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**Dragon King Group Holdings Limited**

**龍皇集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8493)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Dragon King Group Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) announces the unaudited consolidated interim results for the six months ended 30 June 2024. This announcement, containing the full text of the 2024 interim report (the “**2024 Interim Report**”) of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to the information to accompany preliminary announcement of interim results. The 2024 Interim Report will be available for viewing on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and of the Company at [www.dragonkinggroup.com](http://www.dragonkinggroup.com).

By order of the Board  
**Dragon King Group Holdings Limited**  
**Tang Hong Jiang**  
*Executive Director and Chairman*

Hong Kong, 23 August 2024

*As at the date of this announcement, the Board comprises Mr. Tang Hong Jiang (Chairman), Ms. Liang Li, Mr. Huang Ai Chun and Mr. Li Tao as executive Directors; Ms. Shen Taiju as non-executive Director; and Mr. Lo Shing Shan, Mr. Chow Yik and Mr. Tsung Ching Fung as independent non-executive Directors.*

*This announcement, for which the Directors 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 of Hong Kong Limited 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](http://www.hkexnews.hk) for at least 7 days from the day of its publication and on the website of the Company.*

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

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*This report, for which the directors (the “**Directors**”) of Dragon King Group Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) 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 enquiries, 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.*

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Tang Hong Jiang (*Chairman*)  
Ms. Liang Li  
Mr. Huang Ai Chun  
Mr. Li Tao (appointed on 23 May 2024)

#### Non-executive Director

Ms. Shen Taiju

#### Independent non-executive Directors

Mr. Lo Shing Shan  
Mr. Chow Yik  
Mr. Tsung Ching Fung

#### Audit Committee

Mr. Tsung Ching Fung (*Chairman*)  
Mr. Lo Shing Shan  
Mr. Chow Yik

#### Remuneration Committee

Mr. Chow Yik (*Chairman*)  
Mr. Lo Shing Shan  
Mr. Tsung Ching Fung

#### Nomination Committee

Mr. Tang Hong Jiang (*Chairman*)  
Mr. Chow Yik  
Mr. Tsung Ching Fung

#### COMPLIANCE OFFICER

Mr. Tang Hong Jiang

#### AUTHORISED REPRESENTATIVES

Mr. Tang Hong Jiang  
Mr. Kwan Kar Man

#### COMPANY SECRETARY

Mr. Kwan Kar Man

#### AUDITOR

Prism Hong Kong and Shanghai Limited  
*Certified Public Accountants, Hong Kong*  
Unit 1903A-1905, 19th Floor  
No. 8 Observatory Road  
Tsim Sha Tsui  
Hong Kong

### REGISTERED OFFICE

Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite No. A1, 7th Floor, One Capital Place  
18 Luard Road  
Wanchai  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited  
Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

### PRINCIPAL BANKS

DBS Bank (Hong Kong) Limited  
Hang Seng Bank Limited

### COMPANY WEBSITE

[www.dragonkinggroup.com](http://www.dragonkinggroup.com)

### STOCK CODE

8493

The board of Directors (the “Board”) of the Company is pleased to present the unaudited condensed consolidated results of the Group for the six months ended 30 June 2024, together with the unaudited comparative figures for the corresponding period in 2023 as follows:

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2024

	Notes	Unaudited	
		2024 HK\$'000	2023 HK\$'000
<b>REVENUE</b>	5	<b>43,161</b>	54,325
Costs of inventories consumed		(12,086)	(14,658)
<b>Gross profit</b>		<b>31,075</b>	39,667
Other income and gains, net	6	26	182
Staff costs		(18,521)	(19,706)
Depreciation of property, plant and equipment		(399)	(398)
Rental and related expenses		(4,541)	(4,663)
Other operating expenses		(8,027)	(8,708)
Finance costs		(1,046)	(1,728)
<b>(Loss) Profit before tax</b>	7	<b>(1,433)</b>	4,646
Income tax expenses	8	–	–
<b>(Loss) Profit and total comprehensive (expense) income for the period attributable to the owners of the Company</b>		<b>(1,433)</b>	4,646
<b>(Loss) Earnings per share</b>		<b>HK cents</b>	HK cents
– Basic and diluted	10	(0.62)	2.69

