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Kin Pang Holdings Limited
建鵬控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1722)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Kin Pang Holdings Limited (the "**Company**") is hereby to announce the unaudited condensed consolidated financial information of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024.

The financial information set out below in this announcement represents an extract from the condensed consolidated financial statements for the six months ended 30 June 2025, which are unaudited, but have been reviewed by the Company's audit committee.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	***MOP'000***	*MOP'000*
		(Unaudited)	(Unaudited)
Revenue	4	**348,671**	338,279
Direct costs	6	**(333,333)**	(333,755)
Gross profit		**15,338**	4,524
Other income and other gains/(losses)	5	**1,097**	1,340
Administrative expenses	6	**(13,538)**	(16,200)
Reversal of impairment losses of financial assets under expected credit loss model		**121**	878
Operating profit/(loss)		**3,018**	(9,458)
Finance costs	7	**(2,136)**	(1,807)
Share of results of investments accounted for using the equity method		**–**	–
Profit/(loss) before income tax		**882**	(11,265)
Income tax (expense)/credit	8	**(455)**	17
Profit/(loss) and total comprehensive income/(loss) for the period attributable to the owners of the Company		**427**	(11,248)
Earnings/(loss) per share attributable to the owners of the Company *(in MOP cents)*			
Basic and diluted	10	**0.04**	(1.02)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**As at 30 June 2025** *MOP'000* **(Unaudited)**	As at 31 December 2024 *MOP'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**111,244**	115,043
Right-of-use assets		**3,271**	2,541
Prepayments and deposits		**8,811**	8,311
Investments accounted for using the equity method		**–**	–
		123,326	125,895
Current assets			
Trade receivables	11	**55,746**	70,693
Prepayments, deposits, and other receivables		**25,956**	25,795
Contract assets		**170,376**	159,377
Amounts due from joint operations		**428**	5,300
Pledged bank deposits		**22,016**	27,245
Cash and cash equivalents		**28,519**	28,701
		303,041	317,111
Total assets		**426,367**	443,006
EQUITY			
Equity attributable to the owners of the Company			
Share capital		**11,330**	11,330
Reserves		**149,876**	149,449
Total equity		**161,206**	160,779

	Notes	As at 30 June 2025 MOP'000 (Unaudited)	As at 31 December 2024 MOP'000 (Audited)
LIABILITIES			
Non-current liabilities			
Deferred government grants		**–**	74
Lease liabilities		**1,163**	458
Deferred tax liabilities		**–**	–
		1,163	532
Current liabilities			
Trade and other payables	12	**149,323**	164,217
Contract liabilities		**8,680**	1,357
Amount due to a joint operation		**3,933**	6,409
Income tax payable		**1,489**	1,034
Bank borrowings	13	**98,237**	106,371
Deferred government grants		**157**	165
Lease liabilities		**2,179**	2,142
		263,998	281,695
Total liabilities		**265,161**	282,227
Total equity and liabilities		**426,367**	443,006

NOTES

1. GENERAL INFORMATION

Kin Pang Holdings Limited (the "**Company**") is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its immediate and ultimate parent is Fortunate Year Investments Limited, a company incorporated in the British Virgin Islands (the "**BVI**") with limited liability. Its ultimate controlling party is Mr. Kong Kin I ("**Mr. Kong**"), who is also the Chairman and Chief Executive Officer of the Company, and Ms. Choi Fong Lan ("**Ms. Choi**"), the spouse of Mr. Kong.

The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business in Hong Kong is located at Unit B, 23/F, Centre Mark II, 305–313 Queen's Road Central, Hong Kong. The headquarter in Macau is located at L17 Pak Tak (China Civil Plaza), No. 249–263 Alameda, Dr. Carlos d'Assumpção, Macau.

The principal activity of the Company and its subsidiaries is civil engineering in Macau and Hong Kong.

