding tax of approximately HK$726,000 (unaudited) (six months ended 30 June 2024: HK$764,000 (unaudited)) was paid by the Group. The above resulted in a reversal for deferred tax liabilities on dividend withholding tax of approximately HK$1,212,000 (unaudited) (six months ended 30 June 2024: HK$784,000 (unaudited)) credited to profit or loss for the six months ended 30 June 2025.

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2025 HK$'000 (Unaudited)	2024 HK$'000 (Unaudited)
Profit for the period has been arrived at after charging (crediting):		
Staff costs (including directors' remuneration):		
– Directors' remuneration	**13,689**	14,747
– Salaries and other benefits (excluding directors)	**714,319**	690,811
– Retirement benefit scheme contributions (excluding directors)	**35,384**	31,466
– Share-based payment expense (excluding directors)	**–**	1,297
	763,392	738,321
Cost of inventories recognised as expenses (included in cost of sales and services)	**132,439**	140,083
Amortisation of intangible assets	**–**	301
Depreciation of property, plant and equipment	**25,525**	10,760
Depreciation of right-of-use assets	**8,221**	22,776
Write-down of inventories, net	**833**	3,378
(Gain) loss from change in fair value of derivative financial instruments	**(4,514)**	2,547
Rental income from investment properties	**(55)**	–
Less: direct operating expenses incurred for investment properties that generated rental income during the period	**12**	–
	(43)	–
Auditor's remuneration	**2,941**	3,043

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

8. DIVIDENDS

Dividends for ordinary shareholders of the Company recognised as distribution during the period:

	Six months ended 30 June	
	2025 HK$'000 (Unaudited)	2024 HK$'000 (Unaudited)
2024 second interim dividend – HK2 cents (2024: 2023 second interim dividend – HK1 cent) per share	**27,977**	13,863

Subsequent to the end of the current interim period, the directors of the Company have determined that an interim dividend of HK2.60 cents per share amounting to approximately HK$36,370,000 in aggregate will be paid to owners of the Company whose names appear in the register of members of the Company as at the close of business on 17 September 2025.

9. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2025 HK$'000 (Unaudited)	2024 HK$'000 (Unaudited)
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share (profit for the period attributable to the owners of the Company)	**80,811**	82,409

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,398,840,000**	1,386,528,000
Effect of dilutive potential ordinary shares	**–**	12,620,220
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**1,398,840,000**	1,399,148,220

During the six months ended 30 June 2025 and 2024, the weighted average numbers of ordinary shares for the calculation of basic and diluted earnings per share have been adjusted for the effect of shares held by the trustees pursuant to the share award schemes.

The computation of diluted earnings per share assumed the effect of certain Company's awarded shares for the six months ended 30 June 2024. Save as the awarded shares mentioned above, there were no other dilutive potential ordinary shares in existence during the six months ended 30 June 2024. There were no dilutive potential ordinary shares in existence during the six months ended 30 June 2025.

During the six months ended 30 June 2025 and 2024, the earnings for the purpose of calculating diluted earnings per share have not been adjusted for any changes in the Group's share of result of an associate that was attributable to the increase in the number of ordinary shares of the associate as a result of the conversion of convertible bonds issued by the associate as it is anti-dilutive.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10. INVESTMENT PROPERTIES

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
FAIR VALUE		
At beginning of the period/year	**62,540**	4,480
Transfer from property, plant and equipment	**–**	61,700
Change in fair value	**(7,240)**	(3,640)
At end of the period/year	**55,300**	62,540

The fair value of the Group's investment properties in Hong Kong as at 30 June 2025 and 31 December 2024 has been arrived at on the basis of a valuation carried out on the respective dates by Jones Lang LaSalle Limited, an independent qualified professional valuer not connected with the Group. Jones Lang LaSalle Limited is a member of the Hong Kong Institute of Surveyors having appropriate qualifications and recent experience in valuation of similar properties in the relevant locations. The valuation, which conforms to International Valuation Standards, is arrived at direct comparison method by reference to market evidence of transaction prices for similar properties in the same locations and conditions, and on the assumption that the Group's current use of its investment properties is at its highest and best use. There has been no changes from the valuation technique used in prior period.

The Group's investment properties in Hong Kong for rental purpose are measured by using the fair value model and are classified and accounted for as investment properties. The rental income earned by the Group from the investment properties for the six months ended 30 June 2025 amounted to approximately HK$55,000 (unaudited). The investment properties have been pledged to secure the general banking facilities granted to the Group for both periods.

11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, approximately HK$1,431,000 (unaudited) of bank interest expenses related to a property located in Kwai Chung ("ATAL Tower") were capitalised under assets under construction. ATAL Tower has been pledged to secure the bank borrowing of the Company for both periods.

