



M&L HOLDINGS GROUP LIMITED 明樑控股集團有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code: 8152



2025

INTERIM REPORT

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of M&L Holdings Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.



Interim Results

The board of Directors (the "Board") of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025 ("Period"), together with the comparative figures for the corresponding periods in 2024 ("Previous Period").

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

		(Unaudited)	
		Six months ended 30 June	
	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	3	19,457	29,950
Cost of sales		(11,203)	(19,163)
Gross profit		8,254	10,787
Other income		13	101
Selling expenses		(1,257)	(2,920)
Administrative expenses		(13,634)	(13,624)
Other gains and losses			
Exchange gain/(loss)		3,408	(1,905)
Reversal of impairment of trade receivables		55	—
Others	4	567	69
Operating loss		(2,594)	(7,492)
Finance income		150	161
Finance costs		(802)	(1,216)
Loss before income tax		(3,246)	(8,547)
Income tax credit	6	78	633
Loss for the period		(3,168)	(7,914)
Other comprehensive income, net of tax			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		443	(128)
Total comprehensive income for the period		(2,725)	(8,042)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

		(Unaudited)	
		Six months ended 30 June	
	Notes	2025 HK\$'000	2024 HK\$'000
Loss for the period attributable to:			
Equity holders of the Company		(3,079)	(7,638)
Non-controlling interests		(89)	(276)
		(3,168)	(7,914)
Total comprehensive income for the period attributable to:			
Equity holders of the Company		(2,633)	(7,766)
Non-controlling interests		(92)	(276)
		(2,725)	(8,042)
		HK cents	HK cents
Loss per share			
— Basic and diluted	7	(0.51)	(1.27)

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	(Unaudited) 30 June 2025 HK\$'000	(Audited) 31 December 2024 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	8(a)	20,265	5,509
Right-of-use assets	8(b)	7,366	7,644
Deposits		101	451
Other investments		5,975	5,903
Pledged bank deposits		4,361	—
Deferred tax assets		2,034	964
		40,102	20,471
Current assets			
Inventories		30,646	31,085
Trade and other receivables	9	59,250	65,558
Tax recoverable		379	368
Cash and cash equivalents		31,104	23,390
		121,379	120,401
Assets classified as held for sale	10	—	27,546
		121,379	147,947
Current liabilities			
Trade and other payables	11	26,154	31,688
Contract liabilities		8,152	—
Dividend payable	12	5,530	5,530
Amount due to a director	13	3,400	2,000
Bank borrowings	14	11,739	19,692
Lease liabilities		818	1,312
Income tax liabilities		5,767	—
		61,560	60,222
Net current assets		59,819	87,725
Total assets less current liabilities		99,921	108,196

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		(Unaudited) 30 June 2025 HK\$'000	(Audited) 31 December 2024 HK\$'000
	Notes		
Non-current liabilities			
Bank borrowings	14	906	1,788
Lease liabilities		47	239
Deferred tax liabilities		1,021	5,497
Other provision		527	527
		2,501	8,051
NET ASSETS		97,420	100,145
CAPITAL AND REVERSES			
Equity attributable to equity holders of the Company			
Share capital	15	6,000	6,000
Reserves		90,328	92,961
		96,328	98,961
Non-controlling interests		1,092	1,184
TOTAL EQUITY		97,420	100,145

Condensed Consolidated Statement of Change in Equity

For the six months ended 30 June 2025

	Attributable to equity holders of the Company				Non-controlling		Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Revaluation reserve HK\$'000	Other reserves HK\$'000	Total HK\$'000	interest HK\$'000	
		(Note 16)	(Note 16)	(Note 16)			
Balance at 1 January 2025	6,000	63,332	16,543	13,086	98,961	1,184	100,145
Loss for the period	—	—	—	(3,079)	(3,079)	(89)	(3,168)
<i>Other comprehensive income</i>							
Transferred to retained earnings due to Disposal Transaction (Note 10)	—	—	(14,806)	14,806	—	—	—
Exchange differences arising from translation of foreign operations	—	—	—	446	446	(3)	443
Total comprehensive income for the period	—	—	(14,806)	12,173	(2,633)	(92)	(2,725)
Balance at 30 June 2025 (Unaudited)	6,000	63,332	1,737	25,259	96,328	1,092	97,420
Balance at 1 January 2024	6,000	63,332	7,685	26,304	103,321	1,375	104,696
Loss for the period	—	—	—	(7,638)	(7,638)	(276)	(7,914)
<i>Other comprehensive income</i>							
Exchange differences arising from translation of foreign operations	—	—	—	(128)	(128)	—	(128)
Total comprehensive income for the period	—	—	—	(7,766)	(7,766)	(276)	(8,042)
Balance at 30 June 2024 (Unaudited)	6,000	63,332	7,685	18,538	95,555	1,099	96,654