These unaudited condensed consolidated financial statements are presented in thousands of Macau Pataca ("**MOP'000**"), unless otherwise stated.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting ("**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual 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 HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group's unaudited condensed consolidated financial statements:

HKAS 21	Lack of Exchangeability (Amendments)

The application of amendments to HKFRS Accounting Standards in the current 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 unaudited condensed consolidated financial statements.

3. SEGMENT INFORMATION

The Group's chief operating decision maker (the "**CODM**"), which has been identified as the management of the Group, considers the segment from a business perspective and monitors the operating results of its operating segment for the purpose of making decisions about resources allocation and performance assessment.

During the six months ended 30 June 2025, the Group had one (six months ended 30 June 2024: one) reportable operating segment, which was provision of building and ancillary services.

No operating segment has been aggregated in arriving at the reportable segment of the Group.

Segment revenue and results

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

For the six months ended 30 June 2025

	Building and ancillary services *MOP'000* **(Unaudited)**	**Consolidated** *MOP'000* **(Unaudited)**
Segment revenue	**348,671**	**348,671**
Segment profit	**15,459**	**15,459**
Other income and other gains/(losses)		**1,097**
Administrative expenses		**(13,538)**
Finance costs		**(2,136)**
Profit before income tax		**882**

For the six months ended 30 June 2024

	Building and ancillary services *MOP'000* (Unaudited)	Consolidated *MOP'000* (Unaudited)
Segment revenue	338,279	338,279
Segment profit	5,402	5,402
Other income and other gains/(losses)		1,340
Administrative expenses		(16,200)
Finance costs		(1,807)
Loss before income tax		(11,265)

The accounting policies of the operating segment are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of other income and other gains/(losses), administrative expenses and finance costs. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Other segment information

For the six months ended 30 June 2025

	Building and ancillary services *MOP'000* **(Unaudited)**	**Unallocated** *MOP'000* **(Unaudited)**	**Total** *MOP'000* **(Unaudited)**
Amounts included in the measure of segment profit:			
Depreciation of property, plant and equipment	**(15,409)**	**(234)**	**(15,643)**
Depreciation of right-of-use assets	**(304)**	**(1,167)**	**(1,471)**
Reversal of impairment losses on trade receivables recognised in profit or loss	**80**	**–**	**80**
Reversal of impairment losses on contract assets recognised in profit or loss	**41**	**–**	**41**

For the six months ended 30 June 2024

	Building and ancillary services *MOP'000* (Unaudited)	Unallocated *MOP'000* (Unaudited)	Total *MOP'000* (Unaudited)
Amounts included in the measure of segment profit:			
Depreciation of property, plant and equipment	(10,356)	(326)	(10,682)
Depreciation of right-of-use assets	(304)	(1,145)	(1,449)
Reversal of impairment losses on trade receivables recognised in profit or loss	195	–	195
Reversal of impairment losses on contract assets recognised in profit or loss	683	–	683

Geographical information

(a) Revenue from external customers

The Group's revenue from external customers by geographical area, which is determined by the country/region where the services were provided, is as follows:

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Macau	**277,360**	306,075
Hong Kong	**71,311**	32,204
	348,671	338,279

(b) Non-current assets

The Group's non-current assets by geographic area are as follows:

	At 30 June	At 31 December
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Macau	**118,390**	121,287
Hong Kong	**4,936**	4,608
	123,326	125,895

Key Customers

For the six months ended 30 June 2025, there were three customers (six months ended 30 June 2024: three) which individually contributed over 10% of the Group's total revenue, the revenue contributed from these customers is as follows:

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Customer A	**N/A***	62,440
Customer B	**104,956**	89,614
Customer C	**N/A***	50,924
Customer D	**52,458**	N/A*
Customer E	**42,943**	N/A*

* Less than 10% of the Group's total revenue.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with external customers

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Recognised over time		
– Building and ancillary services	**348,671**	338,279

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) in respect of building and ancillary services as at 30 June 2025 and the expected timing of recognising revenue are as follows:

