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BCI Group Holdings Limited
高門集團有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8412)

**ANNOUNCEMENT OF QUARTERLY RESULTS
FOR THE THREE MONTHS ENDED 31 AUGUST 2022**

The board (“**Board**”) of directors (“**Directors**”) of BCI Group Holdings Limited (“**Company**”, together with its subsidiaries collectively referred to as “**Group**”) hereby announces the unaudited condensed consolidated financial statements of the Group for the three months ended 31 August 2022 (“**First Quarterly Period**”), together with the unaudited comparative figures for the corresponding period in 2021. This announcement, containing the full text of the report of the Company for the First Quarterly Period, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of the results for the First Quarterly Period.

By order of the Board
BCI Group Holdings Limited
Wong Chi Yung
Chairman of the Board and Chief Executive Officer

Hong Kong, 13 October 2022

As at the date of this announcement, the executive Directors are Mr. Wong Chi Yung, Mr. Ng Shing Chun Ray and Ms. Lui Lok Yan, the independent non-executive Directors are Mr. Pong Chun Yu, Mr. Hui Wai Hung and Mr. Jiang Qiaowei.

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

This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at <http://www.bcigroup.com.hk>.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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香港聯合交易所有限公司（「聯交所」）GEM的特色

GEM的定位乃為相較其他在聯交所上市的公司帶有更高投資風險的中小型公司提供上市的市場。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

由於GEM上市公司一般為中小型公司，在GEM買賣的證券可能會較在聯交所主板買賣的證券承受更大的市場波動風險，同時亦無法保證在GEM買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因依賴該等內容而引致的任何損失承擔任何責任。

*This report, for which the directors (“**Directors**”) of BCI Group Holdings Limited (“**Company**”, together with its subsidiaries, collectively referred to as “**Group**”, “**we**” or “**our**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

*The board of Directors (“**Board**”) hereby announces the unaudited condensed consolidated financial statements of the Group for the three months ended 31 August 2022, together with the unaudited comparative figures for the corresponding period in 2021 as set out herein.*

本報告的資料乃根據聯交所GEM證券上市規則（「**GEM上市規則**」）而刊載，旨在提供有關高門集團有限公司（「**本公司**」，連同其附屬公司，統稱「**本集團**」或「**我們**」）的資料。本公司董事（「**董事**」）願就本報告共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料於所有重大方面均屬準確完整，並無誤導或欺詐成份，且並無遺漏任何其他事宜致使本報告內任何陳述或本報告產生誤導。

董事會（「**董事會**」）謹此宣布本集團截至2022年8月31日止三個月的未經審核簡明綜合財務報表，連同2021年同期的未經審核比較數字載列於內文。

Contents 目錄

| | |
|--|----|
| Financial Highlights 財務摘要 | 4 |
| Corporate Information 公司資料 | 5 |
| Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 未經審核簡明綜合損益及其他全面收益表 | 8 |
| Unaudited Condensed Consolidated Statement of Changes in Equity 未經審核簡明綜合權益變動表 | 9 |
| Notes to the Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註 | 10 |
| Management Discussion and Analysis 管理層討論及分析 | 20 |
| Other Information 其他資料 | 34 |

Financial Highlights

財務摘要

The Group's revenue for the three months ended 31 August 2022 was approximately HK\$10.3 million, representing a decrease of approximately 42.1% when compared with that of the corresponding period in 2021.

The Group recorded a loss and total comprehensive income for the three months ended 31 August 2022 of approximately HK\$2.6 million, while there was a loss and total comprehensive income of approximately HK\$1.9 million for the three months ended 31 August 2021.

The Board did not recommend payment of any dividend for the three months ended 31 August 2022.

本集團截至2022年8月31日止三個月的收益為約10.3百萬港元，較2021年同期的收益下降約42.1%。

本集團截至2022年8月31日止三個月錄得虧損及全面收益總額約2.6百萬港元，而截至2021年8月31日止三個月錄得虧損及全面收益總額約1.9百萬港元。

董事會並不建議派付截至2022年8月31日止三個月的任何股息。

DIRECTORS

Executive Directors:

Mr. Wong Chi Yung
(*Chairman and chief executive officer*)
Mr. Ng Shing Chun Ray
Ms. Lui Lok Yan

Independent Non-executive Directors:

Mr. Hui Wai Hung
Mr. Jiang Qiaowei
Mr. Pong Chun Yu

AUDIT COMMITTEE

Mr. Pong Chun Yu (*Chairman*)
Mr. Hui Wai Hung
Mr. Jiang Qiaowei

REMUNERATION COMMITTEE

Mr. Pong Chun Yu (*Chairman*)
Mr. Hui Wai Hung
Mr. Jiang Qiaowei

NOMINATION COMMITTEE

Mr. Jiang Qiaowei (*Chairman*)
Mr. Hui Wai Hung
Mr. Pong Chun Yu

COMPANY SECRETARY

Ms. Sun Shui

COMPLIANCE OFFICER

Mr. Wong Chi Yung

AUTHORISED REPRESENTATIVES

Mr. Wong Chi Yung
Ms. Sun Shui

董事

執行董事：

王志勇先生
(*主席兼行政總裁*)
吳承浚先生
雷樂欣女士

獨立非執行董事：

許維雄先生
蔣喬蔚先生
龐振宇先生

審核委員會

龐振宇先生 (*主席*)
許維雄先生
蔣喬蔚先生

薪酬委員會

龐振宇先生 (*主席*)
許維雄先生
蔣喬蔚先生

提名委員會

蔣喬蔚先生 (*主席*)
許維雄先生
龐振宇先生

公司秘書

孫瑞女士

合規主任

王志勇先生

授權代表

王志勇先生
孫瑞女士

Corporate Information

公司資料

REGISTERED OFFICE

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Floor 14, Bupa Centre
141 Connaught Road West
Sai Ying Pun
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road, North Point
Hong Kong

PRINCIPAL BANKER

The Hong Kong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

註冊辦事處

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港總辦事處及主要營業地點

香港
西營盤
干諾道西141號
保柏中心14樓

開曼群島股份過戶登記總處

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記分處

寶德隆證券登記有限公司
香港
北角電氣道148號
21樓2103B室

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號



Corporate Information 公司資料

AUDITOR

BDO Limited
Certified Public Accountants
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