During the six months ended 30 June 2025, the Group incurred approximately HK$10,469,000 (unaudited) (six months ended 30 June 2024: HK$87,997,000 (unaudited)) on the acquisition of property, plant and equipment, out of which Nil (unaudited) (six months ended 30 June 2024: HK$78,849,000 (unaudited)) related to ATAL Tower recognised under assets under construction.

During the six months ended 30 June 2025, the Group entered into several new lease agreements with lease terms ranged from two to five years. On lease commencement, the Group recognised right-of-use assets of approximately HK$24,243,000 (unaudited) (six months ended 30 June 2024: HK$13,826,000 (unaudited)) and lease liabilities of approximately HK$24,243,000 (unaudited) (six months ended 30 June 2024: HK$13,826,000 (unaudited)).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INTERESTS IN ASSOCIATES/AMOUNT DUE FROM AN ASSOCIATE

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Investment cost		
Listed outside Hong Kong (Note i)	**91,817**	91,817
Unlisted (Notes ii and iii)	**240,840**	240,840
Impairment loss recognised (Note iii)	**(137,245)**	(137,245)
Share of post-acquisition profits and other comprehensive income, net of dividends received (Note ii)	**261,925**	264,097
Interests in associates	**457,337**	459,509
Fair value of listed investment	**811,166**	748,689
Amount due from an associate (Note iv)	**141,227**	131,227
Less: Share of post-acquisition losses in excess of the cost of investment	**(141,227)**	(131,227)
	–	–

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. INTERESTS IN ASSOCIATES/AMOUNT DUE FROM AN ASSOCIATE (CONTINUED)

Notes:

(i) As at 30 June 2025, included in the investment cost, there is a goodwill of approximately HK$11,872,000 (2024: HK$11,872,000) arising from the investment in Nanjing Canatal Data-Centre Environmental Tech Co., Ltd. ("NCA").

(ii) As at 30 June 2025, included in the investment cost, there is a goodwill of approximately HK$137,245,000 (2024: HK$137,245,000) arising from the investment in Transel Elevator & Electric Inc. ("TEI"). During the six months ended 30 June 2024, an impairment loss of approximately HK$12,645,000 (unaudited) has been recognised in respect of the Company's investment in TEI and details are set out in Note 12(iii) below. The relevant goodwill was fully impaired as of 31 December 2024.

(iii) The Group performed impairment assessment on the interest in TEI, an associate of the Group, for the six months ended 30 June 2024. The Group engaged a third party qualified valuer to perform the valuation. Determining whether impairment loss should be recognised requires an estimation of the recoverable amount of the relevant associate which is the higher of value in use and fair value less costs of disposal. The recoverable amount of the Group's interest in TEI had been determined based on a value in use calculation. The recoverable amount was based on certain key assumptions including discount rate and the estimated cash flows. The value in use calculation used cash flow projections based on financial forecasts approved by management covering a 5-year period with a pre-tax discount rate of 25% (unaudited). Cash flow projections beyond the 5-year period were extrapolated using a steady 2.1% (unaudited) growth rate. This growth rate did not exceed the average long-term growth rate for the relevant industry in which the business of TEI operates.

Cash flow projections during the forecast period for TEI were also based on management's estimation of cash inflows/outflows including gross revenue, gross margin, operating expenses and working capital requirements during the forecast period. The assumptions and estimations were based on TEI's past performance, management's expectations of the market development. Due to the continuing unfavourable market conditions in the USA, TEI faced a lower than expected demand during the six months ended 30 June 2024, its financial performance was less satisfactory than expected. As a result, an impairment loss of approximately HK$12,645,000 (unaudited) had been recognised in respect of the Group's interest in TEI during the six months ended 30 June 2024.

(iv) As at 30 June 2025, the amount due from Oscar Bioenergy Joint Venture ("OBJV"), before the Group's share of post-acquisition losses, of approximately HK$141,227,000 (unaudited) (31 December 2024: HK$131,227,000 (audited)) is non-interest bearing, non-trade nature, unsecured and repayable on demand.

The directors of the Company consider the amount due from OBJV forms part of the net investment in OBJV as at 30 June 2025 and 31 December 2024. The Group has shared post-acquisition losses that are in excess of the cost of investment amounting to approximately HK$141,227,000 (unaudited) (31 December 2024: HK$131,227,000 (audited)) as at 30 June 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

13. CONTRACT ASSETS

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Contract assets	**1,441,867**	1,538,702
Less: allowances for credit losses	**(77,970)**	(78,309)
	1,363,897	1,460,393

As at 30 June 2025, contract assets include retention receivables of approximately HK$559,759,000 (unaudited) (31 December 2024: HK$513,650,000 (audited)). The Group generally provides their customers with one-year warranty period. Upon the expiration of retention period, the customers will provide a final inspection and acceptance certificate and pay the retention within the term specified in the contract.