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Within one year	**371,059**	233,872
More than one year but not more than two years	**323,790**	275,123
	694,849	508,995

5. OTHER INCOME AND OTHER GAINS/(LOSSES)

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Interest income	**221**	236
Interest income on loan to a joint operation	**–**	77
Gain/(loss) on disposal of property, plant and equipment	**76**	(79)
Gain on disposal of a subsidiary	**–**	13
Amortisation of deferred government grants	**82**	82
Sundry income *(Note)*	**718**	1,011
	1,097	1,340

Note: Sundry income mainly represented sales of scrap material, insurance claims and fees charged for provision of manpower services.

6. EXPENSES BY NATURE

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Material and subcontractor costs	**244,023**	236,767
Depreciation of property, plant and equipment	**15,643**	10,682
Depreciation of right-of-use assets	**1,471**	1,449
Employee benefit costs (including directors' emolument)	**62,689**	79,724
Legal and professional fees	**2,327**	2,349
Expense relating to short-term leases	**10,683**	9,037
Transportation and delivery costs	**1,568**	2,068
Others *(Note)*	**8,467**	7,879
Total direct costs and administrative expenses	**346,871**	349,955

Note: Others mainly included site expenses, management fees, utility expenses, and other expenses.

7. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Interest expense on bank borrowings	**1,955**	1,638
Interest expense on bank overdrafts	**–**	25
Interest expense on lease liabilities	**100**	144
Interest expense on a machinery acquisition	**81**	–
	2,136	1,807

8. INCOME TAX (EXPENSE)/CREDIT

Macau Complementary Tax is calculated at 12% of the estimated assessable profits above MOP600,000 for the both periods.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands for both periods.

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits arising in Hong Kong for both periods.

An analysis of the income tax (expense)/credit is as follows:

	Six months ended 30 June	
	2025	2024
	MOP'000	*MOP'000*
	(Unaudited)	(Unaudited)
Current tax		
Macau Complementary Tax	**(455)**	–
Deferred tax	**–**	17
	(455)	17

9. DIVIDENDS

The Board resolved not to declare payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

10. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period excluding shares purchased by the Company for the share award scheme.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to the owners of the Company *(MOP'000)*	**427**	(11,248)
Weighted average number of ordinary shares for the purpose of basic earnings per share *(in thousands)*	**1,100,000**	1,100,000
Basic earnings/(loss) per share *(MOP cents)*	**0.04**	(1.02)

(b) Diluted earnings/(loss) per share

No diluted earnings/(loss) per share for both periods were presented as there were no potential ordinary shares in issue for both periods.

11. TRADE RECEIVABLES

	At 30 June 2025 *MOP'000* **(Unaudited)**	At 31 December 2024 *MOP'000* (Audited)
Trade receivables – contracts with customers	**56,344**	71,371
Less: Loss allowance	**(598)**	(678)
	55,746	70,693

The Group generally allows credit period of 0 to 60 days to its customers. The ageing analysis of the trade receivables based on invoice date is as follows:

	At 30 June 2025 *MOP'000* **(Unaudited)**	At 31 December 2024 *MOP'000* (Audited)
Within 30 days	**40,274**	60,085
31 to 60 days	**9,717**	2,609
61 to 90 days	**1,691**	4,733
Over 90 days	**4,662**	3,944
	56,344	71,371

The Group does not hold any collateral over these balances.

