

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



FDB HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1826)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		
	2024	2023	Change %
Revenue (<i>HK\$'000</i>)	468,457	193,771	141.8%
Gross profit/(loss) (<i>HK\$'000</i>)	17,301	(7,152)	N/A
Profit/(loss) before tax (<i>HK\$'000</i>)	9,868	(59,284)	N/A

- The Group's revenue amounted to approximately HK\$468.5 million for the year ended 31 December 2024, representing an increase of approximately HK\$274.7 million or approximately 141.8% as compared with the year ended 31 December 2023.
- The Group recorded a profit before tax of approximately HK\$9.9 million for the year ended 31 December 2024, achieved significant improvement as compared with loss of approximately HK\$59.3 million for the year ended 31 December 2023.
- The Board does not recommend the payment of final dividend for the year ended 31 December 2024.

AUDITED ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of FDB Holdings Limited (the “**Company**”, together with its subsidiaries the “**Group**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries for the year ended 31 December 2024 (the “**Year**”) together with the comparative audited figures for the year ended 31 December 2023. The financial information has been approved by the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	4	468,457	193,771
Cost of services		(451,156)	(200,923)
Gross profit/(loss)		17,301	(7,152)
Other income	5	3,838	410
Share of results of joint ventures	13	1,256	–
Impairment losses under expected credit loss (“ECL”) model, net of reversal	6	2,262	(35,860)
Administrative expenses		(14,259)	(16,499)
Finance costs		(530)	(183)
Profit/(loss) before tax	7	9,868	(59,284)
Income tax expense	9	–	–
Profit/(loss) for the year		9,868	(59,284)
Earnings/(loss) per share, basis and diluted (HK cents)	10	0.7	(4.5)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		442	574
Right-of-use assets		992	3,889
Interest in joint ventures	13	1,256	–
		<u>2,690</u>	<u>4,463</u>
Current assets			
Contract assets		88,304	49,043
Trade and other receivables	11	45,804	84,415
Pledged deposits		7,165	23,403
Bank balances and cash		25,434	35,208
		<u>166,707</u>	<u>192,069</u>
Current liabilities			
Trade and other payables	12	125,850	144,635
Contract liabilities		2,256	21,875
Amounts due to a shareholder		10,000	15,500
Amounts due to joint ventures		21,813	11,995
Lease liabilities		1,006	2,917
Bank borrowings		884	–
		<u>161,809</u>	<u>196,922</u>
Net current assets/(liabilities)		<u>4,898</u>	<u>(4,853)</u>
Total assets less current liabilities		<u>7,588</u>	<u>(390)</u>

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities		
Bank borrowings	8,116	9,000
Deferred tax liabilities	20	20
Lease liabilities	–	1,006
	<u>8,136</u>	<u>10,026</u>
Net liabilities	<u>(548)</u>	<u>(10,416)</u>
Capital and reserves		
Share capital	13,320	13,320
Reserves	(13,868)	(23,736)
Total deficit	<u>(548)</u>	<u>(10,416)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. GENERAL

FDB Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 19 March 2015. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Its immediate holding company is Masterveyor Holdings Limited (“**Masterveyor**”), a company incorporated in the British Virgin Islands. Its ultimate controlling shareholder is Mr. Ng Kin Siu (“**Mr. Ng**”), who is an executive director and chief executive officer of the Company and chairman of the Board.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the provision of contracting business and project management.

The consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**”) to suit the needs of the shareholders and investors, which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise stated.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except as described below the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.
- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity’s own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity’s right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

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

Amendment to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for HKFRS 18 which would have impact to the presentation and disclosure to the consolidated financial statements, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies as below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern assessment

The consolidated financial statements have been prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The validity of which depends upon the successful implementation and outcome of the following measures to be undertaken by the Group. The directors of the Company are of the opinion that, taking into account the following measures, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the next twelve months from 31 December 2024.

Management continues to closely monitor the liquidity position of the Group, which includes the sensitivity analysis of forecasted bank and cash balances for various factors to ensure adequate liquidity is maintained.

The Group had net liabilities of approximately HK\$548,000 and bank borrowings amounting to HK\$9,000,000. The Group's pledged bank deposits and cash at bank amounted to approximately HK\$7,165,000 and HK\$25,434,000, respectively as at 31 December 2024. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the directors of the Company has reviewed the Group's cash flow forecast which cover a period of not less than twelve months from 31 December 2024.