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	(Unaudited)	
	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Cash flows from operating activities		
Cash generated from operations	738	11,647
Interest received	148	161
Interest paid	(593)	(1,293)
Net cash generated from operating activities	293	10,515
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,692)	(529)
Proceeds from disposal of property, plant and equipment (Note 10)	29,742	—
Net cash generated from/(used in) investing activities	15,050	(529)
Cash flows from financing activities		
Proceeds from bank borrowings	1,000	7,000
Repayment of bank borrowings	(9,921)	(13,781)
Repayment of principal element of lease liabilities	(704)	(1,143)
Advance from/(Repayment to) a director	1,399	(1,220)
Net cash used in financing activities	(8,226)	(9,144)
Net increase in cash and cash equivalents	7,117	842
Cash and cash equivalents at beginning of period	23,390	28,304
Effect of foreign exchange rate changes	597	(153)
Cash and cash equivalents at end of period	31,104	28,993

Notes to the Condensed Consolidated Interim Financial Statements

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 24 September 2015 as an exempted company with limited liability. The shares of the Company have been listed on GEM of the Stock Exchange.

The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business is located at 21st Floor, Empress Plaza, 17-19 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong. The Group is principally engaged in trading and lease of construction machinery and spare parts.

The ultimate holding company of the Group is JAT United Company Limited, which is a company incorporated in the British Virgin Islands and wholly owned by Mr. Ng Lai Ming, an executive Director of the Company.

The condensed consolidated interim financial information is presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand ('000) except when otherwise indicated.

The condensed consolidated interim financial information of the Group for the Period has not been audited but has been reviewed by the audit committee of the Company. The unaudited condensed consolidated interim financial information was approved for issue by the Board on 29 August 2025.

2. BASIS OF PREPARATION AND CHANGES TO SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This condensed consolidated interim financial information for period has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the GEM Listing Rules. The Group has prepared the financial statements under the historical cost basis, except for certain properties and other assets at fair value through profit or loss which are measured at fair value. The condensed consolidated interim financial statements do not include all information and disclosures required in the Group's annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025, but does not have a material impact on the condensed consolidated interim financial statements of the Group.

Notes to the Condensed Consolidated Interim Financial Statements

2. BASIS OF PREPARATION AND CHANGES TO SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New standards, interpretations and amendments adopted by the Group (Continued)

Lack of exchangeability — Amendments to HKAS 21

On 25 September 2023, the HKICPA issued *Lack of Exchangeability*, which amended HKAS 21 *The Effects of Changes in Foreign Exchange Rates* ("the Amendments").

These Amendments are applicable for annual reporting periods beginning on or after 1 January 2025. The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The Amendments also introduce additional disclosure requirements when an entity estimates a spot exchange rate because a currency is not exchangeable into another currency.

HKAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

When applying the Amendments, an entity is not permitted to restate comparative information. These Amendments have had no material effect on the Group's condensed consolidated interim financial statements.

3. REVENUE AND SEGMENT INFORMATION

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Timing of revenue recognition		
— At a point in time		
— Sales of goods	16,033	29,305
— Repair and maintenance services income	2,469	401
	18,502	29,706
Revenue from other sources		
— Machinery rental income	955	244
	19,457	29,950

The operating segments are reported in a manner consistent with the way in which information is reported internally to the Group's chief operating decision-maker for the purposes of resources allocation and assessment of segment performance. The executive Directors considered the nature of the Group's business and determined that the Group has two reportable operating segments as follows:

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Tunnelling — Supply of specialised cutting tools and parts for construction equipment

Foundation — Supply of fabricated construction steel works and equipment

The executive Directors assess the performance of the operating segments based on revenue and gross profit margin of each segment. The Group's resources are integrated and there are no discrete information about operating segment assets and liabilities for the tunnelling and foundation business segments reported to the chief operating decision maker. Accordingly, no operating segment assets and liabilities are presented.

