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SHING CHI HOLDINGS LIMITED
成志控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1741)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 MARCH 2026

The board (the “**Board**”) of directors (the “**Directors**”) of Shing Chi Holdings Limited (the “**Company**”) announces the unaudited interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 March 2026, together with the comparative figures for the corresponding period in 2025 as follow:

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

For the six months ended 31 March 2026

		Six months ended 31 March	
		2026	2025
	<i>Note</i>	HK\$’000	HK\$’000
		(Unaudited)	(Unaudited)
Revenue	3	76,686	85,538
Cost of sales		<u>(71,150)</u>	<u>(81,843)</u>
Gross profit		5,536	3,695
Other income, gains and losses	3	47	1,154
Administrative and other operating expenses		(12,720)	(12,579)
Net (impairment losses)/reversal of impairment losses on financial assets and contract assets		<u>(446)</u>	<u>836</u>
Operating loss		(7,583)	(6,894)
Finance costs	4	<u>(72)</u>	<u>(70)</u>
Loss before tax	5	(7,655)	(6,964)
Income tax expense	6	<u>–</u>	<u>–</u>
Loss and total comprehensive expense for the period attributable to owners of the Company		<u>(7,655)</u>	<u>(6,964)</u>
Basic and diluted loss per share (HK cents)	7	<u>(0.96)</u>	<u>(0.87)</u>

INTERIM UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	<i>Note</i>	31 March 2026 HK\$'000 (Unaudited)	30 September 2025 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	<i>9</i>	–	–
Right-of-use assets	<i>9</i>	<u>398</u>	<u>538</u>
		<u>398</u>	<u>538</u>
Current assets			
Trade and other receivables	<i>10</i>	18,563	9,138
Contract assets		12,770	17,197
Bank deposits, balances and cash	<i>11</i>	<u>15,918</u>	<u>22,357</u>
		<u>47,251</u>	<u>48,692</u>
Total assets		<u>47,649</u>	<u>49,230</u>
EQUITY			
Capital and reserves			
Share capital		8,000	8,000
Share premium and reserves		<u>7,075</u>	<u>14,730</u>
Total equity		<u>15,075</u>	<u>22,730</u>

		31 March	30 September
		2026	2025
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited)
LIABILITIES			
Non-current liability			
Lease liabilities		<u>138</u>	<u>1,170</u>
Current liabilities			
Trade and other payables	<i>12</i>	30,226	22,944
Lease liabilities		<u>2,210</u>	<u>2,386</u>
		<u>32,436</u>	<u>25,330</u>
Total liabilities		<u>32,574</u>	<u>26,500</u>
Total equity and liabilities		<u><u>47,649</u></u>	<u><u>49,230</u></u>
Net current assets		<u><u>14,815</u></u>	<u><u>23,362</u></u>
Total assets less current liabilities		<u><u>15,213</u></u>	<u><u>23,900</u></u>

NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION AND BASIS OF PREPARATION

The Company is an investment holding company. The Group is principally engaged in the provision of foundation and site formation works; general building works and associated services; other construction works; and construction related consultancy services. The Company was incorporated in the Cayman Islands on 3 January 2018 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The shares of the Company have been listed on the Main Board (the “**Listing**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 16 October 2018.

The address of the Company’s registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the Company’s principal place of business in Hong Kong is 6/F, Kai Tak Commercial Building, Nos. 317-319 Des Voeux Road Central, Sheung Wan, Hong Kong.

Its parent and ultimate holding company is Elite Bright Developments Limited, a company incorporated in the British Virgin Islands and wholly-owned by Dr. Lau Chi Wang, Mr. Lau Chi Ming and Dr. Lau Chi Keung in equal shares, the controlling shareholders of the Company.

These interim unaudited condensed consolidated financial statements of the Group for the six months ended 31 March 2026 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**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). These interim unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Group for the year ended 30 September 2025 (the “**2025 Annual Financial Statements**”), which have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”).

The interim unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

The interim unaudited condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2025 Annual Financial Statements, except for the accounting policy changes that are expected to be reflected in the annual financial statements of the Group for the year ending 30 September 2026. Details of any changes in accounting policies are set out in Note 2.