STOCK CODE

8412

COMPANY'S WEBSITE

www.bcigroup.com.hk

核數師

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股份代號

8412

公司網站

www.bcigroup.com.hk

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

未經審核簡明綜合損益及其他全面收益表

For the three months ended 31 August 2022 截至2022年8月31日止三個月

| | | For the three months ended 31 August 截至8月31日止三個月 | | |
|--|------------------------|--|--|---------|
| | | 2022 2022年 HK\$' 000 千港元 (unaudited) (未經審核) | 2021 2021年 HK\$' 000 千港元 (unaudited) (未經審核) | |
| | | Note 附註 | | |
| Revenue | 收益 | 2 | 10,316 | 17,820 |
| Cost of inventories sold | 已售存貨成本 | | (2,516) | (4,847) |
| Other income and gains | 其他收入及收益 | | 1,299 | 275 |
| Expenses related to short term lease | 短期租賃相關開支 | | (481) | - |
| Advertising and marketing expenses | 廣告及市場推廣開支 | | (1,299) | (2,701) |
| Employee benefits expenses | 僱員福利開支 | | (3,525) | (3,832) |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | | (1,158) | (824) |
| Depreciation of right-of-use assets | 使用權資產折舊 | | (1,772) | (1,772) |
| Other expenses | 其他開支 | | (3,333) | (5,676) |
| Written off of trade and other receivables | 撇銷貿易及其他應收款項 | | - | (53) |
| Reversal of loss allowance on trade and other receivables | 貿易及其他應收款項 虧損撥備撥回 | | - | 26 |
| Finance cost | 融資成本 | 3 | (87) | (348) |
| Loss before income tax expenses | 除所得稅開支前虧損 | | (2,556) | (1,932) |
| Income tax expenses | 所得稅開支 | 4 | - | - |
| Loss and total comprehensive income for the period | 期內虧損及全面收益總額 | | (2,556) | (1,932) |
| Loss and total comprehensive income for the period attributable to: | 以下人士應佔期內虧損 及全面收益總額： | | | |
| - Owners of the Company | - 本公司擁有人 | | (2,946) | (1,978) |
| - Non-controlling interests | - 非控股權益 | | 390 | 46 |
| | | | (2,556) | (1,932) |
| Loss per share attributable to owners of the Company | 本公司擁有人應佔 每股虧損 | | | |
| - Basic and diluted (HK cent) | - 基本及攤薄 (港仙) | 6 | (0.25) | (0.20) |

Unaudited Condensed Consolidated Statement of Changes in Equity

未經審核簡明綜合權益變動表

For the three months ended 31 August 2022 截至2022年8月31日止三個月

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | |
|---|---------------------------|---|-----------------------|--------------------------|-------------------------------|-----------------------|-----------------|------------------------------------|-----------------|
| | | Share capital 股本 | Share premium 股份溢價 | Accumulated loss 累計虧損 | Share option reserve 購股權儲備 | Other reserve 其他儲備 | Total 總計 | Non-controlling interests 非控股權益 | Total 總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Balance at 1 June 2021 (audited) | 於2021年6月1日的 結餘 (經審核) | 9,988 | 98,650 | (121,286) | 6,835 | 2,400 | (3,413) | (7,582) | (10,995) |
| Partial disposal of a subsidiary | 部分出售一間附屬公司 | - | - | - | - | 2,224 | 2,224 | 3,376 | 5,600 |
| Loss and total comprehensive income for the period | 期內虧損及全面收益總額 | - | - | (1,978) | - | - | (1,978) | 46 | (1,932) |
| Balance at 31 August 2021 (unaudited) | 於2021年8月31日的 結餘 (未經審核) | 9,988 | 98,650 | (123,264) | 6,835 | 4,624 | (3,167) | (4,160) | (7,327) |
| Balance at 1 June 2022 (audited) | 於2022年6月1日的結餘 (經審核) | 9,988 | 98,650 | (130,157) | 6,835 | 8,682 | (6,002) | (7,335) | (13,337) |
| Placing of share | 配售股份 | 1,998 | 3,875 | - | - | - | 5,873 | - | 5,873 |
| Loss and total comprehensive income for the period | 期內虧損及全面收益總額 | - | - | (2,946) | - | - | (2,946) | 390 | (2,556) |
| Balance at 31 August 2022 (unaudited) | 於2022年8月31日的 結餘 (未經審核) | 11,986 | 102,525 | (133,103) | 6,835 | 8,682 | (3,075) | (6,945) | (10,020) |

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

1) GENERAL INFORMATION, BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands on 19 May 2016 and its registered office is located at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at 14th Floor, Bupa Centre, 141 Connaught Road West, Sai Ying Pun, Hong Kong. The shares of the Company (“**Shares**”) were listed on GEM of the Stock Exchange by way of share offer since 7 April 2017.

On 7 April 2017 (“**Listing Date**”), a total of 200,000,000 Shares of HK\$0.01 each were offered under the share offer, of which 100,000,000 Shares, representing 50 % of the total Offer Shares, were offered by way of placing. The remaining 100,000,000 Shares, representing 50% of the total Offer Shares, were offered under the public offer.

The Company is an investment holding company. The subsidiaries of the Company are principally engaged in the operation of club, entertainment and restaurant business in Hong Kong.

1) 一般資料、編製基準及會計政策

本公司於2016年5月19日根據開曼群島公司法（經修訂）在開曼群島註冊成立為獲豁免有限公司，其註冊辦事處位於Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands，而其香港主要營業地點則位於香港西營盤干諾道西141號保柏中心14樓。本公司股份（「**股份**」）自2017年4月7日起以股份發售方式於聯交所GEM上市。

於2017年4月7日（「**上市日期**」），本公司根據股份發售合共提呈發售200,000,000股每股面值0.01港元的股份，其中100,000,000股股份（佔發售股份總數的50%）以配售方式提呈發售，而餘下的100,000,000股股份（佔發售股份總數的50%）則以公開發售方式提呈發售。

本公司為一間投資控股公司。本公司的附屬公司主要於香港經營會所、娛樂及餐廳業務。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

1) GENERAL INFORMATION, BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

The unaudited condensed consolidated financial statements for the three months ended 31 August 2022 have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and applicable disclosures by the GEM Listing Rules and the Companies Ordinance in Hong Kong.

The unaudited condensed consolidated financial statements for the three months ended 31 August 2022 have been prepared under the historical cost basis.

The unaudited condensed consolidated financial statements for the three months ended 31 August 2022 are presented in Hong Kong Dollars (“**HK\$**”), which is the same as the functional currency of the Group, and all values are rounded to nearest thousand’s (“**HK\$’000**”), except when otherwise indicated.

1) 一般資料、編製基準及會計政策(續)

截至2022年8月31日止三個月的未經審核簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒布的香港財務報告準則(「香港財務報告準則」),包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則以及GEM上市規則及香港公司條例的適用披露規定編製。

截至2022年8月31日止三個月的未經審核簡明綜合財務報表乃按歷史成本基準編製。

截至2022年8月31日止三個月的未經審核簡明綜合財務報表乃以與本集團的功能貨幣相同的港元(「港元」)呈列,除另有指明者外,所有數值均約整至最接近千位數(「千港元」)。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

1) GENERAL INFORMATION, BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

The principal accounting policies used in the preparation of the unaudited condensed consolidated financial statements for the three months ended 31 August 2022 are consistent with those applied in the Company's annual report for the year ended 31 May 2022, except for the adoption of new and amendments to HKFRSs that affect the Group and has adopted the first time for the current period's unaudited condensed consolidated financial statements.

