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## **King International Investment Limited**

**帝王國際投資有限公司**

*(formerly known as Life Healthcare Group Limited 蓮和醫療健康集團有限公司)*

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

**(Stock Code: 928)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

### **INTERIM RESULTS**

The board (the “Board”) of directors (the “Director(s)”) of King International Investment Limited (the “Company”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2024, together with comparative figures for the corresponding period in 2023, which have been reviewed and agreed by the Company’s audit committee (the “Audit Committee”) as follows:

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

*For the six months ended 30 September 2024*

		<b>Unaudited</b>	
		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue</b>	5	<b>37,186</b>	83,427
Cost of sales and services		<b>(36,177)</b>	(71,405)
Gross profit		<b>1,009</b>	12,022
Other income and gains		–	3
Selling and distribution costs		<b>(524)</b>	(148)
Administrative and other expenses		<b>(1,963)</b>	(9,095)
Finance costs	6	<b>(75)</b>	(92)
Operating (loss)/profit		<b>(1,553)</b>	2,690

		<b>Unaudited</b>	
		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2024</b>	2023
	<i>Notes</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
(Loss)/profit before taxation	7	<b>(1,553)</b>	2,690
Income tax	8	<b>(35)</b>	(1,727)
		<u><b>(1,588)</b></u>	<u>963</u>
(Loss)/profit for the period			
(Loss)/profit for the period attributable to:			
Owners of the Company		<b>(1,587)</b>	1,693
Non-controlling interests		<b>(1)</b>	(730)
		<u><b>(1,588)</b></u>	<u>963</u>
Other comprehensive expense that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translations		<b>1,198</b>	(1,690)
Share of foreign currency reserve of associates		<b>42</b>	–
		<u><b>1,240</b></u>	<u>(1,690)</u>
Total comprehensive expense for the period		<u><b>(348)</b></u>	<u>(727)</u>
Total comprehensive (expense)/income for the period attributable to:			
Owners of the Company		<b>(347)</b>	(1,279)
Non-controlling interests		<b>(1)</b>	552
		<u><b>(348)</b></u>	<u>(727)</u>
(Loss)/earnings per share			
– Basic and diluted (expressed in HK cents per share)	10	<u><b>(0.09)</b></u>	<u>0.11</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 September 2024*

		Unaudited 30 September 2024 <i>HK\$'000</i>	Audited 31 March 2024 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		100	138
Right-of-use assets		2,777	3,169
Interest in associate		1,926	1,885
Equity investment at fair value through other comprehensive income		240	235
		5,043	5,427
<b>Current assets</b>			
Inventories		162,143	196,605
Trade and other receivables	11	169,325	133,629
Cash and cash equivalents		179	473
		331,647	330,707
<b>Current liabilities</b>			
Trade and other payables	12	43,328	41,900
Lease liabilities		692	774
Contract liabilities		12,009	9,033
Borrowings		2,500	2,500
Tax payable		10,311	13,445
		68,840	67,652
<b>Net current assets</b>		262,807	263,055
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		267,850	268,482
<b>Non-current liabilities</b>			
Lease liabilities		2,149	2,433
		2,149	2,433
<b>NET ASSETS</b>		265,701	266,049
<b>Capital and reserves</b>			
Share capital	13	92,521	92,521
Reserves		176,979	177,326
		269,500	269,847
Equity attributable to owners of the Company		269,500	269,847
Non-controlling interests		(3,799)	(3,798)
<b>TOTAL EQUITY</b>		265,701	266,049

# NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 September 2024*

## 1 GENERAL

King International Investment Limited (the “Company”) is a company incorporated in the Cayman Islands as an exempted company with limited liability under Companies Law of the Cayman Islands on 12 March 2001 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as of 29 April 2002. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands and the principal place of business of the Company in Hong Kong is Suite 2001, 20th Floor, Two ChinaChem Exchange Square, 338 King’s Road, North Point, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (the “Group”) are principally engaged in healthcare products and services business and sales of liquor business.

