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# 偉俊生物科技有限公司

## Wai Chun Bio-Technology Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 660)

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

The board of directors (the “**Board**”) of Wai Chun Bio-Technology Limited (the “**Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries (hereafter collectively referred to as, the “**Group**”) for the six months ended 31 December 2023, together with the comparative figures of the corresponding period in 2022 as follows:

#### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 December 2023

	Notes	Six months ended 31 December	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Revenue</b>	4	<b>190,330</b>	405,080
Cost of sales		<u>(173,535)</u>	<u>(378,389)</u>
<b>Gross profit</b>		<b>16,795</b>	26,691
Other revenue and other gains and losses, net		126	79
Selling expenses		(6,938)	(7,428)
Administrative expenses		(9,412)	(10,566)
Reversal of impairment losses/(impairment losses) on trade and other receivables, net		5,413	(4,131)
Finance costs		<u>(8,829)</u>	<u>(8,424)</u>
<b>Loss before tax</b>		<b>(2,845)</b>	(3,779)
Income tax expense	5	<u>(1,185)</u>	<u>(1,529)</u>
<b>Loss for the period</b>	6	<u><b>(4,030)</b></u>	<u>(5,308)</u>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)***For the six months ended 31 December 2023*

		<b>Six months ended 31 December</b>	
		<b>2023</b>	<b>2022</b>
	<i>Note</i>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>(Loss) profit for the period attributable to:</b>			
- Owners of the Company		<b>(6,734)</b>	<b>(7,831)</b>
- Non-controlling interests		<b><u>2,704</u></b>	<b><u>2,523</u></b>
		<b><u>(4,030)</u></b>	<b><u>(5,308)</u></b>
<b>Loss per share</b>			
	<b>8</b>	<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
			<b>(restated)</b>
- Basic and diluted		<b><u>(3.93)</u></b>	<b><u>(4.57)</u></b>

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

*For the six months ended 31 December 2023*

	<b>Six months ended 31 December</b>	
	<b>2023</b>	2022
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Loss for the period</b>	<u>(4,030)</u>	<u>(5,308)</u>
<b>Other comprehensive income (loss):</b>		
<i>Item that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	<u>5,530</u>	<u>(2,902)</u>
<b>Other comprehensive income (loss), net of tax</b>	<u>5,530</u>	<u>(2,902)</u>
<b>Total comprehensive income (loss) for the period</b>	<u><u>1,500</u></u>	<u><u>(8,210)</u></u>
<b>Total comprehensive income (loss) for the period attributable to:</b>		
– Owners of the Company	<u>(3,914)</u>	<u>(9,311)</u>
– Non-controlling interests	<u>5,414</u>	<u>1,101</u>
	<u><u>1,500</u></u>	<u><u>(8,210)</u></u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

		<b>31 December</b>	30 June
		<b>2023</b>	2023
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>103,549</b>	82,289
Right-of-use assets		<b>28,098</b>	28,770
		<u><b>131,647</b></u>	<u>111,059</u>
<b>Current assets</b>			
Inventories		<b>28,606</b>	37,577
Trade receivables	9	<b>43,472</b>	37,135
Deposits, prepayments and other receivables		<b>56,389</b>	47,788
Tax refundable		–	360
Bank balances and cash		<b>5,435</b>	6,312
		<u><b>133,902</b></u>	<u>129,172</u>
<b>Current liabilities</b>			
Trade payables	10	<b>79,474</b>	63,945
Accruals and other payables		<b>28,708</b>	24,715
Contract liabilities		<b>7,027</b>	6,697
Borrowings		<b>58,181</b>	59,289
Tax payable		<b>754</b>	–
Lease liabilities		<b>703</b>	1,670
Loans from the ultimate holding company		<b>4,641</b>	2,513
		<u><b>179,488</b></u>	<u>158,829</u>
<b>Net current liabilities</b>		<u><b>(45,586)</b></u>	<u>(29,657)</u>
<b>Total assets less current liabilities</b>		<u><b>86,061</b></u>	<u>81,402</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(CONTINUED)**