Cash flow forecasts, which assume the continuity of normal business activity, indicate that the Group will have sufficient liquidity to meet its operational, existing contractual debt obligation and capital expenditure requirements for at least twelve month period from the date of the end of the reporting period.

In the event forecasted cash flow is not achieved, the directors of the Company have also evaluated other plans that could be undertaken to improve their liquidity position as follow:

- 1) The Group is actively and regularly reviewing its capital structure and sourcing additional capital by raising new debt financing or, issuing new shares, where appropriate; and
- 2) The Group is closely monitoring its operations and implementing cost control on operating costs and administrative expenses with an aim to attain positive and sustainable cash flow from operations.

Taking into account all assumptions and plans as described above, the directors of Company are of the opinion that the Group will have sufficient working capital to maintain its operations and to meet its financial obligations as and when they fall due for at least twelve months from the end of the reporting period. The directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, uncertainty exists as to whether the revision of loan covenant clause or whether the bank facilities can be renewed and all other alternative operating and financing plans as the Group is still negotiating with its external financiers on the financing to the Group depend on the market condition. Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively, if applicable. The effects of these adjustments have not been reflected in the consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The Group recognises revenue from contracting business and project management (the “**contracting service**”).

(i) Disaggregation of revenue from contracts with customers

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Types of service		
Contracting service	468,457	193,771
Geographical markets		
Hong Kong	468,457	193,771
Timing of revenue recognition		
Over time	468,457	193,771

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2024 and 2023 and the expected timing of recognising revenue are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within one year	435,575	399,598
More than one year but not more than two years	–	–
More than two years	–	166,910
	<u>435,575</u>	<u>566,508</u>

Segment information

The chief operating decision maker (“**CODM**”) has been identified as the executive directors who review the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

Information reported to CODM for the purpose of resources allocation and performance assessment focuses on the operating results of the Group as a whole as the Group’s resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

All of the Group’s activities are carried out in Hong Kong and all of the Group’s assets and liabilities are located in Hong Kong. Accordingly, no analysis by geographical basis is presented.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2024	2023
	<i>HK\$’000</i>	<i>HK\$’000</i>
Customer A	145,060	N/A ¹
Customer B	143,456	N/A ¹
Customer C	127,435	61,982
Customer D	N/A¹	49,235
Customer E	N/A¹	20,237

¹ The corresponding revenue did not contribute over 10% of total revenue of the Group in the respective year.

No other revenue from transaction with a single external customer amounted to 10% or more of the total revenue of the Group for both years.

5. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank interest income	99	144
Release of long due accruals (<i>Note</i>)	3,465	–
Management fee income	226	80
Insurance claim recoverable	48	186
	<u>3,838</u>	<u>410</u>

Note:

During the current year, the Group has released approximately HK\$3,465,000 of accruals balance that has past due over 6 or 7 years but no invoices received after contact.

6. IMPAIRMENT LOSSES UNDER ECL MODEL, NET OF REVERSAL

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Impairment losses (reversed)/recognised on:		
— Trade receivables	(2,679)	2,387
— Retention receivables	(357)	2,224
— Other receivables and deposits	196	(130)
— Contract assets	578	31,379
	<u>(2,262)</u>	<u>35,860</u>

7. PROFIT/(LOSS) BEFORE TAX

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit/(loss) before tax has been arrived at after charging:		
Directors' emoluments	2,332	2,655
Salaries and other allowances	17,168	30,617
Retirement benefit scheme contributions, excluding those of directors	<u>1,222</u>	<u>1,152</u>
Total staff costs	<u><u>20,722</u></u>	<u><u>34,424</u></u>
Auditor's remuneration	700	725
Sub-contracting cost in cost of services	417,121	151,528
Depreciation of property, plant and equipment	177	165
Depreciation of right-of-use assets	<u><u>2,897</u></u>	<u><u>2,529</u></u>

8. DIVIDENDS

No dividends were paid, declared or proposed during the year ended 31 December 2024, nor has any dividend been proposed since the end of the reporting period (2023: Nil).