The movement in lifetime expected credit loss that has been recognised for trade receivables under the simplified approach is as follows:

	At 30 June 2025 *MOP'000* **(Unaudited)**	At 31 December 2024 *MOP'000* (Audited)
At beginning of the period	**678**	761
(Reversal of)/provision for impairment losses	**(80)**	304
Receivables written off during the period as uncollectible	**–**	(387)
At end of the period	**598**	678

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	At 30 June 2025 MOP'000 (Unaudited)	At 31 December 2024 MOP'000 (Audited)
MOP	**55,391**	63,180
HK$	**355**	7,513
	55,746	70,693

12. TRADE AND OTHER PAYABLES

	At 30 June 2025 MOP'000 (Unaudited)	At 31 December 2024 MOP'000 (Audited)
Trade payables *(Note a)*	**93,485**	106,382
Retention payables *(Note b)*	**29,066**	30,989
Salaries payable	**11,540**	14,110
Accruals and other payables *(Note c)*	**15,232**	12,736
	149,323	164,217

Notes:

(a) The credit period granted to the Group by suppliers/subcontractors normally ranges from 0 to 60 days. The ageing analysis of the trade payables based on invoice date is as follows:

	At 30 June 2025 MOP'000 (Unaudited)	At 31 December 2024 MOP'000 (Audited)
0 to 30 days	**47,557**	57,251
31 to 60 days	**9,654**	17,570
61 to 90 days	**12,766**	7,535
Over 90 days	**23,508**	24,026
	93,485	106,382

(b) Retention payables to subcontractors are interest-free and payable at the end of the defect liability period of individual contracts. All retention payables are expected to be settled within one year after the expiry date of the defect liability period.

The Group classifies these retention payables as current because the Group expects to settle them in its normal operating cycle.

The retention payables by due dates are as follows:

	At 30 June 2025	At 31 December 2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Retention payables of construction contract		
Repayable within one year	**5,289**	5,813
Repayable more than one year	**23,777**	25,176
	29,066	30,989

(c) As at 30 June 2025, included in the Group's accruals and other payables are the amount of approximately MOP3,768,000 (31 December 2024: MOP3,768,000) received from the nominated subcontractor as the surety bond, and the amount of approximately MOP884,000 (31 December 2024: MOP898,000) withheld from the payment to subcontractors as the performance bonds of the building and ancillary services provided to the Group.

The carrying amounts of trade and other payables approximate their fair values and are denominated in the following currencies:

	At 30 June 2025	At 31 December 2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
MOP	**124,657**	140,657
HK$	**24,666**	23,560
	149,323	164,217

13. BANK BORROWINGS

	At 30 June 2025 *MOP'000* **(Unaudited)**	At 31 December 2024 *MOP'000* (Audited)
Secured:		
– Bank overdrafts	**–**	–
– Bank borrowings	**77,637**	87,871
Unsecured:		
– Bank borrowings	**20,600**	18,500
	98,237	106,371

The bank borrowings are at floating rates which carry interests at MOP best lending rate, Macau Interbank Offered Rate ("**MIBOR**") and Hong Kong Interbank Offered Rate ("**HIBOR**") plus/minus a spread. The effective interest rate on the Group's bank borrowings was 3.82% per annum for the six months ended 30 June 2025 (31 December 2024: 4.06% per annum).

As at 30 June 2025 and 31 December 2024, there were breaches of financial covenants in the bank borrowings with a total amount of approximately MOP3,470,000 (31 December 2024: MOP3,846,000), including secured bank borrowings of approximately MOP3,470,000 (31 December 2024: MOP3,846,000). These matters triggered cross-defaults and resulted in certain other bank borrowings of the Group of approximately MOP38,438,000 (31 December 2024: MOP44,098,000) as at 30 June 2025. All the above-mentioned secured bank borrowings are guaranteed by the Company and secured by pledged bank deposits and property, plant and equipment amounted to approximately MOP17,695,000 (31 December 2024: MOP18,336,000) and MOP8,942,000 (31 December 2024: MOP9,128,000) respectively.

As at the date of this announcement, the banks have not made any demand for immediate repayment of the abovementioned bank borrowings. The banking facilities related to the breached financial covenants in bank borrowings were renewed for 1 year in May 2025. The management of the Group has commenced negotiations with the bank for a waiver of the breached financial covenants in bank borrowings, and not yet obtained such waiver as at the date of this announcement. The banking facilities related to the bank borrowings with the cross-defaults were renewed for 1 year in July 2025.