These interim unaudited condensed consolidated financial statements have been approved for issue by the Board on 21 May 2026.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Group has adopted the following new and amendments to HKFRSs issued by the HKICPA for the first time for the current accounting period, which are mandatory effective for the annual period beginning on or after 1 October 2025 for the preparation of the Group’s interim unaudited condensed consolidated financial statements:

(a) New and amendments to HKFRSs that are mandatorily effective for the current period

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time for the current period:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior period/year and/or on the disclosures set out in these interim unaudited condensed consolidated financial statements.

(b) New and amendments to HKFRSs in issue but not yet effective

The Group has not applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
New HKFRS 18	Presentation and Disclosure in Financial Statements ²

¹ Effective for annual periods beginning on or after 1 January 2026.

² Effective for annual periods beginning on or after 1 January 2027.

³ Effective for annual periods beginning on or after a date to be determined.

The Group will apply the above HKFRSs when they become effective. The Group is in the process of assessing the impact of the above HKFRSs.

The Directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements of the Group in the future.

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

- Foundation and site formation works;
- General building works and associated services;
- Other construction works; and
- Construction related consultancy services.

The CODM makes decisions according to the 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.

Segment revenue and results

	Foundation and site formation works <i>HK\$'000</i>	General building works and associated services <i>HK\$'000</i>	Other construction works <i>HK\$'000</i>	Construction related consultancy services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Six months ended 31 March 2026					
Segment revenue	<u>16,694</u>	<u>25,946</u>	<u>31,375</u>	<u>2,671</u>	<u>76,686</u>
Segment results	<u>1,305</u>	<u>3,013</u>	<u>1,442</u>	<u>(224)</u>	5,536
Other income, gains and losses					47
Administrative and other operating expenses					(12,720)
Net impairment losses on financial assets and contract assets					(446)
Finance costs					<u>(72)</u>
Loss before tax					<u><u>(7,655)</u></u>

	Foundation and site formation works <i>HK\$'000</i>	General building works and associated services <i>HK\$'000</i>	Other construction works <i>HK\$'000</i>	Construction related consultancy services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Six months ended 31 March 2025					
Segment revenue	21,352	23,918	36,581	3,687	85,538
Segment results	960	(40)	1,823	952	3,695
Other income, gains and losses					1,154
Administrative and other operating expenses					(12,579)
Net reversal of impairment losses on financial assets and contract assets					836
Finance costs					(70)
Loss before tax					<u>(6,964)</u>

Segment results mainly represented gross profit or loss incurred by each segment, excluding other income, gains and losses, administrative and other operating expenses, net (impairment losses)/reversal of impairment losses on financial assets and contract assets, finance costs and income tax expenses.

Geographical information

No geographical segment information is presented as the Group principally engages its business in Hong Kong and all of its revenue was derived from Hong Kong during the period under review.

4 FINANCE COSTS

	Six months ended 31 March	
	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest on lease liabilities	<u>72</u>	<u>70</u>

5 LOSS BEFORE TAX

Six months ended 31 March
2026 2025
HK\$'000 **HK\$'000**
(Unaudited) **(Unaudited)**

Loss before tax has been arrived at after charging/(crediting):

Depreciation of right-of-use assets	140	140
Short-term lease expenses	38	9
Auditors' remuneration	400	500
Employee benefit expenses, including Directors' emoluments	10,207	10,134
Net impairment losses/(reversal of impairment losses) on financial assets and contract assets	446	(836)
Impairment losses on property, plant and equipment	–	9
	<u> </u>	<u> </u>

6 INCOME TAX EXPENSE

Six months ended 31 March
2026 2025
HK\$'000 **HK\$'000**
(Unaudited) **(Unaudited)**

Hong Kong profits tax
– Current income tax

No provision for Hong Kong profits tax has been made as the Group did not have assessable profit in Hong Kong for both periods.

7 LOSS PER SHARE

	Six months ended 31 March	
	2026	2025
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company (HK\$'000)	(7,655)	(6,964)
Weighted average number of ordinary shares for the purpose of calculating basic loss per share (in thousand)	<u>800,000</u>	<u>800,000</u>
Basic loss per share (HK cents)	<u>(0.96)</u>	<u>(0.87)</u>

For the six months ended 31 March 2026 and 2025, the calculation of the basic loss per share attributable to owners of the Company was based on (i) the loss for the period attributable to owners of the Company; and (ii) the weighted average number of ordinary shares in issue during the period.

