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Hephaestus Holdings Limited

客思控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8173)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the annual results announcement of the Company dated 24 June 2025 (the “**Results Announcement**”) and the annual report dated 29 July 2025 (the “**Annual Report**”). Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Results Announcement.

The Board is pleased to provide more information on the business development of the Group supplemental to the Results Announcement and the Annual Report for the year ended 31 March 2025.

UPDATE ON THE BUSINESS DEVELOPMENT

The Group is principally engaged in the provision of interior design and execution services to premises including private residences, corporate offices, service apartments, hotels, residential clubhouses, show flats and sales galleries. During the period from the financial year ended 31 March 2022 to the financial year ended 31 March 2025, the Group experienced a significant decline in revenue due to the postponement or reduction of residential, show flat and sales office projects by major property developers in Hong Kong, who are the core clientele of the Group.

In view of business downturn, the Group diversified its client base and expanded its market coverage. The Group developed new clients who are higher education institutions/providers, student dormitories/employee accommodation, landlords and commercial entities in the People’s Republic of China (the “**PRC**”) (the “**New Sectors**”).

During the financial year of 2023/24, the Group acquired the entire equity interest of Shenzhen Xiuyao Construction Engineering Co., Ltd.* (深圳市秀耀建設工程有限公司), which has obtained the Class II Interior Decoration & Fit-Out Works Qualification* (建築業企業資質證書 – 建築裝修裝飾工程專業承包二級) (the “**PRC Qualification**”). The PRC Qualification allows the participation in and submission of tender applications for design, decoration and fit-out projects of contract value up to RMB20 million in the PRC. With the PRC Qualification, the Group on its own is entitled to submit tender applications for relevant projects in the PRC. To advance this market expansion, the Group has established a dedicated business development team responsible for identifying potential projects in the PRC. Through referrals, the Group received tender invitations from clients and business acquaintances from the New Sectors.

In 2025 and up to the date of this announcement, the Group has secured 18 interior design contracts in the PRC on the New Sectors with a total contract value of approximately HK\$70 million, expected to contribute to the revenue growth for the year ending 2026 to 2028. As at the date hereof, the Group has 38 contracts on hand in Hong Kong with a total contract value of approximately HK\$152.7 million and there are 10 new contracts currently under negotiation totaling approximately HK\$40 million in contract value, which are expected to be signed within the coming 3 financial years of the Group. The newly secured contracts and the contracts on hand are expected to contribute approximately HK\$43 million in revenue by the year ending 31 March 2026.

The Group has plans to participate in the industry expos, fairs and forums to be held in the Guangdong-Hong Kong-Macao Greater Bay Area in 2025 and 2026 for marketing purpose. Under the brand name “BTR”, the Group has a profile of high-end interior design projects completed including but not limited to the refurbishment of JEN Singapore Tanglin Hotel in Singapore, provision of interior design services of SimplyLife flagship restaurant in Shenzhen and The Henley in Kai Tak, Hong Kong. In light of the above, the Board is of the view that the Group’s financial position will improve with the measures taken or to be taken. The business operation of the Group is solid and the decreasing trend of the Group’s revenue will cease. Further announcement will be made as and when necessary to update the shareholders of the Company and the public of the Group’s business developments.

Shareholders and/or potential investors of the Company are advised to exercise caution when dealing with the securities of the Company.

By Order of the Board
Hephaestus Holdings Limited
Huang Liang
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 21 August 2025

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Huang Liang and Ms. Yip Hiu Ying, and three independent non-executive Directors, namely Mr. Tang Chin Ting, Mr. Liu Junda and Ms. Tong Yuk Ying Yannie.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange's website at www.hkexnews.hk for at least seven days from the date of its posting. This announcement will also be published on the Company's website at www.hephaestus.com.hk.

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