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BAR PACIFIC®

BAR PACIFIC GROUP HOLDINGS LIMITED

太平洋酒吧集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8432)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Bar Pacific Group Holdings Limited (the “**Company**”) announces the unaudited results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 September 2023 (the “**Interim Results**”). The Interim Results have been reviewed by the Company’s audit committee and approved by the Board on 6 November 2023.

This announcement, containing the full text of the 2023/24 interim report of the Company (the “**Interim Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of the Interim Results. Printed version of the Interim Report will be delivered to the shareholders of the Company and available for viewing on the websites of the Stock Exchange at www.hkexnews.hk and of the Company at www.barpacific.com.hk on 10 November 2023.

By order of the Board
Bar Pacific Group Holdings Limited
Chan Tsz Kiu Teresa
Chairlady and Executive Director

Hong Kong, 6 November 2023

As at the date of this announcement, the executive Directors are Ms. Chan Tsz Kiu Teresa (Chairlady), Ms. Chan Ching Mandy (Chief Executive Officer) and Ms. Chan Tsz Tung; and the independent non-executive Directors are Mr. Chan Chun Yeung Darren, Mr. Chin Chun Wing and Mr. Tang Wing Lam David.

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 Information” page of the website of the Stock Exchange (www.hkexnews.hk) for at least seven days from the date of its publication and will also be published on the Company’s website (www.barpacific.com.hk).

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.



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

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 on 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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This report, for which the directors (collectively the “Directors” or individually a “Director”) of Bar Pacific Group Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (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 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.

Any announcement, notice or other document of the Company published on the website of the Stock Exchange at www.hkexnews.hk will remain on the “Latest Listed Company Information” page for a minimum period of 7 days from the date of publication and on the website of the Company at www.barpacific.com.hk.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. Chan Tsz Kiu Teresa (*Chairlady*)
Ms. Chan Ching Mandy (*Chief Executive Officer*)
Ms. Chan Tsz Tung

Independent Non-Executive Directors

Mr. Chan Chun Yeung Darren
Mr. Chin Chun Wing
Mr. Tang Wing Lam David

BOARD COMMITTEES

Audit Committee

Mr. Chan Chun Yeung Darren (*Chairman*)
Mr. Chin Chun Wing
Mr. Tang Wing Lam David

Remuneration Committee

Mr. Chin Chun Wing (*Chairman*)
Ms. Chan Tsz Kiu Teresa
Mr. Chan Chun Yeung Darren
Mr. Tang Wing Lam David

Nomination Committee

Mr. Tang Wing Lam David (*Chairman*)
Ms. Chan Tsz Kiu Teresa
Mr. Chan Chun Yeung Darren
Mr. Chin Chun Wing

COMPANY SECRETARY

Mr. Chow Tsz Lun

COMPLIANCE OFFICER

Ms. Chan Tsz Tung

AUTHORISED REPRESENTATIVES

Ms. Chan Ching Mandy
Mr. Chow Tsz Lun

INDEPENDENT AUDITOR

Baker Tilly Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Level 8, K11 ATELIER King's Road
728 King's Road, Quarry Bay
Hong Kong

LEGAL ADVISOR as to Hong Kong laws

Sidley Austin

REGISTERED OFFICE

Third Floor
Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room D2, 11/F, Phase 2
Hang Fung Industrial Building
2G Hok Yuen Street
Hung Hom
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Tricor Services (Cayman Islands) Limited
Third Floor
Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Admiralty
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

COMPANY'S WEBSITE

www.barpacific.com.hk
(information on this website does not form part of
this report)

LISTING INFORMATION

Place of Listing

GEM of The Stock Exchange of Hong Kong Limited

Stock Code

8432

Board Lots

10,000 shares

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



TO THE BOARD OF DIRECTORS OF BAR PACIFIC GROUP HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Bar Pacific Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 6 to 26, which comprise the condensed consolidated statement of financial position as at 30 September 2023 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“**HKSRE 2410**”) issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with HKAS 34.

OTHER MATTER

The comparative condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period ended 30 September 2022 and the condensed consolidated statement of profit or loss and other comprehensive income for each of the three-month period ended 30 September 2023 and 2022 and the relevant explanatory notes included in these condensed consolidated financial statements have not been reviewed in accordance with HKSRE 2410. Our opinion is not modified in respect of this matter.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2 to the condensed consolidated financial statements, which indicates that as at 30 September 2023, the Group's current liabilities exceeded its current assets by HK\$96,957,000. In addition, as at 30 September 2023, the Group breached a covenant of its bank borrowings amounting to HK\$42,276,000. As stated in Note 2, these conditions, along with other matters as set forth in Note 2 to the condensed consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Chu, Johnny Chun Yin

Practising certificate number P05720

Hong Kong, 6 November 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	NOTES	Three months ended 30 September		Six months ended 30 September	
		2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Revenue	3	57,337	48,594	108,960	71,154
Other income	4	2,072	3,312	3,800	9,423
COVID-19-related rent concessions		–	391	–	1,652
Cost of inventories sold		(16,402)	(12,927)	(29,837)	(18,530)
Staff costs		(17,749)	(14,827)	(35,237)	(24,097)
Depreciation of property, plant and equipment		(3,271)	(1,930)	(5,864)	(4,628)
Depreciation of right-of-use assets		(9,707)	(8,307)	(19,259)	(15,353)
Amortisation of intangible assets		(38)	–	(38)	–
Property rentals and related expenses		(1,960)	(1,444)	(3,865)	(2,443)
Other operating expenses		(8,293)	(8,362)	(14,467)	(13,352)
Finance costs	5	(1,258)	(1,047)	(2,460)	(2,110)
Profit before income tax	6	731	3,453	1,733	1,716
Income tax expense	7	(96)	(93)	(96)	(161)
Profit and total comprehensive income for the period		635	3,360	1,637	1,555
Profit and total comprehensive income for the period attributable to:					
Owners of the Company		263	2,948	1,222	1,207
Non-controlling interests		372	412	415	348
		635	3,360	1,637	1,555
Earnings per share	9				
– Basic (HK cents)		0.03	0.34	0.14	0.14
– Diluted (HK cents)		0.03	0.34	0.14	0.14