Diluted loss per share is equal to the basic loss per share as there was no dilutive potential shares in issue during the six months ended 31 March 2026 and 2025.

8 DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 31 March 2026 (six months ended 31 March 2025: Nil).

9 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 31 March 2026, the Group did not acquire any property, plant and equipment (six months ended 31 March 2025: approximately HK\$9,000).

The Group obtains rights to control the use of certain premises and motor vehicles for a period of time through lease arrangements. During the six months ended 31 March 2026, there was no addition to right-of-use assets (six months ended 31 March 2025: Nil).

10 TRADE AND OTHER RECEIVABLES

	31 March 2026	30 September 2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Trade receivables	21,502	10,580
Less: provision for impairment losses	(4,220)	(3,669)
	17,282	6,911
Other receivables, deposits and prepayments	1,286	2,233
Less: provision for impairment losses	(5)	(6)
	1,281	2,227
	18,563	9,138

Notes:

- (a) The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customer is considered on a case-by-case basis and stipulated in the project contract, as appropriate.
- (b) The ageing analysis of the trade receivables (net of impairment losses) based on payment certificate date and invoice date is as follows:

	31 March 2026	30 September 2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
0-30 days	14,331	2,906
31-60 days	940	2,279
61-90 days	145	242
Over 90 days	1,866	1,484
	17,282	6,911

As at 31 March 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$7,077,000 (30 September 2025: approximately HK\$7,538,000) which are past due as at the reporting date. Out of the past due balances, approximately HK\$2,209,000 (30 September 2025: approximately HK\$1,470,000) has been past due 90 days or more and is not considered as in default. The Group does not hold any collateral over these balances.

- (c) The other classes within trade and other receivables do not contain impaired assets. The Group does not hold any collateral as security.

11 BANK DEPOSITS, BALANCES AND CASH

	31 March 2026 HK\$'000 (Unaudited)	30 September 2025 HK\$'000 (Audited)
Cash at banks	15,918	22,357
Bank balances	11,918	11,523
Deposits at banks – fixed deposits	4,000	10,834
	15,918	22,357

12 TRADE AND OTHER PAYABLES

	31 March 2026 HK\$'000 (Unaudited)	30 September 2025 HK\$'000 (Audited)
Trade payables	13,007	6,715
Retention payables	9,789	11,897
Accruals and other payables	7,430	4,332
	30,226	22,944

Notes:

(a) The ageing analysis of the trade payables based on invoice date is as follows:

	31 March 2026 HK\$'000 (Unaudited)	30 September 2025 HK\$'000 (Audited)
0 to 30 days	12,830	5,304
31 to 60 days	177	1,411
	13,007	6,715

Except for retention payables of approximately HK\$9,151,000 as at 31 March 2026 (30 September 2025: approximately HK\$11,695,000), which are expected to be settled after one year, all of the remaining retention payables are expected to be settled within one year.

BUSINESS REVIEW

The Group is a construction contractor in Hong Kong that principally provides (i) foundation and site formation works, which mainly include piling works, excavation and lateral support (“ELS”) works, pile cap construction and ground investigation works; (ii) general building works and associated services, which mainly include development of superstructures, alteration and addition works; and (iii) other construction works, which mainly include slope works and demolition works. The Group is able to undertake construction works as either a main contractor or a subcontractor. Apart from construction works, the Group also provides construction related consultancy services including engineering consulting on construction designs and works supervision, and construction contract administration services.

As at 31 March 2026, the Group had 22 construction projects on hand (including projects in progress and projects that are yet to commence) with a total contract value of approximately HK\$653.4 million. As at 30 September 2025, the Group had 20 construction projects on hand with a total contract value of approximately HK\$315.7 million. The details of the Group’s projects on hand as at 31 March 2026 are as follows:

Number	Project Awarded	Actual/expected commencement date	Actual/expected completion date
1	Slope works in Kwun Tung North New Development Areas	September 2020	June 2026
2	Fence inspection works for a university in Shatin	May 2024	December 2026
3	Slope works for a university in Shatin	December 2024	November 2026
4	Supply and installation of flexible barrier in various locations in Hong Kong	August 2025	September 2026
5	External works at various locations of a university in Shatin	March 2026	July 2026
6	Stability improvement works for a university in Shatin	April 2025	December 2026
7	Proposed addition and alteration works at the shipyard in Tsing Yi	October 2025	October 2026
8	Geotechnical works for proposed cut slope in Tuen Mun	April 2026	October 2026
9	Supply and installation of flexible barrier in various locations in Hong Kong	March 2026	February 2029
10	Supply and installation of flexible barrier in various locations in Tai Po Kau	May 2026	November 2026
11	Inspection works for a university in Shatin	January 2026	April 2026
12	Desilting works for a university in Shatin	February 2026	December 2026
13	Supply and installation of metal gate for a university in Shatin	February 2026	December 2026
14	Main contract works for a college in Kowloon East	August 2025	September 2026

Number	Project Awarded	Actual/expected commencement date	Actual/expected completion date
15	Slope upgrading works at the Peak	December 2024	December 2026
16	Preventive maintenance of slope works and retaining walls in various locations in Hong Kong	November 2025	October 2026
17	Supply and installation of flexible barrier in various locations in Hong Kong	November 2025	May 2026
18	Facelifting works for public facilities at Sha Tau Kok	March 2026	June 2027
19	Enhancement of slope feature at the Mid-Levels	April 2026	June 2027
20	Supply and installation of flexible barrier in Hung Shui Kiu and Ha Tsuen New Development Area	April 2026	October 2027
21	Main contract works for proposed residential development at the Peak	March 2026	August 2026
22	Slope improvement works for a residential building in North Point	February 2026	October 2027

OUTLOOK

Recently, the economy of Hong Kong has shown a sign of recovery. With the increasing land supply and the commitment to infrastructure investments, it is expected that the construction industry in Hong Kong will continue to rebound in coming years. However, the Directors are of the view that the business environment in which the Group operates will remain challenging. For instance, with the shortage of skilled labour and inflationary pressures, project costs have been driven up, hence cutting the profit margins of the projects undertaken. The intense market competition from competitors also results in shrinking profit margins of the contractors. In light of the challenging business environment, the Group will strive to adopt prudent financial management and cost control measures. Furthermore, the Group will continue to obtain additional licences and strengthen its financial resources to better position itself to tender suitable projects in the public sector as a main contractor, and strengthen its manpower and invest in its new information system to enhance its operational capacity and efficiency. Meanwhile, the Group will continue to explore suitable business and investment opportunities to drive its business growth.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately HK\$8.8 million, or approximately 10.3%, from approximately HK\$85.5 million for the six months ended 31 March 2025 to approximately HK\$76.7 million for the six months ended 31 March 2026. The following table sets out a breakdown of the Group's revenue during the six months ended 31 March 2025 and 2026 by segments:

	Six months ended 31 March			
	2026		2025	
	<i>HK\$'000</i>	<i>%</i>	<i>HK\$'000</i>	<i>%</i>
Foundation and site formation works	16,694	21.8	21,352	25.0
General building works and associated services	25,946	33.8	23,918	28.0
Other construction works	31,375	40.9	36,581	42.8
Construction related consultancy services	2,671	3.5	3,687	4.2
Total	<u>76,686</u>	<u>100.0</u>	<u>85,538</u>	<u>100.0</u>

The decrease in the Group's revenue was primarily driven by the decrease in revenue from foundation and site formation works as well as other construction works. Such decrease was primarily due to (i) the decrease in number of projects undertaken for foundation and site formation works during the six months ended 31 March 2026; and (ii) the decrease in work performed for the projects for other construction works as most of these projects were either at initial stage or nearing completion stage during the six months ended 31 March 2026. The revenue generated from general building works and associated services as well as construction related consultancy services remained relatively stable for the six months ended 31 March 2026.

Cost of sales

Cost of sales decreased by approximately HK\$10.6 million, or approximately 13.0%, from approximately HK\$81.8 million for the six months ended 31 March 2025 to approximately HK\$71.2 million for the six months ended 31 March 2026. Such decrease was mainly driven by the decrease in revenue.

Gross profit and gross profit margin

The gross profit increased by approximately HK\$1.8 million, or 48.6%, from approximately HK\$3.7 million for the six months ended 31 March 2025 to approximately HK\$5.5 million for the six months ended 31 March 2026. The Group's gross profit margin was approximately 4.3% and 7.2% for the six months ended 31 March 2025 and 2026, respectively.