Retention receivables are interest-free and repayable at the end of the retention period of the respective construction contract.

Details of the impairment assessment are set out in Note 14.

14. TRADE RECEIVABLES

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Trade receivables	**890,689**	907,080
Less: allowances for credit losses	**(91,600)**	(90,280)
	799,089	816,800
Unbilled revenue (Note)	**221,100**	136,315
Bills receivables	**2,482**	5,150
	1,022,671	958,265

Note: Unbilled revenue represents accrued revenue for works performed by the Group but yet to bill. The Group has unconditional right to the payment of the unbilled revenue which is expected to be billed within 90 days and settled within twelve months from the end of the reporting period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14. TRADE RECEIVABLES (CONTINUED)

As at 30 June 2025, the Group's bills receivables are of age within one year (31 December 2024: within one year).

The Group generally allows credit period ranging from 14 to 90 days. The Group assesses the credit quality of each potential customer and define rating and credit limit for each customer.

Aging of trade receivables net of allowances for credit losses presented based on the invoice dates are as follows:

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
0 – 30 days	**498,406**	513,363
31 – 90 days	**175,652**	175,373
91 – 360 days	**122,649**	126,880
Over 1 year	**2,382**	1,184
Total	**799,089**	816,800

The Group applies the simplified approach to provide for expected credit losses ("ECL") prescribed by HKFRS 9 Financial Instruments, which permits the use of the lifetime expected loss provision for trade receivables and contract assets.

Trade receivables and contract assets with significant balances and credit-impaired are assessed for ECL individually. For the remaining trade receivables and contract assets, they are assessed collectively based on the Group's internal credit rating, historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

During the six months ended 30 June 2025, the Group recognised impairment allowance of approximately HK$19,072,000 (unaudited) (six months ended 30 June 2024: HK$17,273,000 (unaudited)) and reversed impairment allowance of approximately HK$12,489,000 (unaudited) (six months ended 30 June 2024: HK$12,160,000 (unaudited)) for not credit-impaired trade receivables, based on the collective assessment. Impairment allowance of approximately HK$7,597,000 (unaudited) (six months ended 30 June 2024: HK$5,822,000 (unaudited)) was made and approximately HK$13,824,000 (unaudited) (six months ended 30 June 2024: HK$13,177,000 (unaudited)) was reversed on credit-impaired trade receivables, based on individual assessment. During the six months ended 30 June 2025, trade debtors with gross carrying amount of approximately HK$2,286,000 (unaudited) (six months ended 30 June 2024: HK$2,743,000 (unaudited)) became credit-impaired and therefore, approximately HK$2,286,000 (unaudited) (six months ended 30 June 2024: HK$2,743,000 (unaudited)) lifetime ECL was transferred from not credit-impaired to credit-impaired.

During the six months ended 30 June 2025, net impairment allowance of approximately HK$605,000 (unaudited) (six months ended 30 June 2024: HK$593,000 (unaudited)) was recognised on not credit-impaired contract assets, based on the collective assessment. Net impairment allowance of approximately HK$961,000 (unaudited) (six months ended 30 June 2024: Nil (unaudited)) was reversed on credit-impaired contract assets, based on individual assessment.

During the six months ended 30 June 2025, impairment allowance of approximately HK$321,000 (unaudited) (six months ended 30 June 2024: Nil (unaudited)) was recognised on other receivables which are credit-impaired.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15. TRADE AND RETENTION PAYABLES

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Trade payables	**404,873**	392,838
Trade payables (unbilled)	**51,435**	65,783
Retention payables	**174,604**	178,564
	630,912	637,185

The credit period on trade payables is ranging from 0 to 90 days. The aging analysis of the Group's trade payables below is presented based on the invoice date at the end of the reporting period:

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
0 – 30 days	**197,792**	198,258
31 – 90 days	**124,349**	112,183
91 – 360 days	**41,397**	45,279
Over 1 year	**41,335**	37,118
	404,873	392,838

16. OTHER PAYABLES AND ACCRUED EXPENSES

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Accrued contract costs	**1,341,051**	1,274,667
Accrued staff costs	**144,615**	130,360
Provision for litigation liabilities (Note)	**150,000**	150,000
Others	**55,061**	68,516
	1,690,727	1,623,543

Note: In November 2022, a cooperation agreement was entered into with the Hong Kong Competition Commission in relation to the resolution of certain legal proceedings. As part of the cooperation agreement, a pecuniary penalty of HK$150 million was agreed to be paid by a subsidiary of the Company. The Group has accordingly made a provision of HK$150 million (audited) for this litigation settlement during the year ended 31 December 2022. An announcement relating to the cooperation agreement was issued by the Company on 4 November 2022.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

