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**MAN KING HOLDINGS LIMITED**

**萬景控股有限公司**

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

**(Stock code: 2193)**

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

**FINANCIAL PERFORMANCE HIGHLIGHTS**

Revenue	HK\$186.7 million
Profit attributable to owners of the Company	HK\$6.7 million
Basic earnings per share	HK1.61 cents
Equity attributable to owners of the Company per share	HK\$0.66

## INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Man King Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2024 together with the comparative figures for the preceding financial year as follows:

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

*For the six months ended 30 September 2024*

		Unaudited Six months ended 30 September	
	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	4	186,658	178,663
Cost of services		<u>(172,426)</u>	<u>(173,066)</u>
<b>Gross profit</b>		<b>14,232</b>	5,597
Other income	5	3,762	4,100
Other gains/(losses), net	6	295	(283)
Administrative expenses		(13,151)	(13,905)
Impairment of financial assets		<u>(9,427)</u>	<u>–</u>
<b>Operating loss</b>		<b>(4,289)</b>	(4,491)
Finance costs		(145)	(199)
Share of profit of an associate		<u>10,907</u>	<u>9,524</u>
<b>Profit before income tax</b>	7	<b>6,473</b>	4,834
Income tax credit	8	<u>271</u>	<u>1,882</u>
<b>Profit for the period</b>		<b>6,744</b>	6,716
<b>Other comprehensive (loss)/income</b>			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Share of other comprehensive (loss)/income of an associate		<u>(599)</u>	<u>425</u>
<b>Total comprehensive income for the period attributable to the owners of the Company</b>		<b><u>6,145</u></b>	<b><u>7,141</u></b>
<b>Earnings per share attributable to owners of the Company</b>			
Basic and diluted per share ( <i>HK cents</i> )	9	<u>1.61</u>	<u>1.60</u>

The above condensed consolidated interim statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

		<b>Unaudited</b>	Audited
		<b>30 September</b>	31 March
		<b>2024</b>	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>14,119</b>	16,835
Right-of-use assets		<b>9,076</b>	9,623
Investment in an associate		<b>109,771</b>	112,607
		<u><b>132,966</b></u>	<u>139,065</u>
<b>Current assets</b>			
Inventories		<b>4,773</b>	5,070
Contract assets	10	<b>13,127</b>	15,313
Trade and other receivables	11	<b>38,948</b>	52,336
Amounts due from joint operations/ an other partner of joint operation		<b>9,713</b>	20,155
Financial assets at fair value through profit or loss		<b>5,055</b>	4,733
Bank deposits with maturity over three months		<b>20,728</b>	22,245
Cash and cash equivalents		<b>171,134</b>	153,853
		<u><b>263,478</b></u>	<u>273,705</u>
<b>Total assets</b>		<u><b>396,444</b></u>	<u>412,770</u>

The above condensed consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

		<b>Unaudited</b>	Audited
		<b>30 September</b>	31 March
		<b>2024</b>	2024
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		<b>4,198</b>	4,198
Share premium and other reserves		<b>67,808</b>	68,448
Retained earnings		<b>206,528</b>	199,784
		<hr/>	<hr/>
<b>Total equity</b>		<b>278,534</b>	272,430
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		<b>5,316</b>	6,158
Deferred tax liabilities		<b>1,186</b>	1,469
		<hr/>	<hr/>
		<b>6,502</b>	7,627
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Current liabilities</b>			
Contract liabilities		<b>18,306</b>	22,051
Trade and other payables	12	<b>71,047</b>	88,162
Amounts due to other partners of joint operations		<b>12,826</b>	17,810
Bank borrowings		<b>4,861</b>	599
Lease liabilities		<b>3,998</b>	3,721
Tax liabilities		<b>370</b>	370
		<hr/>	<hr/>
		<b>111,408</b>	132,713
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Total liabilities</b>		<b>117,910</b>	140,340
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Total equity and liabilities</b>		<b>396,444</b>	412,770
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The above condensed consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

Notes:

## 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 12 November 2014 as an exempted company with limited liability under the Companies Law, (Cap. 22, Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of the Company's registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Group is principally engaged in the provision of civil engineering works.

The Company is listed on the Main Board of the Stock Exchange.

Its ultimate holding company is LOs Brothers (PTC) Limited and its immediate holding company is Jade Vantage Holdings Limited.