The presentation currency of the unaudited condensed consolidated financial statements is Hong Kong dollars (“HK\$”). For the convenience of the unaudited condensed consolidated financial statements users, the results and financial position of the Company and its subsidiaries are presented in HK\$ as the Company’s shares are listed on the Stock Exchange. All values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

## 2 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

These unaudited condensed consolidated financial statements should be read in conjunction with the 2024 annual financial statements. The accounting policies used in the unaudited condensed consolidated interim financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2024.

## 3 GOING CONCERN BASIS

The Group had current liabilities of approximately HK\$68,840,000, but the Group only had cash and cash equivalents of approximately HK\$179,000. Besides, the Group had a net cash outflow of approximately HK\$416,000 for the six months ended 30 September 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. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations for at least the next twelve months from the date of approval of the unaudited condensed consolidated financial statements, after taking into consideration of the followings:

- (i) the Group has implemented measures to speed up the collection of outstanding trade receivables;

- (ii) the Group continues to improve the operating efficiency by implementing measures to tighten cost controls over various operating expenses in order to enhance its profitability and to improve the cash flow from its operation in future; and
- (iii) the Group will actively negotiate with various financial institutions and potential lenders/investors to secure new financing arrangement to meet the Group's working capital and financial requirements in the near future. The Group will also actively seek opportunities to carry out fund raising activities including but not limited to the placing of new shares as alternative sources of funding.

Having regard to the cash flow projection of the Group, which are prepared assuming that the above measures are successful, the directors are of the opinion that, in the light of the measures taken to-date, together with the expected results of the other measures in progress, the Group will have sufficient funding resources to satisfy its future working capital and other financing requirements. The directors believe that the aforementioned measures will be successful, based on the continuous efforts by the management of the Group.

However, should the above measures not be able to implement successfully, the Group may not have sufficient funds to operate as a going concern, in which case adjustments might have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to reclassify the non-current assets and non-current liabilities as current assets and current liabilities, respectively, and to provide for any further liabilities which might arise.

#### **4 ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2024. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current period and prior years.

#### **5 REVENUE AND SEGMENT INFORMATION**

HKFRS 8 "Operating segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers ("CODM") in order to allocate resources to the segment and to assess its performance. Relevant information was reported to the executive directors of the Company, being the CODM, for the purposes of resource allocation and assessment of segment performance focusing on types of goods or services delivered or provided.

For the six months ended 30 September 2024, the Group is engaged in the following two operating segments for its operations (six months ended 30 September 2023: three operating segments), each of which represents an operating and reportable segment of the Group under HKFRS 8.

1. Healthcare products and services business
2. Sales of liquor business

The following is an analysis of the Group's revenue and results by reportable and operating segments:

**For the six months ended 30 September 2024 (Unaudited)**

	<b>Healthcare products and services business <i>HK\$'000</i></b>	<b>Sales of liquor business <i>HK\$'000</i></b>	<b>Total <i>HK\$'000</i></b>
Turnover			
External sales	<u>–</u>	<u>37,186</u>	<u>37,186</u>
Segment loss	(80)	(410)	(490)
Unallocated expenses			<u>(1,063)</u>
Loss before taxation			(1,553)
Income tax			<u>(35)</u>
Loss for the period			<u>(1,588)</u>

**For the six months ended 30 September 2023 (Unaudited)**

	Healthcare products and services business <i>HK\$'000</i>	Sales of liquor business <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover				
External sales	<u>41,265</u>	<u>42,131</u>	<u>31</u>	<u>83,427</u>
Segment profit/(loss)	391	11,496	(94)	11,793
Other income and gains				3
Unallocated expenses				<u>(9,106)</u>
Profit before taxation				2,690
Income tax				<u>(1,727)</u>
Profit for the period				<u>963</u>

The accounting policies of the operating segments are the same as the Group's accounting policies.

## Disaggregation of revenue from contracts with customers:

### *Geographical markets*

The following is an analysis of geographical locations of the Group's revenue from external customers:

	Unaudited	
	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
The PRC	37,186	42,125
Hong Kong	—	41,302
	<u>37,186</u>	<u>83,427</u>

### *Timing of revenue recognition*

For both current and previous interim periods ended 30 September 2024 and 2023, all revenues from healthcare products and services and sales of liquor were recognised at a point in time.