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2023

	NOTES	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	10	26,153	23,956
Intangible assets	10	361	–
Right-of-use assets	10	121,897	129,960
Investment properties	10	22,580	22,580
Prepayment for acquisition of property, plant and equipment	11	944	3,794
Prepayment for acquisition of intangible assets	11	731	–
Rental deposits	11	8,327	9,447
Deferred tax assets		6	6
Total non-current assets		180,999	189,743
Current assets			
Inventories		3,206	2,983
Trade and other receivables	11	12,779	9,610
Tax recoverable		359	359
Cash and cash equivalents		1,944	1,568
Total current assets		18,288	14,520
Total assets		199,287	204,263
Current liabilities			
Trade and other payables	12	19,953	22,777
Bank borrowings	13	57,273	52,602
Lease liabilities	10	37,290	36,888
Tax payable		729	675
Total current liabilities		115,245	112,942
Net current liabilities		(96,957)	(98,422)
Total assets less current liabilities		84,042	91,321
Non-current liabilities			
Other payables	12	995	1,053
Lease liabilities	10	52,768	61,626
Deferred tax liabilities		781	781
Total non-current liabilities		54,544	63,460
NET ASSETS		29,498	27,861
EQUITY			
Share capital	14	8,600	8,600
Reserves		13,937	12,715
Equity attributable to owners of the Company		22,537	21,315
Non-controlling interests		6,961	6,546
TOTAL EQUITY		29,498	27,861

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	Attributable to owners of the Company						Total	Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Special reserve	Other reserve	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000 (Note c)	HK\$'000	HK\$'000	HK\$'000	
At 1 April 2023 (audited)	8,600	57,060	6,065	(8,093)	(1,347)	(40,970)	21,315	6,546	27,861
Profit and total comprehensive income for the period	-	-	-	-	-	1,222	1,222	415	1,637
At 30 September 2023 (unaudited)	8,600	57,060	6,065	(8,093)	(1,347)	(39,748)	22,537	6,961	29,498
At 1 April 2022 (audited)	8,600	57,060	6,065	(8,093)	(1,347)	(50,644)	11,641	5,310	16,951
Profit and total comprehensive income for the period	-	-	-	-	-	1,207	1,207	348	1,555
At 30 September 2022 (unaudited)	8,600	57,060	6,065	(8,093)	(1,347)	(49,437)	12,848	5,658	18,506

Notes:

- (a) The capital reserve represents the difference between the value of the consideration paid for the acquisition of additional interest in subsidiaries and the nominal value of the issued ordinary shares of Bar Pacific Group Limited ("**Bar Pacific BVI**"), a subsidiary of Bar Pacific Group Holdings Limited (the "**Company**").
- (b) Pursuant to a group reorganisation (the "**Reorganisation**") in preparation for the listing of the Company's shares (the "**Shares**") on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), the Company became the holding company of the companies now comprising the Group on 15 December 2016 with the issue of shares of the Company to acquire Bar Pacific BVI from the then shareholders.

Special reserve represents the difference between the entire issued share capital of Bar Pacific BVI and the consideration for acquiring Bar Pacific BVI by the Company pursuant to the Reorganisation completed on 15 December 2016.

- (c) The other reserve represents the difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received due to the changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries other than set out in note (a) above.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

	Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	23,718	13,640
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,267)	(1,341)
Purchase of intangible assets	(399)	–
Prepayment for acquisition of property, plant and equipment	(944)	(1,500)
Prepayment for acquisition of intangible assets	(731)	–
Bank interest received	3	–
NET CASH USED IN INVESTING ACTIVITIES	(6,338)	(2,841)
FINANCING ACTIVITIES		
Drawdown of bank borrowings	20,664	13,406
Repayment of bank and other borrowings	(15,993)	(17,522)
Interest paid	(2,460)	(2,110)
Repayment of principal portion of lease liabilities	(19,496)	(15,103)
Government subsidy received	281	10,365
NET CASH USED IN FINANCING ACTIVITIES	(17,004)	(10,964)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	376	(165)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,568	2,077
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,944	1,912

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

1. GENERAL INFORMATION AND PRINCIPAL ACCOUNTING POLICIES

Bar Pacific Group Holdings Limited (the “**Company**”) is a public limited company incorporated in the Cayman Islands and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the interim report.

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

The principal activities of the Company and its subsidiaries (the “**Group**”) are the operation of chain of bars and restaurants in Hong Kong under the brands of “Bar Pacific”, “Katachi”, “Moon Ocean” and “Pacific”, as well as property investments in Hong Kong.

Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties that are measured at fair values.

Other than additional/change in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) and the below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2023 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 March 2023.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Share-based payments

Equity-settled share-based payment transactions

Shares/Share options granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

1. GENERAL INFORMATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

Equity-settled share-based payment transactions (Continued)

Shares/Share options granted to employees (Continued)

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share capital and share premium account.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2023 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

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

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism

In June 2022, the Government of the Hong Kong SAR (the "**Government**") gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**"), which will eventually abolish the statutory right of an employer to reduce its long service payment ("**LSP**") and severance payment payable to a Hong Kong employee by drawing on its mandatory contributions to the mandatory provident fund ("**MPF**") scheme (also known as the "**offsetting mechanism**"). The Government has subsequently announced that the Amendment Ordinance will come into effect from 1 May 2025 (the "**Transition Date**"). Separately, the Government is also expected to introduce a subsidy scheme to assist employers after the abolition.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

1. GENERAL INFORMATION AND PRINCIPAL ACCOUNTING POLICIES *(Continued)*

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism *(Continued)*

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides guidance on the accounting considerations relating to the offsetting mechanism and the abolition of the mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from its mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP. However, applying this approach, upon the enactment of the Amendment Ordinance in June 2022, it is no longer permissible to apply the practical expedient in paragraph 93(b) of HKAS 19 and recognise such deemed contributions as reduction of current service cost in the period the related service is rendered, and any impact from ceasing to apply the practical expedient is recognised as a catch-up adjustment in profit or loss with a corresponding adjustment to the LSP liability during the year ended 31 March 2023.

In this interim financial report and in prior periods, consistent with the HKICPA guidance, the Group has been accounting for the accrued benefits derived from its mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed employee contributions towards the LSP. However, the Group has been applying the abovementioned practical expedient.