9. INCOME TAX EXPENSE

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax:		
Hong Kong	–	–
PRC Enterprise Income Tax	<u>–</u>	<u>–</u>
	–	–
Deferred tax	<u>–</u>	<u>–</u>
Income tax expense	<u><u>–</u></u>	<u><u>–</u></u>

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

10. EARNINGS/(LOSS) PER SHARE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share	<u>9,868</u>	<u>(59,284)</u>
	2024 <i>'000</i>	2023 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>1,332,000</u>	<u>1,332,000</u>

For the years ended 31 December 2024 and 2023, the computation of diluted earnings/(loss) per share were the same as the basic earnings/(loss) per share as there were no potential dilutive ordinary shares outstanding during the year.

11. TRADE AND OTHER RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	22,615	71,131
Less: allowance for ECL	<u>(2,929)</u>	<u>(5,609)</u>
	<u>19,686</u>	<u>65,522</u>
Retention receivables (<i>Note</i>)	21,348	16,800
Less: allowance for ECL	<u>(4,214)</u>	<u>(4,570)</u>
	<u>17,134</u>	<u>12,230</u>
— Other receivables	882	4,227
Less: allowance for ECL	<u>(234)</u>	<u>(38)</u>
	<u>648</u>	<u>4,189</u>
— Prepayment	6,763	794
— Sundry deposits	<u>1,573</u>	<u>1,680</u>
	<u>8,336</u>	<u>2,474</u>
	<u>45,804</u>	<u>84,415</u>

Note:

Retention money net of allowance for ECL in relation to completed projects of approximately HK\$12,542,000 (2023: HK\$934,000) was unbilled as at 31 December 2024. The Group has an unconditional right to the payment of the unbilled retention receivables which is expected to be billed within 12 months from the end of the reporting period.

The Group allows a credit period ranging from 0 to 30 days (2023: 0 to 90 days) to its customers. The following is an aged analysis of the Group's trade receivables net of allowance for ECL presented based on certificate/invoice dates:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables:		
1–30 days	1,832	39,603
31–60 days	405	10,653
61–90 days	1,146	–
91–180 days	326	–
Over 180 days	15,977	15,266
	19,686	65,522

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Receivables in relation to billed retention money:		
1–30 days	–	6,284
31–60 days	–	–
61–90 days	–	–
91–180 days	–	–
Over 180 days	4,592	5,012
	4,592	11,296

Before accepting any new customer, the Group will assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically.

As at 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$17,854,000 (2023: HK\$30,444,000) which are past due as at the reporting date. Out of the past due balances, approximately HK\$16,303,000 (2023: HK\$18,879,000) have been past due 90 days or more and are not considered as in default due to the long-term/on-going relationship with and good repayment record of these customers. The Group does not hold any collateral over these balances.

12. TRADE AND OTHER PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables	49,362	44,570
Retention payables (<i>Note</i>)	40,294	34,956
Accrued subcontracting charges	34,182	63,460
Accrued operating expenses	2,012	1,649
	<u>125,850</u>	<u>144,635</u>

Note:

In accordance with the normal practice of the industry, a certain percentage of contract sums is usually withheld by the Group as retention money for a period of one to two years after the work of subcontractors has been completed.

The credit period on trade payables is 0 to 30 days.

An aged analysis of the Group's trade payables based on invoice dates at the end of the reporting period is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables:		
1–30 days	42,361	35,524
31–60 days	34	2,783
61–90 days	–	–
Over 90 days	6,967	6,263
	<u>49,362</u>	<u>44,570</u>

13. INTERESTS IN JOINT VENTURES

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interests in joint ventures under equity method	<u>1,256</u>	<u>–</u>

Details of joint ventures as at 31 December 2024 and 31 December 2023 are as follows:

Name of entities	Place of establishment and operation	Principal activity	Proportion of ownership interest held by the Group	
			2024	2023
HKOID-Win Lee Joint Venture	Hong Kong	Construction work	20%	20%
HKOID-Win Lee ALC Joint Venture	Hong Kong	Construction work	20%	–

The following table illustrates the financial information of the Group's joint ventures:

	Interests in joint ventures	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Share of profit for the year:		
HKOID-Win Lee Joint Venture	672	–
HKOID-Win Lee ALC Joint Venture	<u>584</u>	<u>–</u>
	<u>1,256</u>	<u>–</u>

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

As at 31 December 2024, the principal business activity of the Group is engaged in the provision of contracting services for alteration and addition works, maintenance, specialist works and new development in Hong Kong. The Group provides a one-stop integrated solution from project planning, resources allocation, subcontractor management and material procurement to monitoring and quality assurance, and to offering value-adding services such as providing advice on designs to the Group's customers.