*As at 31 December 2023*

	<b>31 December 2023 HK\$'000 (Unaudited)</b>	30 June 2023 HK\$'000 (Audited)
<b>Non-current liabilities</b>		
Lease liabilities	1,134	1,134
Convertible bonds	<u>72,888</u>	<u>69,729</u>
	<u>74,022</u>	<u>70,863</u>
<b>Net assets</b>	<u><u>12,039</u></u>	<u><u>10,539</u></u>
<b>Capital and reserves</b>		
Share capital	42,869	42,869
Reserves	<u>(81,788)</u>	<u>(77,874)</u>
Capital deficiency attributable to owners of the Company	(38,919)	(35,005)
Non-controlling interests	<u>50,958</u>	<u>45,544</u>
<b>Total equity</b>	<u><u>12,039</u></u>	<u><u>10,539</u></u>

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. The address of its principal place of business is Rooms 4001-02, 40th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The principal activities of the Group are manufacturing and sale of modified starch and other biochemical products.

In the opinion of the directors of the Company (the "**Directors**"), as at 31 December 2023, Chinese Success Limited, a company incorporated in the British Virgin Islands, is the immediate holding company; Wai Chun Investment Fund ("**Wai Chun IF**"), a company incorporated in the Cayman Islands, is the ultimate holding company and Mr. Lam Ching Kui ("**Mr. Lam**") is the ultimate controlling party of the Company, who resigned as the Chairman of the Board, the Chief Executive Officer and an Executive Director of the Company on 18 July 2022. Mr. Lam is the father of Mr. Lam Ka Chun, an Executive Director, Chairman of the Board and Chief Executive Officer of the Company.

The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company. In addition, the functional currencies of certain group entities that operate outside Hong Kong are determined based on the currency of the primary economic environment in which the Group entities operate.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The condensed consolidated financial statements should be read in conjunction with the Group's annual financial statements for the year ended 30 June 2023. The accounting policies and methods of computation used in the preparation of the condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 30 June 2023.

The Group incurred a loss attributable to owners of the Company of approximately HK\$6,734,000 for the six months ended 31 December 2023 and as at 31 December 2023, the Group had net current liabilities of approximately HK\$45,586,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors have prepared the condensed consolidated financial statements based on going concern on the assumptions and measures that:

- (a) As at 31 December 2023, the Company has drawn down loan of approximately HK\$4,641,000 and undrawn loan facilities of approximately HK\$65,359,000 granted by Wai Chun IF, its ultimate holding company;

- (b) In addition to the loan facilities granted by Wai Chun IF as stated above, Mr. Lam has also undertaken to provide adequate funds to enable the Group to meet its liabilities and to settle financial obligations to third parties as and when they fall due so that the Group can continue as a going concern and carry on its business without a significant curtailment of operations for the twelve months from the date of approving the condensed consolidated financial statements.
- (c) The Company has planned and is in negotiation with potential investors to raise sufficient funds through fund-raising arrangement; and
- (d) The Directors will continue to implement measures aiming at improving the working capital and cash flows of the Group including closely monitoring general administrative expenses and operating costs.

The Directors have carried out a detailed review of the cash flow forecast of the Group for the twelve-month period from the date of this announcement after taking into account the impact of above measures, the Directors believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements as and when they fall due in the next twelve months from the date of this announcement, and accordingly, are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amount, to provide for future liabilities which might arise and to reclassify non-current assets and liabilities to current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in the condensed consolidated financial statements.

As set out in the paragraphs above, the Group intends to pursue strategic acquisitions that can enable the Company to capture new business opportunities in the People's Republic of China (the "PRC") market and to strengthen the revenue and profit fundamentals. The Company has been actively identifying projects with growth potential for acquisitions or investments and has engaged in discussions with various parties for such acquisitions or investments.

### **3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 July 2023. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's condensed consolidated financial statements and amounts reported for the current period and prior period.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group does not expect that the application of these new and revised HKFRSs would have material impact on its results of operations and financial position.

#### 4. REVENUE AND SEGMENT INFORMATION

Revenue from manufacturing and sale of modified starch and other biochemical products for the six months ended 31 December 2023 were approximately HK\$190,330,000 (for the six months ended 31 December 2022: approximately HK\$405,080,000).

##### **Disaggregation of revenue from contracts with customers**

For the six months ended 31 December 2023, the revenue from manufacturing and sale of modified starch and other biochemical products are derived from customers in the PRC in the amounts of approximately HK\$190,330,000 (for the six months ended 31 December 2022: approximately HK\$387,331,000 and HK\$17,749,000 derived from customers in the PRC and Russia respectively).