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	Notes	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	25,900	26,299
Right-of-use assets		–	–
Deposits		50	235
Deferred tax assets		3,497	3,497
Total non-current assets		29,447	30,031
<b>CURRENT ASSETS</b>			
Inventories		2,474	3,660
Trade receivables	12	257	768
Prepayments, deposits and other receivables		7,196	9,307
Tax recoverable		415	5
Bank balances and cash		8,094	1,014
Total current assets		18,436	14,754
<b>CURRENT LIABILITIES</b>			
Trade payables	13	36,423	36,322
Other payables and accruals		36,715	38,544
Bank and other borrowings		60,721	59,372
Lease liabilities		937	3,798
Amount due to a director		7,469	6,166
Tax payable		770	485
Total current liabilities		143,035	144,687
<b>NET CURRENT LIABILITIES</b>		<b>(124,599)</b>	<b>(129,933)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>(95,152)</b>	<b>(99,902)</b>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	<b>Unaudited</b>	Audited
	<b>30 June</b>	31 December
	<b>2024</b>	2023
Note	<b>HK\$'000</b>	HK\$'000
<b>NON-CURRENT LIABILITIES</b>		
Other borrowings	–	2,000
Lease liabilities	45	477
Total non-current liabilities	45	2,477
<b>NET LIABILITIES</b>	<b>(95,197)</b>	<b>(102,379)</b>
<b>CAPITAL AND RESERVES</b>		
Share capital	24,192	20,736
Reserves	(119,389)	(123,115)
<b>TOTAL DEFICIENCY IN EQUITY</b>	<b>(95,197)</b>	<b>(102,379)</b>



## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2024

	Issued capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Capital reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Accumulated loss HK\$'000	Total deficiency in equity HK\$'000
At 1 January 2023	17,280	90,912	(43,224)	42,703	(133)	(214,690)	(107,152)
Profit and total comprehensive income for the period	-	-	-	-	-	4,646	4,646
At 30 June 2023 (Unaudited)	17,280	90,912	(43,224)	42,703	(133)	(210,044)	(102,506)
At 1 January 2024 (Audited)	20,736	90,912	(43,224)	42,703	(143)	(213,363)	(102,379)
Loss and total comprehensive expense for the period	-	-	-	-	-	(1,433)	(1,433)
Placing of new shares (Note 14(b))	3,456	5,159	-	-	-	-	8,615
At 30 June 2024 (Unaudited)	24,192	96,071	(43,224)	42,703	(143)	(214,796)	(95,197)

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2024

	Unaudited	
	2024 HK\$'000	2023 HK\$'000
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,105</b>	<b>4,816</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
Interest received	1	1
<b>FINANCING ACTIVITIES</b>		
Placing of new shares	8,615	–
Inceptions of other borrowings	–	2,000
Repayment of bank borrowings	(651)	(3,871)
Payment of lease liabilities	(3,293)	(4,039)
Advance from (Repayment to) a director	1,303	(1,570)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>5,974</b>	<b>(7,480)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,080</b>	<b>(2,663)</b>
Cash and cash equivalents at the beginning of the period	1,014	4,881
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD,</b> represented by bank balances and cash	<b>8,094</b>	<b>2,218</b>

# NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 8 August 2016. The registered address of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands. The principal place of business of the Company was located at Suite No. A1, 7th Floor, One Capital Place, 18 Luard Road, Wan Chai, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in the operation and management of restaurants.

## 2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with the accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the six months ended 30 June 2024 are consistent with those adopted in the Group's audited annual report dated 26 March 2024 (the "2023 Annual Report"), except for the adoption of the new and revised Hong Kong Financial Reporting Standards (the "New and Revised HKFRSs") (which include all HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the HKICPA that are adopted for the first time for the current periods financial statements.

The adoption of the New and Revised HKFRSs has had no significant effect on these unaudited condensed consolidated financial statements for the six months ended 30 June 2024 and there have been no significant changes to the accounting policies applied in these unaudited condensed consolidated financial statements for the six months ended 30 June 2024.

The Group has not applied new and revised standards, amendments or interpretations that have been issued but are not yet effective. The Group is currently assessing the impact of the adoption of such new and revised standards, amendments or interpretations to the Group but is yet to be in a position to state whether they would have any material financial impact on the Group's results of operations and financial position.

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared under the historical cost convention. The unaudited condensed consolidated financial statements for the six months ended 30 June 2024 are presented in thousand of Hong Kong dollars (“**HK\$’000**”), which is also the functional currency of the Group.