BUSINESS REVIEW AND OUTLOOK

During the Year, the Group continued to develop contracting services in Hong Kong.

During the Year, the Group has embarked on several new projects. With the backing of the total contract sum of approximately HK\$435.6 million from the backlog projects, it is anticipated that the Group will maintain the financial performance and further improve the financial position in the coming years.

Looking forward, the Group will conduct a detailed review of the existing principal business operations and financial position of the Group for the purpose of formulating a sustainable business plan or strategy for the Group's future development. In particular, the Group will look into business and investment opportunities in different business areas and geographical locations and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, and/or restructuring of the business will be appropriate in order to enhance the long-term growth potential of the Group. The Group also intends to leverage upon the expertise and business opportunities that the Group may have in its sectors of real estate development, property project management and financial services and expand the income stream of the Group. Further announcement(s) in this regard will be made as and when appropriate.

FINANCIAL REVIEW

During the Year, the revenue of the Group increased by approximately HK\$274.7 million or 141.8% to approximately HK\$468.5 million (2023: HK\$193.8 million), such increase is primarily attributable to the several new projects the Group started during the Year. The Group recorded a gross profit of approximately HK\$17.3 million (2023: gross loss of HK\$7.2 million). During the Year, the Group recognized a net reversal of impairment under ECL model of approximately HK\$2.3 million (2023: impairment of HK\$35.9 million). As a result, the Group recorded a net profit for the Year of approximately HK\$9.9 million (2023: net loss of HK\$59.3 million) attributable to the owners of the Company.

Other income

Other income amounted to approximately HK\$3.8 million for the Year (2023: HK\$0.4 million), representing an increase of approximately 836.1%, which due to the Group has released approximately HK\$3.5 million of accruals balances for trade and retention payables as well as subcontracting charges that have been past due for over six or seven years.

Share of results of joint ventures

During the Year, the Group recognized a share of profits of approximately HK\$1.3 million (2023: Nil) from the interests in two joint venture entities in Hong Kong.

Impairment losses, net of reversal

During the Year, the Group recognized net reversal of impairment of approximately HK\$2.3 million (2023: impairment loss of HK\$35.9 million) which is in relation to contracting segment services.

Details of impairment losses, net of reversal for the Year:

Impairment losses recognised on:	Non credit- impaired HK\$ million
Trade and retention receivables	(3.1)
Other receivables and deposits	0.2
Contract assets	0.6
	<hr/>
Total	<u><u>(2.3)</u></u>

The Group has applied the simplified approach in HKFRS to measure the loss allowance at lifetime ECL by using a provision matrix on a portfolio basis with reference to the Company's historical and the counterparties' industry default data, among others, historical aging schedules, settlement and default records, industry credit data and default records, and forward-looking information. The core inputs of the assessment models are consistent with last year. The Group has applied the general approach in HKFRS 9 to measure the 12-month or lifetime ECL with reference to the Company's historical and the counterparties' industry default data, among others, historical aging schedules, settlement and default records, industry credit data and default records, and forward-looking information. The Group has engaged an independent valuer to perform impairment assessment. The core inputs of the assessment models are consistent with last year.

Trade and retention receivables and contract assets arising from contracts with customers

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of trade debt and contract assets, especially with the Chinese real estate developers, at the end of the reporting period to ensure that adequate impairment loss is recognised for irrecoverable amount.

The Group is exposed to concentration of credit risk as at 31 December 2024 on the trade and retention receivables from the Group's five major customers amounting to approximately HK\$13.4 million (2023: HK\$43.1 million) and accounted for approximately 36% (2023: 55%) of the Group's total trade and retention receivables. In the opinion of the directors of the Company, the major customers of the Group are reputable organisation in the market. The directors of the Company consider that the credit risk is limited in this regard. In addition, the Group performs impairment assessment under ECL model on trade balances individually or based on provision matrix. Credit-impaired debtors are assessed for impairment individually, the remaining trade and retention receivables and contract assets are grouped under a provision matrix based on shared credit risk characteristics by reference to repayment histories for recurring customers and current past due exposure for the new customers. During the Year, the Group recognized net reversal of impairment of approximately HK\$3.1 million for trade and retention receivables (2023: impairment losses HK\$4.6 million), as well as net impairment losses of approximately HK\$0.6 million for contract assets (2023: impairment losses HK\$31.4 million).