Adoption of the going concern basis

When preparing the unaudited condensed consolidated quarterly results, the Group's ability to continue as a going concern has been assessed. These unaudited condensed consolidated quarterly results have been prepared by the Directors on a going concern basis notwithstanding that the Group had net liabilities of approximately HK\$10 million as at 31 August 2022 as the Directors considered that:

- (i) In June 2022, the Group had completed placing exercise under general mandate approved in annual general meeting on 22 October 2021 and acquired net proceeds of approximately HK\$5.8 million as general working capital;

1) 一般資料、編製基準及會計政策(續)

編製截至2022年8月31日止三個月的未經審核簡明綜合財務報表所採用的主要會計政策與本公司截至2022年5月31日止年度的年報所應用者貫徹一致，惟採納影響本集團且於本期間未經審核簡明綜合財務報表首次採納的新訂香港財務報告準則及香港財務報告準則修訂本則除外。

採用持續經營基準

於編製未經審核簡明綜合季度業績時，已評估本集團持續經營的能力。儘管本集團於2022年8月31日有負債淨額約10百萬港元，惟該等未經審核簡明綜合季度業績由董事按持續經營基準編製，此乃由於董事認為：

- (i) 於2022年6月，本集團根據於2021年10月22日舉行之股東週年大會上批准之一般授權完成配售，獲得約5.8百萬港元之所得款項淨額用作一般營運資金；

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

1) GENERAL INFORMATION, BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Adoption of the going concern basis (continued)

- (ii) In August 2022, the Group entered into a loan facility agreement with a licensed money lender in Hong Kong for an amount of HK\$40 million for 18 months (“Loan Facility”) and pursuant to the terms of the Loan Facility, funds are exclusively for the Company and made available upon its request;
- (iii) The Directors will strengthen to implement measures aiming at improving the working capital and cash flows of the Group, including closely monitor the general administrative expenses and operating costs; and
- (iv) The different possible outcomes of the COVID-19 pandemic and the corresponding financial impact had been taken into account in our cash flow forecast.

1) 一般資料、編製基準及會計政策(續)

採用持續經營基準(續)

- (ii) 於2022年8月，本集團與香港的一間持牌放債人訂立貸款融資協議，貸款融資金額為40百萬港元，期限為18個月（「貸款融資」）。根據貸款融資，相關資金由本公司專有，可應其要求獲取；
- (iii) 董事將加強實施各種措施，以改善本集團的營運資本及現金流量，包括緊密監督一般行政開支及營運成本；及
- (iv) 2019冠狀病毒病疫情可能帶來的不同結果及相應財務影響已計入我們的現金流量預測。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

1) GENERAL INFORMATION, BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

After taking into consideration of above factors and funds expected to be generated internally based on the Directors' estimation on future cash flow of the Group, the Directors are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future and consider that it is appropriate for the unaudited condensed consolidated quarterly results to be prepared on a going concern basis since there are no material uncertainties related to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The Group has not adopted or early adopted the new and revised HKFRSs (including their consequential amendments) which are relevant to the Group that have been issued but are not yet effective in the preparation of these unaudited condensed consolidated results.

The unaudited condensed consolidated financial statements have not been audited by the Company's auditor, but have been reviewed by the Company's audit committee.

1) 一般資料、編製基準及會計政策(續)

經計及上述因素後及根據董事會對本集團未來現金流量的估計預期將產生的內部資金，董事會信納本集團將擁有充足的財務資源，可在其金融負債於可預見未來到期時償還，並認為未經審核簡明綜合季度業績持續經營基準編製屬恰當，因為並無有關可能對本集團持續經營能力構成重大疑問之事件或情況之重大不明朗因素。

編製未經審核簡明綜合業績時，本集團並無採納或提早採納與本集團有關的已頒布但尚未生效的新訂及經修訂香港財務報告準則（包括其相應修訂）。

未經審核簡明綜合財務報表尚未經本公司核數師審核，惟已由本公司審核委員會審閱。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

2) REVENUE

The Group's principal activities are the operations of a club and a bar.

Revenue (including event income, tips and cloakroom fees) represents the amount received or receivable from the club and bar operations when (a) a customer takes possession of and accepts the food and beverages, (b) a customer simultaneously receives and consumes the benefits of services provided, or (c) other products are delivered to its customer. Payment of the transaction price is due immediately when food, beverages, services or other products are provided to a customer.

The Group's customer base is diversified and no individual customer had transactions which exceeded 10% of the Group's revenue during the period under review.

2) 收益

本集團的主要業務為於香港經營會所及酒吧。

收益（包括活動收入、小費及衣帽間費用）指於(a)客戶佔有及接納食品及飲品；(b)客戶同時接受及使用所提供的服務利益；或(c)交付其他產品予其客戶時，來自會所及酒吧業務的已收或應收款項。交易價格的款項應於食品、飲品、服務或其他產品提供予客戶時立即支付。

本集團擁有多元化的客戶基礎，於回顧期內概無個別客戶的交易超過本集團收益的10%。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

2) REVENUE (continued)

Revenue from the Group's principal activities during the period under review is as follows:

2) 收益 (續)

本集團於回顧期內的主要業務收益如下：

| | | For the three months ended 31 August | |
|----------------------------|----------|---|-------------|
| | | 截至8月31日止三個月 | |
| | | 2022 | 2021 |
| | | 2022年 | 2021年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (unaudited) |
| | | (未經審核) | (未經審核) |
| Revenue from: | 以下項目的收益： | | |
| Club and bar operation | 會所及酒吧營運 | | |
| Sales of food and beverage | 食品及飲品銷售 | 9,856 | 16,157 |
| Entrance fees | 入場費 | 61 | 31 |
| Entertainment income | 娛樂收入 | - | 1,043 |
| Event income | 活動收入 | 256 | 341 |
| Sponsorship income | 贊助收入 | - | 3 |
| Others | 其他 | 143 | 245 |
| <hr/> | | | |
| Total revenue | 總收益 | 10,316 | 17,820 |
| <hr/> | | | |

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

3) FINANCE COSTS

3) 融資成本

| | | For the three months ended 31 August 截至8月31日止三個月 | |
|-------------------------------------|--------|--|-------------|
| | | 2022 | 2021 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (unaudited) |
| | | (未經審核) | (未經審核) |
| Interest on lease liabilities | 租賃負債利息 | 87 | 187 |
| Interest on loan from a shareholder | 股東貸款利息 | - | 161 |
| Finance costs | 融資成本 | 87 | 348 |

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

4) INCOME TAX EXPENSES

The Group is subject to income tax on profits arising in or derived from Hong Kong, being its principal place of business.

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of the qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. Assessable 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%.

Income tax has not been provided as the Group entities did not derive any assessable profits during the period or have sufficient tax loss to offset against the assessable profit for the period (2021: Nil).

Pursuant to the rules and regulations of Cayman Islands, the Group is not subject to any taxation under the jurisdictions of Cayman Islands.

