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KFM KINGDOM HOLDINGS LIMITED

KFM 金德控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3816)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025**

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of KFM Kingdom Holdings Limited (the “**Company**”) would like to announce the interim results of the Company and its subsidiaries (together, the “**Group**”) for the six months ended 30 September 2025 (the “**Reporting Period**”) prepared in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), together with the comparative figures for the corresponding period of 2024.

For and on behalf of
KFM Kingdom Holdings Limited
Sun Kwok Wah Peter
Chairman

Hong Kong, 25 November 2025

As at the date of this announcement, the Board comprises the executive Directors: Mr. Sun Kwok Wah Peter (Chairman) and Mr. Wong Chi Kwok; and the independent non-executive Directors: Mr. Wan Kam To, Mr. Chan Ming Sun Jonathan and Ms. Cheng Yuan Ting Cana.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

		Six months ended 30 September	
	<i>Notes</i>	2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4	459,463	376,703
Cost of sales		<u>(374,605)</u>	<u>(308,919)</u>
Gross profit		84,858	67,784
Other (losses)/gains, net		(895)	2,319
Distribution and selling expenses		(3,848)	(3,601)
General and administrative expenses		(44,140)	(40,203)
Finance income		1,862	1,550
Finance costs		<u>(1,326)</u>	<u>(866)</u>
Profit before tax	5	36,511	26,983
Income tax expenses	6	<u>(5,747)</u>	<u>(4,436)</u>
Profit for the period		30,764	22,547
Other comprehensive income for the period:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		<u>8,996</u>	<u>3,010</u>
Total comprehensive income for the period		<u>39,760</u>	<u>25,557</u>
Profit for the period attributable to			
— Owners of the Company		29,853	21,759
— Non-controlling interests		<u>911</u>	<u>788</u>
		<u>30,764</u>	<u>22,547</u>
Total comprehensive income attributable to			
— Owners of the Company		39,163	24,769
— Non-controlling interests		<u>597</u>	<u>788</u>
		<u>39,760</u>	<u>25,557</u>
EARNINGS PER SHARE	12		
— Basic and diluted (HK cents)		<u>4.98</u>	<u>3.63</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2025

		30 September 2025 <i>Notes</i> HK\$'000 (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	7	252,551	242,775
Right-of-use assets		85,725	89,168
Prepayments and deposits		6,822	1,980
Total non-current assets		345,098	333,923
Current assets			
Inventories	8	133,726	146,061
Trade receivables	9	179,654	180,153
Prepayments, deposits and other receivables		27,600	29,710
Time deposit with maturity over three months		36,000	43,000
Cash and cash equivalents		176,479	109,504
		553,459	508,428
Non-current assets classified as held for sale		3,798	—
Total current assets		557,257	508,428
Total assets		902,355	842,351

		30 September 2025	31 March 2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited)
EQUITY			
Capital and reserves			
Share capital	10	60,000	60,000
Share premium	10	26,135	26,135
Reserves		499,612	468,249
		585,747	554,384
Non-controlling interests		69,862	69,265
Total equity		655,609	623,649
LIABILITIES			
Non-current liabilities			
Lease liabilities		3,446	5,292
Deferred income tax liabilities		2,950	2,093
Total non-current liabilities		6,396	7,385
Current liabilities			
Trade and other payables	11	166,471	128,235
Lease liabilities		4,931	5,705
Bank borrowings		65,400	75,600
Income tax liabilities		3,548	1,777
Total current liabilities		240,350	211,317
Total liabilities		246,746	218,702
Total equity and liabilities		902,355	842,351
Net current assets		316,907	297,111
Total assets less current liabilities		662,005	631,034

NOTES

1. GENERAL INFORMATION

KFM Kingdom Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 13 July 2011 as an exempted company with limited liability under the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business in Hong Kong is Workshop C, 31/F., TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 15 October 2012. The immediate holding company and controlling shareholder of the Company is KIG Real Estate Holdings Limited, a company incorporated in the British Virgin Islands.

The Company is an investment holding company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) are principally engaged in the manufacturing and sales of precision metal stamping products.