The Group has assessed the implications of this new guidance on the above accounting policies and has decided to change those accounting policies to conform with the guidance. The management has commenced the processes on implementing the change including additional data collection and impact assessment. However, the impact of the change is not reasonably estimable at the time this interim financial report is authorised for issue, as the Group has yet to fully complete its assessment of the impact of the HKICPA guidance. The Group expects to adopt this guidance with retrospective application in its annual financial statements for the year ending 31 March 2024.

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 as well as the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

Going concern assessment

As at 30 September 2023, the Group’s current liabilities exceeded its current assets by HK\$96,957,000. In addition, the Group breached a covenant of its bank borrowings amounting to approximately HK\$42,276,000 (Note 13).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

2. BASIS OF PREPARATION (Continued)

Going concern assessment (Continued)

For the purpose of assessing the appropriateness of the use of going concern basis in preparing these condensed consolidated financial statements, the directors of the Company have prepared a cash flow forecast covering a period of 12 months from the date of approval of these condensed consolidated financial statements (the “**Forecast**”). The directors of the Company have taken into account the cash flows generated from its principal operations and the following plans and measures taken by management to improve the Group’s liquidity and financial position in the preparation of the forecast:

- (i) Having communicated with the bank about the breach of the covenant of its bank borrowings amounting to approximately HK\$42,276,000 (Note 13) and the bank has agreed with the Company for it to rectify its breach on or before 15 May 2024. Accordingly, management expects that the Group would be able to maintain such banking loan facilities as last year. In addition, when necessary, the Group would dispose of the properties owned by the Group which are pledged as collaterals for securing the banking facilities in order to repay the Group’s bank borrowings and use any remaining proceeds to finance the Group’s operations; and
- (ii) Where necessary, the Group would apply for additional loans under the SME Financing Guarantee Scheme that is launched by The Hong Kong Mortgage Corporation Insurance Limited (“**HKMCI Limited**”) and the loans under such scheme are fully guaranteed by the Government of the Hong Kong Special Administrative Region (“**HKSAR**”) and the personal guarantees from Ms. Chan Ching Mandy, Ms. Chan Tsz Kiu Teresa and Ms. Chan Tsz Tung, the executive directors of the Company, and Mr. Chan Wai (“**Mr. Chan**”) and Ms. Tse Ying Sin Eva (“**Ms. Tse**”), who are deemed to be interested in the shares held by the Company’s substantial shareholders in accordance with the Hong Kong Securities and Future Ordinance (“**SFO**”). Apart from loans of HK\$9,007,000 drawn by the Group, the Group expects that additional loans of approximately HK\$9,600,000 which meet the application criteria of the Government of HKSAR will be available to the Group under such scheme over the period covered by the Forecast.

In addition to the above, Mr. Chan, who is deemed to be interested in the shares held by the Company’s substantial shareholders in accordance with the SFO, has undertaken to provide financial support to the Group to enable the Group to have sufficient working capital to meet its liabilities and obligations as and when they fall due and to continue to carry on its business over the period covered by the Forecast.

Notwithstanding that there is inherent uncertainty associated with the future outcomes of the Group’s plans and measures as described above, including whether the Group is able to maintain the Group’s banking facilities, realise its assets to obtain additional funds and obtain additional sources of financing when needed, the directors are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future. Accordingly, the directors believe that it is appropriate to prepare the condensed consolidated financial statements of the Group for the six months ended 30 September 2023 on a going concern basis.

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group’s assets to their net realisable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION

Operating segments are determined with reference to the reports and financial information reviewed by the executive directors of the Company and the officers responsible for finance and accounting matters, being the chief operating decision maker (“**CODM**”) of the Group, for assessment of performance and allocation of resources.

The following summary describes the operations in each of the Group’s reportable segments:

- Operation of bars and restaurants – sales of beverages, light refreshments and food in bars and restaurants in Hong Kong; and
- Property investment – leasing of property in Hong Kong.

Business segment

The following is an analysis of the Group’s revenue and results by operating and reportable segments for the six months ended 30 September 2023 and 2022:

For the six months ended 30 September 2023

	Operation of bars and restaurants HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Inter-segment elimination HK\$'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Revenue				
Revenue from external customers	108,564	396	–	108,960
Revenue from inter-segment	–	971	(971)	–
Reportable segment revenue	108,564	1,367	(971)	108,960
Reportable segment results	2,600	330	–	2,930
Unallocated:				
Corporate and other unallocated expenses				(4)
Depreciation of property, plant and equipment				(36)
Depreciation of right-of-use assets				(215)
Amortisation of intangible assets				(32)
Imputed interest income from rental deposits				1
Finance costs				(911)
Profit before income tax				1,733

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION (Continued)

Business segment (Continued)

For the six months ended 30 September 2022

	Operation of bars and restaurants HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Inter-segment elimination HK\$'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Revenue				
Revenue from external customers	70,778	376	–	71,154
Revenue from inter-segment	–	971	(971)	–
Reportable segment revenue	70,778	1,347	(971)	71,154
Reportable segment results	2,280	336	–	2,616
Unallocated:				
Corporate and other unallocated expenses				(9)
Depreciation of property, plant and equipment				(10)
Depreciation of right-of-use assets				(268)
Imputed interest income from rental deposits				1
Finance costs				(614)
Profit before income tax				1,716

As at 30 September 2023

	Operation of bars and restaurants HK\$'000	Property investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Assets				
Reportable segment assets	173,180	22,662	3,445	199,287
Liabilities				
Reportable segment liabilities	(102,029)	(468)	(67,292)	(169,789)
Reportable segment net assets	71,151	22,194	(63,847)	29,498

As at 31 March 2023

	Operation of bars and restaurants HK\$'000	Property investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Assets				
Reportable segment assets	178,001	22,632	3,630	204,263
Liabilities				
Reportable segment liabilities	(116,415)	(572)	(59,415)	(176,402)
Reportable segment net assets	61,586	22,060	(55,785)	27,861

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION (Continued)

Other information

For the six months ended 30 September 2023

	Operation of bars and restaurants HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Unallocated HK\$'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Bank interest income	3	–	–	3
Imputed interest income from rental deposits	157	–	1	158
Finance costs	1,549	–	911	2,460
Purchase of property, plant and equipment	8,013	–	48	8,061
Addition of right-of-use assets	673	–	–	673
Depreciation of property, plant and equipment	5,828	–	36	5,864
Depreciation of right-of-use assets	19,044	–	215	19,259
Amortisation of intangible assets	38	–	–	38

For the six months ended 30 September 2022

	Operation of bars and restaurants HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Unallocated HK\$'000 (unaudited)	Consolidated HK\$'000 (unaudited)
Imputed interest income from rental deposits	130	–	1	131
Finance costs	1,496	–	614	2,110
Purchase of property, plant and equipment	1,641	–	–	1,641
Addition of right-of-use assets	8,984	–	–	8,984
Depreciation of property, plant and equipment	4,618	–	10	4,628
Depreciation of right-of-use assets	15,085	–	268	15,353

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

3. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information

No geographical information is shown as the revenue and profit from operations of the Group are all derived from its activities in Hong Kong and all the Group's non-current assets are located in Hong Kong.