Administrative expenses

Administrative expenses of the Group decreased by approximately HK\$2.2 million or 13.6% from approximately HK\$16.5 million for the year ended 31 December 2023 to approximately HK\$14.3 million for the Year. Such decrease was primarily due to our cost control measure implementation during the Year.

Finance costs

Finance costs of the Group increased by approximately 189.6% from approximately HK\$0.2 million for the year ended 31 December 2023 to approximately HK\$0.5 million for the Year, as the interest on bank borrowing increased for the Year.

Income tax expense

The Group had no income tax expenses for the Year, as there is no assessable profit recorded.

Profit and total comprehensive income for the Year attributable to the owners of the Company

Profit and total comprehensive income for the year attributable to the owners of the Company was approximately HK\$9.9 million for the Year (2023: loss and total comprehensive expenses of HK\$59.3 million). It was primarily attributable to the combined effect of (i) the increase in revenue from new contracting project, and (ii) the net reversal of impairment losses recognised during the Year.

LIQUIDITY AND FINANCIAL RESOURCES

Net cash position

The amounts due to a shareholder decreased by approximately HK\$5.5 million to approximately HK\$10.0 million as at 31 December 2024 (31 December 2023: HK\$15.5 million). Bank balances and cash and pledged deposits as at 31 December 2024 decreased by approximately HK\$26.0 million to approximately HK\$32.6 million (31 December 2023: HK\$58.6 million). Therefore, the net cash position of the Group decrease to approximately HK\$22.6 million (31 December 2023: HK\$43.1 million).

Structure of bank overdrafts and bank borrowings and amounts due to a shareholder

As at 31 December 2024, the Group had amounts due to a shareholder amounted to approximately HK\$10.0 million (31 December 2023: HK\$15.5 million), and the Group had no bank overdraft in both years. As at 31 December 2024, the Group has bank borrowing of approximately HK\$9.0 million (31 December 2023: HK\$9.0 million) been interest at floating interest rates.

Liquidity ratios and gearing ratios

The current ratio of the Group as at 31 December 2024 was 1.03 times (31 December 2023: 0.98 times).

The gearing ratio, calculated based on the total borrowings including bank borrowings and amounts due to a shareholder divided by total equity at the end of the Relevant Period and multiplied by 100%. As at 31 December 2024, the gearing ratio was negative (31 December 2023: negative), due to the total deficit at the end of the Year.

CAPITAL STRUCTURE

Funding policy and treasury policy

The Group maintains a prudent funding and treasury policy of its overall business operations to minimise financial risks. Surplus funds are generally placed in short term deposits denominated primarily in Hong Kong Dollars. All future projects will be financed by cash flows from operations, banking facilities, or any forms of financing available in Hong Kong.

The Group regularly monitors its liquidity requirements and its relationship with bankers to ensure that it maintains sufficient reserves of cash and an adequate committed line of funding from major financial institutions to meet its liquidity requirements in the short and long term.

As at 31 December 2024, the Company's issued share capital was approximately HK\$13.3 million (31 December 2023: HK\$13.3 million) and the number of issued ordinary shares was 1,332,000,000 (31 December 2023: 1,332,000,000) of HK\$0.01 each. During the Year, the Company did not hold or sell any treasury shares.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

Most of the transactions of the Group are denominated in Hong Kong dollars and the Group is not exposed to any significant foreign exchange exposure.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Whilst the Group will continue to solidify its business and clientele in the construction industry, the Group will look into business and investment opportunities for business expansion and capital injection in order to enhance the long-term growth potential of the Group, as at 31 December 2024, the Group did not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

There was no significant event that took place during the Year, subsequent to 31 December 2024 and up to the date of this announcement.

CHARGE ON THE GROUP'S ASSETS

As at 31 December 2024, the Group has pledged its bank deposit of approximately HK\$7.2 million (31 December 2023: HK\$23.4 million) to secure the guaranteed credit facilities for issuing surety bonds and general banking facilities amounting to approximately HK\$37.4 million (31 December 2023: HK\$41.7 million).

SURETY BONDS AND CONTINGENT LIABILITIES

Certain customers of construction contracts undertaken by the Group require the Group entities to issue guarantees for performance of contract works in the form of surety bonds secured by pledged deposits. In addition, the Group provided a counter-indemnity to the financial institutions which have issued such surety bonds.