Segment revenue represents revenue generated from external customers. There were no inter-segment sales during the Period. The accounting policies of the reportable segments are the same as the Group's accounting policies.

- (a) The segment information provided to the executive Directors for the reportable segments for the six months ended 30 June 2025 (unaudited) is as follows:

	Tunnelling HK\$'000	Foundation HK\$'000	Total HK\$'000
Segment revenue (all from external customers)	18,557	900	19,457
Cost of sales	(10,878)	(325)	(11,203)
Segment result	7,679	575	8,254
Gross profit %	41.38%	63.89%	42.42%
Other income			13
Selling expenses			(1,257)
Administrative expenses			(13,634)
Other gains and losses			
Exchange gain			3,408
Reversal of impairment losses of trade receivables			55
Others			567
Operating loss			(2,594)
Finance income			150
Finance costs			(802)
Loss before income tax			(3,246)
Income tax credit			78
Loss for the period			(3,168)

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (b) The segment information provided to the executive Directors for the reportable segments for the six months ended 30 June 2024 (unaudited) is as follows:

	Tunnelling HK\$'000	Foundation HK\$'000	Total HK\$'000
Segment revenue			
(all from external customers)	29,556	394	29,950
Cost of sales	(18,948)	(215)	(19,163)
Segment result	10,608	179	10,787
Gross profit%	35.89%	45.43%	36.02%
Other income			101
Selling expenses			(2,920)
Administrative expenses			(13,624)
Other gains and losses			
Exchange loss			(1,905)
Others			69
Operating loss			(7,492)
Finance income			161
Finance costs			(1,216)
Loss before income tax			(8,547)
Income tax credit			633
Loss for the period			(7,914)

Notes to the Condensed Consolidated Interim Financial Statements

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

- (c) Revenue from external customers by customer location are as follows:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
People's Republic of China (the "PRC")	2,294	2,656
Hong Kong	4,766	2,691
United States of America	—	7,743
Vietnam	767	7,849
Australia	4,967	3,029
Other Asia-Pacific countries	—	428
Others	6,663	5,554
	19,457	29,950

- (d) The total amounts of non-current assets, other than deposits, assets arising under insurance contracts, pledged bank deposits and deferred tax assets of the Group as at 30 June 2025 and 31 December 2024 are located in the following regions:

	Unaudited	Audited
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
The PRC	76	112
Hong Kong	2,126	3,180
Singapore	9,557	8,965
Australia	15,872	896
	27,631	13,153

Notes to the Condensed Consolidated Interim Financial Statements

4. OTHER GAINS AND LOSSES, OTHERS

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Fair value gain on other investments	72	69
Gain on Disposal Transaction, net (Note 10)	495	—
	567	69

5. EXPENSES BY NATURE

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Cost of inventories sold	10,597	18,756
Employee benefit expenses	7,379	8,240
Depreciation*		
Owned property, plant and equipment	698	1,046
Right-of-use assets	771	1,232
	1,469	2,278
Short-term leases expenses	556	90
Auditor's remuneration		
— Audit services	328	335
— Non-audit services	22	30

* Recorded as administrative expenses

Notes to the Condensed Consolidated Interim Financial Statements

6. INCOME TAX CREDIT

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current tax for the period		
— Hong Kong Profits Tax	—	(109)
— Under-provision in respect of prior years	(42)	—
	(42)	(109)
Deferred tax	120	742
Income tax credit	78	633

The Group has no income subject to taxation in the Cayman Islands and the British Virgin Islands ("BVI").

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

The PRC corporate income tax is provided for at the rate of 25% on the estimated assessable profits for the Group's operations in the PRC. Singapore corporate income tax is provided for at the rate of 17% on the estimated assessable profits for the Group's operations in Singapore. Australia corporate income tax is provided for at the rate of 25% — 30% on the estimated assessable profits for the Group's operations in Australia.

Notes to the Condensed Consolidated Interim Financial Statements

7. LOSS PER SHARE

(a) Basic

The basic loss per share is calculated on the loss attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the respective period.

	Unaudited	
	Six months ended 30 June	
	2025	2024
Loss attributable to equity holders of the Company (HK\$'000)	(3,079)	(7,638)
Weighted average number of ordinary shares in issue (thousands)	600,000	600,000
Basic loss per share (expressed in HK cents)	(0.51)	(1.27)

(b) Diluted

Diluted loss per share presented is the same as the basic loss per share as there were no dilutive potential ordinary shares outstanding during the period.

