

SU Group Narrows First-Half Operating Loss, Executes on Long-Term Strategy

- ***Business Momentum Led by Public-Sector Awards Across Healthcare, Cultural and Border Infrastructure***
 - ***Product Partnerships and Training Expand Reach***
- ***Proposed Acquisition to Add New Enhanced Safety Capabilities***

HONG KONG, September 29, 2026 -- SU Group Holdings Limited (Nasdaq: SUGP) (“SU Group” or the “Company”), an integrated security-related services company in Hong Kong, today announced its unaudited and unreviewed financial results for the six months ended March 31, 2026. The Company intends to file its results for the period with the U.S. Securities and Exchange Commission on Form 6-K. The Company noted that on a year over year basis, the adverse impact of fewer large engineering projects in the most recent period led to a decline in revenue, while its operating discipline drove an improvement in gross margin, a narrowed operating loss and an increase in cash from the fiscal year-end balance.

SU Group’s Chairman and CEO, Dave Chan, commented, “The first half had fewer large engineering projects, but our operating discipline and stable guarding and screening business helped us deliver a narrowed operating loss. Our confidence remains higher in the second half of the year led by momentum in our new projects and expanded addressable market. Since March, an HK\$18.8 million follow-on hospital award has brought the disclosed value of our work on that project to HK\$107.3 million. We have also won public-sector work and added specialized products and training capabilities. Executing those already announced awards, securing new public-sector work , and serving customers with a wider range of solutions are our priorities.”

SU Group’s Chief Financial Officer, Calvin Kong, noted, “Gross margin remained healthy at 20.7% and selling, general and administrative expenses fell 15.9%, helping offset the lower engineering volume. Cash rose to HK\$28.7 million at March 31, 2026 from HK\$25.4 million at fiscal year-end. As the new awards move through delivery, we will stay focused on project margins, working capital and cash conversion.”

Financial Results for the Six Months Ended March 31, 2026

Revenue decreased HK\$21.6 million, or 20.0%, from HK\$107.9 million in the prior-year period to HK\$86.3 million (US\$11.0 million). Project and maintenance revenue decreased from HK\$65.1 million to HK\$44.0 million, primarily reflecting the adverse impact of fewer large engineering projects in the current period. Security guarding and screening revenue was HK\$40.9 million, compared with HK\$40.5 million. Equipment leasing revenue declined to HK\$1.4 million from HK\$2.3 million as some leases expired and customers renewing received more favorable terms.

Cost of revenues declined 20.3% to HK\$68.5 million (US\$8.7 million), reflecting the change in engineering project mix. Gross profit was HK\$17.8 million (US\$2.3 million), compared with HK\$22.0 million, while gross margin improved to 20.7% from 20.3%.

Selling, general and administrative expenses fell 15.9% to HK\$21.0 million (US\$2.7 million) from HK\$24.9 million. Lower share-based compensation and legal and professional fees more than offset higher administrative payroll costs. Losses on disposal of property and equipment declined to HK\$0.8 million from HK\$1.8 million, as fewer X-ray machines were disposed of.

Operating loss narrowed to HK\$3.9 million (US\$0.5 million) from HK\$4.7 million. Net loss attributable to ordinary shareholders narrowed to HK\$4.2 million (US\$0.5 million), or HK\$14.47 per share, from HK\$4.5 million, or HK\$15.45 per share. Per-share amounts reflect the share consolidation completed on August 6, 2026 on a retroactive basis.

Cash and cash equivalents were HK\$28.7 million (US\$3.7 million) at March 31, 2026, up from HK\$25.4 million at September 30, 2025. Working capital was approximately HK\$58.6 million (US\$7.5 million), compared with HK\$62.1 million at fiscal year-end.

Recent Developments

Since March 31, 2026, and not included in the six-month results, SU Group has successfully added significant public-sector work, broadened its product portfolio and expanded its training reach. The largest disclosed award was a follow-on hospital contract, with several new distribution agreements that open additional markets expected to contribute to the Company's future growth.

- Proposed Acquisition Could Add Complementary Capabilities:
 - In September, a SU Group subsidiary agreed to acquire KM Safety Solution Company Limited for HK\$5.6 million in cash. KM's safety consultancy work and Hong Kong distribution rights for intelligent emergency lighting controls could complement SU Group's existing offering. The transaction is subject to due diligence, required approvals and other closing conditions, and completion is not assured.
- Public-Sector Projects Deepen an Established Customer Base:
 - A HK\$18.8 million (approximately US\$2.4 million) follow-on award expanded SU Group's work on a major hospital project to a combined HK\$107.3 million (US\$13.7 million) in disclosed contracts. The new scope covers nurse call, power quality and lighting management systems, adding to the Company's role in essential healthcare infrastructure.
 - The Company also won a government-linked security contract valued at more than US\$1 million for a Hong Kong cultural facility, covering CCTV, communications, access control and water-leak detection; it said at the time that revenue was expected to be recognized by the end of 2026. At the new Huanggang Port border crossing, SU Group was awarded the supply and installation of six under-vehicle surveillance systems. A separate Civil Aviation Department contract calls for AI- and IoT-enabled site-safety systems at four navigation-station construction sites.
- New Distribution Rights Extend the Security and Safety Portfolio:
 - SU Group secured exclusive Hong Kong and Macau distribution rights for HDX's TRACELINE™ PX3 Portable X-Ray System, designed for specialized uses including explosive ordnance disposal and fire investigation. In Macao, its subsidiary obtained exclusive rights to GLM's Inspec Spider, a robotic system for inspecting high-mast lighting from ground level.
 - A distribution agreement with GEZE added automatic door, window, smoke and heat extraction, and other smart-building technologies. SU Group also partnered with Seetree Screening Ltd. to offer AI-powered X-ray screening in Hong Kong and Macau; compatibility with existing X-ray machines gives the Company a way to approach current as well as new customers. These agreements broaden what SU Group can offer alongside its engineering services, although future sales depend on customer adoption.

- **Training Gains a Wider Audience:**

- Fortune Jet became the first provider in Hong Kong approved to deliver recognized QASRS security training in English, Cantonese and Mandarin, widening access for candidates seeking to apply for a Security Personnel Permit. It also signed a three-party memorandum of understanding to develop training, certification and practical-experience services across Shenzhen, Hong Kong and Macau. That cross-border program remains a planned collaboration.

About SU Group Holdings Limited

SU Group (Nasdaq: SUGP) is an integrated security-related services company providing security-related engineering services, security guarding and screening services, and related vocational training in Hong Kong. Through its subsidiaries, it designs, supplies, installs and maintains security systems for private- and public-sector customers. For more information, visit www.sugroup.com.hk.

Forward-Looking Statements

The Company makes forward-looking statements in this report within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks and uncertainties, including the closing of the offering, and are based on the Company's current expectations and projections about future events that the Company believes may affect its financial condition, results of operations, business strategy and financial needs. These statements may be preceded by, followed by or include the words "may," "might," "will," "will likely result," "should," "estimate," "plan," "project," "forecast," "intend," "expect," "anticipate," "believe," "seek," "continue," "target" or similar expressions. These forward-looking statements are based on information available to the Company as of the date of this report and involve substantial risks and uncertainties. Actual results may vary materially from those expressed or implied by the forward-looking statements herein due to a variety of factors, and other risks and uncertainties set forth in our reports filed with the U.S. Securities and Exchange Commission. The Company does not undertake any obligation to update forward-looking statements as a result of new information, future events or developments or otherwise.

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