Information about major customers

The Group's customer base is diversified and no individual customer had transactions which exceeded 10% of the Group's revenue in both periods.

Disaggregation of revenue

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Revenue from contracts with customers under HKFRS 15				
Operation of bars and restaurants, recognised at a point in time				
Sales of food, beverages and refreshments	56,858	47,003	106,308	68,794
Electronic dart machines	281	1,402	2,256	1,984
	57,139	48,405	108,564	70,778
Revenue from other sources				
Property investment				
Rental income from investment properties	198	189	396	376
	57,337	48,594	108,960	71,154

Performance obligations for contracts with customers under HKFRS 15

Operation of bars and restaurants (revenue recognised at a point in time)

The Group recognises revenue from operation of bars and restaurants. The revenue of the Group is recognised at a point in time. Under the transfer-of-control approach in HKFRS 15, revenue from operation of bars and restaurants is recognised at the point of sales to customers, which is the point of time when the customer who has the ability to direct the use of the goods and services and obtain substantially all of the remaining benefits of the goods and services. Payment of the transaction price is due immediately at the point the customer purchases the goods and services.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

4. OTHER INCOME

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Government subsidies (<i>Note</i>)	12	1,625	281	7,605
Sponsorship income	1,783	348	2,390	368
Imputed interest income from rental deposits	80	62	158	131
Bank interest income	1	–	3	–
Others	196	1,277	968	1,319
	2,072	3,312	3,800	9,423

Note: For the six months ended 30 September 2023 and 30 September 2022, the government subsidy represent Catering Business Subsidy Schemes under Anti-epidemic Fund launched by the Government of HKSAR for each of the Group's subsidiaries which holds general restaurant, light refreshment restaurant or liquor licences. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

5. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Interest on lease liabilities	662	644	1,334	1,331
Interest on bank borrowings	596	403	1,126	774
Interest on other borrowings (<i>Note</i>)	–	–	–	5
	1,258	1,047	2,460	2,110

Note: Shareholder loan amounting to HK\$1,900,000 as at 31 March 2022 was interest-bearing at 2% per annum and unsecured. It was fully settled on 13 June 2022.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

6. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Auditor's remuneration (included in other operating expenses)	237	340	475	600
Gross rental income from investment properties	(198)	(189)	(396)	(376)
Less: Direct operating expenses incurred for investment properties that generated rental income during the period	17	5	61	27
	(181)	(184)	(335)	(349)
Cost of inventories recognised as an expense	16,402	12,927	29,837	18,530
Operating lease payments (included in property rentals and related expenses)				
– Practical expedient in respect of				
– Low-value lease expenses	–	–	35	27
– Short-term lease expenses	394	670	537	803
	394	670	572	830
Directors' remuneration	996	440	1,965	990
Other staff costs				
– Salaries and other benefits	16,027	13,888	31,822	22,287
– Retirement benefit scheme contribution	726	499	1,450	820
Total staff costs	17,749	14,827	35,237	24,097
Other operating expenses including the followings:				
– Cleaning expenses	785	810	1,670	1,206
– License fees	120	182	167	809
– Repair and maintenance	749	1,431	1,408	2,205
– Bank and credit card handling charge	1,265	601	1,403	975
– Utilities	1,961	1,572	3,236	2,155

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

7. INCOME TAX EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
The taxation charge comprises:				
Hong Kong Profits Tax				
– Current period	96	93	96	161

Under the two-tiered profits tax 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 regime will continue to be taxed at a flat rate of 16.5%.

8. DIVIDENDS

No dividend has been paid or proposed during the interim period. The directors of the Company have determined no dividend will be paid or proposed in respect of the interim period.

9. EARNINGS PER SHARE

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Earnings for the period attributable to owners of the Company for the purpose of calculating basic earnings per share	263	2,948	1,222	1,207
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	860,000	860,000	860,000	860,000
Add: Effect of dilutive potential ordinary shares arising from share awards	28	–	14	–
Weighted average number of ordinary shares from purpose of calculating diluted earnings per share	860,028	860,000	860,014	860,000

Diluted earnings per share was the same as basic earnings per share as there were no potential ordinary shares in issue during the six months ended 30 September 2022.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

10. RIGHT-OF-USE ASSETS, LEASE LIABILITIES, INTANGIBLE ASSETS, INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

Right-of-use assets and lease liabilities

During the current period, the Group renewed/entered into certain new lease agreements for 1 to 3 years, which is mainly for its bars and restaurants operation. The Group is required to make minimum fixed payments and additional variable payments depending on the certain percentage of sales whenever the Group's sales achieved prescribed amounts as specified in relevant lease agreements. On lease commencement, the Group recognised right-of-use asset of HK\$673,000 (six months ended 30 September 2022: HK\$8,984,000) and lease liabilities of HK\$606,000 (six months ended 30 September 2022: HK\$8,920,000).

Pursuing to the orders of compulsory shut-down of all the bars and pubs (the "Mandatory Closure") which were imposed by the Hong Kong Government during these four periods: from 3 April to 7 May 2020, from 15 July to 18 September 2020, from 26 November 2020 to 28 April 2021 and from 1 April 2022 to 18 May 2022 (the "Mandatory Closure Periods"), the Group had to pause its operation of bars. Given the fact that no revenue being generated in such periods, certain lessors of the bars granted the Group rent concessions through rent reductions ranging from 5% to 50% over 2 to 6 months.