4) 所得稅開支

本集團須就於其主要營業地點香港產生或源自香港的溢利繳納所得稅。

根據兩級制利得稅率制度，合資格集團實體之首2百萬港元之應課稅溢利將按8.25%的稅率徵稅，而超過2百萬港元之應課稅溢利則按16.5%的稅率徵稅。不符合兩級制利得稅率制度之集團實體應課稅溢利將繼續按16.5%的統一稅率徵稅。

由於本集團實體於期內未產生任何應課稅溢利或有充足的稅項虧損抵銷期內應課稅溢利，因此本公司並未計提所得稅撥備（2021年：無）。

根據開曼群島的法規及規例，本集團毋須於開曼群島司法權區繳納任何稅項。

Notes to the Unaudited Condensed Consolidated Financial Statements

未經審核簡明綜合財務報表附註

For the three months ended 31 August 2022 截至2022年8月31日止三個月

5) DIVIDEND

No dividends were paid, declared and proposed by the Company during the three months ended 31 August 2022 and 2021.

5) 股息

截至2022年及2021年8月31日止三個月，本公司概無派付、宣派及建議派付股息。

6) LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

6) 本公司擁有人應佔每股虧損

| | | For the three months ended 31 August | |
|--|--------------------------|--------------------------------------|-------------|
| | | 截至8月31日止三個月 | |
| | | 2022 | 2021 |
| | | 2022年 | 2021年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (unaudited) |
| | | (未經審核) | (未經審核) |
| Loss attributable to owners of the Company | 本公司擁有人應佔虧損 | (2,946) | (1,978) |
| Weighted average number of ordinary shares for the purpose of calculating basic losses per share (in thousands) | 用以計算每股基本虧損的普通股加權平均數 (千股) | 1,183,361 | 998,800 |

The effect of all potential ordinary shares are anti-dilutive for the three months ended 31 August 2022 (2021: Nil). Accordingly, the diluted loss per share is the same as the basic loss per share for the three months ended 31 August 2022 and 2021.

截至2022年8月31日止三個月，所有潛在普通股均產生了反攤薄效應（2021年：無）。因此，截至2022年及2021年8月31日止三個月，每股攤薄虧損與每股基本虧損相同。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Club and bar operation

During the three months ended 31 August 2022, the Group operated a club Faye and a sports-themed bar Paper Street, covering different segments of the club and bar market. Faye provides unparalleled clubbing and vibing experience with a stunning view at the rooftop of California Tower in Lan Kwai Fong. Paper Street the sport-themed bar is conveniently located near MTR station in Sheung Wan and provides a casual and comfortable environment for chilling out. The revenue generated from the operation of club and entertainment business decreased by approximately HK\$7.5 million, or approximately 42.1%, from approximately HK\$17.8 million for the three months ended 31 August 2021 to approximately HK\$10.3 million for the three months ended 31 August 2022.

業務回顧

會所及酒吧業務

於2022年8月31日止三個月內，本集團經營一間會所Faye及一間運動主題酒吧Paper Street，覆蓋會所及酒吧市場的不同領域。Faye位於蘭桂坊加州大廈頂樓，景色震撼，提供無與倫比的泡吧及視聽體驗。運動主題酒吧Paper Street位於交通便利的港鐵上環站附近，提供放鬆的休閒及舒適環境。經營會所及娛樂業務所得收益由截至2021年8月31日止三個月約17.8百萬港元減少約7.5百萬港元或約42.1%至截至2022年8月31日止三個月約10.3百萬港元。

Management Discussion and Analysis

管理層討論及分析

Cessation of Mudita and Maximus Operation

The continuation of COVID-19 pandemic has posed challenges to the catering and entertainment business of the Group due to the social distancing restrictions imposed by the government. The Group's business operations have been disrupted accordingly. The Group's finance is therefore strained. As such, the Directors have decided to terminate the operation of a club and a studio, namely Mudita and Maximus, by the end of 2022. The Directors considered that the termination is in line with our current strategy to reserve more financial resources to well performing operations, and to potential new businesses. As at the date of this report and based on information currently available, the Directors believe that the cessation of the business of Mudita and Maximus will not have any material adverse effect on the operation and financial position of the Group and is in the interests of the Company and the shareholders as a whole. Neither Mudita and Maximus contributed revenue during the period under review.

終止營運Mudita及Maximus

由於政府施加社交距離限制，2019冠狀病毒病疫情持續已為本集團餐飲及娛樂業務帶來挑戰。本集團業務營運受到相應干擾，故本集團資金緊張。因此，董事會決定於2022年年底前終止營運一間會所及一間娛樂中心，即Mudita及Maximus。董事會認為該終止符合我們目前的策略，即為業績良好的業務及潛在新業務儲備更多財務資源。於本報告日期及基於現有資料，董事會認為終止Mudita及Maximus的業務將不會對本集團營運及財務狀況有任何重大不利影響，且符合本公司及股東整體利益。Mudita及Maximus均無於回顧期內貢獻收益。

Management Discussion and Analysis

管理層討論及分析

COVID-19 pandemic

Subsequent to 31 August 2022 and up to the date of this report, the Group noted a continuous impact of COVID-19 pandemic on its operating performance. The management noted that the COVID-19 variants have continued to cause material disruption to the Group's club and entertainment operation, which adversely affected the Group's business, financial condition and operating performance. The Group has been actively adopting cost control measures including re-prioritising work plans to improve liquidity position. The Group will continue to closely monitor the latest development of the COVID-19 pandemic. We will assess the potential tightening of social distancing measure in view of the Coronavirus Omicron variant, and respond accordingly based on past experience. We will also consider re-entering the catering business when time comes.

2019冠狀病毒病疫情

於2022年8月31日後及直至本報告日，本集團注意到2019冠狀病毒病疫情持續影響其經營表現。管理層注意到2019冠狀病毒病變異株已持續嚴重擾亂本集團會所及娛樂業務，此對本集團的業務、財務狀況及經營表現造成不利影響。本集團已積極採取一系列成本控制措施（包括重置工作計劃之先後順序以改善流動資金狀況）。本集團將繼續密切關注2019冠狀病毒病疫情的最新發展。我們將評估社交距離政策針對新型冠狀病毒奧密克戎變異株的潛在收緊情況，並根據過去經驗作出相應反應。我們亦將考慮在時機成熟時重返餐飲業務。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

During the reporting period under review, the Group's revenue was generated from the operation of club and entertainment business in Hong Kong. For the three months ended 31 August 2022, the Group operated one club and one sports-themed bar in Hong Kong, namely Faye and Paper Street. The Director have decided to terminate the operation of a club and a studio, namely Mudita and Maximus, by the end of 2022. Neither Mudita nor Maximus has contributed revenue during the period under review.

The Group recognised its revenue from the club and bar operations when (a) the customer takes possession of and accepts the food and beverages, (b) the customer simultaneously receives and consumes the benefits of services provided, or (c) other products are delivered to its customers. Payment of the transaction price is due immediately when food, beverages, services or other products are provided to customers.