The condensed consolidated interim financial information is presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000"), unless otherwise stated.

The condensed consolidated interim financial information has been reviewed, not audited.

## 2 BASIS OF PREPARATION

The condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard 34 "*Interim Financial Reporting*" issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial information does not include all the notes of the type normally included in the annual consolidated financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). The condensed consolidated interim financial information has been prepared on the historical cost basis, except for certain financial assets at fair value through profit or loss ("FVTPL") which have been measured at fair value.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 March 2024, as described in those annual financial statements, except for the estimation of income tax and the adoptions of new and amended standards.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

### (a) Amended standards and revised interpretation adopted by the Group

The Group has applied the following amendments for the first time from 1 April 2024:

HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current
HKAS 1 (Amendments)	Non-current Liabilities with Covenants
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (Revised)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The amendments listed above did not have material impact on the Group’s accounting policies and did not require any adjustments.

**(b) New and amended standards and revised interpretation issued but not yet applied by the Group**

The following amendments have been issued but are not yet effective for the financial period of the Group beginning on 1 April 2024 and have not been early adopted by the Group:

		<b>Effective for accounting periods beginning on or after</b>
HKAS 21 (Amendments)	Lack of Exchangeability	1 January 2025
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Revised)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2025
HKAS 28 and HKFRS 10 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group’s management assessed that there are no new and amended standards and revised interpretation that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

**4 REVENUE AND SEGMENT INFORMATION**

The Company is an investment holding company and the Group is principally engaged in providing civil engineering services in Hong Kong as main contractor (“Civil Engineering Works”).

The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors review the Group’s internal reporting in order to assess performance and allocate resources. The executive directors have determined the operating segment based on these reports.

The executive directors consider the Group’s operation from a business perspective and determine that the Group has one reportable operating segment being the Civil Engineering Works.

The executive directors assess the performance of the operating segment based on a measure of revenue and gross profit. During the six months ended 30 September 2024 and 2023, all the Group’s revenue were from contracts with customers and were recognised over time and derived from operations in Hong Kong.

As at 30 September 2024 and 31 March 2024, the Group’s non-current assets are all located in Hong Kong except for the investment in an associate. The Group’s associate is incorporated in Hong Kong and principally operating in Pakistan.

**5 OTHER INCOME**

**Unaudited**  
**Six months ended 30 September**  
**2024**                      **2023**  
**HK\$'000**                      **HK\$'000**

Management fee income	180	180
Dividend income from financial assets at FVTPL	226	206
Bank interest income	2,866	3,248
Others	490	466
	<u>3,762</u>	<u>4,100</u>

**6 OTHER GAINS/(LOSSES), NET**

**Unaudited**  
**Six months ended 30 September**  
**2024**                      **2023**  
**HK\$'000**                      **HK\$'000**

Fair value changes of financial assets at FVTPL	247	(281)
Net exchange (loss)/gain	(200)	13
Gain/(loss) on disposals of property, plant and equipment	248	(15)
	<u>295</u>	<u>(283)</u>

**7 PROFIT BEFORE INCOME TAX**

**Unaudited**  
**Six months ended 30 September**  
**2024**                      **2023**  
**HK\$'000**                      **HK\$'000**

Profit before income tax is arrived at after charging:

Employee benefit expenses	38,701	37,743
Depreciation of property, plant and equipment	2,868	2,637
Depreciation of right-of-use assets	2,196	2,243
Cost of construction materials	9,714	18,661
Subcontracting charges	119,450	114,680
	<u>119,450</u>	<u>114,680</u>

## 8 INCOME TAX CREDIT

	Unaudited	
	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Hong Kong profits tax	12	–
Deferred taxation	(283)	(1,882)
Income tax credit	<u>(271)</u>	<u>(1,882)</u>

Income tax credit is recognised based on management's best estimate of the projected annual effective income tax rate which is expected for the full financial year.

For the six months ended 30 September 2024 and 2023, no Hong Kong current income tax has been provided as the Group has sufficient tax losses brought forward to offset the assessable profits for the period.

## 9 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited	
	Six months ended 30 September	
	2024	2023
Profit attributable to owners of the Company (HK\$'000)	6,744	6,716
Weighted average number of ordinary shares in issue (thousands) (Note)	419,717	419,818
Basic and diluted earnings per share (HK cents)	<u>1.61</u>	<u>1.60</u>

*Note:* For the six months ended 30 September 2024, the weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been adjusted for the effect of the ordinary shares of the Company repurchased from the market in July 2024.