During the six months ended 31 March 2026, the Group's general building works and associated services recorded a turnaround from gross loss margin to gross profit margin (2025: gross loss margin of approximately 0.2%; 2026: gross profit margin of approximately 11.6%) primarily due to the commencement of a sizeable project with relatively higher gross profit margin. The gross profit margin of foundation and site formation works (2025: approximately 4.5%; 2026: approximately 7.8%) increased as a result of the undertaking of projects with relatively higher gross profit margin during the six months ended 31 March 2026. The construction related consultancy services (2025: gross profit margin of approximately 25.8%; 2026: gross loss margin of approximately 8.4%) recorded a turnaround from gross profit margin to gross loss margin as the revenue generated was not sufficient to cover the fixed costs incurred during the six months ended 31 March 2026. The gross profit margin for other construction works (2025: approximately 5.0%; 2026: approximately 4.6%) remained relatively stable for the six months ended 31 March 2025 and 2026.

Other income, gains and losses

The other income, gains and losses decreased by approximately HK\$1.1 million from approximately HK\$1.2 million for the six months ended 31 March 2025 to approximately HK\$47,000 for the six months ended 31 March 2026. The other income, gains and losses for the six months ended 31 March 2025 was relatively higher primarily due to the one-off refund of costs incurred upon the termination of research and development project.

Administrative and other operating expenses

The administrative and other operating expenses remained relatively stable at approximately HK\$12.6 million and HK\$12.7 million for the six months ended 31 March 2025 and 2026, respectively.

Loss and total comprehensive expense for the period

As a result of the foregoing, the Group recorded a loss of approximately HK\$7.0 million and approximately HK\$7.7 million for the six months ended 31 March 2025 and 2026, respectively.

COMPARISON OF BUSINESS STRATEGIES WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group’s business strategies as set out in the prospectus of the Company dated 28 September 2018 (the “**Prospectus**”) with actual business progress up to 31 March 2026.

Business strategies as stated in the Prospectus	Implementation activities up to 31 March 2026 as stated in the Prospectus	Progress up to 31 March 2026
Apply for additional licences	<ul style="list-style-type: none"> – Acquire one set of bored piling machine; one set of rock-socket piling machine; two sets of mini-piling machines and four air compressors; and maintain newly acquired machinery to fulfill plant requirements of the licenses – Acquire a piece of land for machinery storage 	<p>The Group has acquired the bored piling machines, rock-socket piling machine and two air compressors. On 25 August 2023, the Board resolved to change the use of the unutilised net proceeds in the amounts of approximately HK\$30.3 million as originally allocated for acquisition of certain additional machinery and a piece of land to increase the general working capital of the Group. For details, please refer to the announcement of the Company dated 25 August 2023 (the “UOP Announcement”).</p>
	<ul style="list-style-type: none"> – Increase the employed capital of Po Shing Construction Limited and Fong On Construction Limited 	<p>The Group has increased the employed capital of both subsidiaries.</p>
Fund the initial costs of the Group’s construction projects	<ul style="list-style-type: none"> – Finance the working capital requirement and upfront costs for three of the Group’s projects 	<p>The funding costs for (i) the redevelopment of an outdoor activities centre at Stanley; (ii) the redevelopment at Sheung Wan; and (iii) the alterations and additions works for commercial building at North Point were fully utilised.</p>
Strengthening the Group’s manpower	<ul style="list-style-type: none"> – Recruit two project managers, two project engineers, two quantity surveyors, one safety officer, two site foremen and one mechanical fitter 	<p>The Group has recruited two project managers, two project engineers, two quantity surveyors, one safety officer, two site foremen and one mechanical fitter.</p>

Business strategies as stated in the Prospectus	Implementation activities up to 31 March 2026 as stated in the Prospectus	Progress up to 31 March 2026
Investment in the new information system	<ul style="list-style-type: none"> – Retain talents as recruited for this business strategy 	<p>The Group has utilised the proceeds for retaining the above newly recruited staffs to facilitate the business development.</p>
	<ul style="list-style-type: none"> – Upgrade the existing hardware and acquire new computer facilities – Upgrade the accounting system to enhance documentation and manual procedures and upgrade the human resources management system to consolidate and automate attendance, payrolls and retirement fund contribution 	<p>The Group has upgraded existing hardware and acquired new computer facilities.</p> <p>The Group has upgraded the accounting system to enhance documentation. Having considered the current business size and the market conditions, no suitable human resources management system is identified and the expected time for the upgrade of the human resources management system is delayed. The Group will continue to approach different service providers to search for suitable human resources management system for the Group.</p>
	<ul style="list-style-type: none"> – Upgrade the engineering and design system to facilitate the planning, designing, and managing of construction projects through automatic generation of drawings and reports, design analysis, schedule simulation and facilities management 	<p>The Group has upgraded the engineering and design system.</p>