17. BANK BORROWINGS

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Secured variable-rate bank loans	**401,313**	419,253
Unsecured variable-rate bank loans	**38,927**	154,860
Unsecured fixed-rate bank loan	**54**	77
	440,294	574,190
Less: amount due within one year shown under current liabilities	**(213,606)**	(247,514)
Amount shown under non-current liabilities	**226,688**	326,676
The carrying amounts of the above loans are repayable as follows:		
– within one year	**53,606**	87,514
– within a period of more than one year but not exceeding two years	**14,625**	42,368
– within a period of more than two years but not exceeding five years	**43,875**	108,808
– more than five years	**168,188**	175,500
	280,294	414,190
The carrying amount of borrowing that contains a repayment on demand clause (shown under current liabilities) but repayable:		
– within one year	**160,000**	160,000
	440,294	574,190

As at 30 June 2025 and 31 December 2024, the Group's bank borrowings are denominated in HK$, RMB and GBP and carry interest rates at Hong Kong Interbank Offered Rate plus a margin per annum, loan prime rate in Mainland China minus a margin per annum, and fixed rate at 2.5% per annum, respectively.

The effective interest rates of bank borrowings range from 1.060% to 6.266% (unaudited) (31 December 2024: 2.224% to 6.251% (audited)).

The fair values of bank borrowings approximated their carrying amounts.

At 30 June 2025, the secured bank borrowings are pledged by (i) ATAL Tower in Hong Kong, (ii) investment properties in Hong Kong, (iii) the assignment of rental income from ATAL Tower, if any, (iv) debenture containing fixed and floating charges over all assets of several wholly owned subsidiaries of the Company, (v) certain trade receivables and bank deposits of several wholly owned subsidiaries of the Company, and (vi) their issued share capital.

The Group is required to comply with certain restrictive financial and other covenants at the end of each financial year.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

18. SHARE CAPITAL

	Number of shares	Number of value per share	Share capital	Presented as HK$'000
Authorised:				
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	**100,000,000,000**	**HK$0.01**	**HK$1,000,000,000**	
Issued and fully paid:				
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	**1,400,000,000**	**HK$0.01**	**HK$14,000,000**	**14,000**

Note: During the six months ended 30 June 2024, the Company repurchased its own ordinary shares on the Stock Exchange through the trustees of the Company's share award schemes as follows:

Month of repurchase	Number of ordinary shares of HK$0.01 each	Price per share Highest HK$	Price per share Lowest HK$	Aggregate consideration paid HK$'000
April 2024	**430,000**	**1.08**	**1.04**	**451**

As at 30 June 2025, 1,160,000 (unaudited) (31 December 2024: 1,160,000 (audited)) of the Company's own ordinary shares are held by the trustees.

19. SHARE-BASED PAYMENTS

Share Award Schemes of the Company

The Company adopted two share award schemes (the "Share Award Schemes"), with the similar terms except that the eligible participants of one of the Share Award Schemes ("Eligible Participants") shall not be connected persons of the Company. The Share Award Schemes are administered by independent trustees appointed by the Group. The award(s) and vesting period(s) of the awarded shares are determined by the board of directors.

During the six months ended 30 June 2025, no (unaudited) awarded shares were granted, vested or cancelled to awardees under the Share Award Schemes, and no (unaudited) awarded shares were lapsed/forfeited. As at 30 June 2025, no (unaudited) awarded shares which are yet to be vested subject to the fulfilment of the vesting criteria and conditions.

Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2025

19. SHARE-BASED PAYMENTS (CONTINUED)

Share Award Schemes of the Company (Continued)

During the year ended 31 December 2024, no (audited) awarded shares were granted or cancelled under the Share Award Schemes. During the year ended 31 December 2024, 12,560,000 (audited) awarded shares were vested to awardees upon fulfilment of the vesting criteria and conditions and 600,000 (audited) awarded shares were lapsed/forfeited. As at 31 December 2024, there were no (audited) awarded shares which are yet to be vested.

The tables below set out details of share awards granted to various participants/categories of participants under the Share Award Schemes as at 31 December 2024:

Grantees/Category	Batch	Grant date	Vesting period	Unvested awards as at 1 January 2024	Vested during the year	Lapsed/ forfeited during the year	Unvested awards as at 31 December 2024
			(Note)				
Directors							
– Mr. Chan Hoi Ming	C	21/01/2022	21/01/2022-23/12/2024	5,600,000	(5,600,000)	–	–
– Mr. Cheng Wai Lung	C	21/01/2022	21/01/2022-23/12/2024	320,000	(320,000)	–	–
			Subtotal	5,920,000	(5,920,000)	–	–
Five Highest Paid Individuals*							
– In aggregate	C	21/01/2022	21/01/2022-23/12/2024	240,000	(240,000)	–	–
Other Employees							
– In aggregate	C	21/01/2022	21/01/2022-23/12/2024	7,000,000	(6,400,000)	(600,000)	–
			Total	13,160,000	(12,560,000)	(600,000)	–

* Excluding the details of the share awards granted to the above two directors who are two of the five individuals with the highest emoluments during the year ended 31 December 2024.