財務回顧

收益

於回顧報告期內，本集團的收益來自於香港經營會所及娛樂業務。截至2022年8月31日止三個月，本集團在香港經營一間會所及一間運動主題酒吧，即Faye及Paper Street。董事已決定於2022年年底前終止營運一間會所及一間娛樂中心，即Mudita及Maximus。Mudita及Maximus均無於回顧期內貢獻收益。

本集團於(a)客戶佔有及接納食品及飲品；(b)客戶同時接受及使用所提供服務之利益，或(c)交付其他產品予其客戶時確認會所及酒吧營運收益。交易價格的款項應於食品、飲品、服務或其他產品提供予客戶時立即支付。

Management Discussion and Analysis

管理層討論及分析

The table below sets forth the breakdown of the revenue of club, bar and entertainment operation for the period under review:

下表載列於回顧期內按會所、酒吧及娛樂營運劃分的收益明細：

| | | For the three months ended 31 August 截至8月31日止三個月 | | | |
|------------------------|---------|---|--------------------------------------|--|--------------------------------------|
| | | 2022 2022年 | % of total revenue 佔總收益 百分比 | 2021 2021年 | % of total revenue 佔總收益 百分比 |
| | | HK\$'000 千港元 (unaudited) (未經審核) | | HK\$'000 千港元 (unaudited) (未經審核) | |
| Club and bar operation | 會所及酒吧營運 | 10,316 | 100% | 17,820 | 100% |
| Total | 總計 | 10,316 | 100% | 17,820 | 100% |

The revenue generated from the operation of club and entertainment business decreased by approximately HK\$7.5 million, or approximately 42.1%, from approximately HK\$17.8 million for the three months ended 31 August 2021 to approximately HK\$10.3 million for the three months ended 31 August 2022. Revenue dropped because (i) cessation of the operation of a club and a studio, namely Mudita and Maximus, rendering zero revenue from such operations in the current period under review (as compared with approximately HK\$2.8 million for the corresponding period in 2021), (ii) tightened control to contain COVID-19 pandemic (including passing of rapid antigen test before entry to bars and clubs) has rendered decline in customers' patronage in our club Faye, and (iii) expats who have been comprising a significant portion of our clientele are relocating out of Hong Kong.

經營會所及娛樂業務所得收益由截至2021年8月31日止三個月約17.8百萬港元減少約7.5百萬港元或約42.1%至截至2022年8月31日止三個月約10.3百萬港元。收益下跌是因為(i)終止營運一間會所及一間娛樂中心，即Mudita及Maximus，有關營運於本回顧期內貢獻零收益（相比2021年同期貢獻收益約2.8百萬港元），(ii)為遏制2019冠狀病毒疫情收緊的控制措施（包括在進入酒吧及會所之前須通過快速抗原測試）造成我們會所Faye的客戶光顧次數有所減少，及(iii)我們客戶群中佔顯著比例的外籍顧客正在遷出香港。

Management Discussion and Analysis

管理層討論及分析

Changes in inventories

The changes in inventories mainly represented the cost of beverage and food ingredients used in the Group's club and bar operations. The major beverage and food ingredients purchased by the Group include but not limited to liquors, champagne, liqueurs, frozen food, dried food, etc. The changes in inventories comprised the cost of inventories sold which decreased by approximately HK\$2.3 million, or approximately 48.1%, from approximately HK\$4.8 million for the three months ended 31 August 2021 to approximately HK\$2.5 million for the three months ended 31 August 2022.

Other income and gains

The Group's other income significantly increased by approximately HK\$1.0 million, or 372.4%, from approximately HK\$0.3 million for the three months ended 31 August 2021 to approximately HK\$1.3 million for the three months ended 31 August 2022. The increase mainly arose from subsidies amounting to approximately HK\$0.8 million from the government of Hong Kong for the period under review, as compared with approximately HK\$0.1 million for the three months ended 31 August 2021.

存貨之變動

存貨之變動主要指本集團的會所及酒吧營運所用飲品及食材的成本。本集團採購的主要飲品及食材包括（但不限於）烈酒、香檳、甜酒、急凍食品及乾製食品等。存貨銷售成本為存貨變動的其中一個組成部分，有關成本由截至2021年8月31日止三個月約4.8百萬港元，減少約2.3百萬港元或約48.1%至截至2022年8月31日止三個月約2.5百萬港元。

其他收入及收益

本集團其他收入由截至2021年8月31日止三個月的約0.3百萬港元大幅增加約1.0百萬港元或372.4%至截至2022年8月31日止三個月的約1.3百萬港元。增加主要由於回顧期間的香港政府補助約為0.8百萬港元，而截至2021年8月31日止三個月約為0.1百萬港元。

Management Discussion and Analysis

管理層討論及分析

Advertising and marketing expenses

Advertising and marketing expenses primarily consisted of advertising and promotional expenses such as the cost of engaging resident and guest DJs and the expenses incurred for engaging a public relations company for the provision of marketing and promotion services to the Group's club, entertainment and restaurant operations. The advertising and marketing expenses decreased by approximately HK\$1.4 million, or approximately 51.9%, from approximately HK\$2.7 million for the three months ended 31 August 2021 to approximately HK\$1.3 million for the three months ended 31 August 2022. Such decrease was mainly due to decrease in public relation services, and advertising and marketing services used in accordance with the management's cost control measures during the three months ended 31 August 2022.

Employee benefits expenses

Employee benefits expenses primarily consisted of all salaries and benefits payable to all employees and staff, including the Directors, headquarters staff and operational staff in each outlet. The employee benefits expenses decreased by approximately HK\$0.3 million, or approximately 8%, from approximately HK\$3.8 million for the three months ended 31 August 2021 to approximately HK\$3.5 million for the three months ended 31 August 2022.

廣告及市場推廣開支

廣告及市場推廣開支主要包括廣告及宣傳開支(如聘請駐場及客席唱片騎師的成本)與聘請公關公司為本集團的會所、娛樂及餐廳營運提供營銷及推廣服務所產生的開支。廣告及市場推廣開支由截至2021年8月31日止三個月的約2.7百萬港元減少約1.4百萬港元或約51.9%至截至2022年8月31日止三個月的約1.3百萬港元。有關減少主要是由於截至2022年8月31日止三個月，根據管理層的成本控制措施，所使用的公共關係服務以及廣告及市場推廣服務減少所致。

僱員福利開支

僱員福利開支主要包括對所有僱員及員工(包括董事、總部員工及各門店的運作員工)的所有應付薪金及福利。僱員福利開支由截至2021年8月31日止三個月約3.8百萬港元，減少約0.3百萬港元或約8%至截至2022年8月31日止三個月約3.5百萬港元。

Management Discussion and Analysis

管理層討論及分析

Depreciation of property, plant and equipment and right-of-use assets

Depreciation represented the depreciation charge for property, plant and equipment (including, among others, leasehold improvements, furniture, fixtures and equipment) and right-of-use assets. Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The total depreciation increased by approximately HK\$0.3 million, or approximately 12.9%, from approximately HK\$2.6 million for the three months ended 31 August 2021 to approximately HK\$2.9 million for the three months ended 31 August 2022. Such an increase was due to increase in the property, plant and equipment during the reporting period under review.

Other expenses

Other expenses mainly represented security expenses for the clubs, credit card commissions, repairs and maintenance costs, cleaning expenses, professional fee and entertainment expenses. Such expenses decreased by approximately HK\$2.3 million, or approximately 41.3%, from approximately HK\$5.7 million for the three months ended 31 August 2021 to approximately HK\$3.3 million for the three months ended 31 August 2022. Such a decrease was in line with decline in customers' patronage to our entertainment outlets during the three months ended 31 August 2022.