### **Segment profit/(loss)**

Segment profit/(loss) represents the profit/(loss) resulted in each segment without allocation of other income and gain and unallocated corporate expenses. This is the measure for reporting to the Group's CODM for the purpose of resource allocation and performance assessment.

### **Segment assets and liabilities**

Amounts of segment assets and liabilities of the Group are not reviewed by the Group's CODM or otherwise regularly provided to the CODM, accordingly, segment assets and liabilities are not presented.

## 6 FINANCE COSTS

	Unaudited	
	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Interest on lease liabilities	<u>75</u>	<u>92</u>

## 7 (LOSS)/PROFIT BEFORE TAXATION

The Group's (loss)/profit before taxation is arrived at after charging:

	<b>Unaudited</b>	
	<b>For the six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Cost of inventories recognised as expenses	<b>36,177</b>	71,405
Depreciation of property, plant and equipment	<b>39</b>	2,120
Depreciation of right-of-use assets	<b>447</b>	–
Employee benefit expenses (including directors' remuneration):		
Salaries, bonuses and other allowances	<b>220</b>	4,191
Retirement benefit scheme contributions (defined contribution scheme)	<b>10</b>	93
	<b>230</b>	4,284

## 8 INCOME TAX

	<b>Unaudited</b>	
	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Taxation attributable to the Company and its subsidiaries:		
Current tax		
Hong Kong Profits Tax	–	3
PRC Enterprise Income Tax (“EIT”)		
– Current year	<b>35</b>	1,724
– Overprovision in prior year	–	–
	<b>35</b>	1,727

Pursuant to the laws and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and BVI for both interim periods.

For both current and previous interim periods ended 30 September 2024 and 2023, Hong Kong Profits Tax is calculated under two-tier profits tax system under first HK\$2 millions of estimated assessable profits is taxed at a rate of 8.25% and remaining estimated assessable profits is taxed at 16.5%. The Group should elect one of the Hong Kong subsidiaries to apply the two-tier profits tax rate.

Under the Law of PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards, except for a subsidiary which is eligible for the tax rate of 15% in Hainan Province, the PRC. Income tax represents PRC Enterprise Income Tax provided based on the assessable profit of PRC subsidiaries.



## 9 DIVIDENDS

No dividends were paid, declared or proposed during both interim periods. The directors have determined that no dividend will be paid in respect of the current interim period.

## 10 (LOSS)/EARNINGS PER SHARE

### Basis (loss)/earnings per share

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

### *Weighted average number of ordinary shares*

	Unaudited Six months ended 30 September	
	2024	2023
	'000	'000
Weighted average number of ordinary shares at 30 September	<u>1,850,425</u>	<u>1,542,025</u>

### *(Loss)/earnings*

	Unaudited Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
(Loss)/profit for the period attributable to the owners of the Company	<u>(1,587)</u>	<u>1,693</u>

### Diluted (loss)/earnings per share

The computation of diluted earnings per share did not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for shares for the six months ended 30 September 2024.

The effects of all potential ordinary shares are anti-dilutive for the six months ended 30 September 2024.

## 11 TRADE AND OTHER RECEIVABLES

	<b>Unaudited</b>	Audited
	<b>At</b>	At
	<b>30 September</b>	31 March
	<b>2024</b>	2024
	<b>HK\$'000</b>	<b>HK\$'000</b>
Trade receivables	<b>102,450</b>	79,654
Less: allowance for trade receivables	<b>(6,220)</b>	(6,094)
	<u><b>96,230</b></u>	<u>73,560</u>
Prepayments and deposits	<b>42,098</b>	59,315
Less: allowance for prepayments and deposits	<b>(17,163)</b>	(16,860)
	<u><b>24,935</b></u>	<u>42,455</u>
Other receivables	<b>49,117</b>	18,550
Less: allowance for other receivables	<b>(957)</b>	(936)
	<u><b>48,160</b></u>	<u>17,614</u>
	<u><b>169,325</b></u>	<u>133,629</u>

For receivables from healthcare products and services, and sales of liquor, the Group allows a credit period ranging from 0-365 days.