Note: Subject to fulfilment of all the vesting criteria and conditions, the awarded shares granted on 21 January 2022 would be vested in three tranches as follows: (i) 30% of the awarded shares were vested on 30 June 2022 (Batch A); (ii) 30% of the awarded shares would be vested on 30 June 2023 (Batch B) but were not vested and cancelled during the year ended 31 December 2023 as not all of the vesting conditions were fulfilled; and (iii) the remaining 40% of the awarded shares would be vested on 30 June 2024 (Batch C) but the vesting date of Batch C was postponed to 23 December 2024 pursuant to the supplemental award letter dated 17 June 2024 and these awarded shares were vested on 23 December 2024.

Share Option Scheme

No share option has ever been granted since the effective date of the adoption of the share option scheme on 12 July 2019 (the "Share Option Scheme") up to the date of the issuance of these condensed consolidated financial statements.

Details of the Share Award Schemes and the Share Option Scheme adopted by the Company are set out in the annual report for the year ended 31 December 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group are pledged to secure the bank borrowings of the Group and the general banking facilities granted to certain subsidiaries of the Company:

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Properties	**739,915**	774,976
Investment properties	**55,300**	62,540
Bank deposits	**18,019**	25,915
Others (Note)	**104,844**	104,677
	918,078	968,108

Note: Included in others, there was the assignment of certain trade receivables of a wholly owned subsidiary of the Company of approximately HK$24,955,000 (unaudited) (31 December 2024: HK$2,909,000 (audited)) and fixed and floating charges over all assets of several wholly owned subsidiaries of the Company amounting to approximately HK$79,889,000 (unaudited) (31 December 2024: HK$101,768,000 (audited)), out of which approximately HK$75,700,000 (unaudited) (31 December 2024: HK$78,566,000 (audited)) represents the leasehold improvements, plant and equipment in ATAL Tower upon the completion of renovation in 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis

Certain of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. Information about how the fair value of these financial assets and financial liabilities are determined including valuation technique and key input as well as the level of fair value hierarchy of which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements are observable is listed below.

Financial assets/(liabilities)	Fair value As at 30 June 2025 HK$'000 (Unaudited)	 As at 31 December 2024 HK$'000 (Audited)	Fair value hierarchy	Valuation technique and key input
Derivative financial assets (liabilities)	**2,084**	(2,430)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.

There were no transfers between Level 1 or Level 2 during both periods.

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on recurring basis

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values based on discounted cash flows analysis.

22. PERFORMANCE BONDS

As at 30 June 2025, the Group had outstanding performance bonds of approximately HK$604,237,000 (unaudited) (31 December 2024: HK$716,557,000 (audited)), given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sum stipulated in such demand. The Group will become liable to compensate such banks accordingly. The performance bonds will be released upon completion of the contracting works.

Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2025

23. RELATED PARTY TRANSACTIONS

(a) In addition to the balances with the related parties disclosed in the condensed consolidated statement of financial position on pages 22 to 23, the Group entered into the following transactions with related parties during the respective reporting period:

Name of related company	Relationship	Nature of transactions	Six months ended 30 June 2025 HK$'000 (Unaudited)	Six months ended 30 June 2024 HK$'000 (Unaudited)
OBJV	Associate	Sales	**1,629**	3,409
Perfect Motive Limited ("Perfect Motive")	Related party (Notes i & ii)	Repayment of lease liabilities	**–**	7,956
Perfect Motive	Related party (Note i)	Direct expenses recharge	**–**	273
TEI	Associate	Sales	**366**	37

Notes:

(i) Perfect Motive was a subsidiary of Arling Investment Limited, the Company's immediate holding company, and ceased to be a subsidiary of Arling Investment Limited with effect from 14 January 2025.

(ii) As at 30 June 2025 and 31 December 2024, no lease liabilities related to Perfect Motive.

(b) Compensation of key management personnel

The remuneration of directors, being the key management personnel, during the six months ended 30 June 2025 and 2024 are set out in Note 7.

24. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following commitments contracted but not provided in the condensed consolidated financial statements:

	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
Enterprise resource planning system	**12,540**	16,065
Expanding existing manufacturing facilities	**1,675**	1,926
Renovation work	**–**	955
	14,215	18,946

Interim Dividend

The Board has declared an interim dividend of HK2.60 cents per share of the Company (the "Share(s)") for the reporting period (the "Interim Dividend") to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company (the "Register of Members") as at the close of business on Wednesday, 17 September 2025. The Interim Dividend is expected to be paid to the Shareholders on or about Monday, 29 September 2025.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining Shareholders' entitlement to the Interim Dividend, the Register of Members will be closed from Tuesday, 16 September 2025 to Wednesday, 17 September 2025, both days inclusive, during which period no transfer of Shares will be registered. The Shares will be traded ex-dividend as from Friday, 12 September 2025. In order to be entitled to the Interim Dividend, Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30 p.m. on Monday, 15 September 2025.

Other Information

INTERNATIONAL SANCTIONS

During the reporting period, the Group did not enter into any transactions with persons or entities that are currently subject to applicable laws and regulations related to economic sanctions, export controls, and trade embargoes, including those adopted, administered and enforced by the U. S. Government, the European Union and its member states, United Nations or the Government of Australia (the "International Sanctions"). Specifically, the Group did not enter into any transactions with: (i) persons or entities listed on the Office of Foreign Assets Control (OFAC)'s Specially Designated Nationals and Blocked Persons List (the SDN List); (ii) entities on the U.S. Bureau of Industry and Security's Entity List (the Entity List), or (iii) persons or entities on other restricted party lists maintained by the United States, the European Union, the United Kingdom, the United Nations or Australia (the "Sanctioned Persons").

The risks management committee (sanctions risks) of the Company (the "Risk Management Committee (Sanctions Risks)"), which was established by the Board, will continue to monitor and evaluate the Group's exposure to economic sanctions risks and take measures to comply with the Group's continuing undertakings to the Stock Exchange. The Group has implemented, among others, the following measures upon listing of the Shares on the Stock Exchange:

- The directors of the Company (the "Directors") will continuously monitor the use of any remaining proceeds from the global offering of the Company in 2019 to ensure that such funds will not be used to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, countries subject to International Sanctions or Sanctioned Persons where this would be in breach of International Sanctions; and

- The Risk Management Committee (Sanctions Risks) will hold at least two meetings each year to monitor the Group's exposure to sanctions risks. Further, the Risk Management Committee (Sanctions Risks) has written procedures that the Company has followed and will continue to follow whenever any business opportunity or transaction is presented that may pose any sanctions risk to the Group. If any potential sanctions risk is identified, the Company will seek advice from reputable external international legal counsel with necessary expertise and experience in International Sanctions matters.

The Directors are of the view that the measures adopted provide an adequate and effective internal control framework to assist the Group in identifying and monitoring any material risk relating to the applicable sanctions laws so as to protect the interests of the Shareholders and the Company.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company was established by the Board for the purposes of, among other things, reviewing and providing supervision over the Group's financial reporting process and internal controls. It currently comprises two independent non-executive Directors and one non-executive Director. The Audit Committee has reviewed this report, and the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2025, and has discussed financial related matters with the management and the external auditors of the Company.

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025 have been reviewed by the Company's external auditor, Deloitte Touche Tohmatsu, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance practices and procedures. The Company adopted the principles and code provisions of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as the basis of the Company's corporate governance practices. During the reporting period, the Company has complied with all the applicable code provisions set out in the Corporate Governance Code.

DIRECTORS' DEALINGS IN THE COMPANY'S SECURITIES

The Company has adopted the securities dealing code (the "Securities Dealing Code") on terms no less exacting than those set out in the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix C3 to the Listing Rules (the "Model Code").

In response to specific enquiries made by the Company, all the Directors confirmed that they have complied with the required standards set out in the Model Code and the Securities Dealing Code during the reporting period.

UPDATE ON DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors since the last published annual report up to the date of this report are set out below.

1) Ms. Or Siu Ching, Rerina was appointed as a member of the nomination committee of Automated Systems Holdings Limited (Stock Code: 771), a company with its shares listed on the Stock Exchange, with effect from 26 June 2025.

2) Mr. Lam Kin Fung, Jeffrey was appointed as a member of the nomination committee of Wing Tai Properties Limited ("Wing Tai") (Stock Code: 369) with effect from the conclusion of the annual general meeting of Wing Tai held on 29 May 2025 and was appointed as the Chairman of the remuneration committee of CSC Holdings Limited ("CSC") (Stock Code: 235) with effect from the conclusion of the annual general meeting of CSC held on 25 June 2025. Both companies' shares are listed on the Stock Exchange.

3) Ms. Shing Mo Han, Yvonne retired as an independent non-executive director of China Resources Pharmaceutical Group Limited ("CRPGL") (Stock Code: 3320), a company with its shares listed on the Stock Exchange, upon conclusion of the annual general meeting of CRPGL held on 23 May 2025.