For the purpose of determining the diluted earnings per share amount, no adjustment has been made to the basic earnings per share amount for the six months ended 30 September 2024 and 2023 as the Group had no potentially dilutive ordinary shares in issue during these periods.



## 10 CONTRACT ASSETS

	Unaudited 30 September 2024 HK\$'000	Audited 31 March 2024 HK\$'000
<b>Current</b>		
Unbilled revenue of civil engineering works		
– Ongoing project	–	2,995
Retention receivables of civil engineering works	<u>13,127</u>	<u>12,318</u>
	<b>13,127</b>	<b>15,313</b>

	Unaudited 30 September 2024 HK\$'000	Audited 31 March 2024 HK\$'000
Retention receivables of civil engineering works		
Due within one year	9,316	2,452
Due after one year	<u>3,811</u>	<u>9,866</u>
	<b>13,127</b>	<b>12,318</b>

## 11 TRADE AND OTHER RECEIVABLES

	Unaudited 30 September 2024 HK\$'000	Audited 31 March 2024 HK\$'000
Trade receivables	<u>23,967</u>	<u>34,966</u>
<b>Current</b>		
Other receivables, deposits and prepayments:		
– Deposits	2,836	5,881
– Other receivables	1,109	1,158
– Prepaid expenses	<u>11,036</u>	<u>10,331</u>
	<b>14,981</b>	<b>17,370</b>
	<b>38,948</b>	<b>52,336</b>

*Note:* Trade debtors are normally due within 30–60 days from customers' certification date.

The ageing analysis of the Group's trade receivables based on customers' certification date at the end of each reporting period is as follows:

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
0–30 days	21,237	34,966
31–60 days	–	–
Over 60 days	2,730	–
	<u>23,967</u>	<u>34,966</u>

## 12 TRADE AND OTHER PAYABLES

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
Trade payables	29,504	40,353
Retention payables	29,873	32,885
Other payables and accruals:		
– Accrued wages and other staff benefits	4,336	8,709
– Accrued operating expenses	2,588	1,385
– Others	4,746	4,830
	<u>71,047</u>	<u>88,162</u>

The credit period on trade purchases is 30 to 60 days.

The ageing analysis of the trade payables based on invoice date is as follows:

	<b>Unaudited 30 September 2024 HK\$'000</b>	Audited 31 March 2024 HK\$'000
0–30 days	23,216	24,236
31–60 days	1,747	12,515
61–90 days	536	380
Over 90 days	4,005	3,222
	<u>29,504</u>	<u>40,353</u>

In the condensed consolidated interim statement of financial position, retention payables were classified as current liabilities. The aging analysis of the retention payables based on invoice date is as follows:

	<b>Unaudited</b> <b>30 September</b> <b>2024</b> <i>HK\$'000</i>	Audited 31 March 2024 <i>HK\$'000</i>
Due within one year	<b>27,898</b>	18,708
Due after one year	<b>1,975</b>	14,177
	<b>29,873</b>	32,885

### 13 DIVIDENDS

During the six months ended 30 September 2023, a final dividend of HK\$14,694,000 in relation to the year ended 31 March 2023 was declared and paid. No dividend was declared and paid during the six months ended 30 September 2024.

The Board of Directors does not recommend the distribution of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

#### **Overview**

The Group is principally engaged in providing civil engineering services in Hong Kong as main contractor.

The engineering works undertaken by the Group are mainly related to (i) roads and drainage (including associated building works and electrical and mechanical works); (ii) site formation (including associated infrastructure works); and (iii) port works. The Group undertakes civil engineering projects in both public and private sectors and, being a main contractor, participates in the procurement of materials, machineries and equipment, selection of subcontractors, carrying out on-site supervision, monitoring work progress and overall co-ordination of day-to-day work of the projects.

As at 30 September 2024, the Group had seven projects in progress, and several completed projects yet to receive the final contract sum. Together with the existing projects in progress, the total estimated outstanding contract sum and work order value amounts to approximately HK\$636.4 million.