During the current period, there were no such changes in lease payments due to forgiveness or waiver by the lessors for the relevant leases (six months ended 30 September 2022: HK\$1,652,000), which were recognised as negative variable lease payments.

Investment properties

The fair values of the Group's investment properties as at 30 September 2023 were determined by the directors of the Company with reference to recent transaction prices of similar properties. Based on such assessment, the directors of the Company were of the opinion that there was no fair value change on the investment properties of the Group for the current period.

Intangible assets

During the current period, the Group acquired intangible assets representing accounting software of HK\$399,000 (six months ended 30 September 2022: nil).

Property, plant and equipment

During the current period, the Group acquired property, plant and equipment of HK\$8,061,000 (six months ended 30 September 2022: HK\$1,641,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

11. TRADE AND OTHER RECEIVABLES

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
Trade receivables (Note (a))	1,915	1,225
Lease receivables (Note (b))	25	–
Other receivables	1,040	645
Prepayments	3,830	6,213
Rental deposits	12,421	11,289
Utilities deposits	3,550	3,479
	22,781	22,851
Less: Non-current assets		
Rental deposits	(8,327)	(9,447)
Prepayment for acquisition of property, plant and equipment	(944)	(3,794)
Prepayment for acquisition of intangible assets	(731)	–
Amount shown as current assets	12,779	9,610

Notes:

(a) Trade receivables

As at 30 September 2023 and 31 March 2023, trade receivables from contracts with customers amounted to HK\$1,915,000 and HK\$1,225,000, respectively.

The Group's sales are mainly on cash or credit card settlement. As at 30 September 2023 and 31 March 2023, the Group's trade receivables mainly represents credit card sales receivable from financial institutions. None of the Group's trade receivables was considered to be impaired. The Group does not hold any collateral over these balances.

All trade receivables, based on transaction date, are aged within 30 days as at the end of each of the reporting date.

(b) Lease receivables

All lease receivables, based on invoice date, are aged within 30 days as at the end of each of the reporting date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

12. TRADE AND OTHER PAYABLES

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
Current:		
Trade payables	10,500	7,983
Salary accruals and payables	2,556	2,870
Other accruals and payables (Note)	6,277	11,544
Rental deposits received	132	–
Provision for reinstatement costs	488	380
	19,953	22,777
Non-current:		
Rental deposits received	46	46
Provision for reinstatement costs	949	1,007
	995	1,053

Note: As at 30 September 2023, included in other accruals and payables are accrued lease payments of HK\$2,329,000 (as at 31 March 2023: HK\$7,540,000).

The credit period on purchases of goods is 0 to 60 days. The following is an aged analysis of trade payables presented based on invoice date at the end of each reporting period:

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
0 to 30 days	3,962	3,617
31 to 60 days	3,508	3,656
61 to 90 days	1,736	–
91 to 120 days	801	565
121 to 180 days	480	–
Over 180 days	13	145
	10,500	7,983

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

13. BANK BORROWINGS

During the period, the Group obtained new bank loans amounting to HK\$9,000,000 (six months ended 30 September 2022: Nil). The bank loans carry interest at effective interest rates of 3.4% to 7.5% per annum (six months ended 30 September 2022: 2.5% to 3.1% per annum). The proceeds were used to finance the daily operation of the Group.

As at 30 September 2023, the Group had bank borrowings amounting to HK\$57,273,000 (31 March 2023: HK\$52,602,000) out of which HK\$38,367,000 (31 March 2023: HK\$35,695,000) is due over one year based on the repayment schedule but the lender has the unconditional right to demand repayment at any time at its own discretion and therefore these borrowings are classified as current liabilities in the condensed consolidated financial statements.

The banking facilities contain various covenants which include the maintenance of specified financial ratios. In respect of the Group's bank borrowings in an aggregate amount of HK\$42,276,000 as at 30 September 2023 (31 March 2023: HK\$44,565,000), the Group is required to comply with, among others, the covenant that restricts the Group to maintain net worth of the Group at HK\$30 million (31 March 2023: HK\$30 million) at all times.

The directors of the Company were aware that the Group's net tangible worth dropped below HK\$30 million and failed the compliance of the aforesaid covenant for the six months ended 30 September 2023. The Group has communicated with the bank about the breach and the bank has agreed for the Company to rectify the breach on or before 15 May 2024.

14. SHARE CAPITAL

	Number of shares	Share capital HK\$
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2022, 30 September 2022, 31 March 2023 and 30 September 2023	10,000,000,000	100,000,000
Issued and fully paid:		
At 1 April 2022, 30 September 2022, 31 March 2023 and 30 September 2023	860,000,000	8,600,000

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

15. SHARE-BASED PAYMENTS

The Company's share scheme (the "**Share Scheme**") was adopted pursuant to a resolution passed on 29 September 2023 for the primary purpose of providing incentives to directors and eligible employees and will expire on 28 September 2033. Under the Share Scheme the directors may grant shares awards or share options (collectively, the "**Awards**") to eligible employees including directors of the Company and its subsidiaries.

The total number of Awards together with options and share awards which may be granted under any other schemes of the Company shall not exceed 10% of the shares of the Company in issue at 29 September 2023, being 86,000,000 shares. The number of Awards and any awards under other schemes of the Company granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Awards granted under the Share Scheme to substantial shareholders or independent non-executive directors representing more than 0.1% of the Company's issued shares must be approved in advance by the Company's shareholders.

A share option granted under the Share Scheme may be exercised at any point in time during the period stipulated in the offer letter to the eligible employees or directors, provided that such period shall not go beyond the day immediately prior to the 10th anniversary of the date of the grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant. As at 30 September 2023, no share options had been granted under the Share Scheme.

On 29 September 2023, the Company awarded 28,896,000 shares (the "**Award Shares**") to certain directors of the Company at nil consideration. The Award Shares will be vested over a period of 3 years in 3 equal tranches. The first tranche will be vested within twelve months from the date of grant (i.e. 29 September 2024) and the remaining two tranches will become vested equally in each of the subsequent two years (i.e. 29 September 2025 and 29 September 2026). Upon vesting, the awardees will have the unconditional right to obtain the Award Shares. The Award Shares upon issue shall rank pari passu in all respects with shares of the Company in issue at the date of allotment.