4) The salaries of the following Directors were increased as follows:

Name of Directors	Amount of new salary (HK$)	Effective Date
Dr. Mak Kin Wah	225,500 per month	1 April 2025
Mr. Chan Hoi Ming	220,630 per month	1 April 2025
Mr. Cheng Wai Lung	177,090 per month	1 April 2025
Mr. Cheng Wai Keung, Peter	197,930 per month	1 April 2025

Other Information

DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2025, the interests and short positions of the Directors in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(i) Interests and/or short positions in the Company

Name of Director	Capacity/ Nature of interest	Number of Shares held (Note 1)	Approximate percentage of shareholding (Note 3)
Dr. Poon Lok To, Otto	Founder of a discretionary trust (Note 2)	888,650,000	63.48%
Dr. Poon Lok To, Otto	Beneficial owner	43,170,000	3.08%
Mr. Chan Hoi Ming	Beneficial owner	9,800,000	0.70%
Mr. Cheng Wai Lung	Beneficial owner	564,500	0.04%

Notes:

1. All the above interests in the Shares are long positions.

2. Arling Investment Limited directly held 888,650,000 Shares, representing approximately 63.48% of the total issued share capital of the Company. Arling Investment Limited is wholly owned by Ardik Investment Limited which is in turn wholly owned by HSBC International Trustee Limited as trustee of a trust. Dr. Poon Lok To, Otto is the settlor and protector of the trust. Accordingly, Dr. Poon is deemed to be interested in the same number of Shares held by Arling Investment Limited under Part XV of SFO.

3. The percentage of shareholding is calculated on the basis of 1,400,000,000 Shares in issue as at 30 June 2025.

(ii) Interests and/or short positions in associated corporations of the Company

Name of Director	Capacity/ Nature of interest	Name of associated corporations (Note 2)	Number of shares held (Note 1)	Percentage of shareholding
Dr. Poon Lok To, Otto	Founder of a discretionary trust (Note 2)	Arling Investment Limited	2	100.00%
Dr. Poon Lok To, Otto	Founder of a discretionary trust (Note 2)	Wise Eagle Holdings Limited	8,463	84.63%

Notes:

1. All the above interests in the shares of Arling Investment Limited and Wise Eagle Holdings Limited are long positions.

2. As at 30 June 2025, Arling Investment Limited owned approximately 63.48% of the total issued share capital of the Company. Arling Investment Limited also owned 8,463 shares of Wise Eagle Holdings Limited, representing 84.63% of the total issued share capital of Wise Eagle Holdings Limited. Accordingly, Arling Investment Limited, being the holding company of the Company; and Wise Eagle Holdings Limited being a subsidiary of Arling Investment Limited, are therefore associated corporations of the Company within the meaning of Part XV of the SFO. Arling Investment Limited is wholly owned by Ardik Investment Limited which is in turn wholly owned by HSBC International Trustee Limited as trustee of a trust. Dr. Poon Lok To, Otto is the settlor and protector of the trust. Accordingly, Dr. Poon is deemed to be interested in (i) the shares of Arling Investment Limited; and (ii) the shares of Wise Eagle Holdings Limited in which Arling Investment Limited is deemed to be interested, under Part XV of the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated associations (within the meaning of Part XV of the SFO), as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information

SUBSTANTIAL SHAREHOLDERS/OTHER PERSON'S INTERESTS IN SECURITIES

As at 30 June 2025, as far as being known to the Directors, the following persons (other than the Directors) had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

(i) Substantial Shareholders' (as defined in the Listing Rules) interests in securities

Name	Capacity/ Nature of interest	Number of Shares held (Note 1)	Approximate percentage of shareholding (Note 3)
HSBC International Trustee Limited	Trustee of a discretionary trust (Note 2)	888,650,000	63.48%
Ardik Investment Limited	Interest of controlled corporation (Note 2)	888,650,000	63.48%
Arling Investment Limited	Beneficial owner	888,650,000	63.48%
Ms. Cheng Teresa Yeuk Wah ("Ms. Cheng")	Interest of Spouse (Note 2)	931,820,000	66.56%

Notes:

1. All the above interests in the Shares are long positions.

2. Arling Investment Limited directly held 888,650,000 Shares, representing approximately 63.48% of the total issued share capital of the Company. Arling Investment Limited is wholly owned by Ardik Investment Limited which is in turn wholly owned by HSBC International Trustee Limited as trustee of a trust. Dr. Poon Lok To, Otto is the settlor and protector of the trust. Accordingly, each of Ardik Investment Limited, HSBC International Trustee Limited and Dr. Poon is deemed to be interested in the 888,650,000 Shares held by Arling Investment Limited under Part XV of the SFO. Dr. Poon Lok To, Otto owns 43,170,000 Shares as beneficial owner. As Ms. Cheng is the spouse of Dr. Poon Lok To, Otto, Ms. Cheng is deemed to be interested in the same number of Shares that Dr. Poon is interested in under Part XV of the SFO. According to section 316(1)(a) of the SFO, Ms. Cheng is deemed to be interested in any voting shares in a Hong Kong listed company in which her spouse is interested. Accordingly, Ms. Cheng is taken to be interested in 931,820,000 Shares, while Ms. Cheng does not have any legal or beneficial ownership or financial interests in any of the Shares, directly or indirectly. It follows that Ms. Cheng does not have any rights to the Shares, has no rights to dividend, has no rights to vote and has no rights to deal in respect of the Shares.