This interim condensed consolidated financial information is presented in Hong Kong dollars (“**HKS**”), which is also the functional currency of the Company and its subsidiaries in Hong Kong. The functional currency of those subsidiaries established in the People’s Republic of China (the “**PRC**”) and Malaysia is Renminbi and Malaysian ringgit respectively.

This interim condensed consolidated financial information was approved by the directors of the Company for issue on 25 November 2025.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 September 2025 have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange. This interim condensed consolidated financial information should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2025, which have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.

3. PRINCIPAL ACCOUNTING POLICIES

The interim condensed consolidated financial information has been prepared on the historical cost basis.

The accounting policies used in the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 April 2025:

Amendments to HKAS 21 Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in this interim condensed consolidated financial information.

4. REVENUE

Revenue represents sales of precision metal stamping products to external parties excluding sales-related taxes. The Group conducts its principal operation in Mainland China and Malaysia. Revenue from contracts with customers within the scope of HKFRS 15 are recognised at a point in time.

As at 30 September 2025 and 2024, all outstanding sales contracts are expected to be fulfilled within 12 months after the end of the reporting period. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Geographical region		
South East Asia	343,849	240,167
The PRC	82,670	92,187
Europe	16,224	26,439
North America	11,538	13,005
Others	5,182	4,905
	459,463	376,703

5. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Cost of inventories sold	374,605	308,919
Depreciation of property, plant and equipment	11,410	10,367
Depreciation of right-of-use assets	3,848	3,605
Research and development expenses	11,028	9,449

6. INCOME TAX EXPENSES

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Current income tax:		
— The PRC	4,890	2,935
— Withholding tax	—	869
Deferred income tax	857	632
Total	5,747	4,436

Income tax of the Group's entities has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the jurisdictions in which the entities operate.

Below are the major tax jurisdictions that the Group operates in for the six months ended 30 September 2025 and 2024:

(a) Hong Kong Profits Tax

No provision for Hong Kong Profits Tax was made for the six months ended 30 September 2025 and 2024 as there were no assessable profits generated in Hong Kong during the six months ended 30 September 2025 and 2024.

(b) The PRC Enterprise Income Tax (the "PRC EIT")

The PRC EIT is provided on the assessable income of the Company's PRC subsidiaries, adjusted for items which are not taxable or deductible for the PRC EIT purpose. The statutory PRC EIT tax rate for the six months ended 30 September 2025 is provided at the rate of 25% (2024: 25%).

A PRC subsidiary was recognised by the PRC government as “High and New Technology Enterprise” and was eligible to a preferential tax rate of 15% for a period of three calendar years.

(c) PRC dividend withholding tax

According to the Law of the PRC EIT, starting from 1 January 2008, a PRC dividend withholding tax of 10% will be levied on the immediate holding company outside the PRC when the PRC subsidiary declares dividend out of profits earned after 1 January 2008. During the six months ended 30 September 2025, a lower 5% (2024: 5%) PRC dividend withholding tax rate was adopted since the immediate holding company of the PRC subsidiary is incorporated in Hong Kong and fulfills certain requirements under the tax treaty arrangements between the PRC and Hong Kong.

7. PROPERTY, PLANT AND EQUIPMENT

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
At 1 April (Audited)	242,775	256,146
Additions	25,218	2,921
Transfer to non-current assets held for sales	(3,798)	—
Disposals	(275)	(160)
Depreciation	(11,410)	(10,367)
Exchange differences	41	3,392
	<hr/>	<hr/>
At 30 September (Unaudited)	252,551	251,932
	<hr/>	<hr/>

8. INVENTORIES

	30 September	31 March
	2025	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Raw materials	58,332	67,226
Work in progress	20,231	16,966
Finished goods	55,163	61,869
	<hr/>	<hr/>
	133,726	146,061
	<hr/>	<hr/>

9. TRADE RECEIVABLES

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
Trade receivables (<i>Note</i>)	<u>179,654</u>	<u>180,153</u>

Note:

The Group normally grants credit periods of 30 to 120 days (31 March 2025: 30 to 120 days). The following is an ageing analysis of trade receivables presented based on the date of delivery, which approximates the respective revenue recognition dates, at the end of the reporting period:

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
Up to 3 months	174,308	157,465
3 to 6 months	2,249	21,788
6 months to 1 year	3,097	859
1 to 2 years	—	41
	<u>179,654</u>	<u>180,153</u>

10. SHARE CAPITAL AND SHARE PREMIUM

	Number of shares	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Total <i>HK\$'000</i>
Ordinary shares of HK\$0.1 each				
Authorised				
At 30 September 2025 and 31 March 2025	<u>4,500,000,000</u>	<u>450,000</u>		
Issued and fully paid				
At 30 September 2025 and 31 March 2025	<u>600,000,000</u>	<u>60,000</u>	<u>26,135</u>	<u>86,135</u>

11. TRADE AND OTHER PAYABLES

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
Trade payables (<i>Note</i>)	150,784	113,990
Accruals and other payables	15,687	14,245
	<u>166,471</u>	<u>128,235</u>

Note:

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

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
Up to 3 months	150,594	113,848
3 to 6 months	—	4
6 months to 1 year	78	69
1 to 2 years	112	69
	<u>150,784</u>	<u>113,990</u>

12. EARNINGS PER SHARE

Basic and diluted earnings per share

	Six months ended 30 September 2025 (Unaudited)	2024 (Unaudited)
Profit attributable to owners of the Company (<i>HK\$'000</i>)	<u>29,853</u>	<u>21,759</u>
Weighted average number of shares in issue (<i>'000</i>)	<u>600,000</u>	<u>600,000</u>
Basic and diluted earnings per share (<i>HK cents per share</i>)	<u>4.98</u>	<u>3.63</u>

Basic earnings per share for the six months ended 30 September 2025 and 2024 is calculated by dividing the profit attributable to owners of the Company by 600,000,000 ordinary shares in issue during the period.

Diluted earnings per share is same as basic earnings per share as the Company had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2025 and 2024.

13. DIVIDEND

During the reporting period, the Board proposed a final dividend of HK\$1.3 cents per share in respect of the year ended 31 March 2025. The final dividend was declared in August 2025 and the final dividend of HK\$7,800,000 for the year ended 31 March 2025 was paid in September 2025.

No interim dividend was paid, declared or proposed during the six months ended 30 September 2025, nor has any interim dividend been proposed since the end of the reporting period (six months ended 30 September 2024: nil).

14. CAPITAL COMMITMENTS

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
Authorised or contracted but not provided for:		
— Plant and machinery	1,926	1,324
— Leasehold improvement	1,145	—
	<u>3,071</u>	<u>1,324</u>

REVIEW OF INTERIM RESULTS

The interim results and the interim condensed consolidated financial information of the Group for the Reporting Period, after being reviewed by the audit committee of the Company (the “**Audit Committee**”) and by the Company’s auditor in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants, were approved by the Board on 25 November 2025.

BUSINESS REVIEW

During the Reporting Period, global geopolitical tensions due to the conflicts in Ukraine and Middle East regions were both in a stalemate situation. In addition, the trade dispute and high tariff rate policy issued by the United States of America (the “US”) was aggravating risks on business environment. On the other hand, as affected by the relative high level of interest rate and high inflation rate in western countries, the global economy was in difficulty.

During the Reporting Period, the Group recorded revenue of approximately HK\$459.5 million, with an increase by approximately HK\$82.8 million or 22.0% as compared to a revenue of approximately HK\$376.7 million during the corresponding period last year. The increase was mainly due to the increase in the revenue derived from the customers who engaged in the network and data storage industry. On the other hand, the increase in revenue was partially offset by the decrease in revenue derived from the office automation industry and consumer electronic industry.

The total gross profit of the Group increased by approximately HK\$17.1 million or 25.2% from approximately HK\$67.8 million during the corresponding period last year to approximately HK\$84.9 million during the Reporting Period. The increase in gross profit was mainly due to the increase in revenue from the customers who engaged in the network and data storage industry. In respect of the gross profit margin of the Group was approximately 18.5% during the Reporting Period, with a slight increase by approximately 0.5% as compared to approximately 18.0% in the corresponding period last year. The increase in gross profit margin was mainly due to our improvement in production efficiency.