The Group recognised revenue when the products are transferred to the customers at a point in time.

The Group has one reportable segment as follows:

Modified starch and other biochemical products	–	Manufacturing and sale of modified starch and other biochemical products
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Segment profits or losses do not include other revenue and other gains and losses, net, central administration costs, finance costs and income tax expenses.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

## Segment revenue and results

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

### For the six months ended 31 December 2023

	<b>Modified starch and other biochemical products HK\$'000 (Unaudited)</b>	<b>Total HK\$'000 (Unaudited)</b>
Revenue from external customers	<u>190,330</u>	<u>190,330</u>
Segment profit	<u>7,959</u>	7,959
Other revenue and other gains and losses, net		126
Central administration costs		(2,101)
Finance costs		<u>(8,829)</u>
Loss before tax		(2,845)
Income tax expense		<u>(1,185)</u>
Consolidated loss for the period		<u>(4,030)</u>

### For the six months ended 31 December 2022

	<b>Modified starch and other biochemical products HK\$'000 (Unaudited)</b>	<b>Total HK\$'000 (Unaudited)</b>
Revenue from external customers	<u>405,080</u>	<u>405,080</u>
Segment profit	<u>8,067</u>	8,067
Other revenue and other gains and losses, net		79
Central administration costs		(3,501)
Finance costs		<u>(8,424)</u>
Loss before tax		(3,779)
Income tax expense		<u>(1,529)</u>
Consolidated loss for the period		<u>(5,308)</u>

## 5. INCOME TAX EXPENSE

### Six months ended 31 December

2023	2022
<i>HK\$'000</i>	<i>HK\$'000</i>
(Unaudited)	(Unaudited)

Income tax expense comprises:

Current income tax – PRC Enterprise Income Tax

Provision for the period

<u>1,185</u>	<u>1,529</u>
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On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime is insignificant to the condensed consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit derived from Hong Kong for both periods.

PRC subsidiaries are subject to PRC Enterprise Income Tax (“**EIT**”) at 25% for both periods, except for the following subsidiary of the Company.

A Company’s subsidiary was exempted from PRC income taxes for both periods. According to the Implementation Regulation of the EIT Law and the EIT exemptions regulation set out in the Circular of the Ministry of Finance and the State Administration on Releasing the Primary Processing Ranges of Agricultural Products Entitled to Preferential Policies on Enterprise Income Tax (Trial Implementation) (Cai Shui [2008] No. 149), and the requirements of Article 86 of the Implementation Regulation of the EIT Law, the income from primary processing for agriculture products are exempted from EIT.

## 6. LOSS FOR THE PERIOD

	Six months ended 31 December	
	2023	2022
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after charging (crediting):		
Cost of inventories sold	173,535	378,389
(Reversal of impairment losses) Impairment loss on trade and other receivables, net	(5,413)	4,131
Depreciation on property, plant and equipment	3,691	3,352
Depreciation on right-of-use assets	1,959	1,915
Staff costs (including directors' emoluments and retirement benefit costs)	3,591	8,920
	<u>3,591</u>	<u>8,920</u>

## 7. INTERIM DIVIDEND

The Board has resolved not to recommend the payment of any interim dividend for the six months ended 31 December 2023 (for the six months ended 31 December 2022: Nil).

## 8. LOSS PER SHARE

### Loss per share

The calculation of basic loss per share attributable to owners of the Company for the six months ended 31 December 2023 is based on the loss attributable to owners of the Company of approximately HK\$6,734,000 (for the six months ended 31 December 2022: loss attributable to owners of the Company of approximately HK\$7,831,000) and the weighted average number of ordinary shares of 171,476,453 (for the six months ended 31 December 2022: adjusted 171,476,453) in issue during the period as adjusted to reflect the effect of the share consolidation. Comparative figures have also been adjusted on the assumption that above consolidation had been effective in prior period.

### Diluted loss per share

As the exercise of the Group's outstanding convertible bonds for the six months ended 31 December 2023 and for the six months ended 31 December 2022 would be anti-dilutive and there were no dilutive potential ordinary shares for the Company's outstanding share options and convertible preference shares in both periods, accordingly, the diluted loss per share is same as the basic loss per share in both periods.