3. The percentage of shareholding is calculated on the basis of 1,400,000,000 Shares in issue as at 30 June 2025.

(ii) Other person's interests in securities

Name	Capacity/ Nature of interest	Number of Shares held (Note 1)	Approximate percentage of shareholding (Note 3)
Mr. Webb David Michael ("Mr. Webb")	Interest of controlled corporations (Note 2)	112,592,000	8.04%
Mrs. Webb Karen Anne ("Mrs. Webb")	Interest of controlled corporations (Note 2)	112,592,000	8.04%

Notes:

1. All the above interests in the Shares are long positions.

2. Preferable Situation Assets Limited (a company 100% controlled by Mr. Webb and Mrs. Webb) is interested in 65,885,600 Shares. Member One Limited (a company 100% controlled by Mr. Webb and Mrs. Webb) is interested in 46,706,400 Shares. Accordingly, Mr. Webb and Mrs. Webb are deemed to be interested in the 112,592,000 Shares owned by Preferable Situation Assets Limited and Member One Limited under Part XV of the SFO.

3. The percentage of shareholding is calculated on the basis of 1,400,000,000 Shares in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, the Company had not been notified of any other interests or short positions in the Shares or underlying Shares which would fall to be disclosed in the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO.

SHARE OPTION SCHEME AND SHARE AWARD SCHEMES

The share option scheme of the Company (the "Share Option Scheme") was adopted by written resolutions of shareholders on 14 September 2018 and came into effect on 12 July 2019, the date on which the Shares first listed on the Stock Exchange. The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as defined in the Share Option Scheme as incentives or rewards for their contribution to the Group. No share option was granted, exercised, cancelled or lapsed under the Share Option Scheme during the reporting period nor remained outstanding as at 30 June 2025. The total number of Shares which may be issued upon exercise of all the share options to be granted under the Share Option Scheme at the beginning and the end of the six months ended 30 June 2025 is 140,000,000 Shares, representing 10% of the Company's total number of issued Shares as at 30 June 2025.

The share award schemes of the Company (the "Share Award Schemes") were adopted on 27 November 2020. The purpose of the Share Award Schemes is to recognise and reward the contributions of certain eligible participants to the growth and development of the Group and to provide incentive in order to retain them for the continual operation and development of the Group. During the reporting period, no awarded Shares were granted, vested, cancelled or lapsed under the Share Award Schemes. As at 30 June 2025, there were no awarded Shares which are yet to be vested.

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 reporting period. The Company and its subsidiaries did not hold any treasury shares during the reporting period.

Corporate Information

BOARD OF DIRECTORS

Executive Directors
Dr. Poon Lok To, Otto *(Founder)*
Dr. Mak Kin Wah *(Chairman)*
Mr. Chan Hoi Ming *(Chief Executive Officer)*
Mr. Cheng Wai Lung
Mr. Cheng Wai Keung, Peter
(Chief Financial Officer)

Non-executive Director
Ms. Or Siu Ching, Rerina

Independent non-executive Directors
Mr. Chan Fu Keung
Mr. Lam Kin Fung, Jeffrey
Ms. Shing Mo Han, Yvonne

AUDIT COMMITTEE

Ms. Shing Mo Han, Yvonne *(Chairman)*
Mr. Chan Fu Keung
Ms. Or Siu Ching, Rerina

REMUNERATION COMMITTEE

Mr. Chan Fu Keung *(Chairman)*
Ms. Or Siu Ching, Rerina
Ms. Shing Mo Han, Yvonne

NOMINATION COMMITTEE

Mr. Lam Kin Fung, Jeffrey *(Chairman)*
Ms. Or Siu Ching, Rerina
Mr. Chan Fu Keung
Ms. Shing Mo Han, Yvonne

COMPANY SECRETARY

Ms. Li Kit Chi, Fiona

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
35th Floor, One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

China Construction Bank (Asia) Corporation Limited
3 Connaught Road Central
Central
Hong Kong

Bank of China (Hong Kong) Limited
1 Garden Road
Central
Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

ATAL Tower
45-51 Kwok Shui Road
Kwai Chung
New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17th Floor, Far East Finance Centre,
16 Harcourt Road
Hong Kong

STOCK CODE

1977

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