USE OF NET PROCEEDS FROM LISTING

The net proceeds (the “**Net Proceeds**”) from the Listing, after deduction of the underwriting commission and actual expenses paid by the Group in connection thereto, were approximately HK\$86.6 million. After the Listing, a part of these proceeds have been applied for the purposes in accordance with the future plans and use of proceeds as set out in the Prospectus and the UOP Announcement.

The below table sets out the proposed and actual applications of the Net Proceeds from the date of the Listing to 31 March 2026:

	Planned use of Net Proceeds as disclosed in the Prospectus and as amended in the UOP Announcement HK\$ million	Actual use of proceeds from the date of the Listing to 30 September 2025 HK\$ million	Unutilised Net Proceeds brought forward as at 1 October 2025 HK\$ million	Net Proceeds utilised during the six months ended 31 March 2026 HK\$ million	Unutilised Net Proceeds as at 31 March 2026 HK\$ million	Expected timeline for utilising the unutilised Net Proceeds
Apply for additional licences	9.2	9.2	–	–	–	N/A
Fund the initial costs of the Group’s construction projects	21.8	21.8	–	–	–	N/A
Strengthening the Group’s manpower	13.9	13.9	–	–	–	N/A
Investment in the new information system	2.7	2.4	0.3	–	0.3	30 September 2026
General working capital	39.0	39.0	–	–	–	N/A
	<u>86.6</u>	<u>86.3</u>	<u>0.3</u>	<u>–</u>	<u>0.3</u>	

During the six months ended 31 March 2026, the Net Proceeds from the Listing were utilised and expected to be utilised in the manners as disclosed in the Prospectus and the UOP Announcement. Save as disclosed in the UOP Announcement, there has been no change in the use of Net Proceeds since the date of the Listing.

Up to 31 March 2026, approximately HK\$86.3 million out of the Net Proceeds had been utilised. The remaining unutilised Net Proceeds of approximately HK\$0.3 million were deposited in licensed banks in Hong Kong. The Company intends to apply the net proceeds in the manner as stated in the Prospectus and the UOP Announcement. The Directors will constantly evaluate the Group’s business objectives and specific needs from time to time. Further announcement will be made if there are any changes on the use of Net Proceeds as and when appropriate. Such amounts are expected to be fully utilised on or before 30 September 2026.

The business objectives, future plans and planned use of Net Proceeds as stated in the Prospectus and the UOP Announcement were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus and the UOP Announcement while the Net Proceeds were applied based on the actual development of the Group's business and the industry.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Company's shares were successfully listed on the Main Board of the Stock Exchange on 16 October 2018. There has been no change in the capital structure of the Group since then. The capital of the Group only comprises of ordinary shares.

The Group's operation and investments were financed principally by cash generated from its business operations and equity contribution from the shareholders of the Company.

As at 31 March 2026, the Group had net current assets of approximately HK\$14.8 million (30 September 2025: approximately HK\$23.4 million) and bank balances and cash of approximately HK\$15.9 million (30 September 2025: approximately HK\$22.4 million), which were denominated in Hong Kong dollars, Renminbi and United States dollars.

As at 31 March 2026, the Group's total equity attributable to owners of the Company amounted to approximately HK\$15.1 million (30 September 2025: approximately HK\$22.7 million), and the Group's total debt comprising lease liabilities amounted to approximately HK\$2.3 million (30 September 2025: approximately HK\$3.6 million), which were denominated in Hong Kong dollars. The Directors have confirmed that the Group will have sufficient financial resources to meet its obligations as they fall due in the foreseeable future. As of 31 March 2026, the Group has available banking facilities of approximately HK\$17.0 million (30 September 2025: approximately HK\$22.0 million), of which the unutilised banking facilities amounted to approximately HK\$14.7 million (30 September 2025: approximately HK\$19.2 million).