During the six months ended 30 June 2024, the Group’s current liabilities exceeded its current assets by approximately HK\$124,599,000 and the Group had net liabilities by approximately HK\$95,197,000. As at the same date, the Group’s total current interest-bearing bank and other borrowings amounted to approximately HK\$60,721,000 while its cash and cash equivalents amounted to approximately HK\$8,094,000 only. The directors of the Company considered the Group will have sufficient working capital to finance its operations and financial obligations as and when they fall due, and accordingly, are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis after taking into consideration the followings:

- (i) the Group had interest-bearing bank and other borrowings of approximately HK\$60,721,000 as at 30 June 2024, of which approximately HK\$43,807,000 is repayable within one year. The remaining interest-bearing bank and other borrowings, amounting to approximately HK\$16,914,000 were classified as current liabilities due to the existence of a repayment on demand clause in the loan agreements. The Group will actively negotiate with the bank for the renewal of the Group’s bank borrowings when they fall due in order to secure necessary funds to meet the Group’s working capital and financial requirements in the foreseeable future. In the opinion of the Directors, the Group will be able to roll over or refinance the bank borrowings upon their maturity;
- (ii) management has been reviewing and shortening the reporting intervals and improving follow up measures on receivable collection;
- (iii) management has been considering other financing arrangements with a view to increasing the Group’s capitalisation/equity; and
- (iv) management has been implementing stronger measures aiming at improving the liquidity and financial position of the Group, including but not limited to closely monitoring the operating costs.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write-down the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect to these adjustments has not been reflected in the unaudited condensed consolidated financial statements.

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023.

The unaudited condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company.

### 3. ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

### 4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### (a) Financial risk factor

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements as at 31 December 2023.

There have been no changes in the risk management policies since year end.

#### (b) Liquidity risk

Compared to year end, there have been no material changes to the policies and practices for the Group's liquidity and funding risks management as described in the consolidated financial statements for the year ended 31 December 2023.

#### (c) Fair value estimation

The carrying values of receivables and payables are reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 5. REVENUE

#### (i) Disaggregated revenue information from contracts with customers

	Unaudited	
	2024 HK\$'000	2023 HK\$'000
<b>Type of goods or services</b>		
Revenue from Chinese restaurant operations	43,161	54,325
<b>Geographical markets</b>		
Hong Kong	43,161	54,325
<b>Timing of revenue recognition</b>		
At a point in time	43,161	54,325

#### (ii) Performance obligations for contracts with customers

##### *Operation and management of restaurants*

The performance obligation is satisfied when the catering services have been provided to customers. The Group's trading terms with its customers are mainly on cash and credit card settlement. The credit period is generally few days to 60 days.

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

All revenue contracts are for a period of one year or less. As permitted by HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 6. OTHER INCOME AND GAINS, NET

	Unaudited	
	2024 HK\$'000	2023 HK\$'000
<b>Other income and gains, net</b>		
Bank interest income	1	1
Exchange gain	1	4
Others	24	177
	<b>26</b>	<b>182</b>

### 7. (LOSS) PROFIT FOR THE PERIOD

(Loss) Profit for the period has been arrived at after charging:

	Unaudited	
	2024 HK\$'000	2023 HK\$'000
Auditor's remuneration	440	750
Employee benefit expense (excluding directors' and chief executive's remuneration)	17,157	18,458
Wages and salaries	764	811
Pension scheme contributions		
	<b>17,921</b>	<b>19,269</b>

# NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 8. INCOME TAX EXPENSES

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

For the six months ended 30 June 2024 and 2023, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Hong Kong Profits Tax has not been provided as the Group’s estimated assessable profits for the periods are wholly absorbed by unrelieved tax losses brought forward from previous years for the period.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at two-tiered profits tax regime of the estimated assessable profit for both periods.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

Macau Complementary Income Tax is calculated at the progressive rate on the estimated assessable profits for the year. The maximum tax rate is 12% for both periods.

	Unaudited	
	2024 HK\$'000	2023 HK\$'000
Current – Hong Kong	–	–
Total tax charge for the periods	–	–

## 9. DIVIDEND

The Board does not recommend any payment of interim dividend in respect of the six months ended 30 June 2024 (2023: Nil).



## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 10. (LOSS) EARNINGS PER SHARE

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

	<b>Unaudited</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
(Loss) Profit attributable to owners of the Company for the purpose of basic and diluted (loss) earnings per share	<b>(1,433)</b>	4,646
	<b>Number of shares</b>	
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares for the purpose of calculating basic and diluted (loss) earnings per share	<b>232,046</b>	172,800

No diluted (loss) earnings per share for the six months ended 30 June 2024 and 2023 were presented as there were no potential ordinary shares in issue for the six months ended 30 June 2024 and 2023.

### 11. PROPERTY, PLANT AND EQUIPMENT

For the six months ended 30 June 2024, no purchases of property, plant and equipment was made by the Group (2023: Nil).