物業、廠房及設備以及使用權資產折舊

折舊指物業、廠房及設備（包括（其中包括）租賃物業裝修、傢具以及裝置及設備）以及使用權資產的折舊費用。物業、廠房及設備的折舊乃於估計可使用年內按直線法撇銷成本（已扣除預期剩餘價值）計算。折舊總額由截至2021年8月31日止三個月的約2.6百萬港元增加約0.3百萬港元或約12.9%至截至2022年8月31日止三個月的約2.9百萬港元。有關增加乃由於物業、廠房及設備在回顧報告期內有所增加。

其他開支

其他開支主要指會所保安開支、信用卡手續費、維修及保養成本、清潔費、專業費用及娛樂費用。該等開支由截至2021年8月31日止三個月的約5.7百萬港元，減少約2.3百萬港元或約41.3%至截至2022年8月31日止三個月的約3.3百萬港元。有關減少與截至2022年8月31日止三個月光顧我們娛樂門店的客戶數減少的情況一致。

Management Discussion and Analysis

管理層討論及分析

Loss before income tax

As a result of the cumulative factors discussed above, the loss before income tax increased from approximately HK\$1.9 million for the three months ended 31 August 2021 to approximately HK\$2.6 million for the three months ended 31 August 2022.

Loss and total comprehensive income for the period

The loss and total comprehensive income increased from approximately HK\$1.9 million for the three months ended 31 August 2021 to approximately HK\$2.6 million for the three months ended 31 August 2022. Such an increase is in line with the decline in revenue as discussed in section of “Financial Review” under header “Revenue”. However, with effective cost control by the management and cessation of less performing business operations, the approximate HK\$7.5 million decrease in revenue only resulted in an approximate increase in loss of HK\$0.6 million when comparing with the corresponding period in 2021.

除所得稅前虧損

受上述因素共同影響，除所得稅前虧損由截至2021年8月31日止三個月的約1.9百萬港元增加至截至2022年8月31日止三個月的約2.6百萬港元。

期內虧損及全面收益總額

虧損及全面收益總額由截至2021年8月31日止三個月的約1.9百萬港元增加至截至2022年8月31日止三個月的約2.6百萬港元。有關增加與「財務回顧」一節「收益」標題項下所討論的收益下降的情況一致。然而，由於管理層有效控制成本並終止表現不佳業務的營運，與2021年同期相比，收益減少約7.5百萬港元，而虧損僅增加約0.6百萬港元。

Management Discussion and Analysis

管理層討論及分析

PROSPECTS

The management of the Group is actively reviewing, formulating and adjusting the overall direction, strategy and business of the Group in accordance with the business environment in order to improve the performance of the Group, especially under this difficult situation caused by the COVID-19. As such, the Company is seeking for shareholders' approval in the forthcoming AGM in relation to the change of company name to provide a new corporate image of the Company and better reflects the Group's aspirations and to provide diversification and flexibility to the Group's business.

Save as disclosed above, as at the date of this report, the prospects of the Group and the core direction of the Company has not changed materially from the information disclosed in the Company's annual report published on 31 August 2022 ("**2022 Annual Report**").

前景

本集團管理層正根據業務環境積極審查、制定和調整本集團的整體方向、戰略及業務，以提高本集團的業績，尤其是在2019冠狀病毒病造成的困難情況下。因此，本公司正就更更改公司名稱在即將舉行的股東週年大會上尋求股東批准，以提供本公司新的企業形象、並更好地反映本集團的願景，為本集團的業務提供多元化及靈活性。

除上述披露外，於本報告日，本集團的前景及本公司的核心方向與2022年8月31日刊發的本公司年報（「**2022年報**」）所披露的資料相比並無重大變化。

Management Discussion and Analysis

管理層討論及分析

PRINCIPAL RISKS AND UNCERTAINTIES

There are certain risks involved in the operations of the Group's business. Set forth below are some of the major risks that could materially and adversely affect the Group.

- (1) In order to expand and diversify our outlet network, we expect to establish more clubs, bars and restaurants in Hong Kong. The food and beverage, and entertainment industry in Hong Kong is highly competitive. Our success to branch out is subject to a number of risks and uncertainties, including identification of suitable locations and/or securing of leases on reasonable terms, timely acquisition of necessary governmental approvals and licences, ability to hire quality personnel, timely completion decoration and renovation works, acquisition of sufficient customer demand, securing of adequate suppliers and inventory that meet our quality standards on timely basis, reduction in potential cannibalisation effects between the locations of our outlets and the general economic conditions. The costs incurred in expansion plans may place substantial strain on our managerial, operational and financial resources. As such, we cannot assure that we can always operate the expand outlets network on a profitable basis or that any new outlet will reach the planned operating levels. If any new outlet experiences prolonged delays in breaking even or achieving our desired level of profitability or operate at a loss, our operational and financial resources could be strained and our overall profitability could be affected.

主要風險及不確定因素

本集團的業務營運涉及若干風險。可能對本集團造成重大不利影響的若干主要風險載列如下。

- (1) 我們預期在香港開設更多會所、酒吧及餐廳，以擴大及多元化開拓門店網絡。香港餐飲及娛樂行業的競爭相當激烈。我們能否成功擴展受多項風險及不確定因素所限制，包括物色合適位置及／或以合理條款訂立租約、及時取得必要的政府批文和牌照、能否招募高質素人員、及時完成裝潢和整修工程、獲取充足的客戶需求、及時覓得足夠的供應商及符合我們質量標準的存貨、降低我們鄰近門店間的同質化影響及整體經濟狀況。擴張計劃所產生的成本可能對我們的管理、營運及財務資源構成沉重壓力。因此，我們無法保證所經營的已擴展門店網絡能一直賺取盈利或任何新門店將達致計劃營運水平。倘任何新門店遲遲未能實現收支平衡或達致我們理想的盈利水平甚或錄得經營虧損，則可能會導致我們的營運及財務資源緊張，並影響我們的整體盈利能力。

Management Discussion and Analysis 管理層討論及分析

- (2) As we lease or license all of the properties on which our outlets operate, we are exposed to the fluctuations in the commercial real estate market. There is no objective way for us to accurately predict the rental rates in the commercial real estate market in Hong Kong, and our substantial lease liabilities expose us to potentially significant risks, including vulnerability to adverse economic conditions such as COVID-19 impact, limited ability to obtain additional financing and reduced cash available for other purposes. Any non-renewal (whether as a result of the landlord's or licensor's or our decision) or termination of any of our leases or licence or substantial increased rentals or licence fees could cause us to close down the relevant outlet or the need to relocate to another site, depending on our business needs or performance from time to time. In such events, we could face a drop in sales, write off leasehold improvements, and could incur relocation costs for renovation, removal and resources allocation, which could in turn result in financial strain in our operations and diversion of management resources.
- (2) 由於我們門店經營所在的全部物業均為租賃或特許物業，故我們面臨商業房地產市場波動的風險。我們並無準確預測香港商業房地產市場租金水平的客觀方法，故我們的大量租賃負債可能使我們面臨重大風險，包括易受不利經濟狀況（如2019冠狀病毒病影響）影響、限制我們取得額外融資的能力及可用於其他用途的現金減少。任何不續約或不續許可（不論是業主或許可人抑或我們自行決定），或終止我們的任何租約或許可，或租金或許可費用大幅上漲均可能導致我們關閉相關門店或需將其遷至別處，視乎我們不時的業務需求或表現而定。在該等情況下，我們可能面臨銷售額下跌、撤銷租賃物業裝修以及可能因整修、拆除及資源配置產生搬遷成本，進而導致我們的營運資金緊張及管理資源分散。