CONTINGENT LIABILITIES

As at 31 March 2026, the Group is required by certain customers of its construction contracts to issue guarantees for the performance of contract works in the form of surety bonds, amounting to approximately HK\$2.3 million (30 September 2025: approximately HK\$16.1 million). The Company and the executive Directors have provided guarantees to insurance companies to secure these surety bonds. The surety bonds are expected to be released in accordance with the terms of the respective construction contracts.

ARBITRATION

As disclosed in the announcement dated 20 January 2023, Fong On Construction Limited (“**Fong On**”), an indirect wholly-owned subsidiary of the Company, is involved in certain disputes in connection to payments owed to Fong On as main contractor for carrying out certain design and construction works for a school in Hong Kong (the “**School**”). Fong On contends, among other things, that the School has failed and/or refused to pay Fong On in accordance with the payment terms agreed and has undervalued the works carried out (including variation works) by Fong On pursuant to the relevant contracts (the “**Disputes**”). On 18 January 2023, Fong On has submitted a written notice to the School requesting the Disputes to be referred to mediation in accordance with and subject to The Government of the Hong Kong Special Administrative Region Construction Mediation Rules. Upon the conclusion of the mediation conference held on 9 May 2023, the parties were unable to reach a settlement agreement in relation to the Disputes.

In addition to the aforementioned mediation, Fong On has also initiated arbitration proceedings against the School with respect to the Disputes (the “**Arbitration**”) on 18 April 2023. As part of the arbitration proceedings, the parties may exchange any documents by themselves for matters in issue but not previously appended to any of the pleadings and may submit to the Arbitrator and to the other party a Request to Produce documents by 27 December 2024. After such Request(s) to Produce, if any, the other party will respond to the request(s) before the Tribunal’s ruling on the request(s) and the exchange of witness statements. As of 18 May 2026, the parties are preparing their respective witness statements, with the intention of exchanging on a date to be mutually agreed by both parties, before proceeding to prepare and exchange expert reports. As at the date of this announcement, the Arbitration is still in its discovery stage and hence the impact of the Arbitration, if any, on the Company cannot be fully assessed at this stage. The Company will make further disclosure as and when necessary or appropriately based on the progress of the Arbitration.

CHARGE ON GROUP ASSETS

As at 31 March 2026, the Group has pledged certain motor vehicles with net book value amounted to approximately HK\$0.4 million (30 September 2025: approximately HK\$0.5 million) under non-cancellable lease agreement.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the six months ended 31 March 2026, the Group did not have any significant investments held, material acquisitions or disposals of subsidiaries, associates and joint ventures. Save as disclosed herein, the Group did not have other plans for material investments or acquisition of capital assets as at 31 March 2026.

CAPITAL COMMITMENTS

As at 31 March 2026, the Group did not have any capital commitments (30 September 2025: Nil).

TREASURY POLICIES

The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities as well as to meet its funding requirements all the time.

FOREIGN EXCHANGE EXPOSURE

All of the Group's business operation were conducted in Hong Kong. The Group's major revenue and expenses are denominated in Hong Kong dollars, while there are certain monetary assets that are denominated in Renminbi, which would expose the Group to foreign exchange risk. The Group currently does not have a foreign currency hedging policy. However, the management of the Company monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises.

GEARING RATIO

As at 31 March 2026, the gearing ratio of the Group, which is calculated as the total debt (comprising lease liabilities) divided by total equity, was approximately 15.6% (30 September 2025: approximately 15.6%) and remained relatively stable during the period.

EVENT AFTER THE REPORTING PERIOD

Save as otherwise disclosed in this announcement, the Board is not aware of any other significant events requiring disclosure that have taken place subsequent to 31 March 2026 and up to the date of this announcement.

INTERIM DIVIDEND

No dividend was paid, declared or proposed during the six months ended 31 March 2026. The Board does not recommend the payment of an interim dividend for the six months ended 31 March 2026 (six months ended 31 March 2025: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group had 32 employees (31 March 2025: 32 employees). Total staff costs for the six months ended 31 March 2026 amounted to approximately HK\$10.2 million (six months ended 31 March 2025: approximately HK\$10.1 million). Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonus. Various types of training were provided to the employees.