### 12. TRADE RECEIVABLES

	<b>Unaudited</b>	<b>Audited</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Receivables at amortised cost	<b>257</b>	768

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Certain customers are granted credit period from few days to 60 days. The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date, which approximates the respective revenue recognition dates:

	<b>Unaudited 30 June 2024 HK\$'000</b>	Audited 31 December 2023 HK\$'000
0–30 days	108	598
Over 180 days	149	170
	<b>257</b>	<b>768</b>

### 13. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>Unaudited 30 June 2024 HK\$'000</b>	Audited 31 December 2023 HK\$'000
0–30 days	382	1,094
31–60 days	362	220
61–90 days	419	180
Over 90 days	35,260	34,828
	<b>36,423</b>	<b>36,322</b>

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 14. SHARE CAPITAL

	Nominal Value HK\$	Number of shares	HK\$'000
<b>Authorised:</b>			
At 1 January 2023, 31 December 2023 and 30 June 2024	0.1	500,000,000	50,000
<b>Issued and fully paid:</b>			
At 1 January 2023		172,800,000	17,280
Placing of new shares on 3 July 2023 (Note a)		34,560,000	3,456
At 31 December 2023 and 1 January 2024	0.1	207,360,000	20,736
Placing of new shares on 22 February 2024 (Note b)		34,560,000	3,456
At 30 June 2024	0.1	241,920,000	24,192

Notes:

- a) Pursuant to an ordinary resolution passed at the extraordinary general meeting held on 26 June 2023, the Company has conditionally agreed to allot and issue, and the creditor has conditionally agreed to subscribe 34,560,000 capitalisation shares at the price of HK\$0.1 per share in settlement of the indebted sum.
- b) On 30 January 2024, the Company and a placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 34,560,000 placing shares to independent investors at a price of HK\$0.257 per share. The placing was completed on 22 February 2024 pursuant to which the Company has allotted and issued 34,560,000 placing shares. The net proceeds derived from the placing amounted to approximately HK\$8,882,000 and resulted in the increase in share capital of HK\$3,456,000 and share premium of approximately HK\$5,159,000, net of transaction costs of approximately HK\$267,000.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS AND OPERATION REVIEW

The Group is a Cantonese full-service restaurants group operating Cantonese cuisine restaurant under its self-owned brand.

### Restaurant Operations

The Group is committed to provide high quality food and services as well as comfortable dining environment to the customers. During the six months ended 30 June 2024, the Group operated three full-service restaurants in Hong Kong, one of which is located in Hong Kong Island (known as the “**Wan Chai Restaurant**”), and the remaining two of which are located in Kowloon (known as the “**Kwun Tong Restaurant**” and the “**Whampoa Restaurant**”), to provide Cantonese cuisine under the brand names of “**Dragon King (龍皇)**” and “**Dragon Gown (龍袍)**”. All the Group’s restaurants are strategically located in prominent commercial areas, residential areas or shopping complexes.

The Group had closed down the Whampoa Restaurant and Kwun Tong Restaurant in April 2024 and June 2024 respectively due to the expiration of the rental agreements. As at 30 June 2024, the Group operating a full-service restaurant in Hong Kong, the Wan Chai Restaurant.

## FINANCIAL REVIEW

### Revenue

For the six months ended 30 June 2024 (the “**Period**”), the Group recorded a total revenue of approximately HK\$43.2 million, against approximately HK\$54.3 million for the six months ended 30 June 2023 (the “**Preceding Period**”), representing a decrease of approximately 20.4%. This was mainly resulted from closed down of two restaurants during the Period.

## MANAGEMENT DISCUSSION AND ANALYSIS

The table below sets forth a breakdown of the Group's revenue generated by each of the Group's self-owned brands during the Period and the Preceding Period:

	for the six months ended 30 June			
	2024		2023	
	Revenue HK\$'000	% of total revenue (%)	Revenue HK\$'000	% of total revenue (%)
Dragon King (龍皇) *	27,930	64.7%	35,295	65.0%
Dragon Gown (龍袍)	15,231	35.3%	19,030	35.0%
Total revenue	43,161	100.0%	54,325	100.0%

\* Closed in 2024.

### ***Dragon King (龍皇)***

The revenue generated from Dragon King decreased by approximately HK\$7.4 million, or approximately 21.0%, from approximately HK\$35.3 million for the Preceding Period to approximately HK\$27.9 million for the Period. The considerable decrease in revenue for the Period was mainly resulted from the closure of the Whampoa Restaurant and the Kwun Tong Restaurant in April 2024 and June 2024 respectively, due to the expiration of the rental agreements.