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

(a) Property, plant and equipment

	HK\$'000
Opening net book amount as at 31 December 2024 (audited)	5,509
Additions*	14,692
Depreciation	(698)
Exchange difference	762
Closing net book amount as at 30 June 2025 (unaudited)	20,265

* Additions during the Period mainly comprised land and buildings for use as operation workshop located in Australia.

All depreciation expenses have been recorded in administrative expenses.

Notes to the Condensed Consolidated Interim Financial Statements

8. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (CONTINUED)

(b) Right-of-use assets

	HK\$'000
Opening net book amount as at 31 December 2024 (audited)	7,644
Depreciation	(771)
Exchange difference	493
Closing net book amount as at 30 June 2025 (unaudited)	7,366

All depreciation expenses have been recorded in administrative expenses.

9. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Trade receivables	53,124	67,372
Less: loss allowance	(6,751)	(6,629)
Trade receivables, net	46,373	60,743
Bills receivables	2,653	1,598
Prepayments	994	804
Deposits paid	8,162	2,356
Other receivables	812	172
VAT receivables	357	336
Less: Non-current portion deposits	59,351 (101)	66,009 (451)
	59,250	65,558

Notes to the Condensed Consolidated Interim Financial Statements

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

The credit terms granted by the Group generally ranged up to 270 days. The ageing analysis of these trade receivables based on invoice date is as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
0 to 30 days	3,882	22,387
31 to 60 days	3,117	1,702
61 to 90 days	1,313	1,102
91 to 180 days	1,527	596
181 to 365 days	9,506	3,484
Over 1 year but within 2 years	5,564	8,902
Over 2 years but within 3 years	2,267	2,356
Over 3 years	25,948	26,843
Trade receivables, gross	53,124	67,372
Less: loss allowance	(6,751)	(6,629)
Trade receivables, net	46,373	60,743

10. ASSETS CLASSIFIED AS HELD FOR SALE

On 29 November 2024, the Group has entered into the sales and purchase agreement with the independent third party to dispose of the industrial property located at Australia together with certain machinery and equipment (together the "Disposal Property") at the cash consideration of AUD6 million (equivalent to approximately HK\$29.7 million) ("Disposal Transaction"). As at 31 December 2024, the carrying amount of the Disposal Property to its fair value less costs to sell was amounted to approximately HK\$27.5 million. The Disposal Transaction was completed on 30 January 2025. Upon the completion date of the Disposal Transaction, the revaluation surplus previously recognised in "revaluation reserve" of approximately HK\$14.8 million was transferred to "retained earnings". This transfer did not affect profit or loss for the period. The Group has recognised a net gain on Disposal Transaction of approximately HK\$495,000 (after deduction of selling expenses and impact on exchange difference) and recorded in other gains and losses during the period (Note 4).

Notes to the Condensed Consolidated Interim Financial Statements

11. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Trade payables	22,750	28,507
Accrued expenses and other payables	3,404	3,181
	26,154	31,688

Included in trade payables as at 30 June 2025 was an amount of approximately HK\$9,273,000 which is interest bearing at 4% per annum.

The carrying amounts of trade and other payables approximate their fair values as at 30 June 2025 and 31 December 2024.

The ageing analysis of trade payables based on invoice date is as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
0 to 30 days	974	6,059
31 to 60 days	3,030	3,097
61 to 90 days	1,158	2,523
91 to 120 days	290	—
Over 120 days	17,298	16,828
	22,750	28,507

12. DIVIDEND PAYABLE

The amount is payable to a non-controlling shareholder of a subsidiary, Genghiskhan Land Holdings Limited ("Genghiskhan"). Genghiskhan was struck off from the Register of Companies of the BVI on 30 April 1998 and subsequently dissolved on 30 April 2008.

The amount is unsecured, interest-free, repayable on demand and denominated in HK\$.

Notes to the Condensed Consolidated Interim Financial Statements

13. AMOUNT DUE TO A DIRECTOR

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Advance from:		
— Mr. Ng Lai Ming	3,400	2,000

The advance from Mr. Ng Lai Ming is unsecured, bears interest at 2.5% per annum on simple basis and payable semi-annually, and is repayable upon 3 months notice.