As at 30 September 2023, the Company had 28,896,000 unvested shares outstanding, representing 3.36% of the shares of the Company in issue at that date.

No expense was charged to the condensed consolidated statement of profit or loss during the period as the amount involved was determined to be not significant.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

16. RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in these condensed consolidated financial statements, the Group had the following related party transactions during the period:

- (a) During the six months ended 30 September 2022, the Group paid interest expenses of HK\$5,000 in respect of its other borrowing from Mr. Chan, who is deemed to be interested in the shares held by the Company's substantial shareholder in accordance with the SFO. No such borrowings were made during the period.
- (b) The remuneration paid or payable to the key management personnel, which are the executive directors during the six months ended 30 September 2023, is set out below. The remuneration was determined with reference to the performance of the individuals and market trends.

	Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Fees salaries and other benefits	1,740	964
Retirement benefit scheme contributions	27	26
	1,767	990

17. CAPITAL COMMITMENTS

As at 30 September 2023, the Group had capital commitments of HK\$1.73 million (31 March 2023: HK\$2.05 million).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We are a chained bar and restaurant group under the brands of “Bar Pacific”, “Katachi”, “Moon Ocean” and “Pacific” with locations scattered all over Hong Kong. The growth strategies of the Company and its subsidiaries (collectively, the “Group”) focus on the expansion and upgrade of the facilities of existing bars/restaurants. As at 30 September 2023, we operated 53 bars/restaurants throughout Hong Kong.

During the six months ended 30 September 2023 (the “Period”), we opened a new bar located in Tuen Mun under the brand of “Bar Pacific” and a new restaurant located in Yuen Long under the brand of “Katachi”. Different brands focus on different target customers. “Bar Pacific” is a neighborhood bar in different districts in Hong Kong and is for customers looking for social connection and relaxation, “Pacific” is a mid-range bar in urban areas. “Moon Ocean” is a luxury bar located in Causeway Bay. “Katachi” is a skewer restaurant and bar.

FINANCIAL REVIEW

Revenue and gross profit from the operation of both restaurants and bars

The revenue from the operation of bars and restaurants amounted to HK\$108.6 million for the Period, as compared to HK\$70.8 million for the corresponding period in 2022 (the “Previous Period”), representing a rise of 53.4%. Such increase was primarily attributed to the resumption of business since 19 May 2022 following the lapse of orders of compulsory shut-down of all the bars and pubs on 18 May 2022 (the “Mandatory Closure”) and the expansion of business during the Period.

The gross profit from the operations of bars and restaurants for the Period amounted to HK\$78.7 million, in comparison to HK\$52.2 million for the Previous Period, representing an increase of 48.5%. The gross profit margin for the Period remained stable as 72.5% (Previous Period: 73.7%).

Revenue from property investment

The revenue from property investment increased by 5.3% to HK\$396,000 for the Period as compared to HK\$376,000 for the Previous Period. Such increase was mainly due to better terms bargained.

Other income

For the Period, other income amounted to HK\$3.8 million, as compared to HK\$9.4 million for the Previous Period, representing a decrease of 59.6%. Such decrease was mainly due to the substantial decrease in government subsidies received during the Period.

Staff costs

Staff costs represent wages, salaries, bonuses, retirement benefit costs and other allowances paid or payable to all Directors and staff of the Group, which amounted to HK\$35.2 million for the Period, as compared to HK\$24.1 million for the Previous Period, representing an increase of 46.1%. Staff costs increased since the Group hired more staff due to the increase in number of restaurants/bars during the Period and the resumption of business after the cessation of the Mandatory Closure.

Depreciation of property, plant and equipment

Depreciation represents depreciation charges on its property, plant and equipment, including buildings, leasehold improvements, computer equipment, furniture and fixtures and motor vehicles. Our depreciation charges increased to approximately HK\$5.9 million for the Period from approximately HK\$4.6 million for the Previous Period, representing an increase of approximately 28.3% which was primarily attributed to the expansion of business during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW *(Continued)*

Depreciation of right-of-use assets

The depreciation charged on the right-of-use assets amounted to HK\$19.3 million for the Period, in comparison to HK\$15.4 million for the Previous Period, representing an increase of 25.3% which was primarily attributed to the expansion of business during the Period.

Property rentals and related expenses

Operating lease payments, property management fees, government rates and other related expenses increased to HK\$3.9 million as compared to HK\$2.4 million for the Previous Period, representing an increase of 62.5%.

Other operating expenses

For the Period, other operating expenses increased by 8.2% to HK\$14.5 million from HK\$13.4 million for the Previous Period, since the Group operated more bars and restaurants during the Period.

Finance costs

Finance costs represented interest paid or payable on bank loans, lease liabilities and other borrowings, which amounted to HK\$2.5 million for the Period, in comparison to HK\$2.1 million for the Previous Period, representing an increase of 19.0%. The main reason for the increase in finance costs for the Period was due to the increase in interest rate.

Taxation

The total tax expenses for the Period amounted to approximately HK\$96,000 (Previous Period: HK\$161,000).

Capital commitments

As at 30 September 2023, the Group had capital commitments of approximately HK\$1,730,000 (as at 31 March 2023: HK\$2,050,000).

Contingent liabilities

The Group did not have any contingent liabilities as at 30 September 2023 (as at 31 March 2023: Nil).

Charges on the Group's assets

The Group pledged the following assets to secure bank borrowings and general banking facilities granted to the subsidiaries of the Company:

	Net carrying amount	
	As at 30 September 2023 HK\$'000 (unaudited)	As at 31 March 2023 HK\$'000 (audited)
Assets		
Building	4,452	4,538
Right-of-use assets – leasehold land	43,546	44,395
Investment properties	22,580	22,580
	70,578	71,513

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW *(Continued)*

Dividend

The board of Directors (the “**Board**”) has resolved not to recommend the payment of dividend for the Period (Previous Period: Nil).

Foreign currency exposure

Since the Group’s business activities are solely operated in Hong Kong and the relevant transactions are denominated in Hong Kong dollars, the Directors consider that the Group’s risk in foreign exchange is insignificant.