## 9. TRADE RECEIVABLES

	<b>31 December</b>	30 June
	<b>2023</b>	2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Trade receivables	<b>45,882</b>	44,958
Less: Provision for loss allowance	<u><b>(2,410)</b></u>	<u>(7,823)</u>
Carrying amount	<u><b>43,472</b></u>	<u>37,135</u>

The Group allows average credit period of 30 to 180 days to its customers. Receivables that were current relate to customers for whom there was no recent history of default. Provision for impairment is made unless the Group has concluded that recovery is remote, in which case the unrecovered loss is written off against trade receivables and the provision for impairment directly. The Group does not hold any collateral over these balances.

The aging analysis of trade receivables based on the invoice date, and net of allowance, is as follows:

	<b>31 December</b>	30 June
	<b>2023</b>	2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
0–30 days	<b>11,571</b>	22,722
31–60 days	<b>12,761</b>	10,722
61–90 days	<b>11,942</b>	1,354
91–180 days	<b>5,368</b>	460
Over 180 days	<u><b>1,830</b></u>	<u>1,877</u>
Total	<u><b>43,472</b></u>	<u>37,135</u>

As at 31 December 2023, trade receivables of approximately HK\$41,642,000 (30 June 2023: approximately HK\$35,258,000) are not past due and regarded as having low default risk by the management of the Company based on regular repayment history in the expected credit loss assessment. As at 31 December 2023, no trade receivables (30 June 2023: HK\$Nil) were pledged to secure bank borrowings.

## 10. TRADE PAYABLES

The average credit period on purchases of goods ranges from 30 to 180 days. The Group has financial risk management policies to ensure that all payables are paid within the credit timeframe. The aging analysis of trade payables based on the invoice date, is as follows:

	<b>31 December</b> <b>2023</b> <b>HK\$'000</b> <b>(Unaudited)</b>	30 June 2023 HK\$'000 (Audited)
0-30 days	9,414	28,923
31-60 days	2,890	32,534
61-90 days	260	-
91-180 days	54,580	198
Over 180 days	<u>12,330</u>	<u>2,290</u>
Total	<u><u>79,474</u></u>	<u><u>63,945</u></u>

## **FINANCIAL REVIEW**

### **Financial Performance**

For the six months ended 31 December 2023, the Group recorded a revenue of approximately HK\$190,330,000 (for the six months ended 31 December 2022: approximately HK\$405,080,000), representing a decrease of 53.0% as compared with that of for the six months ended 31 December 2022. The decrease in revenue was due to the decrease in market consumption and demand during the period. The Group recorded a gross profit and gross profit margin of approximately HK\$16,795,000 and 8.8% respectively for the six months ended 31 December 2023, representing a decrease of approximately HK\$9,896,000 and a decrease of 37.1% respectively as compared with the gross profit of approximately HK\$26,691,000 and gross profit margin of 6.6% for the six months ended 31 December 2022.

Administrative expenses decreased by 10.9% from approximately HK\$10,566,000 for the six months ended 31 December 2022 to approximately HK\$9,412,000 for the six months ended 31 December 2023. The decrease in administrative expenses was mainly because of the tighter cost control measures of the Group and the decrease in staff costs in Hong Kong. Selling expenses recorded a decrease of 6.6% from approximately HK\$7,428,000 for the six months ended 31 December 2022 to approximately HK\$6,938,000 for the six months ended 31 December 2023.

Loss attributable to owners of the Company amounting to approximately HK\$6,734,000 for the six months ended 31 December 2023 as compared with the loss attributable to owners of the Company amounting to approximately HK\$7,831,000 for the six months ended 31 December 2022. The decrease in loss attributable to owners of the Company was mainly due to recognition of reversal of impairment losses on trade receivables during the period under review.

### **Financial Resources and Position**

As at 31 December 2023, the Group had net current liabilities of approximately HK\$45,586,000 (30 June 2023: approximately HK\$29,657,000) and cash and cash equivalents of approximately HK\$5,435,000 (30 June 2023: approximately HK\$6,312,000).

As at 31 December 2023, the current ratio of the Group was approximately 0.79 times (30 June 2023: approximately 0.81 times). The net debts (net of cash and cash equivalents) to total assets ratio of the Group was approximately 43.8% (30 June 2023: approximately 53.3%).