14. BANK BORROWINGS

The carrying amounts of the bank borrowings approximate their fair values as at 30 June 2025 and 31 December 2024, and are denominated in the Hong Kong dollars. The interests are charged on floating rate basis.

The Group has obtained total banking facilities from banks of approximately HK\$14,645,000 as at 30 June 2025 (31 December 2024: approximately HK\$33,500,000), of which HK\$2,000,000 (31 December 2024: HK\$12,000,000) has not been utilised.

The banking facilities are secured by the followings:

- (i) the assignment of the life insurance policy of Mr. Ng Lai Ming with an insured sum of US\$1,582,862 for the bank borrowings;
- (ii) corporate guarantees provided by the Company and its subsidiaries, M&L Engineering & Materials Limited and East Focus Engineering Services Limited; and
- (iii) personal guarantees provided by the executive Directors.

The weighted average of the effective interest rates of the borrowings at the end of the reporting period are as follows:

	Unaudited 30 June 2025 HK\$'000	Audited 31 December 2024 HK\$'000
Floating rate		
Bank borrowings	4.4%	6.8%

Notes to the Condensed Consolidated Interim Financial Statements

15. SHARE CAPITAL

The Company's share capital as at 30 June 2025 (unaudited) and 31 December 2024 (audited) was as follows:

Ordinary share of HK\$0.1 each	Number of ordinary shares	Amount HK\$'000
Authorised	1,000,000,000	10,000
Issued and fully paid	600,000,000	6,000

16. SHARE PREMIUM AND OTHER RESERVES

	Share premium HK\$'000	Capital reserve HK\$'000	Revaluation reserve HK\$'000	Translation reserve HK\$'000	Statutory reserve HK\$'000 (Note)	(Accumulated loss)/ Retained earnings HK\$'000	Total HK\$'000
Balance at 1 January 2025	63,332	15,642	16,543	(578)	1,522	(3,500)	92,961
Loss for the period	—	—	—	—	—	(3,079)	(3,079)
<i>Other comprehensive income</i>							
Transferred to retained earnings due to Disposal Transaction (Note 10)	—	—	(14,806)	—	—	14,806	—
Exchange differences arising from translation of foreign operations	—	—	—	446	—	—	446
Total comprehensive income for the period	—	—	(14,806)	446	—	11,727	(2,633)
Balance at 30 June 2025 (Unaudited)	63,332	15,642	1,737	(132)	1,522	8,227	90,328
Balance at 1 January 2024	63,332	15,642	7,685	(131)	1,522	9,271	97,321
Loss for the period	—	—	—	—	—	(7,638)	(7,638)
<i>Other comprehensive income</i>							
Exchange differences arising from translation of foreign operations	—	—	—	(128)	—	—	(128)
Total comprehensive income for the period	—	—	—	(128)	—	(7,638)	(7,766)
Balance at 30 June 2024 (Unaudited)	63,332	15,642	7,685	(259)	1,522	1,633	89,555

Notes to the Condensed Consolidated Interim Financial Statements

16. SHARE PREMIUM AND OTHER RESERVES (CONTINUED)

Note:

The PRC laws and regulations require companies registered in the PRC to provide for certain statutory reserves, which are to be appropriated from the net profit (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before profit distributions to equity holders. All statutory reserves are created for specific purposes. The PRC company is required to appropriate 10% of statutory net profits to statutory reserves, upon distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory reserve is more than 50% of its registered capital. The statutory reserves shall only be used to make up losses of the companies, to expand the companies' production operations, or to increase the capital of the companies. In addition, a company may make further contribution to the statutory reserve using its post-tax profits in accordance with resolutions of the Board.

17. DIVIDENDS

The Board does not declare an interim dividend for the six months ended 30 June 2025 (2024: nil).

18. RELATED PARTY TRANSACTIONS

(a) Significant related party transactions

Other than those disclosed elsewhere in the consolidated interim financial statements, the following transactions were carried out with related parties in the normal course of the Group's business:

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Interest expense paid to a Director	46	31

(b) Key management compensation

Key management includes Directors and senior managements. The compensation paid or payable to key management for employee services is shown below:

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Salaries, wages and other benefits	1,592	1,518
Contributions to defined contribution retirement plans	63	58
	1,655	1,576

Management Discussion and Analysis

BUSINESS REVIEW

Background

The Group is an integrated engineering solutions provider in connection with (i) the supply of specialised cutting tools and parts for construction equipment with particular focus on disc cutters which are widely used in conjunction with tunnel boring machines ("TBM") and microtunnelling equipment; (ii) the supply of fabricated construction steel works and equipment; (iii) the supply of specialised construction equipment, and repair and maintenance services. Our business can broadly be categorized into two segments, namely tunnelling and foundation.