### ***Dragon Gown (龍袍)***

The revenue generated from Dragon Gown decreased by approximately HK\$3.8 million, or approximately 20.0%, from approximately HK\$19.0 million for the Preceding Period to approximately HK\$15.2 million for the Period. Such decrease was mainly due to the business environment remained challenging and the negative impact by the weak market sentiment amidst the COVID-19 pandemic in prior years.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Gross profit and gross profit margin

The gross profit of the Group (i.e. revenue minus cost of inventories consumed) amounted to approximately HK\$31.1 million for the Period versus approximately HK\$39.7 million for the Preceding Period, representing decreased of approximately HK\$8.6 million or approximately 21.7%.

The Group's overall gross profit margin for the Period slightly decreased by 1% when compared to the Preceding Period which was mainly due to less customers consumed during the Period.

### Other income and gains, net

The Group's other income and gains, net decreased by approximately HK\$0.17 million or approximately 85% from approximately HK\$0.2 million for the Preceding Period to approximately HK\$0.03 million for the Period. Such decrease was primarily due to sundry income decreased for the Period.

### Staff costs

During the Period, staff costs amounted to approximately HK\$18.5 million, representing a decrease of approximately HK\$1.2 million or approximately 6.1% as compared to approximately HK\$19.7 million for the Preceding Period. Such decrease was attributable to certain restaurants were closed down in April and June of 2024.

### Depreciation of right-of-use assets

Depreciation of right-of-use assets of the Group was charged on a straight-line basis over the lease term. The lease terms of the leased premises are generally between two to three years, with certain lease agreements provide an option for the Group to renew.

### Rental and related expenses

The Group's rental and related expenses decreased by approximately HK\$0.2 million or approximately 4.3% from approximately HK\$4.7 million for the Preceding Period to approximately HK\$4.5 million for the Period. Such decrease was mainly due to the reduction in the number of restaurants operated by the Group in the first half of 2024 as compared to those operated in the first half of 2023.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Other operating expenses

The Group's other operating expenses decreased by approximately HK\$0.7 million or approximately 8.0% from approximately HK\$8.7 million for the Preceding Period to approximately HK\$8.0 million for the Period under review. Such decrease was mainly due to certain restaurants were closed down in April and June of 2024.

### (Loss) Profit attributable to owners of the Company

For the Period, the loss attributable to owners of the Company was approximately HK\$1.4 million, as compared with a profit of approximately HK\$4.6 million for the Preceding Period. Such decrease was mainly due to the decrease in revenue as a result of the closure of two restaurants.

### PROSPECTS

Hong Kong has gradually returned to normal after the epidemic. As the new trend of Hong Kong people tripping north continues upsurge, the structure of the entire catering market and the consumption patterns in Hong Kong are changing. Coupled with factors such as rising food prices and wages caused by global inflation, which resulted in escalating operation costs, the operation environment of Hong Kong catering industry is facing a huge challenge.

Although the Group is currently facing a sluggish Hong Kong catering industry, leveraging on the Group's solid experience accumulated over the year and its high quality food and services recognised by the market, the Group will continue to commit to its core business.

On the other hand, the Company planned to launch a new light catering brand in China which mainly serves customers with catering robots to improve the quality and efficiency of catering services, and considers increasing market share by way of franchises. The Company will make good use of technology to reduce costs and provide customers with the best services.

The Group is committed to its business of restaurant operations and will accelerate the pace of new openings for smaller scale of operations across multiple cuisine to diversify its existing restaurant portfolio if the market conditions allow. Our management will also keep on monitoring and adjusting nimbly the Group's operating strategies to address the consumer needs, capture holiday spending and regain growth in revenue. We will continue to stay agile through evolving market conditions and strengthen our competitive edges to drive for long term growth and enhance shareholder value of the Group.

# MANAGEMENT DISCUSSION AND ANALYSIS

## CAPITAL STRUCTURE

References are made to the announcements of the Company dated 30 January 2024 and 22 February 2024 in respect of the issue of new shares by the Company under general mandate.