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	<b>Unaudited</b>	Audited
	<b>At</b>	At
	<b>30 September</b>	31 March
	<b>2024</b>	2024
	<b>HK\$'000</b>	<b>HK\$'000</b>
Within 90 days	<b>7,035</b>	53,685
91–180 days	<b>14,070</b>	19,151
181–365 days	<b>75,125</b>	724
	<u><b>96,230</b></u>	<u>73,560</u>

## 12 TRADE AND OTHER PAYABLES

	<b>Unaudited</b>	Audited
	<b>At</b>	At
	<b>30 September</b>	31 March
	<b>2024</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Trade payables	<b>28,775</b>	28,380
Accruals and other payables	<b>14,553</b>	13,520
	<u><b>43,328</b></u>	<u>41,900</u>

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	<b>Unaudited</b>	Audited
	<b>At</b>	At
	<b>30 September</b>	31 March
	<b>2024</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within 90 days	–	26,407
91–180 days	–	–
181 days to 1 year	<b>26,760</b>	–
Over 1 year	<b>2,015</b>	1,973
	<u><b>28,775</b></u>	<u>28,380</u>

The credit period granted by suppliers is normally within 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

## 13 SHARE CAPITAL

	Number of shares '000	HK\$'000
Authorised:		
Ordinary shares of HK\$0.05 each at 1 April 2023 (audited), 31 March 2024 (audited) and 30 September 2024 (unaudited)	<u>10,000,000</u>	<u>500,000</u>
Issued and fully paid:		
Ordinary shares of HK\$0.05 each at 1 April 2023 (audited)	1,542,025	77,101
Issue of shares upon share placing ( <i>note a</i> )	160,480	8,024
Issue of shares upon share subscription ( <i>note b</i> )	<u>147,920</u>	<u>7,396</u>
Ordinary shares of HK\$0.05 each at 31 March 2024 (audited) and 30 September 2024 (unaudited)	<u>1,850,425</u>	<u>92,521</u>

### Note:

- (a) On 3 November 2023, the Company entered into the placing agreement with the placing agent, pursuant to which the Company has conditionally agreed to place, through the placing agent, on a best efforts basis, up to 308,400,000 placing shares to placee(s) at the placing price of HK\$0.06 per placing share. The completion of the placing took place on 29 November 2023. An aggregate of 160,480,000 placing shares have been successfully placed by the placing agent at the placing price of HK\$0.06 per placing share. The gross proceeds from the placing will be approximately HK\$9,629,000, the premium on the issue of shares, amounting to approximately HK\$1,304,800, after net of share issue expenses of approximately HK\$300,000, was credited to the Company's share premium account.
- (b) On 29 November 2023, the Company and each of the subscribers entered into separate subscription agreements, pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 147,920,000 subscription shares at the subscription price of HK\$0.065 per share subject to the terms and conditions set out in the subscription agreements. The completion of the subscription took place on 12 December 2023. The gross proceeds from the placing will be approximately HK\$9,615,000, the premium on the issue of shares, amounting to approximately HK\$2,119,000, after net of share issue expenses of approximately HK\$100,000, was credited to the Company's share premium account.

## 14 CAPITAL COMMITMENT

At the end of the reporting period, the Group did not have any capital commitment.

## 15 PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

The Group has no significant contingent liabilities and pledge of assets at the end of the reporting period.

## **FINANCIAL RESULTS**

### **Turnover**

For the six months ended 30 September 2024, the Group recorded a turnover of approximately HK\$37.19 million (six months ended 30 September 2023: HK\$83.43 million), representing an decrease of approximately HK\$46.24 million, or 55.4% as compared with the corresponding period last year. Such decrease in turnover was primarily attributable to no revenue was generated from the healthcare products and services business segment. The Group's overall gross profit margin was 2.71% (six months ended 30 September 2023: 14.41%). During the six months ended 30 September 2024, the Group's overall gross profit was primarily attributable to the sales of liquor segments (six months ended 30 September 2023: the healthcare products and services, money lending segments and the sales of liquor segments).

### **Profit/(loss) for the interim period**

The Group's loss for the six months ended 30 September 2024 was approximately HK\$1.59 million (six months ended 30 September 2023: profit of HK\$0.96 million). The loss was principally attributable to the loss in liquor segment and healthcare products and services business of approximately HK\$0.41 million and 0.08 million respectively and the increase in selling and distribution costs.