Management Discussion and Analysis

管理層討論及分析

(3) For the three months ended 31 August 2021 and 2022, our purchases from our largest supplier accounted for approximately 52.5% and 40.3% of our total purchases, respectively. We make purchases from our largest supplier under individual purchase order, and have not entered into any long term contract with it. If our largest supplier for any reason reduces the volume supplied to us or cease to supply to us, we will need to find alternative suppliers on similar sale terms and conditions acceptable to us. If we fail to do so in a timely manner, the operations of our clubs will be interrupted, our costs may increase and our business, financial condition, results of operations and growth prospects may therefore be materially and adversely affected.

To address the above risks and uncertainties, the Directors will closely monitor the progress of the expansion plan and to operate the expanded network on a profitable basis. The Directors will continue to review and evaluate the business objective and strategy and make timely execution by taking into account the business risks and market uncertainties.

(3) 截至2021年及2022年8月31日止三個月，來自最大供應商的採購量分別佔我們總採購量約52.5%及40.3%。我們根據個別採購訂單向最大供應商作出採購，且並無訂立任何長期合約。倘最大供應商因任何理由削減對我們的供應量或停止向我們供應，則我們將需按我們可接受的相似銷售條款及條件物色替代供應商。倘我們未能及時物色替代供應商，則我們的會所將會中斷營運，成本或會上升，而我們的業務、財務狀況、經營業績及發展前景可能因而受到重大不利影響。

為了應對上述風險及不確定因素，董事將密切監察擴張計劃的進度及以按盈利基準經營已擴展網絡。董事將繼續檢討及評估業務目標與策略，並於考慮業務風險及市場不確定因素後及時執行有關目標與策略。

Management Discussion and Analysis

管理層討論及分析

The risk from COVID-19

- 1) The continuation of COVID-19 pandemic has continued to impede economic activities in Hong Kong. The business operation of the Company have been disrupted. The Directors expect weak sales and challenges on the Group's financial performance for this year. The Group is closely observing the development of the COVID-19 while carrying out cost control measures to alleviate the overall impact of the outbreak on the business operations and financial position of the Group.
- 2) The continuing COVID-19 pandemic has posed adverse effect on the tourism industry in Hong Kong. This may adversely impact on our business, operation as tourists contribute significant revenue to our group. The Group is closely observing the development of the COVID-19 and the effect on the tourism.

DIVIDEND

No dividend has been paid or declared by the Company, or by any of the companies now comprising the Group for the three months ended 31 August 2021 and 2022.

來自2019冠狀病毒病的風險

- 1) 持續的2019冠狀病毒病疫情令香港經濟活動不斷受到阻礙。本公司的業務受到阻擾。董事預期今年會出現銷售疲弱，財務表現面臨挑戰。本集團正密切觀察2019冠狀病毒病的事態發展，同時實施成本控制措施以減輕有關爆發對本集團業務運營及財務狀況的整體影響。
- 2) 持續的2019冠狀病毒病疫情已對香港的旅遊業造成不利影響。這可能會對我們的業務產生不利影響，畢竟旅客對本集團營業額貢獻不輕。本集團正密切觀察2019冠狀病毒病的事態發展以及對旅遊業的影響。

股息

截至2021年及2022年8月31日止三個月，本公司或本集團現時旗下任何公司概無派付或宣派股息。

Other Information 其他資料

PLACING OF NEW SHARES UNDER GENERAL MANDATE (“2022 PLACING”)

On 16 May 2022, the Company entered into a placing agreement with a placing agent, pursuant to which the Company has conditionally agreed to place through the placing agent, on a best effort basis, for up to 199,760,000 placing shares (“**2022 Placing Shares**”), to not less than six placees independent of the Company at a price of HK\$0.03 per 2022 Placing Share. The 2022 Placing Shares were allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 22 October 2021. All the conditions precedent under the placing agreement have been fulfilled and the 2022 Placing was completed on 8 June 2022. For details of the 2022 Placing, please refer to the announcements of the Company dated 16 May 2022 and 8 June 2022.

The net proceeds from the 2022 Placing are approximately HK\$5.8 million which has been fully utilised as the general working capital to support the operation of the Group as at the date of this report.

根據一般授權配售新股份 (「2022年配售事項」)

於2022年5月16日，本公司與配售代理訂立一份配售協議，據此，本公司已有條件同意盡最大努力透過配售代理按每股2022年配售股份0.03港元的價格配售最多199,760,000股配售股份（「**2022年配售股份**」）予不少於獨立於本公司的六名承配人。2022年配售股份已根據於2021年10月22日舉行的本公司股東週年大會上授予董事的一般授權配發及發行。有關的配售協議的所有先決條件已獲達成，2022年配售事項已於2022年6月8日完成。有關2022年配售事項的詳情，請參閱本公司日期為2022年5月16日及2022年6月8日的公告。

2022年配售事項的所得款項淨額約5.8百萬港元，於本報告日已悉數用作一般營運資金以支持本集團的營運。

SHARE OPTION SCHEME

The Company has adopted a share option scheme of the Company (“**Scheme**”) on 14 March 2017. The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

Details of the terms of the Scheme and other information in relation to the share options granted are set out in the section headed “SHARE OPTION SCHEME” on pages 67 to 69 of the 2022 Annual Report.

During the three months ended 31 August 2022, no share option has been granted, exercised, cancelled or lapsed.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES OF THE COMPANY

Save as disclosed below, as at 31 August 2022, none of the Directors or chief executive of the Company or their associates had any interests and short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange:

購股權計劃

本公司於2017年3月14日採納一項購股權計劃（「該計劃」）。該計劃條款乃根據GEM上市規則第23章條文制定。

有關該計劃之條款及與所授出購股權有關的其他資料詳情載於2022年報第67頁至69頁「購股權計劃」一節。

截至2022年8月31日止三個月，概無購股權獲授出、行使、註銷或失效。

董事及最高行政人員於本公司股份中之權益

除下文所披露者外，於2022年8月31日，董事或本公司最高行政人員或彼等的聯繫人概無於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或價權證中，擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益及淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視為擁有的權益或淡倉）；或(b)根據證券及期貨條例第352條須記錄於該條所指登記冊內的任何權益及淡倉；或(c)根據GEM上市規則第5.46條須知會本公司及聯交所的任何權益及淡倉：

Other Information 其他資料

Long positions in shares of the Company

於本公司股份中的好倉

| Name of Directors 董事姓名 | Capacity/Nature of Interest 身份／權益性質 | Number of shares and underlying shares 股份及相關股份數目 | Percentage of shareholding 股權百分比 |
|---|--|--|--|
| Mr. Jiang Qiaowei 蔣喬蔚先生 | Beneficial owner 實益擁有人 | 400,000 | 0.03% |
| Mr. Hui Wai Hung ^{Note 1} 許維雄先生 ^{註1} | Beneficial owner 實益擁有人 | 400,000 | 0.03% |
| Mr. Pong Chun Yu ^{Note 1} 龐振宇先生 ^{註1} | Beneficial owner 實益擁有人 | 400,000 | 0.03% |

Note 1:

Their respective interests refer to 400,000 underlying shares in respect of the share options granted respectively to them pursuant to the Scheme. As at 31 August 2022, such options were not exercised.