The diversified coal transshipment business of the Group through its 20.3% owned One Belt One Road project in Pakistan continued to bring positive return to the Group. During the six months ended 30 September 2024, the Company's share of profit of the project was approximately HK\$10.9 million (2023: HK\$9.5 million).

### **FINANCIAL REVIEW**

#### **Revenue**

The Group's revenue for the six months ended 30 September 2024 was approximately HK\$186.7 million, representing a slight increase of approximately 4.5% from approximately HK\$178.7 million in the same period of the last financial year. This increase was mainly due to the combined effect of:

- (i) higher revenue of approximately HK\$62.0 million for some projects in progress during the six months ended 30 September 2024;
- (ii) lower revenue of approximately HK\$44.4 million for a project completed during the six months ended 30 September 2024; and
- (iii) lower revenue of approximately HK\$9.6 million for projects completed before 2024.

## **Gross profit and gross profit margin**

The Group's gross profit for the six months ended 30 September 2024 was approximately HK\$14.2 million while it was HK\$5.6 million in the same period of the last financial year.

The gross profit margin increased from approximately 3.1% for the six months ended 30 September 2023 to approximately 7.6% for the six months ended 30 September 2024.

The increase in gross profit and gross profit margin was primarily due to a higher amount of works being certified by customers. During the prior period, construction projects were mainly in phases where temporary works were performed. These projects have now progressed, resulting in more revenue-generating works being certified in the current period.

## **Other income**

Other income was approximately HK\$3.8 million and HK\$4.1 million for the six months ended 30 September 2024 and 2023, respectively. Other income included mainly bank interest income received of approximately HK\$2,866,000 for the current period (six months ended 30 September 2023: HK\$3,248,000).

## **Other gains/(losses), net**

The Group recorded other gains, net of approximately HK\$295,000 for the six months ended 30 September 2024, and other losses, net of approximately HK\$283,000 for the six months ended 30 September 2023. The turnaround was primarily due to the increase in fair value changes of financial assets at fair value through profit or loss during the period.

## **Administrative expenses**

Administrative expenses remained stable at approximately HK\$13.2 million and HK\$13.9 million for the six months ended 30 September 2024 and 2023, respectively. Administrative expenses included mainly administrative staff costs, employee benefit expenses and legal and professional expenses.

## **Impairment of financial assets**

As part of the Group's credit risk assessment, an impairment loss provision of approximately HK\$9.4 million was recognised on amounts due from joint operations/an other partner of joint operation for the six months ended 30 September 2024. Credit risks arise when the Group's joint operations partners fail to carry out their contractual obligations, resulting in financial losses to the Group. While the Group does not hold any collateral against these receivables, the risks are partially mitigated through the value of the assets held by the relevant joint operations and the Group's participation in the joint operations.

The amounts due from joint operations/an other partner of joint operation as at 30 September 2024 in which provision was provided primarily relate to the accumulated outstanding balances from a joint operation partner involved in a road and drainage project in Kai Tak Development (“Kai Tak Development project”). The management has assessed that the credit risk from this joint operation partner has increased significantly during the period, taken into account of its historical default experience, financial strength and the current budget of Kai Tak Development project. The management has implemented monitoring procedures to ensure appropriate follow-up actions for recovering overdue debts.

The Kai Tak Development project is expected to be completed in the first quarter of 2025, and the Group is actively negotiating with the customer regarding the total work done performed by the Group.

### **Finance costs**

Finance costs consisted of the bank loan interest expenses of approximately HK\$34,000 (2023: HK\$57,000) and interest expenses on the lease liabilities of approximately HK\$111,000 (2023: HK\$142,000) for the six months ended 30 September 2024.

### **Share of profit of an associate**

Share of profit of an associate relates to the Group’s 20.3% interest in an associate for the provision of bareboat charter and coal transshipment services in Pakistan. The Group’s share of profit of an associate for the six months ended 30 September 2024 was approximately HK\$10,907,000 (2023: HK\$9,524,000).

### **Income tax credit**

The Group recorded income tax credit of approximately HK\$271,000 for the six months ended 30 September 2024 (2023: HK\$1,882,000). Income tax credit was resulted from the recognition of estimated tax losses available for offsetting against future profits.

