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SOCAM Development Announces 2025 Annual Results

(Hong Kong, 27 March 2026) SOCAM Development Limited (“SOCAM” or the “Group”, stock code: 983) announced its results for the year ended 31 December 2025.

The Group demonstrated resilience and reported net loss attributable to shareholders of HK\$92 million for 2025, a 74.7% reduction from the HK\$364 million loss for 2024. The profit before interest, tax and non-operating items increased to HK\$139 million for 2025, from HK\$96 million for 2024.

After a strategic review of the Group’s business, SOCAM completed the disposal of its property management business in Hong Kong and recorded a gain of HK\$49 million during the year.

Amidst the headwinds in Hong Kong’s construction industry, the Group’s turnover for 2025 was HK\$7.0 billion, decreased by 22.5% from HK\$9.0 billion for 2024, mainly attributable to building construction business where certain major construction contracts were close to completion or completed in 2025. Turnover from maintenance and minor works and interior fit-out businesses remained stable during the year, with strong support from government, institutional and corporate clients in both the Hong Kong and Macau markets.

The Group’s order book remained healthy. It secured HK\$6.7 billion new construction contracts in 2025. Since the year-end, a further HK\$3.2 billion of contracts have been awarded, adding up to approximately HK\$22.7 billion of contracts in progress currently. The strong pipeline of construction projects on hand is expected to accelerate gradually, driving greater contribution to turnover in the coming years.

Construction – Increase in Profit with a Healthy Workload

- Turnover totalled HK\$6.9 billion for 2025 (2024: HK\$8.9 billion).
- Profit amounted to HK\$234 million for 2025 (2024: HK\$201 million).

For 2025, SOCAM’s construction business recorded a 22.6% decrease in turnover, but reported a 16.4% increase in profit, against those for 2024. For 2024, the profitability of building construction segment was adversely affected by the decrease in contract price fluctuation compensation for certain public housing projects that were secured during the COVID-19 pandemic with limited tender margins. Following the completion of these projects in 2025, the profitability of the building construction segment has been progressively improved.

Within the Group's construction business, building maintenance and minor works and interior fit-out businesses have delivered steady contribution with strong support from the Group's government, institutional and corporate clients in both the Hong Kong and Macau markets. Revenue from maintenance and minor works and interior fit-out businesses remained stable and contributed more than half of the revenue of the construction segment.

SOCAM has maintained a healthy order book and a strong pipeline of projects. As at 31 December 2025, the gross value of contracts on hand reached HK\$38.9 billion and the value of outstanding contracts to be completed was HK\$19.5 billion, in comparison to HK\$36.9 billion and HK\$20.5 billion respectively as at 31 December 2024.

New construction technology, artificial intelligence and robotics are being progressively integrated into construction processes to improve efficiency and site safety. In 2025, the building construction arm successfully completed the Anderson Road public housing projects using Modular Integrated Construction, marking the pioneer public housing development in Hong Kong to have adopted this innovative building method. The Group has also extended its market coverage in government works, partnered with industry players to build stronger capabilities, and continued to focus on safety and supply chain management.

Property – Stable Leasing Performance

- Turnover* totalled HK\$128 million for 2025 (2024: HK\$156 million).
- Net rental income from investment properties in the Mainland increased to HK\$36 million (2024: HK\$33 million).
- Completed disposal of its Hong Kong property management business to focus resources on its core operations, and recorded a gain of HK\$49 million.
- Loss* was HK\$120 million for 2025 (2024: HK\$129 million), including fair value and impairment losses, net of deferred tax provision, on properties in the Chinese Mainland, amounted to HK\$82 million (2024 : HK\$91 million losses).

* *Excluding Hong Kong property management business*

Despite the retail market continuing to face downward pressure as consumers become increasingly value conscious in their spending, the Group's shopping malls delivered steady occupancies and reported stable leasing income at HK\$100 million for 2025, compared to HK\$105 million for 2024.



The Group continues with its strategy to reposition its shopping malls in the Mainland to “Green and Fun Community Mall” and strives to curate greater experiential retail experience to customers. At the same time, the Group has stepped up cost management to enhance operational efficiency and profitability.

Outlook

Hong Kong’s construction market is navigating a period of transition. In addition to public sector building construction works, the recurrent term contracts for building maintenance from government organisations and institutional clients are expected to hold steady. For the Macau market, the resurgent hospitality and gaming industry and the SAR’s diversification strategy into non-gaming sectors will open new fit-out niches in the coming years. Overall, the construction industry outlook calls for cautious optimism with emphasis on adaptability and technology advancement, where SOCAM is well positioned to benefit.

Overshadowed by uncertainties, the Group will implement cost-saving measures progressively, manage risks and price fluctuations with caution and drive sustainable operational efficiencies with a view to strengthening its financial resilience and improving profitability in the near to medium term.

About SOCAM Development Limited (SOCAM)

Listed on the Hong Kong Stock Exchange in 1997, SOCAM Development Limited (HKSE Stock Code: 983) is a member of the Shui On Group, and is principally engaged in construction and property businesses, with operations spanning Hong Kong, Macau and the Chinese Mainland.