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KING OF CATERING (GLOBAL) HOLDINGS LTD.

(formerly known as WAC Holdings Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8619)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2024

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

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*This announcement, for which the directors (the “**Directors**”) of King Of Catering (Global) Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

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

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of the King Of Catering (Global) Holdings Ltd. (formerly known as “WAC Holdings Limited”) (the “**Company**”) is pleased to announce the consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 March 2024 together with the comparative figures for the year ended 31 March 2023, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

		Year ended 31 March	
		2024	2023
	Note	HK\$'000	HK\$'000
Revenue	4	100,981	86,904
Cost of services		(67,667)	(62,392)
Gross profit		33,314	24,512
Other income	5	1,906	3,574
Other losses-net	5	(216)	(175)
Loss on deemed disposal of an associate		(11,836)	–
Fair value changes on financial assets at fair value through profit or loss (“ FVTPL ”)		18,307	(727)
Impairment loss on investment in an associate		–	(2,945)
(Allowance)/reversal of ECLs for trade and other receivables and contract assets, net		(2,734)	1,965
General and administrative expenses		(40,018)	(22,082)
Share of result of an associate		5,278	(232)
Finance costs	6	(417)	(291)
Profit before tax	7	3,584	3,599
Income tax credit/(expense)	8	134	(1,728)
Profit for the year attributable to owners of the Company		3,718	1,871

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 March 2024

	Year ended 31 March	
	2024	2023
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive income		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	202	132
Other comprehensive income for the year, net of tax	202	132
Total comprehensive income for the year attributable to owners of the Company	3,920	2,003
Earnings per share attributable to owners of the Company		
– basic and diluted (<i>HK cents</i>)	<i>9</i> 0.32	0.16

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2024

		At 31 March	
	<i>Note</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		3,592	4,481
Right-of-use assets		6,396	9,008
Investment in an associate		–	14,843
Financial asset at FVTPL		26,631	–
Rental deposits		929	929
Deferred tax assets		1,056	1,041
		38,604	30,302
Current assets			
Trade and other receivables	11	48,757	40,822
Financial asset at FVTPL		–	39
Contract assets		26,231	25,480
Tax recoverable	10	1,066	–
Cash and cash equivalents		40,323	41,164
		116,377	107,505
Current liabilities			
Trade and other payables	12	8,571	6,911
Contract liabilities		23,561	28,871
Lease liabilities		3,228	2,923
Income tax payable	10	–	411
		35,360	39,116
Net current assets		81,017	68,389
Total assets less current liabilities		119,621	98,691
Non-current liabilities			
Deferred tax liabilities		234	353
Lease liabilities		3,591	6,382
		3,825	6,735
NET ASSETS		115,796	91,956
CAPITAL AND RESERVES			
Share capital	13	12,320	11,520
Reserves		103,476	80,436
Equity attributable to owners of the Company		115,796	91,956

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

	Attributable to owners of the Company						Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Merger reserves HK\$'000	Legal reserves HK\$'000	Translation reserves HK\$'000	Retained earnings HK\$'000	
At 1 April 2022	<u>11,520</u>	<u>71,416</u>	<u>647</u>	<u>49</u>	<u>59</u>	<u>6,262</u>	<u>89,953</u>
Profit for the year	-	-	-	-	-	1,871	1,871
Other comprehensive income:							
Exchange differences on translation of foreign operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132</u>	<u>-</u>	<u>132</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132</u>	<u>1,871</u>	<u>2,003</u>
At 31 March 2023 and 1 April 2023	<u>11,520</u>	<u>71,416</u>	<u>647</u>	<u>49</u>	<u>191</u>	<u>8,133</u>	<u>91,956</u>
Profit for the year	-	-	-	-	-	3,718	3,718
Other comprehensive income:							
Exchange differences on translation of foreign operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>202</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>3,718</u>	<u>3,920</u>
Placing of new shares (<i>Note</i>)	800	19,368	-	-	-	-	20,168
Transaction cost attributable to placing of new shares (<i>Note</i>)	<u>-</u>	<u>(248)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(248)</u>
At 31 March 2024	<u>12,320</u>	<u>90,536</u>	<u>647</u>	<u>49</u>	<u>393</u>	<u>11,851</u>	<u>115,796</u>

Note: On 2 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 80,000,000 placing shares to independent investors at a price of HK\$0.2521 per share. The placing was completed on 31 January 2024 pursuant to which the Company has allotted and issued 80,000,000 placing shares. The net proceeds derived from the placing amounted to approximately HK\$19,920,000 and resulted in the increase in share capital of approximately HK\$800,000 and share premium of approximately HK\$19,120,000, net of transaction costs of approximately HK\$248,000. The net proceeds from the placing will be used for new business development in various potential profitable sectors and general working capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. GENERAL INFORMATION

King Of Catering (Global) Holdings Ltd. (formerly known as “WAC Holdings Limited”) (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 25 August 2017 under the Companies Law, Cap. 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is 9/F., No. 9 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong. In the opinion of the directors of the Company, the ultimate holding company of the Company is Manning Properties Limited (“**Manning Properties**”), a company incorporated in the British Virgin Islands (“**BVI**”), which is controlled by Dr. Chan Yin Nin (“**Dr. Chan**”) and Mr. Kwong Po Lam (“**Mr. Kwong**”).

Pursuant to a special resolution passed on extraordinary general meeting on 27 November 2023, the Registrar of Companies in the Cayman Islands has issued the Certificate of Incorporation on Change of Name on 15 January 2024, the English name of the Company has been changed from “WAC Holdings Limited” to “King Of Catering (Global) Holdings Ltd.” and the dual foreign name in Chinese of the Company as “飲食天王(環球)控股有限公司”.