Hong Kong market

The duration of a key tunnelling project that we had been serving were extended, leading to delay in ordering and production of cutting tools and parts and relatively low level of revenue in the tunnelling segment in Hong Kong for both the Period and Previous Period. Performance of the foundation business segment remained relatively sluggish during the Period owing to the uncertain condition of the real estate market.

Management expects improvement in sales in later part of 2025 as orders by on-going projects pick up and new projects commence.

PRC market

While management observed a gradual recovery in the tunnelling market, we also noted a shift in specifications requirement of tunnelling products in the PRC market, which led to a declined performance for the Period. We are working with our key supplier in the PRC to broaden products offering to better serve the technical needs of our potential customers and enhance our competitiveness from both the engineering-solution and pricing perspectives. At the same time, the Group will continue negotiation with customers to hasten recovery of overdue trade balances.

Overseas market

Performance in the overseas market declined substantially during the Period, as key projects in both the North America region and Asia Pacific region from previous year were substantially completed and contributed only minimal revenue during the Period, while newly engaged projects still being at an early stage with only marginal pre-production work performed during the Period.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The Group's revenue reduced by approximately 35.0% to HK\$19.5 million for the Period, as compared to HK\$30.0 million for the Previous Period. Owing to various factors set out in the Business Review section above, revenue from the overseas market recorded a decline during the Period; revenue from the Hong Kong market recorded an increase as a result of rise in sales of steelwork products, while sales of cutting tools in Hong Kong during the Period was negligible.

Further details of the Group's performance by business segment and geographic location are set out in the Business Review section of this report and note 3 to the condensed financial information.

Cost of sales and gross profit

Cost of sales represents costs and expenses directly attributable to our revenue generating activities and predominantly comprised cost of inventories sold. Cost of sales for the Period decreased by approximately HK\$8.0 million or 41.5%, which generally coincides with the decrease in revenue.

Gross profit decreased from approximately HK\$10.8 million to HK\$8.3 million for the Period while gross profit margin increased from 36.0% to 42.4% for the Period as a result of different sales mix and more maintenance service and machinery rental income with higher profit margin recorded in the Period.

Selling expenses

Selling expenses mainly included freight charges and sales commission for our staff accounted for under the employee benefit expenses. Selling expenses decreased to approximately HK\$1.3 million for the Period from HK\$2.9 million for the Previous Period, mainly due to reduction in overseas sales during the Period as noted in the Business Review section above.

Exchange gain/(loss)

The Group recorded a foreign exchange gain of approximately HK\$3.4 million for the Period, as opposed to an exchange loss of approximately HK\$1.9 million for the Previous Period, mainly as a result of the gradual appreciation of Renminbi and Australian Dollars, combined with significant fluctuations in Euro exchange rate during the Period.

Administrative expenses

Administrative expenses mainly include staff costs, Directors' remuneration and benefits (both accounted for under the employee benefit expenses), legal and professional fees, depreciation and amortisation and other administrative expenses.

Management Discussion and Analysis

Administrative expenses remained relatively stable for the Period as a result of the combined effect of (i) increase in professional fees of approximately HK\$0.3 million related to the disposal and acquisition of properties in Australia; (ii) decrease in depreciation and amortisation by approximately HK\$0.3 million following the Disposal Transaction in Australia; (iii) increase in land tax in Australia by approximately HK\$0.8 million due to revision in applicable tax rates; and (iv) decrease in staff costs by approximately HK\$0.6 million as a result of change in headcount composition.

Finance income and finance costs

The net amount of finance costs decreased to approximately HK\$0.7 million for the Period as compared to approximately HK\$1.1 million for the Previous Period as the Group has improved cash reserve with the net proceeds from the Disposal Transaction in Australia and lessened its borrowings.