註1：

彼等權益為根據該計劃所分別授予彼等之購股權中所對應的400,000股相關股份。截至2022年8月31日該等購股權並未行使。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES OF THE COMPANY

Save as disclosed below, as at 31 August 2022, to the best knowledge of the Directors, no person (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company, as recorded in the register maintained by the Company pursuant to section 336 of the SFO:

Long positions in shares of the Company

| Name 姓名/名稱 | Capacity/Nature of Interest 身份/權益性質 | Number of shares 股份數目 | Percentage of shareholding 股權百分比 |
|----------------------------|--|--------------------------|-------------------------------------|
| Mr. Sze Ching Lau 施清流先生 | Beneficial owner 實益擁有人 | 359,590,000 | 30% |

DIRECTORS' SECURITIES TRANSACTIONS

The Group adopted rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with all the Directors, all Directors have confirmed that they have complied with the required standard of dealings set out in the code of conduct for Directors' securities transactions during the three months ended 31 August 2022.

主要股東於本公司股份之權益

除下文所披露者外，於2022年8月31日，就董事所知，概無人士（除董事或本公司最高行政人員外）於本公司股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條存置的登記冊內的權益或淡倉：

於本公司股份中的好倉

| Name 姓名/名稱 | Capacity/Nature of Interest 身份/權益性質 | Number of shares 股份數目 | Percentage of shareholding 股權百分比 |
|----------------------------|--|--------------------------|-------------------------------------|
| Mr. Sze Ching Lau 施清流先生 | Beneficial owner 實益擁有人 | 359,590,000 | 30% |

董事進行證券交易

本集團已採納GEM上市規則第5.48至5.67條作為其本身有關董事進行證券交易的操守守則。經向全體董事作出具體查詢後，全體董事已確認，彼等於截至2022年8月31日止三個月期間一直遵守有關董事進行證券交易的操守守則所載交易必守標準。

Other Information 其他資料

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 August 2022.

CORPORATE GOVERNANCE PRACTICES

The Company endeavors to adopt prevailing best corporate governance practices and has applied the Corporate Governance Code ("CG Code") as contained in Appendix 15 of the GEM Listing Rules. The Board has reviewed the Company's corporate governance practices and has formed the opinion that the Company throughout the three months ended 31 August 2022 and up to the date of this report, has complied with the CG Code except for the following deviations.

Pursuant to the code provision C.2.1 of the CG Code, which stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Accordingly, following the appointment of Mr. Wong Chi Yung, the chairman of the Board, as the chief executive officer of the Company, there is a deviation from the code provision C.2.1 by the Company.

購買、出售或贖回本公司上市證券

截至2022年8月31日止三個月內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

企業管治常規

本公司努力採用現行最佳企業管治常規，並應用了GEM上市規則附錄十五所載企業管治守則（「企業管治守則」）。董事會已審閱本公司企業管治常規並表示除下述偏離外，本公司已於截至2022年8月31日止三個月整個期間及直至本報告日期遵守企業管治守則。

根據企業管治守則的守則條文第C.2.1條的規定，主席及行政總裁的角色應有區分，而且不應由一人同時兼任。因此，緊隨董事會主席王志勇先生獲委任為本公司行政總裁後，本公司於守則條文第C.2.1條的規定有所偏離。

Other Information 其他資料

Notwithstanding the aforesaid deviation, the Board considers that the present structure will not impair the balance of power and authority between the Board and the management of the Group as the Board assumes collective responsibility on the decision-making process of the Company's business strategies and operation. Nevertheless, the Company will continue to review its operation and seek to re-comply with the code provision C.2.1 of the CG Code by splitting the roles of chairman and chief executive officer at a time when it is appropriate to increase the independence of corporate governance of the Group.

Pursuant to code provision D.1.2 of the CG Code, the management of the Company should provide monthly updates to the Board to enable the Board and each Director to discharge their duties. However, given that companies listed on the GEM board are required to prepare quarterly financial results, and that no material changes in the Group's business operation or performance between months have been noted in the past, the Company considers that providing quarterly updates to the Board is sufficient for the Board and each Director to discharge their responsibilities. In the event there are any significant updates to be provided, the Company will update the Board as early as practicable for discussion and resolution.

Information on corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 29 to 46 of the 2022 Annual Report.

儘管存在上述偏離，董事會認為現時架構不會影響董事會與本公司管理層之間的權力及授權平衡，因董事會對本公司業務策略及營運的決策過程共同承擔責任。儘管如此，本公司將繼續審視其營運，在合適時候分開主席及行政總裁的角色以增加本集團企業管治的獨立性，尋求重新遵守企業管治守則的守則條文第C.2.1條的規定。

根據企業管治守則的守則條文第D.1.2條，本公司管理層應每月向董事會提供月度更新資料，以使董事會及每位董事都能履行職責。然而，鑑於GEM上市公司須按規定編製季度財務業績，且根據以往經驗，本集團的業務經營或表現在各月間並無重大變化，本公司認為向董事會提供季度更新資料足以讓董事會及每位董事履行其職責。倘有任何重要的資料更新，本公司會於可行情況下儘早向董事會提供，以便進行討論及通過決議。

本公司採納的企業管治慣例資料載於2022年報第29至46頁的企業管治報告內。

Other Information

其他資料

EVENTS AFTER REPORTING PERIOD

No significant events took place subsequent to the Reporting Period.

REVIEW OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The audit committee of the Company had reviewed the unaudited condensed consolidated financial statements of the Group for the three months ended 31 August 2022 with the management of the Company and is of the view that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

The unaudited condensed consolidated financial statements of the Group for the three months ended 31 August 2022 were approved and authorised for issue by the Board on 13 October 2022.

報告期後事項

報告期後並無發生重大事項。

審閱未經審核簡明綜合財務報表

本公司審核委員會已與本公司管理層審閱本集團截至2022年8月31日止三個月的未經審核簡明綜合財務報表，並認為有關業績的編製符合適用的會計準則、GEM上市規則的要求以及其他適用的法律要求，並已作出充足披露。

董事會於2022年10月13日批准並授權刊發本集團截至2022年8月31日止三個月的未經審核簡明綜合財務報表。