The Company is an investment holding company and its shares are listed on GEM of The Hong Kong of Stock Exchange Limited (“**Stock Exchange**”) since 17 September 2018.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance. Material accounting policies adopted by the Group are disclosed below.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), rounded to the nearest thousand, which is the functional currency of the Company and its subsidiaries carrying on business in Hong Kong. Except for derivative financial assets are measured at fair value, the measurement basis used in the presentation of the consolidated financial statements is the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for good and services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) New and amendments to HKFRSs adopted by the Group

The Group has adopted the following new and amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

The adoption of all new and amendments to HKFRS in current year had no material impact on the Group's financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”

The Group has adopted Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies” for the first time in the current year. HKAS 1 “Presentation of Financial Statements” is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity's consolidated financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose consolidated financial statements make on the basis of those consolidated financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(a) New and amendments to HKFRSs adopted by the Group (Continued)

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies” (Continued)

HKFRS Practice Statement 2 “Making Materiality Judgements” (the “**Practice Statement**”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its consolidated financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in the consolidated financial statements.

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) – Long Service Payment (“LSP”) offsetting mechanism in Hong Kong

The Group has several subsidiaries operating in Hong Kong which are obliged to pay LSP to employees under certain circumstances. Meanwhile, the Group makes mandatory MPF contributions to the trustee who administers the assets held in a trust solely for the retirement benefits of each individual employee. Offsetting of LSP against an employee’s accrued retirement benefits derived from employers’ MPF contributions was allowed under the Employment Ordinance (Cap. 57). In June 2022, the Government of the Hong Kong Special Administrative Region (“**HKSAR**”) gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”) which abolishes the use of the accrued benefits derived from employers’ mandatory MPF contributions to offset severance payment and LSP (the “**Abolition**”). The Abolition will officially take effect on 1 May 2025 (the “**Transition Date**”). In addition, under the Amendment Ordinance, the last month’s salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition Date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(a) New and amendments to HKFRSs adopted by the Group (Continued)

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) – Long Service Payment (“LSP”) offsetting mechanism in Hong Kong (Continued)

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” which provides guidance for the accounting for the offsetting mechanism and the impact arising from abolition of the MPF-LSP offsetting mechanism in Hong Kong. In light of this, the Group has implemented the guidance published by the HKICPA in connection with the LSP obligation retrospectively so as to provide more reliable and more relevant information about the effects of the offsetting mechanism and the Abolition.

The Group considered the accrued benefits arising from employer MPF contributions that have been vested with the employee and which could be used to offset the employee’s LSP benefits as a deemed contribution by the employee towards the LSP. Historically, the Group has been applying the practical expedient in paragraph 93(b) of HKAS 19 to account for the deemed employee contributions as a reduction of the service cost in the period in which the related service is rendered.

Based on the HKICPA’s guidance, as a result of the Abolition, these contributions are no longer considered “linked solely to the employee’s service in that period” since the mandatory employer MPF contributions after the Transition Date can still be used to offset the pre-transition LSP obligation. Therefore, it would not be appropriate to view the contributions as “independent of the number of years of service” and the practical expedient in paragraph 93(b) of HKAS 19 is no longer applicable. Instead, these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit applying HKAS 19 paragraph 93(a). The cumulative effect of recognising these adjustments as of 31 March 2023 or for the year ended was not material and hence no adjustment was made to the beginning retained earnings, or another component of equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

(b) New and amendments to HKFRSs in issue but not yet effective

The Group has not applied any new standard, amendments to standards and interpretation that have been issued but are not yet effective for the financial year beginning 1 April 2023. The new standard, amendments to standards and interpretation include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to HKAS 1 – Non-current Liabilities with Covenants	1 January 2024
Amendments to HKFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (“ HK Int 5 (Revised) ”)	1 January 2024
Amendments to HKAS 7 and HKFRS 7 – Supplier Finance Arrangements	1 January 2024
Amendments to HKAS 21 – Lack of Exchangeability	1 January 2025
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company anticipate that the application of these new and amendments to HKFRSs will have no material impact on the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

Revenue mainly represents the contract revenue from provision of comprehensive structural and geotechnical engineering consultancy services recognised over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised for these services based on the stage of completion of contract using input method during the year.

Others represents revenue from provision of expert witness services and other minor works services recognised over time during the years ended 31 March 2024 and 2023.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 March 2024, the aggregate amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately HK\$107,105,000 (2023: HK\$160,669,000). This amount represents revenue expected to be recognised in the future from contracts for provision of engineering services entered into by the customers with the Group. The Group will recognise the expected revenue in future when or as the work is carried out. The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2024 are as follows:

	At 31 March	
	2024	2023
	HK\$'000	HK\$'000
Expected to be recognised within 1 year	57,981	65,227
Expected to be recognised between 1-2 years	29,961	55,816
Expected to be recognised after 2 years	19,163	39,626
	107,105	160,669

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment reporting

Information reported to the Chief Executive of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services rendered.

During the year ended 31 March 2023, the Group commenced the business engaging in the provision of equipment rental service in Hong Kong while the provision of equipment rental service postponed in 2024. Since the revenue from the provision of equipment rental service is below the quantitative threshold for determining a reportable segment and have the similar economic characteristic, it is not considered as a new operating and reportable segment by the CODM. Therefore, during the years ended 31 March 2024 and 2023, the Group operates in one single operating and reporting segment which is comprehensive structural and geotechnical engineering consultancy services. For the purpose of resources allocation and performance assessment, the CODM review the overall results and financial position of the Group as a whole prepared in accordance with accounting policies which conform to HKFRSs. Since this is the only operating segment of the Group, only entity-wide disclosure for geographical information and major customers are presented.