As at 30 June 2025, the remaining bank borrowings of approximately MOP56,329,000 (31 December 2024: MOP58,427,000) contain a repayment on demand clause and will mature within one year. As at the date of this announcement, the banks have not made any demand for immediate repayment of these bank borrowings.

The carrying amounts of bank borrowings approximate their fair values and are denominated in the following currencies.

	At 30 June 2025 *MOP'000* **(Unaudited)**	At 31 December 2024 *MOP'000* (Audited)
MOP	**92,057**	106,371
HK$	**6,180**	–
	98,237	106,371

The Group's bank borrowings and other banking facilities (including performance guarantees) had been secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

	At 30 June 2025	At 31 December 2024
	MOP'000	*MOP'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**8,942**	9,128
Pledged bank deposits	**22,016**	27,245
	30,958	36,373

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an integrated construction contractor which provides building and ancillary services. The services are required in various building and construction projects in relation to hotel and casino resorts, property developers, infrastructures of water supply, and public amenities and utilities (such as carriageways, footpaths, drains and sewers).

The Group's revenue was derived from Macau and Hong Kong and the Group was engaged in projects in both private and public sectors. Public sector projects refer to projects of which the project employer is the Macau Government, while private sector projects refer to projects that are not within the public sector. The Group's customers mainly included (i) hotel and casino owners or their main contractors; (ii) water utility company in Macau; (iii) the Macau Government or its main contractors; and (iv) other private developers or their contractors.

During the six months ended 30 June 2025, 16 building and ancillary services projects with an aggregate contract sum of MOP202.8 million were awarded. The Group had completed 9 building and ancillary services projects during this period. As at 30 June 2025, the Group's backlog consisted of 28 building and ancillary services projects, which exclude those completed but not certified, with an aggregate outstanding contract sum of MOP694.9 million.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2025, the Group's total revenue increased by approximately MOP10.4 million or 3.1% from approximately MOP338.3 million for the six months ended 30 June 2024 to approximately MOP348.7 million for the six months ended 30 June 2025. The increase was attributable to larger scale of the building and ancillary services projects being undertaken during the period.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately MOP10.8 million to approximately MOP15.3 million for the six months ended 30 June 2025 from approximately MOP4.5 million for the corresponding period in 2024. The Group's gross profit margin increased by approximately 3.1 percentage points to approximately 4.4% for the six months ended 30 June 2025 from approximately 1.3% for the corresponding period in 2024.

The increase in the gross profit was mainly attributable to building and ancillary services projects with higher gross profit margin undertaken and better control on the construction costs for the on-going projects.

Other Income and Other Gains/(Losses)

The Group's other income and other gains/losses decreased by approximately MOP0.2 million or 15.4% from approximately MOP1.3 million for the six months ended 30 June 2024 to approximately MOP1.1 million for the six months ended 30 June 2025. Such decrease was mainly attributable to the decrease in sundry income.

Reversal of Impairment Losses of Financial Assets under Expected Credit Loss Model

The Group's reversal of impairment losses under expected credit loss ("**ECL**") model were approximately MOP0.1 million for the six months ended 30 June 2025 and reversal of impairment losses under ECL model were approximately MOP0.9 million for the corresponding period in 2024. The Group applied simplified approach to measure ECL which used a lifetime ECL for all trade receivables and contract assets, and general approach to measuring ECL which used a 12-month ECL for amounts due from a joint venture since initial recognition. To measure the ECL, except for certain balances of contract assets being assessed on an individual basis, trade receivables and contract assets have been grouped based on shared credit risk characteristics. The impairment losses under ECL model on the contract assets which remained unsettled for more than a year were approximately MOP5.6 million for the period ended 30 June 2025 (six months ended 30 June 2024: approximately MOP6.5 million).