During the Reporting Period, the appreciation in Renminbi (“**RMB**”) exchange rate resulted in a net exchange loss of approximately HK\$1.6 million, with a decrease by approximately HK\$3.6 million as compared to a net exchange gain of approximately HK\$2.0 million recorded in the corresponding period last year. In regard to general and administrative expenses during the Reporting Period, the Group recorded general and administrative expenses of approximately HK\$44.1 million, with an increase by approximately HK\$3.9 million as compared to the general and administrative expenses of approximately HK\$40.2 million during the corresponding period last year. The increase in general and administrative expenses was in line with the increase in revenue during the Reporting Period.

As a result of the above, the Group recorded a net profit attributable to owners of the Company of approximately HK\$29.9 million during the Reporting Period, as compared with a net profit attributable to owners of the Company of approximately HK\$21.8 million during the corresponding period last year.

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group recorded revenue of approximately HK\$459.5 million, with an increase by approximately HK\$82.8 million or 22.0% as compared to a revenue of approximately HK\$376.7 million during the corresponding period last year. The increase was mainly due to the increase in the revenue derived from the customers who engaged in the network and data storage industry. On the other hand, the increase in revenue was partially offset by the decrease in revenue derived from the office automation industry and consumer electronic industry.

Geographically, South East Asia, the PRC, Europe and North America continued to be the major markets of the Group’s products. Sales to such areas accounted for approximately 74.8%, 18.0%, 3.5% and 2.5% of the Group’s revenue, respectively, for the Reporting Period. Details of a breakdown of revenue generated by different geographical locations are set out in Note 4 to this interim result announcement.

Cost of sales

Cost of sales primarily comprises the direct costs associated with the manufacturing of the Group's products. It mainly consists of direct material costs, direct labour costs, processing fee and other direct overheads. Set out below is the breakdown of the Group's cost of sales:

	Six months ended 30 September			
	2025		2024	
	<i>HK\$'000</i>	<i>%</i>	<i>HK\$'000</i>	<i>%</i>
	(Unaudited)		(Unaudited)	
Direct material	274,776	73.4	224,432	72.6
Direct labour	56,465	15.1	47,391	15.3
Processing fee	20,778	5.5	12,831	4.2
Change in inventory of finished goods and work in progress	(1,424)	(0.4)	2,789	0.9
Other direct overheads	24,010	6.4	21,476	7.0
	<u>374,605</u>	<u>100.0</u>	<u>308,919</u>	<u>100.0</u>

During the Reporting Period, cost of sales of the Group increased by approximately HK\$65.7 million or 21.3% as compared to the same of the corresponding period last year. The increase was primarily due to the increase in direct material cost, direct labour cost and processing fee. The percentage of cost of sales to total revenue during the Reporting Period was approximately 81.5%, representing a slight decrease of approximately 0.5% as compared to approximately 82.0% in the corresponding period last year.

Gross profit and gross profit margin

During the Reporting Period, the gross profit of the Group was approximately HK\$84.9 million, representing an increase of approximately HK\$17.1 million or 25.2% from approximately HK\$67.8 million for the corresponding period last year. The increase in gross profit was mainly due to the increase in revenue from the customers who engaged in the network and data storage industry. In respect of the gross profit margin of the Group was approximately 18.5% during the Reporting Period, with a slight increase by approximately 0.5% as compared to approximately 18.0% in the corresponding period last year. The increase in gross profit margin was mainly due to our improvement in production efficiency.

Other (losses)/gains, net

During the Reporting Period, the Group recorded other losses, net which amounted to approximately HK\$0.9 million. In the corresponding period last year, the Group recorded other gains, net of approximately HK\$2.3 million. The decrease in other gains, net during the Reporting Period was mainly due to a decrease in net exchange gain for approximately HK\$3.6 million upon RMB appreciation which resulted in a net exchange loss of approximately HK\$1.6 million was recorded during the Reporting Period.