On 30 January 2024, the Group entered into placing agreement, pursuant to which the Group has conditionally agreed to place, on a best effort basis, maximum of 34,560,000 placing shares. On 22 February 2024, a total of 34,560,000 placing shares were successfully placed to not less than six placees at the placing price of HK\$0.257 per placing share and none of the placees has become a substantial shareholder of the Group forthwith upon the completion of the placing. The 34,560,000 placing shares represent (i) approximately 16.67% of the total number of issued shares of the Company (the “**Shares**”) immediately before the completion of the placing; and (ii) approximately 14.29% of the total number of issued Shares as enlarged by the allotment and issue of the 34,560,000 placing shares immediately after the completion of the placing. The net proceeds from the placing are approximately HK\$8,520,000 and resulted in the increase in share capital of HK\$3,456,000 and share premium of approximately HK\$5,426,000, net of transaction cost of approximately HK\$362,000. The Company proposes to use the net proceeds of (i) 50% to the general working capital of the Group including but not limited to rental expenses, salary expenses and other office overhead of the business of the Group in Hong Kong and in the PRC of up to approximately HK\$4,260,000; and (ii) 50% to the repayment of outstanding liabilities of up to approximately HK\$4,260,000.

As at 30 June 2024, the issued share capital of the Company was HK\$24,192,000 (represented by 241,920,000 Shares).

## LIQUIDITY AND FINANCIAL RESOURCES

The Group has funded the liquidity and capital requirements principally from cash generated from operations and bank and other borrowings.

As at 30 June 2024, the Group had bank and other borrowings of approximately HK\$60.7 million which was denominated in Hong Kong Dollars (as at 31 December 2023: approximately HK\$61.4 million). The Group’s bank and other borrowings were primarily used in financing the working capital requirement of its operations.



## MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2024, the Group's cash and cash equivalents were approximately HK\$8.1 million (as at 31 December 2023: approximately HK\$1.0 million). The liquidity of the Group will be improved after the economy recovered from the negative effect due to the COVID-19.

### GEARING RATIO

As at 30 June 2024, the gearing ratio of the Group was approximately 344.0% (as at 31 December 2023: approximately 336.5%). Gearing ratio is calculated as net debt divided by capital and net debt. Net debt represented total liabilities (excluding tax payable) of the Group less cash and cash equivalents. Capital represented the equity attributable to owners of the Company.

### CHARGE ON GROUP ASSETS

As at 30 June 2024, the borrowings were secured by a building owned by the Group amounted to approximately HK\$25.9 million (as at 31 December 2023: approximately HK\$26.3 million), for certain banking facilities granted to the Group.

### SEGMENT INFORMATION

Segment information of the Group is disclosed in Note 5 to the unaudited condensed consolidated financial statements.

### SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLANS FOR MATERIAL INVESTMENTS OF CAPITAL ASSETS

There were no significant investments held, material acquisitions and disposals of subsidiaries and affiliated companies by the Company during the Period. There were no other plans for material investments or capital assets as at 30 June 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FOREIGN EXCHANGE EXPOSURE

Most of the income and expenditures of the Group are denominated in Hong Kong dollars (“**HKD**”) and Renminbi (“**RMB**”), which are the functional currencies of the respective group entities. Although HKD is not pegged to RMB, the historical exchange rate fluctuation on RMB was not significant during the Period. Therefore, no significant exposure is expected on RMB transactions and balances.

The Group does not have any material foreign exchange exposure. During the Period, the Group had not used any financial instruments for hedging purposes.

## TREASURY POLICIES

The Directors will continue to follow a prudent policy in managing the Group’s cash balances and maintain a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

## CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2024 (as at 31 December 2023: Nil).

## COMMITMENTS

As at 30 June 2024, the Group did not have any commitments (as at 31 December 2023: Nil).

## INTERIM DIVIDEND

The board of Directors (the “**Board**”) does not recommend any payment of interim dividend for the Period (Preceding Period: Nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## EMPLOYEES AND EMOLUMENT POLICY

As at 30 June 2024, the Group had about 48 employees (as at 30 June 2023: 120 employees) working in Hong Kong. The total staff costs (including remuneration of Directors and mandatory provident fund contributions) for the Period amounted to approximately HK\$18.5 million (Preceding Period: approximately HK\$19.7 million). Employees are remunerated based on their qualifications, position and performance. The Group provides various trainings to its employees to enhance their technical skills and knowledge relevant to the employees' responsibilities. The Group also provides its employees with quality control standards and work safety standards trainings to enhance their safety awareness.

The Company's emolument policy (the "**Emolument Policy**") comprises primarily a fixed component (in the form of a base salary) and a variable component (which include discretionary bonus and other merit payments), taking into account other factors such as their experience, level of responsibility, individual performance, the profit performance of the Group and general market conditions. The Company adopted the share option scheme (the "**Share Option Scheme**") to recognise and reward the contribution of certain Directors and employees of the Group to the growth and development of the Group.