Loss attributable to equity holders of our Company

We recorded loss attributable to equity holders of our Company for the Period of approximately HK\$3.1 million, as compared to loss of approximately HK\$7.6 million for the Previous Period.

Liquidity, financial resources and capital structure

	(Unaudited) 30 June 2025 HK\$'000	(Audited) 31 December 2024 HK\$'000
Current assets	121,379	147,947
Current liabilities	61,560	60,222
Current ratio	1.97	2.46

During the six months ended 30 June 2025, the Group financed its operations by its internal resources and banking facilities. As at 30 June 2025, the Group had net current assets of approximately HK\$59.8 million (31 December 2024: HK\$87.7 million), including cash and cash equivalents of approximately HK\$31.1 million (31 December 2024: HK\$23.4 million). The Group's current ratio as at 30 June 2025 was 1.97 (31 December 2024: 2.46). The Group's liquidity and cash reserve improved during the Period as a result of the net proceeds from the Disposal Transaction in Australia.

As at 30 June 2025, the Group had a total available banking facilities of approximately HK\$14.6 million, of which approximately HK\$12.6 million was utilised and approximately HK\$2.0 million was unutilised and available for use.

Management Discussion and Analysis

There has been no change in capital structure of the Company during the six months ended 30 June 2025. As at 30 June 2025, the equity attributable to equity holders of the Company amounted to approximately HK\$96.3 million (31 December 2024: approximately HK\$99.0 million).

Gearing ratio

As at 30 June 2025, we maintained a net cash position of approximately HK\$14.2 million. On this basis, we did not record a gearing ratio. (As at 31 December 2024, the net gearing ratio was 1.7%, based on bank borrowings, lease liabilities and the advance from a Director, less cash and cash equivalent totaling HK\$1.6 million as a percentage of equity attributable to equity holders of the Company of HK\$99.0 million.)

FOREIGN CURRENCY EXPOSURE AND TREASURY POLICY

During the six months ended 30 June 2025, other than Hong Kong dollars, the major currencies of which our Group transacted in consisted primarily of Euro, Renminbi, US dollars and Australian dollars (the "Major Foreign Currencies").

While our Group did not adopt any hedging policies during the period, our Directors consider that we were able to manage our exposure to foreign exchange risks by using the Major Foreign Currencies (i) as the settlement currencies of our contracts with certain customers; and (ii) to settle payments with our suppliers.

As part of our Group's treasury practice, we would manage our foreign currency exposure by converting part of our Major Foreign Currencies holdings to Hong Kong dollars from time to time. Going forward, our Directors will continue to use the Major Foreign Currencies as the settlement currency of our contracts with our customers and suppliers in order to manage our exposure to foreign exchange risks. In addition, our Group will continue to evaluate and monitor our exposure to foreign exchange risks from time to time and may consider adopting hedging policies if necessary.

CAPITAL COMMITMENT

As at 30 June 2025, the Group had no capital commitment.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

SIGNIFICANT INVESTMENTS HELD

The Group had not held any significant investments during the six months ended 30 June 2025.

Management Discussion and Analysis

CHARGES ON ASSETS

As at 30 June 2025, a life insurance policy to Mr. Ng Lai Ming with an insured sum of US\$1,582,862 has been assigned as security for certain banking facilities.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liabilities.

INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend for the six months ended 30 June 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 41 staff (31 December 2024: 41). The total staff costs of the Group (including Directors' emoluments, salaries to staff, sales commission, provident fund contributions and other staff benefits) for the six months ended 30 June 2025 was approximately HK\$7.4 million (for the six months ended 30 June 2024: HK\$8.2 million). The Group determines the salaries of its employees mainly based on each employee's qualifications, relevant experience, position and seniority. The Group monitors the performance of individual employee on a continuous basis and rewards outstanding performance of the employees by salary revision, bonus and promotion where suitable. The Group maintains a good relationship with its employees and has not experienced any significant problems with its employees due to labour disputes nor any difficulty in the recruitment and retention of experienced staff.

Corporate Governance and Other Information

DIRECTORS AND CHANGES TO DETAILS OF DIRECTORS

The Directors of the Company as at the date of this report are as follow.