Administrative Expenses

The Group's administrative expenses decreased by approximately MOP2.7 million or 16.7% from approximately MOP16.2 million for the six months ended 30 June 2024 to approximately MOP13.5 million for the six months ended 30 June 2025. Such decrease was mainly attributable to the reduction in staff costs.

Finance Costs

The Group's finance costs increased by approximately MOP0.3 million or 16.7% from approximately MOP1.8 million for the six months ended 30 June 2024 to approximately MOP2.1 million for the six months ended 30 June 2025. Such increase was mainly attributable to the increase in interest expenses on bank borrowings.

Income Tax (Expense)/Credit

The Group has income tax expense of approximately MOP455,000 for the six months ended 30 June 2025 compared to income tax credit of approximately MOP17,000 for the six months ended 30 June 2024. The income tax credit was result of the reversal of the deferred tax.

Profit/(Loss) and Total Comprehensive Income/(Loss) for the Period

The Group's total comprehensive income was approximately MOP0.4 million for the six months ended 30 June 2025 compared to total comprehensive loss of approximately MOP11.3 million for the six months ended 30 June 2024. It was mainly attributable to the combined effect of the aforementioned items.

Basic Earnings/(Loss) per Share

The Company's basic earnings per share for the six months ended 30 June 2025 was approximately MOP0.04 cents (six months ended 30 June 2024: basic loss per share approximately MOP1.02 cents).

Interim Dividend

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

Property, Plant and Equipment

The Group's property, plant and equipment was approximately MOP111.2 million as at 30 June 2025 compared to approximately MOP115.0 million as at 31 December 2024. Due to business expansion, the Group acquired property, plant and equipment of approximately MOP12.4 million during the six months ended 30 June 2025 (six months ended 30 June 2024: approximately MOP11.7 million). The capital expenditures were financed by the proceeds from internal resources and general bank borrowings of the Group.

As at 30 June 2025, the Group has pledged certain property, plant and equipment with carrying values of approximately MOP8.9 million (31 December 2024: approximately MOP9.2 million) to secure its bank borrowings and other banking facilities (including performance guarantees).

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and Financial Resources and Capital Structure

The Group adopts a prudent approach in cash management to minimise its financial and operational risks. The Group's operations mainly rely on internally generated cash flows and bank borrowings.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of unexpected fluctuations in cash flows.

As at 30 June 2025, the Group had bank balances and cash of approximately MOP28.5 million (31 December 2024: approximately MOP28.7 million).

As at 30 June 2025, the Group had an aggregate of pledged bank deposits of approximately MOP22.0 million (31 December 2024: approximately MOP27.2 million) that are used to secure banking facilities.

As at 30 June 2025, bank borrowings amounted to approximately MOP98.2 million (31 December 2024: approximately MOP106.4 million), including no bank overdrafts (31 December 2024: Nil). The bank borrowings amounts containing on demand clause of approximately MOP56.3 million (31 December 2024: approximately MOP58.5 million) will mature within one year. The breach of loan covenants in bank borrowings were approximately MOP41.9 million (31 December 2024: approximately MOP47.9 million). As at the date of this announcement, the relevant banks have not made any demand for immediate repayment of the abovementioned bank borrowings. For further details, please refer to "Note 13 – Bank Borrowings" in this announcement.

Current ratio remained unchanged at 1.1 times at 30 June 2025 (31 December 2024: 1.1 times).

Gearing ratio is calculated based on debts divided by the total equity as at the respective reporting dates. Gearing ratio decreased from approximately 66.2% as at 31 December 2024 to approximately 60.9% as at 30 June 2025. It was mainly due to the decrease in bank borrowings during the six months ended 30 June 2025.

There has been no change in the capital structure of the Group during the period ended 30 June 2025. The capital of the Group only comprises ordinary shares. As at 30 June 2025, the share capital and equity attributable to the owners of the Company amounted to approximately MOP11.3 million and approximately MOP161.2 million, respectively (31 December 2024: approximately MOP11.3 million and approximately MOP160.8 million, respectively).