## COMPETING INTERESTS IN COMPETING BUSINESS

None of the Directors, controlling shareholders, substantial shareholders of the Company or their respective close associates (as defined in the GEM Listing Rules) had any business or interest which competed or might compete with the business of the Group nor had any other conflict of interests with the Group for the Period.

## SHARE OPTION SCHEME

The Company has conditionally adopted the Share Option Scheme by the resolutions in writing of all the shareholders of the Company (the "**Shareholders**") passed on 15 December 2017. The Share Option Scheme enables the Company to grant share options to any Director, employee or other stakeholders to the Company or any of its subsidiaries, as incentives or rewards for their contributions to the Group for the purpose of attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

## MANAGEMENT DISCUSSION AND ANALYSIS

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.

The maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the adoption date (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all the Shares in issue. Therefore, it is expected that the Company may grant options in respect of up to 14,400,000 Shares, as adjusted by the share consolidation effective on 28 May 2021, to the participants under the Share Option Scheme.

The 10% limit as mentioned above may be refreshed at any time by approval of the Shareholders in general meeting provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit.

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting. In such event, the Company must send a circular to the Shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the GEM Listing Rules. The number and terms (including the subscription price) of the options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

## MANAGEMENT DISCUSSION AND ANALYSIS

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted (i.e. 15 December 2017).

During the Period, no share options were granted, exercised, cancelled or lapsed.

### EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in this interim report, there are no significant events affecting the Group which have occurred after the Period and up to the date of this interim report.

### MATERIAL LITIGATION

#### District Court of the Hong Kong Special Administrative Region

##### *DCCJ4705/2021*

The Company, as defendant, received a writ of summons dated 8 October 2021 and issued by Frontpage Capital Limited ("**Frontpage**") as plaintiff ("**DCCJ4705 Writ**"). The DCCJ4705 Writ relates to a claim by Frontpage in respect of an outstanding contractual sum payable by the Company. The orders sought by Frontpage against the Company under the DCCJ4705 Writ are (i) the sum of HK\$1,500,000; (ii) interest thereon; and (iii) costs.

On 19 January 2022, a final judgment was made against the Company, whereby the Company shall pay Frontpage the sum of HK\$1,500,000 and interest thereon as well as costs.

##### *DCCJ838/2022*

On 22 March 2022, Oriental Etrade Limited ("**Oriental**"), as defendant and a wholly-owned subsidiary of the Company, received a writ of summons issued by Lawrence Chan & Co. ("**LCC**") as plaintiff ("**DCCJ838 Writ**"). The DCCJ838 Writ relates to a claim by LCC in respect of a dishonored cheque drawn by Oriental in favour of LCC. The orders sought by LCC against Oriental under the DCCJ838 Writ are (i) the sum of HK\$2,000,000; (ii) interest thereon; and (iii) costs.

## MANAGEMENT DISCUSSION AND ANALYSIS

On 11 May 2022, a final judgment was made against Oriental, whereby Oriental shall pay LCC a sum of HK\$2,000,000 and interest thereon as well as costs.

### High Court of the Hong Kong Special Administrative Region

#### *HCA457/2022*

On 4 May 2022, Premier Oriental Limited (“**Premier**”), as defendant and a wholly-owned subsidiary of the Company, received an amended writ of summons issued by Wan Kin Engineering Limited (“**WKE**”) as plaintiff (“**HCA457 Writ**”). The HCA457 Writ relates to a claim by WKE in respect of a contract sum for certain decoration and renovation work undertaken at Dragon Gown (龍袍), the Group’s restaurant in Wanchai, Hong Kong.

Premier filed a defence to contest the proceedings and reached a settlement with WKE subsequently by end of April 2023.

The Company will make further disclosure as and when appropriate.

### DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2024, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the “**SFO**”)) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as known to the Directors or chief executive of the Company, as at 30 June 2024, the following persons/entities (other than the Directors and chief executive of the Company) had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required 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 recorded in the register of the Company remained to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Long positions in ordinary shares and underlying shares of the Company as at 30 June 2024

Name of substantial Shareholders	Capacity/Nature of interest	Number of Shares held/interested	Approximate percentage of shareholding <sup>(Note 2)</sup>
CHAN Yuen Lung Alfred	Beneficial owner	34,560,000	14.29%
UBS Group AG <sup>(Note 1)</sup>	Interests of controlled corporation	17,747,999	7.34%
UBS AG London Branch <sup>(Note 1)</sup>	Beneficial owner	17,736,000	7.33%

Notes:

1. UBS AG London Branch interested in 17,736,000 Shares and UBS Switzerland AG interested in 11,999 Shares. UBS AG London Branch and UBS Switzerland AG are wholly owned subsidiaries of UBS Group AG. Accordingly, UBS Group AG is deemed as interested in the 17,747,999 Shares.
2. The approximate percentages of shareholding in this table were calculated based on the number of issued shares of the Company as at 30 June 2024, being 241,920,000 Shares.