## **BUSINESS REVIEW AND PROSPECTS**

### **Healthcare products and services business**

Over the years, the Group has built up its experience in the operation of and understanding in the business environment of the healthcare industry in the PRC and, as such, the healthcare business became an important contributor to the Group's revenue. Due to the allocation of resources for the new business of the Group, the healthcare business segment did not generate any revenue during the Review Period.

The Group's genetic testing business and other health products and services business are complimentary to each other and create synergy for the Group's healthcare businesses as a whole. The customers and business partners of these businesses are local governments, national institutions and organizations, hospitals and doctors and other overlapping customers, the Company can expand its sales network and cross-sell products in all its businesses, thereby achieving economies of scale and enrich customer structure.

For the six months ended 30 September 2024, this segment did not record any sales (six months ended 30 September 2023: HK\$41.27 million) and a loss in segment result of HK\$0.08 million during the six months ended 30 September 2024 (six months ended 30 September 2023: profit HK\$0.39 million). The segment loss was primarily attributable to no revenue was generated from healthcare services business during the Review Period.

## **Money lending business**

During the six months ended 30 September 2024, money lending business did not record any turnover (six months ended 30 September 2023: HK\$0.03 million). Gross profit is 100% for the same period of last year since no cost of finance were required under the money lending business. The source of funding is primarily from share capital which is a definite advantage for this business. The segment result covers internal cost allocation from central management and administrative costs. However, the money lending business is competitive and challenging and the relevant compliance work is demanding.

The Group will leverage on the existing clients portfolio and referrals by customers and business associates to access to new customers and opportunities in money lending business.

## **Sales of liquor business**

Reference is made to the announcements of the Company dated 11 August 2023, 13 September 2023, 21 September 2023, 22 November 2023 and 26 January 2024.

In year 2023, the Company started to engage in the sales of liquor business to ride on the potential growth in demand for wine in the PRC associated with a higher living standard in the PRC. It is expected that this new business segment will help generate stable cashflows and will be a good opportunity for the Group to diversify its business and income streams which will ultimately improve the financial performance and profitability of the Group.

In September 2023, the Group obtained the exclusive sub-licence to use the trademark and brand of “Diwangchi” (帝王池) liquor in the PRC, and commenced the sales of Maotai-flavor liquor under the “Diwangchi” brand. For the six months ended 30 September 2024, this segment recorded a turnover of HK\$37.19 million and a segment loss of HK\$0.41 million during the Review Period.

With consumption upgrading and the continued prosperity of the liquor market, the market for Maotai-flavor liquor has broad prospects. As a leader in the industry, the Maotai-flavor liquor under the “Diwangchi” brand is expected to gradually become one of the mainstream brands in the market with its excellent quality, exquisite brewing technology and exquisite packaging design.

In terms of quality, the Maotai-flavor liquor under the “Diwangchi” brand follows family secret brewing, adheres to the pure grain solid-state fermentation process, and maintains the typical style of “Diwangchi”. Its excellent quality and innovative marketing model have received widespread attention from the industry.

With its advantages of high quality, exquisite craftsmanship, innovative marketing and celebrity effect, the Maotai-flavor liquor under the “Diwangchi” brand is gradually emerging in the liquor market and is expected to become an important member of the industry in the future. In addition, the Group has huge reserve of aged Kunsha base wine which is the foundation of high quality for production of the Maotai-flavor liquor under the “Diwangchi” brand, resulting in a strong foundation for the promotion and sales of the Maotai-flavor liquor under the “Diwangchi” brand. Therefore, sales of the Maotai-flavor liquor under the “Diwangchi” brand will become a significant part of the Group’s revenue.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wang Mengyao, Ms. Yan Ming, Mr. Man Wai Lun and Mr. Li Li, and four independent non-executive Directors, namely, Ms. Yang Xilin, Mr. Lou Tao, Mr. Wang Zhenyu and Mr. Liu Zhong.