Distribution and selling expenses

Distribution and selling expenses represented the expenses incurred for the promotion and selling of the Group's products. It mainly comprises, among others, salaries and related costs for the sales and marketing staff, travelling and transportation costs, and marketing expenses.

Distribution and selling expenses remained stable during the Reporting Period.

General and administrative expenses

General and administrative expenses comprised primarily salaries and related costs for key management, the Group's finance and administration staff, depreciation and professional costs incurred by the Group.

The general and administrative expenses of the Group increased from approximately HK\$40.2 million for the corresponding period last year to approximately HK\$44.1 million for the Reporting Period. The increase in general and administrative expenses was in line with the increase in revenue during the Reporting Period.

Finance costs

The Group's finance costs represented interest expenses on bank borrowings and finance costs of operating lease.

During the Reporting Period, the Group's finance costs was approximately HK\$1.3 million, as compared to approximately HK\$0.9 million for the corresponding period last year. The increase in finance costs was mainly due to an increase in average balance of bank borrowing as compared to corresponding period last year.

Income tax expenses

The Group's income tax expenses amounted to approximately HK\$5.7 million for the Reporting Period, while the Group's income tax expenses for the corresponding period last year amounted to approximately HK\$4.4 million. The increase in income tax expenses was mainly attributable to the increase in taxable profits during the Reporting Period.

Profit attributable to owners of the Company

For the Reporting Period, profit attributable to owners of the Company amounted to approximately HK\$29.9 million. During the corresponding period last year, profit attributable to owners of the Company amounted to approximately HK\$21.8 million.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Financial resources and liquidity

The Group's current assets comprise mainly cash and cash equivalents, trade and other receivables and inventories. As at 30 September 2025 and 31 March 2025, the Group's total current assets amounted to approximately HK\$557.3 million and HK\$508.4 million respectively, which represented approximately 61.8% and 60.4% of the Group's total assets as at 30 September 2025 and 31 March 2025, respectively.

Capital structure

The Group's capital structure is summarised as follows:

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Bank borrowings	<u>65,400</u>	<u>75,600</u>
Total debts	<u>65,400</u>	<u>75,600</u>
Shareholders' equity	<u>655,609</u>	<u>623,649</u>
Gearing ratio		
— Total debts to shareholders' equity ratio [#]	<u><u>10.0%</u></u>	<u><u>12.1%</u></u>

[#] Total debts to shareholders' equity ratio is calculated based on total debts divided by shareholders' equity at the end of the respective periods.

For the Reporting Period, the Group generally financed its operation primarily with internal generated cash flows and bank borrowings.

As at 30 September 2025, the Group's bank borrowings were denominated in RMB.

The capital structure of the Group consists of equity attributable to the equity holder of the Company (comprising issued share capital and reserves) and bank borrowings. The Directors will review the capital structure regularly. As part of such review, the Directors will consider the cost of capital and the optimal use of debt and equity so as to maximise the return to owners.

Capital expenditure

During the Reporting Period, the Group acquired plant and equipment of approximately HK\$25.2 million, as compared to the six months ended 30 September 2024 of approximately HK\$2.9 million.

The Group financed its capital expenditure through cash flows generated from operating activities and bank borrowings.

Charges on the Group's assets

As at 30 September 2025 and 31 March 2025, no borrowing of the Group was secured by assets of the Group.

Foreign currency exposure

Each individual group entity has its own functional currency. Foreign exchange risk to each individual group entity arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group operates mainly in Hong Kong, the PRC and Malaysia. The Group's Hong Kong entities are exposed to foreign exchange risk arising from RMB and Malaysian ringgit, while the Group's PRC and Malaysia entities are exposed to foreign exchange risk arising from United States dollars.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates.

Capital commitments

Details of the Group's capital commitments as at 30 September 2025 are set out in Note 14 to this interim results announcement.

Contingent liabilities

As at 30 September 2025, the Group had no material contingent liabilities.

OUTLOOK AND STRATEGY

Looking forward, the outlook of global economy is fraught with uncertainties due to the high tariff rate policy launched by US government, such tariff policy may further disrupt global supply chains and international trading patterns. Facing the geopolitical uncertainties and variables in international trade, enterprises are accelerating the restructuring of supply chains to strengthen risk mitigation capabilities.