Executive Directors

Mr. Ng Lai Ming (Chairman of the Board and Chief Executive Officer)

Mr. Ng Lai Tong

Mr. Ng Lai Po

Mr. Ng Yung Wong (Appointed on 27 June 2025)

Independent Non-executive Directors

Mr. Lau Chi Leung

Mr. Lo Kok Keung

Mr. Tai Wai Kwok

Ms. Luk Pui Yin Grace

Details of Directors as set out in the year 2024 annual report of the Company have remained unchanged, except Ms. Luk Pui Yin Grace is no longer a licensed representative and Principal — Fund Management of Bay Area Capital Partners Limited effective from 8 May 2025.

Details of the newly appointed director Mr. Ng Yung Wong are set out in the Company's announcement dated 27 June 2025 and have remained unchanged.

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares of the Company

Director	Nature of interest	Number of shares	Percentage of the Company's issued shares capital
Mr. Ng Lai Ming (note 2)	Interest in a controlled corporation (note 1)	364,095,000	60.68%
Mr. Ng Lai Tong	Beneficial owner	29,025,000	4.84%
Mr. Ng Lai Po	Beneficial owner	4,500,000	0.75%

Notes:

1. The 364,095,000 shares are owned by JAT United Company Limited ("JAT United"), which is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
2. Mr. Ng Lai Ming is the brother of Mr. Ng Lai Tong and Mr. Ng Lai Po.

Corporate Governance and Other Information

Directors' interests in an associated corporation of the Company

Director	Associated corporation	Nature of interest	Number of shares/Position	Percentage of the shareholding
Mr. Ng Lai Ming	JAT United	Beneficial owner	1/Long position	100%

Save as disclosed above, as at 30 June 2025, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 30 June 2025, the following person(s), not being a Director or chief executive of our Company, had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of our Group:

Long position in the shares of the Company

Shareholder	Capacity/Nature of interest	Number of shares	Percentage of the Company's issued shares capital
JAT United (note 1)	Beneficial owner	364,095,000	60.68%
Ms. Law So Lin (note 2)	Interest of spouse	364,095,000	60.68%

Notes:

1. JAT United is wholly owned by Mr. Ng Lai Ming. Mr. Ng Lai Ming is deemed to be interested in all the shares held by JAT United under the SFO.
2. Ms. Law So Lin is the spouse of Mr. Ng Lai Ming, therefore she is deemed to be interested in all the shares which Mr. Ng Lai Ming is interested in.

Corporate Governance and Other Information

Saved as disclosed above, as at 30 June 2025, no other person had any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 19 June 2017 and no options have been granted, exercised or cancelled since then and up to the date of this report.

The Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date, after which no further options may be issued.

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

Neither the Company, nor any of its subsidiaries, had purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors (the “Model Code”) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Upon specific enquiries being made with all Directors, all Directors confirmed that they have complied with the required standards set out in Model Code during the six months ended 30 June 2025 and up to the date of this report.

CORPORATE GOVERNANCE AND COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our shareholders as a whole.

The Company has adopted the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 of the GEM Listing Rules and had complied with the CG Code during the six months ended 30 June 2025 and up to the date of this report, except for the deviation stipulated below.

As required by code provision C.2.1 of the CG Code, the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual.

Corporate Governance and Other Information

We do not have a separate chairman and chief executive officer and Mr. Ng Lai Ming currently performs these two roles concurrently. The Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority within the Group will not be impaired by the present arrangement and the current structure will enable the Company to make and implement decisions more promptly and effectively. The Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company to ensure that appropriate and timely arrangements are in place to meet changing circumstances.

COMPETING INTERESTS

None of the Directors, substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) had any interest in a business which compete with the business of the Group during the six months ended 30 June 2025 and up to and including the date of this report.

AUDIT COMMITTEE

The members of the audit committee are Mr. Tai Wai Kwok, Ir Lo Kok Keung, Mr. Lau Chi Leung and Ms. Luk Pui Yin Grace, all of whom are independent non-executive Directors. Mr. Tai Wai Kwok is the chairman of the audit committee. The audit committee has reviewed this report and has provided advice and comments thereon.

By order of the Board

M&L Holdings Group Limited

Ng Lai Ming

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 29 August 2025

As at the date of this report, the executive Directors are Mr. Ng Lai Ming, Mr. Ng Lai Tong, Mr. Ng Lai Po, Mr. Ng Yung Wong and the independent non-executive Directors are Mr. Tai Wai Kwok, Ir Lo Kok Keung, Mr. Lau Chi Leung and Ms. Luk Pui Yin Grace.