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Associates and Joint Ventures, and Plans for Material Investment or Capital Assets

Save as disclosed in this announcement, during the six months ended 30 June 2025, the Group did not have any significant investments held, material acquisitions or disposals of subsidiaries, associates and joint ventures. There was no other plan for material investments or capital assets as at 30 June 2025.

Capital Commitments

As at 30 June 2025, the Group had capital commitments for the purchases of property, plant and equipment of approximately MOP5.1 million (31 December 2024: approximately MOP6.4 million).

Contingent Liabilities

As at 30 June 2025, performance guarantees of approximately MOP55.3 million (31 December 2024: approximately MOP92.1 million) were 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. The Group has contingent liabilities to indemnify the banks for any claims from customers under the guarantees due to the failure of the Group's performance. The performance guarantees will be released upon completion of the contract works. At the end of the reporting period, the management of the Group does not consider it is probable that a claim will be made against the Group.

Foreign Exchange Exposure

The Group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies, namely Hong Kong dollar and Macau pataca. The Group is exposed to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities denominated in a currency other than the Group entities' functional currency.

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

Interest Rate Risk

The Group's interest rate risk arises primarily from the Group's bank deposits and bank borrowings. Bank borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of prevailing market interest rates arising from the Group's pledged bank deposits, bank balances and MOP best lending rate, MIBOR and HIBOR arising from the Group's variable-rate bank borrowings. The Group does not use financial derivatives to hedge against the interest rate risk.

Credit Risk

The Group's credit risk is primarily attributable to trade receivables, contract assets, deposits, other receivables, amounts due from joint operations, pledged bank deposits and bank balances as at 30 June 2025 and 31 December 2024.

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge the obligations by counter-parties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position at the end of the reporting period.

As at 30 June 2025, the Group has concentration of credit risks as approximately 33.8% (31 December 2024: approximately 35.6%) and approximately 88.0% (31 December 2024: approximately 77.1%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the building and ancillary services segment. In order to minimise the risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

For deposits, other receivables and amounts due from joint operations, the Directors make periodic individual assessment on the recoverability of deposits and other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information.

The credit risk for pledged bank deposits and bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by international credit rating agencies.

EMPLOYEES

The Group had 294 full-time employees as at 30 June 2025 (31 December 2024: 295) in Macau and Hong Kong.

The Group offers remuneration packages that includes salary, discretionary bonuses and other cash subsidies. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of the decisions with respect to salary raises, bonuses and promotions.

The Group's gross staff costs from operations (including the Director's emoluments) were approximately MOP62.7 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately MOP79.7 million).

The Company adopted a share option scheme so that the Company may grant options to the eligible persons as incentives or rewards for their contributions to the Group.

SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the "**Share Option Scheme**") pursuant to the written resolutions passed on 24 November 2017. The Share Option Scheme enables the Company to grant share options to the eligible persons as incentives or rewards for their contributions to the Group. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption on 24 November 2017 and up to 30 June 2025. As at the date of this announcement, the total number of shares available for issue under the Share Option Scheme was 100,000,000 shares, being approximately 9.01% of the shares in issue as at the date of this announcement.

CHANGE IN DIRECTOR'S INFORMATION

Pursuant to the relevant requirement under the Listing Rules, the change in Directors' information during the six months ended 30 June 2025 is set out below:

Mr. Cheung Kin Wing resigned as a director of Self Strengthening Service Centre Limited with effect from 15 April 2025.

Mr. Chan Wai Keung has resigned as an executive Director with effect from 18 May 2025.

Ms. Choi Fong Lan, an executive Director, has been appointed as a member of the nomination committee of the Company (the "**Nomination Committee**") with effect from 27 June 2025.

Mr. Cheung Kin Wing, an independent non-executive Director, has been appointed as a member of the Nomination Committee with effect from 27 June 2025.

