King International Investment Limited
帝王國際投資有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 928)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to (i) the Company's annual report of 14 November 2025 for the year ended 31 March 2025 (the "**Annual Report**") page 80; and (ii) the Company's announcements of 25 April 2025 and 28 April 2025 in relation to the allegations against a former executive director and a non-executive director (collectively, the "**Former Directors**") (the "**Announcements**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

IDENTITIES OF THE FORMER EXECUTIVE DIRECTOR AND THE NON-EXECUTIVE DIRECTOR

The "former executive director" refers to Mr. Liu Mingqing, who was removed as an executive director at the annual general meeting held in 13 September 2024.

The "current executive director" who was suspended refers to Ms. Yan Ming, who has been re-designated from executive Director to non-executive Director and has ceased to be the Co-Chairlady and Chief Executive Officer of the Company on 6 January 2026 and was suspended from her role as non-executive Director with effect from 24 April 2025.

ROLES AND RESPONSIBILITIES OF THE FORMER DIRECTORS IN THE CERTAIN SUBSIDIARIES

The "Certain Subsidiaries" referred to in the Annual Report on page 15 are the subsidiaries in respect of which the Company lost control due to the Former Directors' refusal to hand over the Books and Records. These subsidiaries are primarily healthcare-related entities, as listed in the Annual Report on page 26.

1. Life Health Corporate Services Limited

2. Lianhe (Beijing) Medical Technology Co., Ltd. (蓮和(北京)醫療科技有限公司)

3. Beijing Lianhe Medical Laboratory Co., Ltd. (北京蓮和醫學檢驗所有限公司)

4. Allied Kingdom Holdings Limited

5. Yangzhou Medical Sunshine Technology Co., Ltd. (揚州醫采陽光科技有限公司)

6. Beijing Lianhe Medical Technology Co., Ltd. (北京蓮合醫療科技有限公司)

7. Life Healthcare (Hong Kong) Limited

8. Huanyu Weisan Technology Co., Limited (formerly known as EDLE Group Co Limited)

9. Life Healthcare Medical Laboratory Limited

10. Sanya Lucky Light Food Technology Co., Ltd. (三亞幸運之光食品科技有限公司)

11. China King International Holdings Limited

The Former Directors (Mr. Liu Mingqing and Ms. Yan Ming) were responsible for maintaining proper books and records and ensuring that the Company, as the ultimate holding company, had access to all financial information required for the preparation of the Group's consolidated financial statements.

Upon their removal and suspension, the Former Directors refused to hand over the crucial financial documents of these subsidiaries, including bank statements, operational records, supporting documents for transactions, management accounts and statutory records. The Company was therefore unable to obtain the financial information required to maintain control, which led to the deconsolidation of the Certain Subsidiaries effective 1 October 2024.

WINDING-UP PETITIONS

First winding-up petition (Mianyang Zhongshang Fule Wine Co., Ltd.)

As disclosed in the Company's announcements dated 27 January 2025 and 2 April 2025, a winding-up petition was filed against the Company by Mianyang Zhongshang Fule Wine Co., Ltd.*（綿陽中商富樂酒業有限公司）(the "**Petitioner**") in relation to a sale of goods agreement dated 9 April 2024. The sale of goods agreement dated 9 April 2024 was signed by the Former Directors (Mr. Liu Mingqing and Ms. Yan Ming), who were both executive directors of the Company at that time. The purchase amount under the agreement was over RMB50,000,000, which far exceeded any threshold that could be considered as within the ordinary course of business without Board approval. The Agreements were not submitted to the Board for approval prior to execution. Subsequently, the Company did not receive any goods from Mianyang Zhongshang Fule Wine Co., Ltd.. Accordingly, the Company considers that (i) the Former Directors' co-signing of the Agreements was without the Board's approval and authorization; and (ii) because the Company did not receive any goods from Mianyang Zhongshang Fule Wine Co., Ltd., the transaction is not valid and unauthorised.

On 2 April 2025, the Company received a court note from the Hong Kong High Court dated 2 April 2025 that, upon the joint application of the solicitors for the Petitioner and the solicitors of the Company, leave be granted to the Petitioner to withdraw the Petition. As at the date of this announcement, the Company confirms that it was not liable for any payment obligations under the sale of goods agreement and did not make any payment to the Petitioner. The Company has reservations on the validity of the Agreements and the accuracy of the outstanding amount stated in the Petition. As the Petition was subsequently withdrawn, and the Company did not suffer any loss as a result of the Petition.

At the time when the sale of goods agreement was entered into in April 2024, the then internal control procedures for procurement were as follows:

- Initiation: A contract proposal was submitted by a department or individual.
- Approval: Typically, one executive director might approve the contract.
- Execution: Once approved, the contract was signed by one executive director.

To avoid similar incidents from happening again, the internal control measures were further enhanced by requiring that signed contracts be valid and approved by two Executive Directors, both authorised by the Board. This means that any contract exceeding HKD 200,000 must be approved or reviewed by the Board indirectly.

MANAGEMENT'S VIEW AND AUDIT COMMITTEE'S VIEW ON QUALIFIED OPINIONS

The auditor issued a qualified opinion in respect of (i) loss of control on certain subsidiaries, (ii) interest in an associate, and (iii) other receivables.