Geographical information

The following table sets out information about (i) the Group’s revenue from external customers based on the geographical location of the operations of the Group; and (ii) the Group’s non-current assets other than rental deposits, investment in an associate, financial asset at FVTPL and deferred tax assets is based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2024	2023	2024	2023
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
Hong Kong	99,849	85,696	9,038	12,286
Mainland China	–	724	950	1,203
Macau	1,132	484	–	–
	<u>100,981</u>	<u>86,904</u>	<u>9,988</u>	<u>13,489</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment reporting (Continued)

Information about major customers

During the years ended 31 March 2024 and 2023, no external customers individually contributing 10% or more of the Group's total revenue.

5. OTHER INCOME AND OTHER GAINS/(LOSSES)-NET

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
Other income:		
Bad debts written back	–	88
Interest income	1,254	417
Government subsidies (<i>Note</i>)	–	2,804
Sundry income	652	265
Total other income	1,906	3,574
Other gains/(losses) — net:		
Exchange (loss), net	(262)	(384)
Gain on lease termination	46	118
Gain on lease modification	–	91
Total other losses — net	(216)	(175)
Total other income and other gains — net	1,690	3,399

Note: Being the grants received from the COVID-19 Anti-epidemic Fund under the Employment Support Scheme, Support for Engineering, Architectural, Surveying, Town Planning and Landscape Sectors 3.0 and other subsidy schemes under the Anti-epidemic Fund as launched by the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of the Macao Special Administrative Region of the People's Republic of China for the year ended 31 March 2023. Under the terms of the grants, the Group is required not to make redundancies during the subsidy period and to spend all funding on paying wages to the employees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

6. FINANCE COSTS

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
Interest on lease liabilities	<u>417</u>	<u>291</u>

7. PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
(a) Staff costs		
Directors' remuneration	21,806	11,785
Salaries, wages and other benefits, excluding those of directors	54,242	46,040
Contributions to defined contribution retirement plan, excluding those of directors	<u>2,167</u>	<u>2,008</u>
Total staff costs	78,215	59,833
Less: Amount included in general and administrative expenses	<u>(19,095)</u>	<u>(7,041)</u>
Total staff costs included in cost of services	<u>59,120</u>	<u>52,792</u>
(b) Other items		
Auditor's remuneration	720	720
Depreciation of property, plant and equipment	1,431	1,186
Depreciation of right-of-use assets	3,091	2,949
Research and development expense	<u>500</u>	<u>500</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

8. INCOME TAX (CREDIT)/EXPENSE

- (a) Income tax (credit)/expense in the consolidated statement of profit or loss and other comprehensive income represents:

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
Current tax		
Hong Kong Profits Tax:		
– Provision for the year	–	1,415
Deferred tax (credit)/expense	<u>(134)</u>	<u>313</u>
	<u>(134)</u>	<u>1,728</u>

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year ended 31 March 2024. Tax for overseas subsidiaries is charged at the appropriate current rates of taxation based on the rules and regulations in the relevant tax jurisdictions.

Enterprise Income Tax (“EIT”) in Mainland China has been provided at the rate of 25% (2023: 25%) on the estimated assessable profits arose in Mainland China during the year except as described below. Certain subsidiaries of the Company satisfied the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises. The portion of annual taxable income of a small low-profit enterprise which does not exceed RMB1,000,000 shall be calculated at a reduced rate of 25% as taxable income amount and be subject to EIT at 20% tax rate. The portion over RMB1,000,000 but not exceeding RMB3,000,000 shall be calculated at a reduced rate of 50% as taxable income amount and be subject to EIT at 20% tax rate.

No provision of Macau Complementary Tax has been made for the years ended 31 March 2024 and 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

8. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

- (b) Reconciliation between income tax (credit)/expense and accounting profit before tax at applicable tax rates:

	Year ended 31 March	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before tax	<u>3,584</u>	<u>3,599</u>
Notional tax on (loss)/profit before taxation, calculated at the tax rates applicable to the respective tax jurisdictions	(1,152)	1,503
Tax effect of non-deductible expenses	1,134	660
Tax effect of non-taxable income	(267)	(486)
Tax effect of deduction for research and development expenditure	(50)	(247)
Tax effect of tax losses not recognised	201	469
Tax effect of concessionary tax rate	–	(165)
Effect of tax reduction in Hong Kong Profits Tax	<u>–</u>	<u>(6)</u>
Income tax (credit)/expense	<u>(134)</u>	<u>1,728</u>

At 31 March 2024, the Group has unused tax losses of approximately HK\$6,564,000 (2023: HK\$4,599,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$2,940,000 (2023: HK\$1,870,000) that will expire in five years. Other tax losses may be carried forward indefinitely.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Year ended 31 March	
	2024	2023
	HK\$'000	HK\$'000
Profit for the year attributable to owners of the Company	3,718	1,871
Number of shares:		
Weighted average number of ordinary shares in issue ('000)	1,165,114	1,152,000
Basic and diluted earnings per share (HK cents)	<u>0.32</u>	<u>0.16</u>

The calculation of basic earnings per share is based on the profit for the year attributable of owners of the Company and weighted average number of shares in issue.

Diluted earnings per share for both years were the same as basic earnings per share as there were no potential ordinary shares outstanding.

10. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current tax

Movement of (tax recoverable)/income tax payable in the consolidated statement of financial position is as follows:

	2024	2023
	HK\$'000	HK\$'000
Tax payable at 1 April	411	244
Provision for Hong Kong Profits Tax for the year	–	1,415
Income tax paid	<u>(1,477)</u>	<u>(1,248)</u>
Tax (recoverable)/payable at 31 March	<u>(1,066)</u>	<u>411</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

10 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(b) Deferred tax

Deferred tax assets and liabilities recognised in the consolidated statement of financial position are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Deferred tax assets recognised in the consolidated statement of financial position	1,056	1,041
Deferred tax liabilities recognised in the consolidated statement of financial position	<u>(234)</u>	<u>(353)</u>
	<u><u>822</u></u>	<u><u>688</u></u>

11. TRADE AND OTHER RECEIVABLES

	At 31 March	
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	45,903	39,523
Less: Allowance for ECL	<u>(9,335)</u>	<u>(6,785)</u>
Trade receivables, net of allowance for ECL	<u>36,568</u>	<u>32,738</u>
Deposits, prepayments and other receivables	12,195	8,088
Less: Allowance for ECL	<u>(6)</u>	<u>(4)</u>
Deposits, prepayments and other receivables, net of allowance for ECL	<u>12,189</u>	<u>8,084</u>
	<u><u>48,757</u></u>	<u><u>40,822</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

As at 31 March 2024, the gross carrying amounts of trade receivables from contracts with customers amounted to approximately HK\$45,903,000 (2023: HK\$39,523,000).

The following is an ageing analysis of the trade receivables presented based on invoice dates at the end of the reporting period, net of allowance for credit losses recognised:

	At 31 March	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	12,940	7,210
Over 30 days and within 90 days	8,304	9,890
Over 90 days and within 180 days	6,949	5,736
Over 180 days	8,375	9,902
	<u>36,568</u>	<u>32,738</u>

The management of the Group closely monitors the credit quality of trade receivables. Before accepting any new customer, the Group's management will assess the potential customer's credit quality and determine the credit limits of each customer. Credit limits attributable to customers are reviewed periodically. The credit terms of the Group granted to customers generally range from 0 to 60 days.

The Group has a policy for allowance of ECL which is based on the evaluation of collectability and ageing analysis of accounts and on management's judgement including the creditworthiness and the past collection history of each customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

12. TRADE AND OTHER PAYABLES

	At 31 March	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	1,495	1,437
Provision for annual leave and long service payment	2,632	2,217
Accrued expenses and other payables	4,444	3,257
	<u>8,571</u>	<u>6,911</u>

The ageing analysis of the Group's trade payables based on invoice dates is as follows:

	At 31 March	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	547	778
31 – 60 days	401	154
61 – 90 days	251	–
Over 90 days	296	505
	<u>1,495</u>	<u>1,437</u>

Accrued expenses and other payables comprised mainly the accrued expenses of staff salaries and staff welfare (including staff's accrued bonus, overtime claims and travelling allowances), auditor's remuneration and office expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

13. CAPITAL

Share capital

	Number of shares	Share capital <i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024	<u>1,500,000,000</u>	<u>15,000</u>
Issued and fully paid:		
At 1 April 2022, 31 March 2023 and 1 April 2023	1,152,000,000	11,520
Placing of new share on 31 January 2024 (<i>Note</i>)	<u>80,000,000</u>	<u>800</u>
At 31 March 2024	<u>1,232,000,000</u>	<u>12,320</u>

Note:

On 2 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 80,000,000 placing shares to independent investors at a price of HK\$0.2521 per share. The placing was completed on 31 January 2024 pursuant to which the Company has allotted and issued 80,000,000 placing shares. The net proceeds derived from the placing amounted to approximately HK\$19,920,000 and resulted in the increase in share capital of approximately HK\$800,000 and share premium of approximately HK\$19,120,000, net of transaction costs of approximately HK\$248,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

14. DIVIDEND

The directors of the Company do not recommend the payment of final dividend for the year ended 31 March 2024 (2023: nil).

15. EVENTS AFTER THE REPORTING PERIOD

There is no other significant event after the reporting period of the Group except follows:

(a) Placing shares under general mandate

On 3 May 2024, the Company entered into an agreement with KGI Asia Limited (“**Placing Agent**”), pursuant to which the Placing Agent agreed to place up to 150,000,000 placing shares (“**Placing Shares**”) at the placing price of HK\$0.14 per Placing Share, to not less than six persons or entities procured by the Placing Agent or its agents to subscribe for any Placing Shares, who and whose respective ultimate beneficial owners shall be independent third parties.

The placing was completed on 29 May 2024. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) is amounted to approximately HK\$17,000,000.

(b) Licensing agreement

On 27 June 2024, the Company made an announcement that the Company as the licensee entered into a licensing agreement with KOC Japan Inc. (“**KOCJ**”) as the licensor, pursuant to which the Company is authorised to develop business of a multi-purpose platform called C-PON, which is currently owned and operating by KOCJ in Japan, worldwide. The Company will pay to KOCJ a license fee of HK\$100,000 and 10% of audited annual profits after tax in Hong Kong with a maximum amount of HK\$3,000,000 per year.

Details of above is set out in the Company’s announcement dated 27 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is a construction engineering consultant focusing on the area of comprehensive structural and geotechnical engineering design which is mainly provided in Hong Kong and Macau. The Group's consultancy services mainly cover: (i) structural engineering; (ii) geotechnical engineering; (iii) certain civil engineering practice areas; and (iv) material engineering. The Group also provide some other related services such as Registered Structural Engineers and Authorized Persons work in relation to alteration and additions works and expert services from time to time as requested by our clients.

During the year ended 31 March 2024, the Group recorded an increase in revenue of approximately 16.2% to approximately HK\$101.0 million from approximately HK\$86.9 million for the preceding financial year. Such increase was mainly due to the increase in number of projects and revenue contribution from structural and geotechnical engineering consultancy services of construction of new properties of approximately HK\$11.9 million for the year ended 31 March 2024 compared with last financial year.

The Group was focusing on developing business opportunities from existing clients and was looking for diversifying the types of services to be provided to various clients such as provision of equipment rental services in construction site. In the meantime, the Group changed its name to King Of Catering (Global) Holdings Ltd. during the year. It represents a start of new era by not only providing construction engineering consultancy services but targets to kick in new business segments including food and beverage and information technology industries.