As at 31 December 2024, the outstanding amount of surety bonds of the Group was approximately HK\$37.4 million (2023: HK\$41.7 million).

Save as disclosed above, as at 31 December 2024, the Group did not have any other material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the Group employed a total of 75 employees (2023: 69 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$20.7 million for the Year (2023: HK\$34.4 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of the individual employee. In addition to a basic salary, year-end discretionary bonuses were offered to staff with outstanding performance to attract and retain eligible employees to contribute to the Group. Apart from basic remuneration, share options may be granted to eligible employees by reference to the Group's performance as well as individual contribution.

LITIGATION

During the Relevant Period, the Group was not engaged in any litigation, arbitration, or claim which was pending or threatening by third parties against any member of the Group that would have a material adverse effect on the Group's results of operations or financial conditions. There are also no material developments to other litigations involving the Group reported in prior period.

CORPORATE GOVERNANCE REPORT

Corporate Governance Practices

The Board recognises that transparency and accountability are important to a listed company. Therefore, the Company is committed to establishing and maintaining good corporate governance practices and procedures. The Directors believe that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture in return to the benefits of the Company's stakeholders as a whole.

The Board has adopted and complied with the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules. The Directors will continue to review its corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation of shareholders and other stakeholders of the Company.

Under the code provision C.2.1 of the CG Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established.

As at 31 December 2024, Mr. Ng assumed the roles of both chairman of the Board and chief executive of the Company. The Board considered that this structure could enhance efficiency in formulation and implementation of the Company's strategies.

Save as disclosed above, the Board is pleased to report compliance with all applicable code provisions of the CG Code during the year ended 31 December 2024.

Directors' Securities Transactions

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Appendix C3 to the Listing Rules. The Company had also made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the year ended 31 December 2024.

Purchase, Sale or Redemption of Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any securities of the Company during the year ended 31 December 2024.

Dividend

The Board does not recommend any payment of final dividend for the year ended 31 December 2024 (2023: Nil).

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting is scheduled for Friday, 30 May 2025. In order to determine entitlements to attend and vote at the annual general meeting, the register of members of the Company will be closed from Tuesday, 27 May 2025 to Friday, 30 May 2025, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Financial Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 26 May 2025.

Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with the Listing Rules, in accordance with provisions set out in the CG Code, which are available on the websites of the Stock Exchange and the Company.

The Audit Committee currently consists of three independent non-executive Directors, namely Ms. Ng Chung Chi, Mr. Siu Wilson Wai Lum and Mr. Wong Chun Wah Kelvin. The chairman of the Audit Committee is Ms. Ng Chung Chi, who has appropriate professional qualifications and experience in accounting matters.

The Group's audited annual results in respect of the year ended 31 December 2024 have been reviewed by existing members of the Audit Committee.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditors during the year ended 31 December 2024.

EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2024 and up to date of this annual result announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual consolidated results announcement is published on the Company's website at www.fdbhk.com and the Stock Exchange's website at www.hkexnews.hk. The 2024 Annual Report of the Company will be despatched to the shareholders of the Company and made available on the above websites.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The following is the extract of the draft independent auditor's report on the Company's consolidated financial statements for the year ended 31 December 2024.

Material Uncertainty Related To Going Concern

We draw attention to note 3 to the consolidated financial statements which mentions that the Group had net liabilities of approximately HK\$548,000. These conditions, along with other matters as set forth in note 3 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Management's measures to address the going concern issue are also described in note 3 to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified in respect of this matter.

SCOPE OF WORK OF OOP CPA & Co.

The figures in respect of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 of the Group as set out in the announcement have been agreed by the Company's auditor, OOP CPA & Co., to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by OOP CPA & Co. in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by OOP CPA & Co. on the announcement.

By order of the Board
FDB Holdings Limited
Ng Kin Siu

Chairman of the Board and executive Director

Hong Kong, 28 March 2025

As at the date of this announcement, the executive Directors is Mr. Ng Kin Siu (Chairman and chief executive officer); and the independent non-executive Directors are Mr. Siu Wilson Wai Lum, Ms. Ng Chung Chi and Mr. Wong Chun Wah Kelvin.

** The English translation of the Chinese name(s) in this announcement, where indicated with "*", is/are included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*