### **Profit for the period**

Profit for the period remained stable at approximately HK\$6,744,000 and HK\$6,716,000 for the six months ended 30 September 2024 and 2023, respectively. Although the net profit for this period is comparable to that of the corresponding period of the last financial year, it was the combined effect of an increase in gross profit from construction projects and the recognition of impairment of financial assets. Excluding the one-off impairment of financial assets, the adjusted net profits for the current period was approximately HK\$16,171,000, representing an increase of approximately 141% as compared to that of the corresponding period of last financial year.

## **Liquidity and financial resources**

As at 30 September 2024, the Group had cash and cash equivalents of approximately HK\$171.1 million (31 March 2024: HK\$153.9 million) and bank deposits with maturity over three months of approximately HK\$20.7 million (31 March 2024: HK\$22.2 million), which were mainly denominated in Hong Kong dollars and United States dollars. Therefore, the management of the Group believes that the Company does not have significant foreign exchange risk. The Group has not adopted any currency hedging policy or other hedging instruments. The Group will continue to monitor its exposure to currency risks closely.

As at 30 September 2024 and 31 March 2024, there was no pledged bank deposit.

As at 30 September 2024, the Group had interest bearing borrowings of approximately HK\$4.9 million (31 March 2024: HK\$0.6 million) with a repayable on demand clause. Such borrowings were denominated in Hong Kong dollars, carried at variable interest rate and had no financial instrument for hedging purpose.

The Group had available unutilised bank borrowings facilities of approximately HK\$24.0 million as at 30 September 2024 (31 March 2024: HK\$20.7 million).

## **Capital structure and gearing ratio**

As at 30 September 2024, the Group's total equity was approximately HK\$278.5 million (31 March 2024: HK\$272.4 million) comprising ordinary share capital, share premium and reserves.

The gearing ratio of the Group, defined as a percentage of interest bearing liabilities divided by the total equity, is approximately 1.8% as at 30 September 2024 (31 March 2024: 0.2%).

## **Pledge of assets**

As at 30 September 2024 and 31 March 2024, there was no pledged bank deposit. Deposits of approximately HK\$3.3 million have been placed and pledged to an insurance institution to secure obligations under the performance bonds issued by an institution to a customer of the Group as at 31 March 2024 and the amount was released during the six months ended 30 September 2024.

## **Capital commitments**

The Group had no capital commitments on capital expenditure of property, plant and equipment contracted for but not recognised as liabilities as at 30 September 2024 and 31 March 2024.

## **Performance bonds and contingent liabilities**

Certain customers of the construction contracts undertaken by the Group require the group entities to issue guarantees for the performance of contract works in the form of performance bonds. The performance bonds are released when the construction contracts are completed or substantially completed.

As at 30 September 2024, the Group did not have any outstanding performance bonds (31 March 2024: HK\$3.3 million).

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 September 2024, the Group had an aggregate of 170 full-time employees (31 March 2024: 167 full-time employees). Employee costs excluding directors' emoluments totalled approximately HK\$34.0 million for the six months ended 30 September 2024 (2023: HK\$33.9 million). The Group recruited and promoted individual persons according to their strength and development potential. The Group determined the remuneration packages of all employees including the directors with reference to individual performance and current market salary scale.

## **FUTURE OUTLOOK**

As we navigate the evolving landscape of our industry, the Group remains steadfast in its commitment to delivering high-quality civil engineering services. Our revenue is primarily derived from projects with the Government of the Hong Kong Special Administrative Region (the "HKSAR Government"). We recognise the current economic challenges, particularly the HKSAR Government's low fiscal reserves and stringent regulatory environment.

Nevertheless, our management team remains optimistic about the future. We are proactively adjusting our strategies to address financial constraints and regulatory changes. This includes implementing innovative solutions to enhance project efficiency and cost-effectiveness, as well as reinforcing our compliance mechanisms to meet new legal requirements.

Our resilience is supported by a strong pipeline of projects and a dedicated workforce, whose expertise and commitment are invaluable. Additionally, we are exploring diversification opportunities to reduce our dependency on government contracts by targeting new markets and sectors where our engineering capabilities can be effectively utilised.

The One Belt One Road project in Pakistan, of which the Group owns 20.3%, has commenced its sixth coal transshipment operation season since September 2024. The Group's share of profit in an associate amounted to approximately HK\$10.9 million during the period ended on 30 September 2024, representing an increase of approximately 14.7% as compared to approximately HK\$9.5 million in the prior period. During the period, the Group received cash dividends from the project totaling approximately US\$1.7 million (equivalent to approximately HK\$13.1 million) for the period. The level of dividend distribution from the project has provided a substantial source of funding and returns of the Group, significantly



enhancing the overall liquidity environment. The Company will continuously monitor the operation of the project and recommend cash distribution as appropriate when profit earning is in line with our expectation.