Looking forward, the Directors consider that the potential increase in supply of land for residential and commercial development is one of the key industrial drivers of the construction engineering consultancy in Hong Kong. With the Group's experienced management team and reputation in the market, the Directors consider that the Group is well-positioned to compete against its competitors under future challenges that are commonly faced by all competitors, and the Group will continue to strengthen the market position in the industry and expand the market share by securing more consultancy engineering service contracts. In the meantime, the Group will start new business segments when opportunities appear.

FINANCIAL REVIEW

Revenue

The revenue of the Group increased from approximately HK\$86.9 million for the year ended 31 March 2023 to approximately HK\$101.0 million for the year ended 31 March 2024, representing an increase of approximately HK\$14.1 million or 16.2%. Such increase was mainly due to the increase in number of projects and revenue contribution from structural and geotechnical engineering consultancy services of construction of new properties of approximately HK\$11.9 million for the year ended 31 March 2024 compared with last financial year.

Cost of Services

The cost of services increased from approximately HK\$62.4 million for the year ended 31 March 2023 to approximately HK\$67.7 million for the year ended 31 March 2024, representing an increase of approximately HK\$5.3 million or 8.5%. The cost of services mainly comprised of staff costs for professional staff and sub-consulting costs. The percentage of staff costs to total cost of services for the year ended 31 March 2024 was approximately 87.3% (for the year ended 31 March 2023: approximately 84.6%). The increase in total cost of services was mainly attributable to the net effect of (i) increase in subconsulting charges incurred for the construction projects related to structural and geotechnical engineering consultancy services; (ii) increase in staff costs and benefits as a result of additional manpower to support extra work and raises in basic salary and staff welfare for the structural and geotechnical engineering consultancy services for the year ended 31 March 2024.

Gross Profit

Gross profit of the Group increased by approximately HK\$8.8 million from approximately HK\$24.5 million for the year ended 31 March 2023 to approximately HK\$33.3 million for the year ended 31 March 2024, representing an increase of approximately HK\$8.8 million or 36.0%. The gross profit margin was increased from 28.2% for the year ended 31 March 2023 to 33.0% for the year ended 31 March 2024. The increase was mainly caused by the increase in number of small scale projects with higher gross profit margin in general.

Other Income and Other Gains or Losses

Other income and other gains or losses of the Group for the years ended 31 March 2024 and 2023 were approximately HK\$1.7 million and HK\$3.4 million respectively, representing a decrease of approximately 1 time. Such decrease was mainly attributable to the government subsidies from the Employment Support Scheme under the Anti-epidemic Fund which launched by the Government of Hong Kong Special Administrative Region of the People's Republic of China ("HKSAR").

Fair Value Changes on Financial Assets at Fair Value Through Profit or Loss ("FVTPL")

During the year ended 31 March 2024, the Group recorded a gain arising from fair value changes on financial assets at FVTPL of approximately HK\$18.3 million, representing the increase of fair value of the unlisted equity investment held by the Group as at 31 March 2024.

General and Administrative Expenses

General and administrative expenses of the Group were increased by approximately HK\$17.9 million or 81.0% from approximately HK\$22.1 million for the year ended 31 March 2023 to approximately HK\$40.0 million for the year ended 31 March 2024. General and administrative expenses primarily consisted of staff costs for accounting and administrative staff, bonus payment, staff training and welfare, depreciation and legal and professional fees. Such change was not significant compared to the total amount of expenses.

Finance Costs

Finance costs amounted to approximately HK\$0.4 million and HK\$0.3 million for the years ended 31 March 2024 and 2023, which represented interest expenses on lease liabilities and interest expenses on bank borrowings.

Income Tax Expense

The Group incurred income tax of approximately HK\$0.1 million for the year ended 31 March 2024 while incurred income tax expense amounting to approximately HK\$1.7 million for the year ended 31 March 2023. Such change was primarily attributable to decrease in assessable profit of a major operating subsidiary of the Company for the year ended 31 March 2024.

Profit for the Year

Profit for the year of the Group amounted to approximately HK\$3.7 million for the year ended 31 March 2024 (for the year ended 31 March 2023: profit of approximately HK\$1.9 million). The profit was primarily attributable to the fair value changes on financial asset at fair value through profit or loss of approximately HK\$18.3 million together with the share of result of an associate of approximately HK\$5.3 million, which on the whole offset the loss on deemed disposal of an associate of approximately HK\$11.8 million.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has met its liquidity requirements principally through net cash flows generated from our operations. The Group's principal uses of cash have been, and are expected to continue to be, applied to operational costs. The Directors believe that in the long-term, the Group's operations will be funded by internally generated cash flows and, if necessary, additional equity financing and/or bank borrowings.

The current ratio increased from approximately 2.7 times as at 31 March 2023 to 3.3 times as at 31 March 2024. The increase was mainly due to the increase in contract liabilities as at 31 March 2024 compared to 31 March 2023.

As at 31 March 2024, the Group had no borrowings. The gearing ratio as at 31 March 2024, calculated based on total debts divided by total equity at the end of the reporting period and multiplied by 100%, was therefore not applicable. The Directors consider the Group's financial position is sound and strong and the Group has sufficient liquidity to satisfy its funding requirements with available bank and cash balances, and bank credit facilities.

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the current period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

CAPITAL STRUCTURE

The Shares of the Company were listed on GEM of the Stock Exchange on 17 September 2018. There has been no change in the capital structure of the Group since then. The share capital of the Company only comprises of ordinary Shares.

As at 31 March 2024, the Company's authorised share capital was HK\$15,000,000 divided into 1,500,000,000 Shares at par value of HK\$0.01 each and the number of its issued ordinary Shares was 1,232,000,000. As at the date of this announcement, the number of issued ordinary Shares was 1,382,000,000 after completion of a placing of new shares on 29 May 2024.