Employee and remuneration policy

As at 30 September 2023, the Group had 519 employees (as at 30 September 2022: 420 employees). Total staff costs (including Directors’ remuneration) were approximately HK\$35.2 million for the Period (Previous Period: HK\$24.1 million). Remuneration is determined by reference to the prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. Periodic in-house training is provided to the employees to enhance the knowledge of the workforce. Meanwhile, training programs conducted by qualified personnel are also attended by our employees to enhance their skills set and working experience. The Group also adopted a share scheme on 29 September 2023 to provide incentives to the directors and employees of any member of the Group.

Significant investment

There was no significant investment held by the Group with a value at 5% or more of the Group’s total assets as at 30 September 2023 and 30 September 2022, nor was there any plan authorised by the Board for other material investment or additions of capital assets during the Period.

Material acquisition or disposal

There was no material acquisition or disposal of subsidiaries, associate and joint venture during the Period.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	As at 30 September 2023 (unaudited)	As at 31 March 2023 (audited)
Cash and cash equivalents	HK\$1.9 million	HK\$1.6 million
Bank borrowings	HK\$57.3 million	HK\$52.6 million
Unutilised banking facilities	HK\$0.1 million	HK\$0.6 million
Gearing ratio	493%	537%

The Directors are of the view that as at the date of approval of this report, the Group’s financial resources are sufficient to support its business and operations.

The Group’s primary sources of funds were cash inflows from operating activities and bank borrowings.

The gearing ratio is calculated by dividing the net debt by the total equity.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE *(Continued)*

As at 30 September 2023, the Group had total bank borrowings of approximately HK\$57,273,000 (31 March 2023: HK\$52,602,000) with maturity ranging from 60 days to 8 years. The interest rate is charged based on floating rate.

FOREIGN CURRENCY

During the Period, the transactions of the Group were denominated and settled in Hong Kong dollars, the functional and reporting currency of the Group.

The Group does not have a significant foreign exchange exposure and has currently not implemented any foreign currency hedging policy. The management will consider hedging against significant foreign exchange exposure should the need arise.

PROSPECT

Looking ahead, the Group will maintain its core business of bar operation and its existing branding strategy, targeting the mass market, to increase its market share in Hong Kong. With the existing client base garnered over the years, the Group will continue leverage on its extensive network in Hong Kong. Currently, we are operating 53 bars & restaurants under four different brands. Our management is confident about our business and the Group intends to further expand our network for upcoming year.

On 1 November 2023, the Group entered into six bar management service and consultancy agreements with certain independent third parties in Mainland China (the “**PRC**”), pursuant to which the Group agreed to provide catering services in relation to the operation of certain bar premises in the PRC. This signing signifies the Group’s expansion of the catering business into the market in the PRC.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS

(A) Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company and its associated corporations

As at 30 September 2023, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were 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 any interests and short positions in which they are taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register required to be kept by the Company (the "Register"); or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Company

Long position in the shares of the Company (the "Shares")

Name of Directors	Capacity/Nature of interest	Number of issued Shares interested	Approximate percentage of the issued Shares (Note 3)
Ms. Chan Tsz Kiu Teresa ("Ms. TK Chan") (Note 1)	Beneficiary of a trust	431,543,700	50.18%
	Beneficial owner	9,632,000	1.12%
Ms. Chan Tsz Tung ("Ms. TT Chan") (Note 1)	Beneficiary of a trust	431,543,700	50.18%
	Beneficial owner	9,632,000	1.12%
Ms. Chan Ching Mandy ("Ms. C Chan") (Note 2)	Interest of controlled corporation	431,543,700	50.18%
	Beneficial owner	9,632,000	1.12%

Notes:

- Moment to Moment Company Limited ("Moment to Moment") held 431,543,700 Shares, representing approximately 50.18% of the issued share capital in the Company. The sole shareholder of Moment to Moment is Harneys Trustees Limited ("Harneys"), the trustee of the Bar Pacific Trust, of which Ms. TK Chan and Ms. TT Chan are beneficiaries. Ms. TK Chan and Ms. TT Chan were deemed to be interested in the Shares held by Moment to Moment under the SFO. Also, on 29 September 2023, 9,632,000 share awards were granted to each of Ms. TK Chan and Ms. TT Chan under the share scheme of the Company.
- Pursuant to a deed of settlement dated 25 March 2014 in respect of the Bar Pacific Trust, Ms. C Chan is the protector of the Bar Pacific Trust, and Harneys is required to exercise the voting rights in any company which the fund of the Bar Pacific Trust is invested in accordance with the joint written instruction from the protector (i.e. Ms. C Chan) and the settlor (i.e. Ms. Tse Ying Sin Eva ("Ms. Tse")) of the Bar Pacific Trust. Ms. C Chan was deemed to be interested in the Shares held by Moment to Moment under the SFO. Also, on 29 September 2023, 9,632,000 share awards were granted to Ms. C Chan under the share scheme of the Company.
- The percentages of shareholding interest in the Company shown in the table above are calculated on the basis of 860,000,000 Shares in issue as at 30 September 2023.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS *(Continued)*

(A) Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company and its associated corporations *(Continued)*

Interests in associated corporation of the Company

Long position in the shares of the associated corporation

Name of Directors	Name of associated corporation	Capacity/Nature of interest	Number of shares <i>(note)</i>	Percentage of shareholding <i>(note)</i>
Ms. TK Chan	Moment to Moment	Beneficiary of a trust	1	100%
Ms. TT Chan	Moment to Moment	Beneficiary of a trust	1	100%
Ms. C Chan	Moment to Moment	Interest of a controlled corporation	1	100%

Note: The sole shareholder of Moment to Moment is Harneys. Please refer to column "Capacity/Nature of interest" for details of capacity or nature of interest of each Director.