Although the economic forecast poses difficulties, we are confident that our strategic initiatives and determined efforts will enable us to overcome these obstacles. Our sound cash flow and low gearing ratio ensure that we remain competitive even in the face of the recent deteriorating economic situation. We are poised to maintain growth and continue contributing to vital infrastructure projects that benefit the community.

Management is prepared to tackle these head-on challenges, ensuring that the Company remains a trusted partner in building a resilient and sustainable future. Our long term commitment remains focused on delivering greater returns to our shareholders.

### **SIGNIFICANT INVESTMENT**

The Group holds a 20.3% equity interest (comprising 2,030 ordinary shares) in River King Management Holdings Limited (“River King” and together with its subsidiaries, the “River King Group”) through Rich Partner Global Limited, a direct wholly-owned subsidiary of the Company. The River King Group is principally engaged in a One Belt One Road project involving the bareboat charter hiring and transshipment of coal by vessels owned or built by the River King Group to a coal fired power station located in Pakistan. The Group’s total investment in River King up to 30 September 2024 was approximately HK\$96.7 million. No market fair value was available for this private investment as at 30 September 2024. The Group invested in River King with a view to maintaining a sustainable growth and maximising shareholder return through business diversification. To that end, the Group has been actively involved in the development and operation of the coal transshipment project since its participation. During the six months ended 30 September 2024, the Group’s share of profit and other comprehensive loss of River King Group was approximately HK\$10.9 million and HK\$0.6 million, respectively, and received cash dividends of approximately HK\$13.1 million.

Save as aforesaid, the Company did not hold any other significant investment during the six months ended 30 September 2024.

### **MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES**

During the six months ended 30 September 2024, there was no material acquisition or disposal of subsidiaries and associated companies by the Company.

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

The Company bought back a total of 224,000 shares of the Company (the “Shares”) on the Stock Exchange at an aggregate consideration of approximately HK\$41,000 for the six months ended 30 September 2024 (2023: Nil) at price ranging from HK\$0.175 to HK\$0.189 per Share.

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

## **CORPORATE GOVERNANCE**

The Company has adopted, applied and complied with the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix C1 of the Listing Rules for the six months ended 30 September 2024, except for provision C.2.1 in respect of the separate roles of the chairman and chief executive officer.

According to provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lo Yuen Cheong is the Chairman and Chief Executive Officer of the Company, responsible for the financial and operational aspects of the Group, and is jointly responsible for the formulation of business development strategies of the Group. The Board believes that vesting the roles of both Chairman and Chief Executive Officer has the benefit of managing the Group's business and overall operation in an efficient manner. The Board considers that the balance of power and authority under the present arrangement will not be impaired in light of the operations of the Board with more than half of them being independent non-executive Directors. The Company will review the structure from time to time and shall adjust the situation when suitable circumstance arises.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors.

Upon specific enquiry with each of the Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code for the six months ended 30 September 2024.

## **INTERIM DIVIDEND**

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 September 2024.

## **REVIEW OF INTERIM RESULTS**

The audit committee of the Company has reviewed the unaudited condensed consolidated interim financial information for the six months ended 30 September 2024 and discussed the financial related matters with the management. PricewaterhouseCoopers, the Company's auditor, has reviewed the unaudited condensed consolidated interim financial information for the six months ended 30 September 2024 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

This announcement is published on the Company's website ([www.manking.com.hk](http://www.manking.com.hk)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)). The Interim Report 2024/2025 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange, and despatched to the shareholders of the Company in due course.

By order of the Board  
**Man King Holdings Limited**  
**Lo Yuen Cheong**  
*Chairman and Executive Director*

Hong Kong, 28 November 2024

*As at the date of this announcement, the Board comprises Mr. Lo Yuen Cheong and Mr. Lo Yick Cheong as executive Directors; Ms. Chan Wai Ying as non-executive Director; and Mr. Leung Wai Tat Henry, Prof. Lo Man Chi, Ms. Chau Wai Yung and Mr. So Kei Wai as independent non-executive Directors.*