SEGMENT INFORMATION

The Group's reportable and operating segments are as follows: (i) foundation and site formation works; (ii) general building works and associated services; (iii) other construction works; and (iv) construction related consultancy services. Details of the segmental information of the Group is disclosed in Note 3 of the notes to the interim unaudited condensed consolidated financial statements of this announcement.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 31 March 2026. As at 31 March 2026, there were no treasury shares (as defined under the Listing Rules) held by the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regulating securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have fully complied with the required standards set out in the Model Code during the six months ended 31 March 2026 and up to the date of this announcement.

SHARE OPTION SCHEME

The Company's share option scheme (the "**Scheme**") was adopted pursuant to resolutions passed on 17 September 2018 to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

Under the Scheme, the Board may, at their absolute discretion and subject to the terms of the Scheme, grant any employee (full-time or part-time), Director, consultant or adviser of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, options to subscribe for shares of the Company. The basis of eligibility of any participant to the grant of any option shall be determined by the Board from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

The maximum number of shares issuable upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company as from the adoption date must not in aggregate exceed 80,000,000, representing 10% of all the shares in issue as at the date of approval of the Scheme and any other share schemes of the Company (the “**Scheme Mandate Limit**”). The Scheme Mandate Limit may be refreshed once every three years by obtaining approval of the Company’s shareholders in general meeting provided that the total number of the Company’s shares which may be issued upon exercise of all options to be granted under the Scheme and any other share options schemes of the Company must not exceed 10% of the Company’s shares in issue as at the date of approval of the refreshed limit. No options may be granted under the Scheme or any other share option schemes of the Company if this will result in the Scheme Mandate Limit being exceeded.

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) under the Scheme or any other share option schemes of the Company in any 12-month period up to date of grant shall not exceed 1% of the shares of the Company in issue. Where any further grant of options in excess of such limit, such further grant must be separately approved by shareholders of the Company in a general meeting with such grantee and his/her close associates abstaining from voting.

Share options granted to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive director who is the grantee). Where any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective close associates would result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares of the Company in issue and having an aggregate value in excess of HK\$5 million must be approved by the Company’s shareholders at the general meeting of the Company, with voting to be taken by way of poll.

An offer for the grant of options must be accepted in writing within 7 days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

The subscription price shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the Company’s shares as stated in the Stock Exchange’s daily quotations sheets for the 5 business days immediately preceding the date of grant of the option; and (iii) the nominal value of the Company’s share on the offer date of grant of the option.

The Scheme will remain in force for a period of ten years commencing on 17 September 2018 and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the shareholders at a general meeting of the Company. As at the date of this announcement, the Scheme had a remaining life of approximately two years.

As at 31 March 2026, the number of share options available for grant under the Scheme was 80,000,000 (30 September 2025: 80,000,000). During the six months ended 31 March 2026, no share option was granted, exercised, expired, lapsed or cancelled and there is no outstanding share option under the Scheme. As such, no shares of the Company may be issued in respect of options granted under all share schemes of the Company during the six months ended 31 March 2026.

CORPORATE GOVERNANCE PRACTICE

The Company is committed to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are key to obtain and maintain the trust of the shareholders of the Company and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the shareholders of the Company. The Company has adopted the principles and code provisions in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 of the Listing Rules. The Company has fully complied with the CG Code during the six months ended 31 March 2026 and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 17 September 2018. The chairman of the Audit Committee is Mr. Pang Ka Hang, the independent non-executive Director, and other members include Mr. Leung Bing Kwong Edward and Mr. Wong Chun Nam, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the Stock Exchange’s website and on the Company’s website.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The Group's interim unaudited condensed consolidated financial statements for the six months ended 31 March 2026 have not been audited nor reviewed by the Company's independent auditors. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the interim unaudited condensed consolidated financial statements of the Group for the six months ended 31 March 2026 with the management.

By order of the Board
Shing Chi Holdings Limited
Lau Chi Wang
Chairman and Executive Director

Hong Kong, 21 May 2026

As at the date of this announcement, the Board comprises Dr. Lau Chi Wang, Mr. Lau Chi Ming, Dr. Lau Chi Keung and Ms. Lau Yan Ki Patricia as executive Directors; Mr. Leung Bing Kwong Edward, Mr. Pang Ka Hang and Mr. Wong Chun Nam as independent non-executive Directors.