Management's view:

(i) Loss of control on certain subsidiaries: Management acknowledges that due to Mr. Liu is one of the directors of some of the Certain Subsidiaries while Mr. Liu and Ms. Yan are responsible to communicate with the management team of Sanya Lucky Light Food Technology Co., Ltd. The Former Directors were previously responsible for managing the accounting team of the Certain Subsidiaries and for publishing the financial results of the Group. However, following their respective removal and suspension, they refused to hand over crucial financial documents required to prepare the Group's consolidated financial statements including the financial information related to Certain Subsidiaries, that are managed by the Former Directors. Despite repeated requests and demands from the Current Board, the Former Directors failed to respond. The Company was unable to obtain the books and records of the Certain Subsidiaries. Management considered that control over these subsidiaries was lost with effect from 1 October 2024, and deconsolidation was the appropriate accounting treatment. Management may consider taking legal action against the Former Directors to claim potential losses.

(ii) Interest in an associate: Management notes that the full impairment of the investment in the associate was made during the year ended 31 March 2022, and the translation reserve balance was removed upon deconsolidation of Life Healthcare Corporate Services Limited. Management concurred with the auditor that the deconsolidation was the appropriate accounting treatment.

(iii) Other receivables: Management notes that the subsidiary holding the prepayment for vehicle remodelling services was disposed of during the year ended 31 March 2024, and there is no qualification in respect of this matter for the year ended 31 March 2025. Management concurred with the auditor that the deconsolidation was the appropriate accounting treatment.

Audit Committee's view:

The audit committee has reviewed each of the modifications and the management's position. Further to the discussion with the auditor:

(i) regarding the loss of control on Certain Subsidiaries, the audit committee notes that despite multiple requests by the management of the Company and the auditor, the books and records of the Certain Subsidiaries could not be obtained and the loss of control on Certain Subsidiaries was confirmed;

(ii) regarding the interest in the associate, the audit committee noted that the full impairment of the investment in the associate was made during the year ended 31 March 2022, and the translation reserve balance was removed upon deconsolidation of Life Healthcare Corporate Services Limited; and

(iii) regarding the other receivables, the subsidiary holding the prepayment for vehicle remodelling services was disposed of during the year ended 31 March 2024, and there is no qualification in respect of this matter for the year ended 31 March 2025.

The management and the audit committee agreed that the circumstances and the limitation resulted in the above-mentioned qualified opinion. They also confirm that the accounting treatment for the loss of control on certain subsidiaries, interest in the associate and the prepayment for vehicle remodelling services is appropriate.

Save for the above clarification, all other information set out in the Annual Report remains unchanged. This announcement is supplemental to and should be read in conjunction with the English version of the Annual Report.

In addition to the information disclosed in in the Corporate Governance Report on pages 50 to 78 of the Annual Report, the Company would like to provide the following supplementary information to the shareholders and potential investors of the Company.

DISCUSSION ON MATERIAL UNCERTAINTY (GOING CONCERN)

The Group had current liabilities of approximately HK$61,857,000, but the Group only had cash and cash equivalents of approximately HK$309,000, of which approximately HK$291,000 was restricted deposit. Besides, the Group had a loss of approximately HK$47,454,000 and a net operating cash outflow of approximately HK$322,000 for the year ended 31 March 2025. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The Directors have taken the following measures to improve the Group's financial position and working capital:

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

(ii) the Group continues to improve operating efficiency by implementing measures to tighten cost controls over various operating expenses in order to enhance its profitability and to improve cash flow from its operations in the future;

(iii) the Group's liquor business recorded profit for the year and is expected to generate profit in the future; and

(iv) the Group will actively negotiate with various financial institutions and potential lenders/investors to secure new financing arrangements to meet the Group's working capital and financial requirements in the near future. The Group will also actively seek opportunities to carry out fund raising activities, including but not limited to the placing of new shares and rights issue, as alternative sources of funding.

Having regard to the cash flow projection of the Group, the Directors are of the opinion that, in light of the measures taken to date, together with the expected results of the other measures in progress, the Group will have sufficient working capital to finance its operations and to meet its financial obligations for at least the next twelve months from the date of approval of the consolidated financial statements.

Significant uncertainties exist as to whether management of the Company will be able to achieve its plans as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to:

(i) collect of outstanding trade receivables within the credit term; and

(ii) tighten cost controls over various operating expenses in order to enhance its profitability and to improve cash flow from its operations in the future.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their net realisable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effect of these adjustments has not been reflected in these financial statements.

Save for the above clarification, all other information set out in the Corporate Governance Report remains unchanged. This announcement is supplemental to and should be read in conjunction with the English version of the Corporate Governance Report.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
King International Investment Limited
Wang Mengyao
Executive Director

Hong Kong, 6 July 2026

Executive Directors:
Mr. Leng Yueyingtan *(Co-Chairman)*
Mr. Wong Jun *(Co-chairman)*
Mr. Wang Mengyao
Mr. Man Wai Lun
Mr. Li Li

Independent non-executive Directors:
Mr. Lou Tao
Mr. Liu Zhong
Ms. Li Qian