COMMITMENTS

As at 31 March 2024, the Group did not have any capital commitments (31 March 2023: nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2024, the Group did not have plan for material investments and capital assets.

SIGNIFICANT INVESTMENT

The Group did not have significant investment for the year ended 31 March 2024.

CONTINGENT LIABILITIES

The Group did not have significant contingent liabilities as at 31 March 2024 (31 March 2023: nil).

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group's revenue generating operations are mainly transacted in Hong Kong dollars. In addition, the Group bank balances are mainly denominated in Hong Kong dollars. The Directors consider the impact of foreign exchange exposure to the Group is minimal. During the year ended 31 March 2024, the Group did not enter into any foreign exchange forward contracts or other hedging instrument to hedge against fluctuations.

CHARGE ON GROUP'S ASSETS

As at 31 March 2024, general banking facilities were granted to the Company and its subsidiaries. The general banking facilities were secured by the bank deposit of HK\$2.1 million and corporate guarantee from the Company (31 March 2023: HK\$2.1 million).

EVENT AFTER THE REPORTING PERIOD

As at the date of this announcement except for describe below, there was no significant event after 31 March 2024 which was relevant to the business or financial performance of the Group that come to the attention of the Directors.

On 29 May 2024, the Company completed a placing of new shares under general mandate and newly issued 150,000,000 shares at the price of HK\$0.12 per share. The original placing price per share was HK\$0.14 per share according to the announcement dated 3 May 2024. The new proceed after deducting relevant expenses was approximately HK\$17.0 million. For details please refer to the announcement dated 29 May 2024.

On 27 June 2024, the Group entered into a licensing agreement with KOC Japan Inc. in which a subsidiary is authorised to develop C-PON business worldwide. For details please refer to announcement dated 27 June 2024.

SEGMENT INFORMATION

Segment information for the Group is presented as disclosed in note 4 to the consolidated financial statements.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2024, the Group employed a total of 164 employees (31 March 2023: 150 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$78.2 million for the year ended 31 March 2024 (for the year ended 31 March 2023: approximately HK\$59.8 million). Remuneration is mainly determined with reference to market trends, the Group's operating results and the performance, qualification and experience of individual employee. The remuneration packages mainly comprise basic salaries, medical coverage, overtime allowance, travelling allowance and discretionary bonuses based on individual performance, which are offered to employees as recognition of and reward for their contributions.

USE OF PROCEEDS

The shares of the Company were successfully listed on GEM of the Stock Exchange on 17 September 2018. The net proceeds from the Share Offer received by the Company was approximately HK\$26.9 million (after deduction of listing expenses). Up to 31 March 2024, we utilised the net proceeds in accordance with the designated uses set out in the Prospectus and the announcement of Company dated 5 March 2021 and 31 December 2021 in relation to the change in use of proceeds as follows:

Business strategies	Revised allocation of the total net proceeds designated in the announcement dated on 31 December 2021 <i>HK\$' million</i>	Actual usage of net proceeds up to 31 March 2024 <i>HK\$' million</i>	Unutilised net proceeds as at 31 March 2024 <i>HK\$' million</i>	Expected timeline for utilising the unutilised net proceeds
Support and expand our structural and geotechnical engineering team	11.8	11.8	–	Not applicable
Grow and develop our civil engineering team	7.9	7.9	–	Not applicable
Expand our office infrastructure and BIM upgrade	1.3	1.3	–	Not applicable
Support and expand our material engineering and building repairs area of service	0.1	0.1	–	Not applicable
General working capital	1.2	1.2	–	Not applicable
Acquisition of or investment in companies in construction and property development industry	4.6	0.1	4.5	On or before 31 March 2025
	26.9	22.4	4.5	

The unutilised balance of net proceeds of each designated uses set out above is expected to be fully utilised by 31 March 2025. Please refer to the announcements of the Company dated 28 August 2020, 5 March 2021 and 31 December 2021 for the details of the delay in the use of the net proceeds and change in the use of proceeds, respectively.

The Company completed 2 times of placing of new shares on 31 January 2024 (the “**First Placing**”) and 29 May 2024 (the “**Second Placing**”) respectively. The net proceeds raised were approximately HK\$19.9 million and HK\$17.0 million respectively.

Regarding the First Placing, according to the use of proceed, approximately HK\$8.0 million was planned to be used as working capital and has been used up. The remaining approximately HK\$ 11.9 million was to be used for new business development in various potential profitable sectors, including but not limited to food and beverage related businesses, catering, entertainment, and medical beauty. The proceed was not used up as at the date of this announcement and was kept in the Group’s bank account.

Regarding the Second Placing, according to the use of proceed, approximately HK\$3.0 million was planned to be used as working capital and has been used up. The remaining approximately HK\$ 14.0 million was to be used for development of food and beverage and IT business segments. The proceed was not used up as at the date of this announcement and was kept in the Group’s bank account.

PRINCIPAL RISKS AND UNCERTAINTIES

The business operations and results of the Group may be affected by various factors, some of which are external causes and some are inherent to the business. The Board is aware that the Group is exposed to various risks and the principal risks and uncertainties facing the Group are summarized below:

- The Group relies heavily on professional staff, in particular, management team, in operating the business;
- The Group determines the tender price based on, among other things, the estimated time and costs involved in a project, which may deviate from the actual time and costs involved;

- Service fee may not be paid in full due to clients’ projects not being completed as originally planned; and
- The Group is exposed to the credit risk of trade receivables and may experience increasing balance of such receivables and longer trade receivables’ turnover days.