The Board has approved the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2024. The Board considers that the said financial statements have been prepared in conformity with the generally accepted accounting standards in Hong Kong and the amounts reflected are based on the best estimates and reasonable, informed and prudent judgment of the Board with an appropriate consideration of materiality.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 September 2024, the Group employed 13 employees excluding Directors (30 September 2023: 31). The Group remunerates its employees based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, mandatory provident fund for Hong Kong employees, state-managed retirement benefits scheme for PRC employees and share option scheme.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 30 September 2024, the Group had bank balances and cash of approximately HK\$0.2 million (31 March 2024: approximately HK\$0.5 million). The Group mainly relies upon internally generated funds and proceeds from fund raising activities to finance its operations and expansion. The Group had borrowings of HK\$2.5 million as at 30 September 2024 (31 March 2024: HK\$2.5 million).

Gearing ratio calculated as total borrowings divided by total equity was approximately 0.94% as at 30 September 2024 (31 March 2024: approximately 0.94%).

During the period under review, the Group did not use any financial instruments for hedging purposes.

## **TREASURY POLICIES**

The Group seeks to generate profits in its core businesses through the efficient employment of treasury activities. Treasury activities, if and when under taken by the Group, aims to enhance the return on surplus cash and to assist those core businesses to run smoothly. Efficient management of surplus cash is achieved by conducting short-term treasury activities when opportunities arise.

All subsidiaries should comply with the Group's treasury objective and policy. The Group has designated subsidiaries to carry out certain short-term treasury activities including securities investment, money lending and fund investment activities. The securities investment, money lending and fund investment activities will only be conducted after having considered the actual working capital needs of the Group. Both the treasury activities and the investment policy are subject to review from time to time.

As the deposit rate offered by licensed bank in Hong Kong is minimal, the Group will continue, in the ordinary course of business of the Group, to use its surplus cash to conduct treasury activities if and when opportunities arise.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES**

There was no material acquisition or disposal of subsidiaries and associates by the Company during the six months ended 30 September 2024.

## **PLEDGE OF ASSETS**

As of 30 September 2024, the Group had not pledged any of its assets.

## **CONTINGENT LIABILITIES**

As at 30 September 2024, the Group had no significant contingent liabilities.

## **FOREIGN EXCHANGE EXPOSURE**

The Group recognises most of its revenue and incurs most of the expenditures in RMB or HK\$. The Directors consider that the Group's foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in functional currency of each individual group entity. The Group currently does not have a foreign currency hedging policy. However, the Group's management will continue to monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

## **AUDIT COMMITTEE**

The Audit Committee comprises three independent non-executive Directors. The primary duties of the Audit Committee are, amongst other matters, to communicate with the management of the Company; and review the accounting principles and practices, internal control system, risk management system, interim and annual results of the Group. The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2024 have not been audited, but have been reviewed and agreed by the Audit Committee.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

For the six months ended 30 September 2024, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

## **INTERIM DIVIDEND**

The Board did not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: nil).

## **CORPORATE GOVERNANCE**

The Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the six months ended 30 September 2024.



## **COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 of the Listing Rules as its own code of conduct regarding directors' transactions in the Company's securities. Following specific enquiries by the Company, all Directors confirmed that they have complied with the Model Code during the six months ended 30 September 2024.

## **EVENTS AFTER THE REPORTING PERIOD**

Save for disclosed in this announcement, there was no significant event which could have material impact to the Group's operating and financial performance after the Review Period and up to the date of this announcement.

## **PUBLICATION OF FINANCIAL INFORMATION**

This results announcement is published on the respective websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.kinginternational.hk](http://www.kinginternational.hk)). The Group's interim report for the six months ended 30 September 2024 will be despatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board  
**King International Investment Limited**  
**Wang Mengyao**  
*Chairman and Executive Director*

Hong Kong, 29 November 2024

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Mr. Wang Mengyao (*Chairman*)  
Ms. Yan Ming (*Co-Chairlady and  
Chief Executive Officer*)  
Mr. Man Wai Lun  
Mr. Li Li

*Independent non-executive Directors:*

Ms. Yang Xilin  
Mr. Lou Tao  
Mr. Wang Zhenyu  
Mr. Liu Zhong