PROSPECTS AND STRATEGIES

The Group anticipates opportunities to sustain its construction activities in Macau, driven by the strong recovery of the tourism and gaming sectors, with recent reports indicating significant year-on-year increases in gaming revenue. Despite the planned closure of several satellite casinos by year-end, the shift towards non-gaming sectors and potential upgrades in remaining casinos present new avenues for construction projects. In Hong Kong, while the construction industry is forecasted to experience slower growth, government investments in transportation, energy infrastructure, and housing initiatives, along with a notable construction boom in large-scale projects, provide a foundation for continued demand.

The Group remains cautious of challenges, including the economic impact of Macau's casino closures and a projected slowdown in Hong Kong's construction growth. Inflationary pressures, high interest rates, geopolitical tensions, and potential fluctuations in construction costs could restrain the growth of project margins. To mitigate these risks, the Group is prioritising rigorous cost control, enhancing operational efficiency, and adopting innovative construction technologies. By closely monitoring market dynamics and adjusting strategies, the Group aims to maintain financial stability in a competitive environment.

To ensure resilience, the Group is committed to diversifying its business across Macau and Hong Kong. In Macau, the government's focus on events, leisure, social welfare, and other non-gaming sectors creates opportunities for new construction projects. In Hong Kong, despite short-term challenges, the long-term outlook for the construction industry remains positive, supported by ongoing infrastructure development. By leveraging its expertise in foundation works and maintaining strong industry relationships, the Group seeks to capture emerging opportunities while managing regional economic fluctuations.

Operational excellence and financial discipline are central to the Group's strategy. By upholding its commitment to high-quality project delivery and implementing robust cost management practices, the Group is well-positioned to address challenges such as rising material costs and labour constraints. While acknowledging the uncertainties in the construction and gaming sectors, the Group maintains a balanced outlook, focusing on strategic expansion and adaptability to deliver sustainable value to stakeholders. Through careful planning and a dedication to industry-leading standards, the Group aims to navigate the evolving market landscape and solidify its position as a trusted construction contractor in the region.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Board is not aware of any significant events requiring disclosure that has taken place subsequent to 30 June 2025 and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICE

During the six months ended 30 June 2025 and up to the date of this announcement, the Company has adopted the disclosure requirements set out in the section headed "Part 1 – Mandatory disclosure requirements", and the principles and the applicable code provisions set out in the section headed "Part 2 – Principles of good corporate governance, code provisions and recommended best practices" of Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules. The Board is of the view that for the six months ended 30 June 2025, the Company has complied with all applicable code provisions set out in the CG Code except the deviation from provision C.2.1 of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive officer and Mr. Kong Kin I currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group. Besides, with three independent non-executive Directors out of a total of five Directors in the Board, there will be sufficient independent voice within the Board to protect the interests of the Company and its shareholders as a whole. Therefore, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions of the Company by the Directors. Upon specific enquiries of all Directors, all of them confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2025 and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 24 November 2017 in compliance with the CG Code. As at the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely, Mr. Cheung Kin Wing, Mr. Cheung Wai Lun Jacky and Mr. Zhao Zhipeng. Mr. Cheung Kin Wing is the chairman of the Audit Committee.

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and has reviewed the unaudited condensed consolidated financial statements of the Group and this interim results announcement of the Company for the six months ended 30 June 2025.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.kinpang.com.mo. The interim report will be despatched to shareholders of the Company and will also be published on the websites of both the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business associates and other professional parties for their support throughout the period.

By Order of the Board
Kin Pang Holdings Limited
Kong Kin I
Chairman and Chief Executive Officer

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises (i) Mr. Kong Kin I (Chairman and Chief Executive Officer) and Ms. Choi Fong Lan as executive Directors; and (ii) Mr. Cheung Wai Lun Jacky, Mr. Cheung Kin Wing and Mr. Zhao Zhipeng as independent non-executive Directors.