For other risks and uncertainties facing the Group, please refer to the section headed “Risk Factors” in the Prospectus. Material principal risks and uncertainties affecting the Group are substantially unchanged from those disclosed in the Prospectus. The Directors will monitor, assess and respond to the above risks in a timely manner.

COMPARISON BETWEEN BUSINESS OBJECTIVES AND ACTUAL BUSINESS PROGRESS

The following is a comparison between the Group’s business plans as set out in the Prospectus and the Group’s actual business progress as at 31 March 2024:

Business objective and strategy	Principal business plan and activity as stated in the Prospectus	Actual business progress up to 31 March 2024
Support and expand our structural and geotechnical engineering team	<ul style="list-style-type: none"> • Retain the new staff employed • Maintenance of computers and software for additional staff 	<ul style="list-style-type: none"> • The Group has recruited twenty-three new junior to senior level engineering staff and draftsman trainees to handle new projects in the area of structural engineering. Taking into account of the new recruits in 2018, 2019, 2020, 2021 and 2022, the Group has incurred staff costs of approximately HK\$11.0 million as at 31 March 2024 after the listing. • As at 31 March 2024, the Group has purchased new computers and software for new staff in the amount of approximately HK\$0.8 million.
Grow and develop our civil engineering team	<ul style="list-style-type: none"> • Retain the new staff employed 	<ul style="list-style-type: none"> • The Group has recruited twenty new junior to senior level engineering staff to handle new projects in the area of civil engineering. Taking into account the new recruits in 2018, 2019, 2020, 2021 and 2022, the Group has incurred staff costs of approximately HK\$7.9 million as at 31 March 2024 after the Listing.

Business objective and strategy	Principal business plan and activity as stated in the Prospectus	Actual business progress up to 31 March 2024
Expand our office infrastructure and BIM	<ul style="list-style-type: none"> • Retain the new staff employed • Upgrade computers and software for existing staff • Minor renovation for office upgrade 	<ul style="list-style-type: none"> • The Group has recruited one BIM experienced engineer and upgraded computer equipment and server infrastructure. The Group has incurred both staff cost and computer and server infrastructure cost of approximately HK\$0.9 million as at 31 March 2024 after Listing. • As at 31 March 2024, the Group has purchased four sets of BIM software licenses and computer equipment amounting to approximately HK\$194,000. • As at 31 March 2024, the Group has paid approximately HK\$45,000 to sponsor its engineering staff to attend BIM training courses held by third parties. • As at 31 March 2024, the Group has paid approximately HK\$0.1 million to rent additional office in Hong Kong.
Support and expand our material engineering and building repairs area of service	<ul style="list-style-type: none"> • Retain the new staff employed 	<ul style="list-style-type: none"> • The Group has recruited one new junior engineering staff to handle new projects in the area of material engineering. The Group has incurred staff costs of approximately HK\$0.1 million as at 31 March 2024 after the Listing.
Acquisition of or investment in companies in construction and property development industry	<ul style="list-style-type: none"> • Explore business opportunities for acquisition or investment 	<ul style="list-style-type: none"> • The Group has acquired a company of approximately HK\$0.1 million as at 31 March 2024. The Group expects that the unutilised net proceeds will be utilised on or before 31 March 2025. The Group is seeking suitable business projects or companies for investment.

OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the CG Code with an exception of deviation from Code Provision C.1.8 of the CG Code as explained below:

Under Code Provision C.1.8, an issuer should arrange appropriate insurance cover in respect of legal action against its directors. The Board has not arranged an insurance cover in respect of Directors' liability as the Board considers that the industry, business and financial situation of the Company are currently stable, and the Company has established sufficient internal control system. The Board will review the need for the insurance cover from time to time.

AUDIT COMMITTEE

The Audit Committee has reviewed the annual results of the Group for the year ended 31 March 2024 with the management and external auditor of the Company.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of this preliminary announcement of the Group's results for the year ended 31 March 2024 have been agreed by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited ("**McMillan Woods**"), to the amounts set out in the drafts consolidated financial statements of the Group for the year. The work performed by McMillan Woods in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance conclusion has been expressed by the auditor on this preliminary announcement of results.

GLOSSARY

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 25 August 2023
“Articles” or “Articles of Association”	the articles of association of our Company as amended from time to time
“associate(s)”	has the meaning ascribed to it under Rule 20.06(2) of the GEM Listing Rules
“Audit Committee”	the audit committee of the Board
“Authorized Person”	a person whose name is on the authorized persons’ register kept by the Building Authority under section 3(1) of the BO as an architect, an engineer, or a surveyor
“BIM”	building information modelling
“BO”	the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong and any day on which tropical cyclone warning number eight or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are generally open for normal banking business
“BVI”	the British Virgin Islands
“CG Code”	Corporate Governance Code and Corporate Governance Report, Appendix 15 to the GEM Listing Rules

GLOSSARY (CONTINUED)

“China” or “PRC”	the People’s Republic of China, and except where the context requires otherwise, does not include Hong Kong, Macau and Taiwan
“close associate(s)”	has the meaning ascribed to it under Rule 1.01 of the GEM Listing Rules
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961) of the Cayman Islands, as amended, consolidated, revised or otherwise modified from time to time
“Company”	King Of Catering (Global) Holdings Ltd., a company incorporated in the Cayman Islands as an exempted company with limited liability on 25 August 2017 and the issued Shares of which are listed on GEM of the Stock Exchange
“Concerted Group”	collectively refers to Dr. Chan and Mr. Kwong
“connected person(s)”	has the meaning ascribed to it under Rule 20.06(7) of the GEM Listing Rules
“Controlling Shareholder(s)”	Manning Properties, Dr. Chan and Mr. Kwong, all of whom ceased to be the controlling shareholder of the Company and remained as the largest substantial shareholder of the Company on 22 February 2022 (please refer to the announcement of the Company dated on 25 February 2022)
“COVID-19”	the novel coronavirus disease
“Deed of Non-Competition”	the deed of non-competition undertaking executed by each of the Controlling Shareholders in favour of our Company on 27 August 2018, details of which are set out in the section headed “Relationship with our Controlling Shareholders – Non-compete undertakings” in the Prospectus