## MANAGEMENT DISCUSSION AND ANALYSIS

Save as disclosed above, as at 30 June 2024, there was no person or corporation, other than the Directors and chief executive of the Company whose interests are set out in the section “Directors’ and chief executives’ interest and short positions in shares, underlying shares and debenture of the Company” above, had or were deemed to have an interest or short position in the shares or the underlying shares of the Company which would be required 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 recorded in the register of the Company remained to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 5% 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 the Group.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the Period.

### DIRECTORS’ SECURITIES TRANSACTIONS

The Company adopted the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standard of Dealings**”) as the code of conduct regarding Directors’ securities transactions in securities of the Company. Based on specific enquiry with the Directors, all Directors confirmed that they had fully complied with the Required Standard of Dealings and there was no event of non-compliance during the Period.

### CORPORATE GOVERNANCE PRACTICE

The Board considers good corporate governance a key element in managing the business and affairs of the Group. The management of the Group periodically reviews and proposes amendments to its corporate governance practices for compliance with the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 of the GEM Listing Rules. The Board is of the opinion that the Company has complied with the CG Code during the Period, except the following deviations:



## MANAGEMENT DISCUSSION AND ANALYSIS

Code provision C.1.8 of the CG Code requires that the company should arrange appropriate insurance cover in respect of legal action against its directors. The Company did not arrange such insurance cover during the Period as the Board considered that the risk of material legal claims against Directors is minimal. Nevertheless, the Board will review this arrangement from time to time in light of the prevailing circumstances and arrange for appropriate insurance coverage when necessary.

Code provision D.2.5 of the CG Code requires the company should have an internal audit function. The Group has yet to establish its internal audit function during the Period. The audit committee of the Company (the **"Audit Committee"**) and the Board, have considered the communications with the Company's external auditor in respect of any material control deficiencies identified during the course of the financial statements audit to form the basis to review the adequacy and effectiveness of the Group's risk management and internal control systems. The Audit Committee and the Board will continue to review the need for an internal audit function on an annual basis.

Code provision F.2.2 of the CG Code requires the chairman of the board and the chairmen of any other committees of the company to attend and answer questions at the annual general meeting. Mr. Tang Hong Jiang, the Chairman of the Board and the chairman of the nomination committee of the Company was not available for the annual general meeting of the Company held on 14 June 2024 due to other work commitments. Accordingly, Mr. Li Tao, an executive Director was nominated by the Board to take the chair of the said meeting, and Mr. Tsung Ching Fung, an independent non-executive Director was invited as the representative of the nomination committee of the Company to attend the said meeting.

### APPOINTMENT OF DIRECTOR

Mr. Li Tao was appointed as an executive Director on 23 May 2024, and re-elected at the annual general meeting of the Company held on 14 June 2024 in accordance with the articles of association of the Company. For details, please refer to the announcements of the Company dated 23 May 2024, 29 May 2024 and 14 June 2024 and the circular of the Company dated 29 May 2024.

Save as stated above, there is no other information of the Directors required to be disclosed pursuant to Rule 17.50A of the GEM Listing Rules.

# MANAGEMENT DISCUSSION AND ANALYSIS

## AUDIT COMMITTEE

The Audit Committee was established on 15 December 2017.

The Audit Committee comprises three members including three independent non-executive Directors, namely Mr. Tsung Ching Fung as the chairman, Mr. Lo Shing Shan and Mr. Chow Yik.

The Audit Committee reviews the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Group's unaudited condensed consolidated financial statements for the Period have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the unaudited condensed consolidated financial statements of the Group for the Period comply with applicable accounting standards, GEM Listing Rules and that adequate disclosures have been made.

By Order of the Board  
**Dragon King Group Holdings Limited**  
**Tang Hong Jiang**  
*Executive Director and Chairman*

Hong Kong, 23 August 2024

*As at the date of this report, the Board comprises Mr. Tang Hong Jiang (Chairman), Ms. Liang Li, Mr. Huang Ai Chun and Mr. Li Tao as executive Directors; Ms. Shen Taiju as non-executive Director; and Mr. Lo Shing Shan, Mr. Chow Yik and Mr. Tsung Ching Fung as independent non-executive Directors.*