During the six months ended 31 December 2023, the Group financed its operations mainly by internally generated resources, loan from the ultimate holdings company and borrowings. The Group's cash and cash equivalents are mainly denominated in Hong Kong Dollars, Renminbi and United States Dollars. The Group conducted its business transactions principally in Renminbi and United States Dollars. The Group has not experienced any material difficulties or negative impact on its operations as a result of fluctuations in currency exchanges rates.

## **BUSINESS REVIEW AND OUTLOOK**

During the period under review, the Group continued to engage in the manufacturing and sale of modified starch and other biochemical products.

During the period under review, the business of manufacture and sales of modified starch and biochemical products recorded segment profit of approximately HK\$7,959,000 (for the six months ended 31 December 2022: segment profit of approximately HK\$8,067,000).

The Group will continue to pursue strategic acquisitions that can enable the Company to capture new business opportunities in the PRC market and to strengthen the revenue and profit fundamentals. The Company has been actively identifying projects with growth potential for acquisitions or investments and has been in discussions with various parties for such acquisitions or investments.

In order to ensure the Group's financial ability to operate as a going concern, the Directors of the Company have been implementing various measures including the provision of loan facilities by the ultimate holding company, conducting negotiation with potential investors to raise sufficient funds; and will continue to implement measures aiming at improving the working capital and cash flows of the Group including closely monitoring general administrative expenses and operating costs.

## **PLEDGE OF ASSETS**

Certain of the Group's right-of-use assets and certain of the Group's trade receivables were pledged to secure certain bank borrowings granted to the Group.

## **INTERIM DIVIDEND**

The Board resolved not to recommend the payment of any interim dividend for the six months ended 31 December 2023 (for the six months ended 31 December 2022: Nil).

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 December 2023.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standards as set out in the Model Code during the six months ended 31 December 2023.

## CORPORATE GOVERNANCE

The Company has adopted the code provisions of the Corporate Governance Code (“**CG Code**”) as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. During the six months ended 31 December 2023, the Company has complied with the relevant code provisions set out in the CG Code except for the deviation from code provision C.2.1, which is explained below.

Code provision C.2.1 provides that the roles of the Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. The Company did not separate the roles of the Chairman and Chief Executive Officer during the period under review. Mr. Lam Ka Chun is the Chairman and Chief Executive Officer of the Company with effect from 1 November 2023. Mr. Lam Ka Chun has extensive experience in project investment and management and is responsible for the overall corporate strategies, planning and business development of the Group. The balance of power and authorities are ensured by the operation of the Board which comprises experienced and high caliber individuals with sufficient number thereof being Independent Non-Executive Directors.

Mr. Hung Hoi Ming Raymond (“**Mr. Hung**”) resigned as an independent non-executive Director with effect from 9 August 2023 (the “**Resignation of Mr. Hung**”). Upon the Resignation of Mr. Hung, the Company no longer complied with Rules 3.10(1) and 3.21 of the Listing Rules. The Company is in the process of identifying suitable candidate to fill the vacancy and will use its best endeavours to ensure that suitable candidate is appointed as soon as practicable.

## AUDIT COMMITTEE

The Company established an audit committee (the “**Audit Committee**”) in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The terms of reference of the Audit Committee is currently made available on the Stock Exchange’s website and the Company’s website.

The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor; reviewing the interim and annual reports and accounts of the Group; and overseeing the Company's financial reporting system (including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget) and the internal control procedures.

The Audit Committee currently comprises two independent non-executive Directors, namely Ms. Hong Ting and Mr. Wan Bo. The Audit Committee has reviewed the unaudited interim financial results of the Group for the six months ended 31 December 2023.

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

This results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.0660.hk](http://www.0660.hk)). The interim report of the Company for the six months ended 31 December 2023 will be despatched to shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board  
**Wai Chun Bio-Technology Limited**  
**LAM KA CHUN**  
*Chairman and Chief Executive Officer*

Hong Kong, 29 February 2024

*As at the date of this announcement, the Board consists of one Executive Director, namely Mr. Lam Ka Chun and two Independent Non-Executive Directors, namely Ms. Hong Ting and Mr. Wan Bo.*