GLOSSARY (CONTINUED)

“Director(s)”	the director(s) of our Company
“Dr. Chan”	Dr. Chan Yin Nin (陳延年博士), an executive Director and a Controlling Shareholder holding approximately 68.2% of interests in Manning Properties
“ERB”	the Engineers Registration Board established under the Engineers Registration Ordinance (Chapter 409 of the Laws of Hong Kong)
“FVTPL”	financial assets at fair value though profit or loss
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented or otherwise modified from time to time
“Government”	the Government of Hong Kong
“Group”, “our Group”, “we” or “us”	the Company together with its subsidiaries
“Guaranteed Period”	The 12-month period commencing on 1 January 2021 and ending on 31 December 2021 both days inclusive
“Guaranteed Profit” or “Profit Guarantee”	The irrevocable guarantee provided by the Alpha Generator Limited to the WAC (Hong Kong) Limited that the audited net profit after tax of the OPSHK for the Guaranteed Period shall not be less than HK\$6,000,000 for the period commencing on 1 January 2021 and ended on 31 December 2021 (both days inclusive)
“HK\$” or “HK dollar(s)” and “cent(s)”	Hong Kong dollar(s) and cent(s) respectively, the lawful currency of Hong Kong

GLOSSARY (CONTINUED)

“HKEX” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Branch Share Registrar”	the branch share registrar and transfer office in Hong Kong of the Company, Tricor Investor Services Limited, located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong SAR
“Hong Kong Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Independent Third Party”	a party independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules)
“Internal Control Adviser”	McM Business Service Limited, the internal control adviser of our Company
“Listing”	the listing of our Shares on GEM on the Listing Date
“Listing Date”	17 September 2018, the date on which dealings in the Shares on GEM commence
“Macau”	the Macao Special Administrative Region of the PRC
“Manning Properties”	Manning Properties Limited (萬年地產發展有限公司), a company incorporated in the BVI with limited liability on 9 February 2015, and a Controlling Shareholder, which is wholly-owned by the Concerted Group, comprising Dr. Chan (holding approximately 68.2% of interests in Manning Properties) and Mr. Kwong (holding approximately 31.8% of interests in Manning Properties)

GLOSSARY (CONTINUED)

“Memorandum” or “Memorandum of Association”	the memorandum of association of our Company as amended from time to time
“MOP”	Macau pataca, the lawful currency of Macau
“Mr. Kwong”	Mr. Kwong Po Lam (鄭保林先生), an executive Director and a Controlling Shareholder holding approximately 31.8% of interests in Manning Properties
“Nomination Committee”	the nomination committee of the Board
“OPS”	OPS Holdings Limited, a company incorporated in the BVI with limited liability which was acquired by the Group on 22 July 2021. At 31 March 2023, the Group owns 19.83% equity interest of the OPS and it is an associate company of the Group
“OPSHK”	OPS Interior Design Consultant Limited, a company incorporated in Hong Kong with limited liability which is an indirect wholly-owned subsidiary of the OPS
“Prospectus”	the prospectus of the Company dated 31 August 2018 issued in connection with the Listing
“Registered Structural Engineer”	a person whose name is for the time being on the structural engineers’ register kept by the Building Authority under section 3(3) of the BO
“Remuneration Committee”	the remuneration committee of the Board

GLOSSARY (CONTINUED)

“Reorganisation”	the reorganisation of our Group in preparation for the Listing described in the section headed “History, Reorganisation and group structure – Reorganisation” in the Prospectus which was completed on 20 November 2017
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share Offer”	the issue of 288,000,000 ordinary Shares by way of share offer at a price of HK\$0.20 per Share on 17 September 2018
“Share Option Scheme”	the share option scheme approved and adopted by our Company pursuant to written resolutions of our Shareholders on 27 August 2018
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of our Company
“Shareholder(s)”	holder(s) of our Share(s) from time to time
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules
“Substantial Shareholder(s)”	the substantial Shareholder(s) having the meaning ascribed to it under the GEM Listing Rules
“US\$” or “U.S. dollar(s)”	United States dollar, the lawful currency for the United States of America

GLOSSARY (CONTINUED)

“W&C Hong Kong”	Wong & Cheng Consulting Engineers Limited (黃鄭顧問工程師有限公司), formerly known as “Wong & Cheng Consulting Engineers Limited” and “Fine Future Limited (明程有限公司)”, a company incorporated in Hong Kong with limited liability on 19 June 1987, which is owned as to 100% by WAC (HK) and is our indirect wholly-owned subsidiary
“WAC (HK)”	WAC (Hong Kong) Limited, a company incorporated in the BVI with limited liability on 29 August 2017, which is our direct wholly-owned subsidiary
“%”	percent

By order of the Board
**KING OF CATERING
(GLOBAL) HOLDINGS LTD.**
Dr. Chan Yin Nin
Chairman

Hong Kong, 28 June 2024

As at the date of this announcement, the Board comprises Dr. Chan Yin Nin, Mr. Kwong Po Lam, Mr. Man Kwok Hing, Ms. Leung Suet Yiu, Mr. Kazuya Yanagihara, and Mr. Tsang Wing Ki as executive Directors; Mr. Fukumitsu Hirokazu and Mr. Takeda Masahiro as non-executive Directors; and Mr. Choy Wai Shek, Raymond, Mr. Sze Kyran and Ms. Siu Yuk Ming as independent non-executive Directors.

* *For identification purpose only*