In order to keep in line with the trend of customers restructuring their supply chains and manage the uncertainty brought by the China-US trade dispute, the Group has expanded its overseas production base in Malaysia, so as to provide flexibility to existing customers with supply chain solutions locating outside of the PRC, and to capitalise on the opportunity to actively explore more new customers.

Furthermore, the persistent geopolitical conflicts in Ukraine and Middle East regions, and the China-US trade dispute may sustain a period of time. In order to cope with these challenges and uncertainties, the Group will put more efforts in maintaining good relationships with existing customers of the Group. The Group has also been striving to explore more new customers to broaden its customer base.

SUBSEQUENT EVENT

The Group had no material subsequent events from the end of the Reporting Period up to the date of this interim result announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2025, the Group had a total number of 1,282 employees (as at 30 September 2024: 1,057 employees). The Group determined the remuneration packages of all employees based on several factors including individual qualifications, contribution to the Group, performance and years of experience of the respective staff.

The Group provides on-going training to the Group's staff in order to enhance their technical skills and product knowledge and to provide them with updates with regard to industry quality and work safety.

The Group maintains good relationship with the Group's employees. The Group did not have any labour strikes or other labour disturbances that would have interfered with the Group's operations during the Reporting Period.

As required by the various regulations in the jurisdictions the Group operated in, the Group participates in the social insurance schemes operated by the relevant local government authorities.

CORPORATE GOVERNANCE

The Company and the Directors confirm, to the best of their knowledge, that the Company has complied with the Corporate Governance Code (“**CG Code**”) as set out in Appendix C1 to the Listing Rules during the Reporting Period with the following deviations:

Pursuant to code 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. Sun Kwok Wah, Peter, serves as both the chief executive officer of the Company and the Chairman of the Board. Although such practice deviates from code provision C.2.1 of the CG Code, the Board believes that vesting the roles of both the Chairman of the Board and the chief executive officer in the same person has the benefit of ensuring consistent leadership to advance long-term strategy, and allowing for further deepening the monetisation capabilities and optimising operating efficiency. In particular, Mr. Sun, being a founder of the Group and the chief executive officer of the Company, is familiar with the Company’s business operation and has superior knowledge and experience of the Company’s business.

In addition, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively, given that (i) decisions to be made by the Board require approval by at least a majority of the Directors; (ii) all the Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among others, that he/she acts for the benefits and in the best interests of the Company as a whole and will make decisions for the Company accordingly; (iii) the balance of power and authority is ensured by the operations of the Board, which consisting of two executive Directors and three independent non-executive Directors and has a fairly strong independence element; and (iv) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussions at both the Board and senior management levels.

Therefore, the Board considers that the deviation from the code provision of C.2.1 of the CG Code is appropriate in such circumstances. Except for the above deviation from CG Code, the Board is of the view that the Company has complied with the CG Code during the Reporting Period. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code for securities transactions by the Directors on terms equivalent to the required standard of the Model Code as set out in Appendix C3 to the Listing Rules.

The Board confirmed that, having made specific enquiry, the Directors have complied in full with the required standards as set out in the Model Code and its code of conduct during the Reporting Period.

INTERIM DIVIDEND

The Board does not recommend payment of any interim dividend for the Reporting Period.

AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with the requirements of the Listing Rules with written terms of reference formulated for the committee.

The Audit Committee has reviewed the Group's interim condensed consolidated financial information for the Reporting Period and had discussed the financial information with management and the independent auditor of the Company. The Audit Committee is of the view that the preparation of such financial report has complied with the standard and requirements and that adequate disclosures have been made.

SUBSTANTIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED CORPORATIONS

The Group did not conduct any disposals or acquisitions for its subsidiaries and associated corporations during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities during the Reporting Period. The Company did not hold any treasury shares during the Reporting Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the Company's website at www.kingdom.com.hk and the Stock Exchange's website at www.hkexnews.hk. The interim report for the Reporting Period containing all the information required by Appendix D2 to the Listing Rules will be despatched to the shareholders of the Company and available on the said websites in due course.