Save as disclosed above and so far as the Directors are aware, as at 30 September 2023, none of the Directors and the chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the Register, or were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS *(Continued)*

(B) Substantial shareholders' and other persons' interests and short positions in Shares and underlying Shares of the Company

So far as the Directors are aware of, as at 30 September 2023, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the Shares and underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register required to be kept by the Company under section 336 of the SFO (the "**Substantial Shareholders' Register**"), or who were directly or indirectly interested in 5% or more of the issued voting Shares:

Long position in the Shares

Name of substantial shareholders	Capacity/Nature of interest	Number of issued Shares	Approximate percentage of issued share capital in the Company (Note 3)
Moment to Moment (Note 1)	Beneficial owner	431,543,700	50.18%
Harneys (Note 1)	Trustee (other than a bare trustee)	431,543,700	50.18%
Ms. Tse (Note 1)	Beneficiary of a trust	431,543,700	50.18%
	Beneficial owner	12,094	0.00%
Mr. Chan (Note 2)	Beneficiary of a trust	431,543,700	50.18%
	Beneficial owner	24,925,038	2.90%

Notes:

1. Moment to Moment held 431,543,700 Shares, representing approximately 50.18% of the issued share capital of the Company. The sole shareholder of Moment to Moment is Harneys, the trustee of the Bar Pacific Trust, of which Ms. TK Chan and her mother Ms. Tse, are the first batch of beneficiaries (Please refer to note 2 below). Pursuant to a deed of settlement dated 25 March 2014 in respect of the Bar Pacific Trust, Ms. C Chan is the protector of the Bar Pacific Trust, and Harneys is required to exercise the voting rights in any company the fund of the Bar Pacific Trust is invested in accordance with the joint written instruction from the protector (i.e. Ms. C Chan) and the settlor (i.e. Ms. Tse) of the Bar Pacific Trust. Each of Harneys, Ms. TK Chan, Ms. C Chan and Ms. Tse was deemed to be interested in the Shares held by Moment to Moment under the SFO. Ms. Tse also directly owned 12,094 Shares.
2. On 7 June 2018, Mr. Chan and Ms. TT Chan became the beneficiaries of Bar Pacific Trust. Hence, both Mr. Chan and Ms. TT Chan were also deemed to be interested in the 431,543,700 Shares held by Moment to Moment under the SFO. In addition, Mr. Chan directly held 24,925,038 Shares.
3. The percentage of shareholding interest in the Company shown in the table above are calculated on the basis of 860,000,000 Shares in issue as at 30 September 2023.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURE OF INTERESTS *(Continued)*

(B) Substantial shareholders' and other persons' interests and short positions in Shares and underlying Shares of the Company *(Continued)*

Long position in the Shares *(Continued)*

Save as disclosed above, as at 30 September 2023, the Directors were not aware of any persons who/entities which had any interest or short position in the Shares or underlying Shares that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the Substantial Shareholders' Register required to be kept under section 336 of the SFO.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Period, none of the Directors of the Company or their respective close associates (as defined in the GEM Listing Rules) were considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, other than those businesses of which the Director were appointed as Directors to represent the interests of the Company and/or the Group.

CORPORATE GOVERNANCE PRACTICES

The Company acknowledges the important roles of its Board in providing effective leadership and direction to the Group's business, and ensuring transparency and accountability of the Company's operations. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

During the Period, the Company has adopted corporate governance practices based on the principles of good corporate governance and complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules (the "**CG Code**").

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings in the securities (the "**Required Standard of Dealings**") as contained in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct governing the securities transactions by the Directors for the Period. Having made specific enquiries by the Company with each of the Directors, all Directors have confirmed that they had complied with the Required Standard of Dealings for the Period.

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

During the Period, the Company had not redeemed any of its listed securities, nor did the Company or any of its subsidiaries purchase or sell such securities.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE SCHEMES

Share Option Scheme

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 17 December 2016 (the “**SOS Adoption Date**”).

No share option had been granted under the Share Option Scheme since the SOS Adoption Date and therefore, there was no share option outstanding as at 30 September 2023 and no share options were granted, exercised, or cancelled or lapsed during the Period.

The Share Option Scheme was terminated on 29 September 2023 upon the adoption of a new share scheme by the Company in accordance with Chapter 23 of the GEM Listing Rules at the extraordinary general meeting of the Company held on 29 September 2023.

As at the beginning and the end of the Period, the number of options available for grant under the scheme mandate of the Share Option Scheme was 86,000,000 and 0, respectively.

Share Scheme

A new share scheme was adopted by the Company in accordance with Chapter 23 of the GEM Listing Rules (the “**Share Scheme**”) at the extraordinary general meeting of the Company held on 29 September 2023. Pursuant to the Share Scheme, share awards or share options (collectively, the “**awards**”) may be granted to the directors and employees (whether full-time, part-time or other employment arrangement) of any member of the Group (including persons who are granted awards under the Share Scheme as inducement to enter into employment contracts with any member of the Group).

On 29 September 2023, a total of 28,896,000 share awards were granted to Ms. TK Chan, Ms. TT Chan and Ms. C Chan (all being executive Directors and substantial shareholders of the Company). No share options have been granted under the Share Scheme.

Particulars of the outstanding share awards under the Share Scheme and their movements during the Period are as follows:

Name of grantee	Position	Unvested	Share awards	Share awards	Share awards	Share awards	Unvested
		share awards	granted during	vested during	cancelled during	lapsed during	share awards
		as at	the Period	the Period	the Period	the Period	as at
		1 April 2023					30 September 2023
Ms. TK Chan	Executive Director	–	9,632,000	–	–	–	9,632,000
Ms. TT Chan	Executive Director	–	9,632,000	–	–	–	9,632,000
Ms. C Chan	Executive Director	–	9,632,000	–	–	–	9,632,000
Total			28,896,000	–	–	–	28,896,000

SHARE SCHEMES *(Continued)*

Share Scheme *(Continued)*

Notes:

1. The share awards were granted on 29 September 2023 (the “**Date of Grant**”).
2. One-third (1/3) of the award shares will be vested 12 months from the Date of Grant (i.e. 29 September 2024); one-third (1/3) of the award shares will be vested 24 months from the Date of Grant (i.e. 29 September 2025); and one-third (1/3) of the award shares will be vested 36 months from the Date of Grant (i.e. 29 September 2026).
3. The purchase price for the award shares is nil.
4. Vesting of the share awards is not subject to any performance target. The awards will not be subject to any clawback mechanism of the Share Scheme.
5. The closing price of the Shares as quoted on the Stock Exchange on 28 September 2023, being the date immediately before the Date of Grant, was HK\$0.078.
6. The fair value of the share awards as at the Date of Grant was HK\$0.081, calculated based on the fair value of the equity instruments as at the Date of Grant. The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share capital and share premium.

The number of awards available for grant under the scheme mandate of the Share Scheme was 0 as at 1 April 2023 and 57,104,000 as at 30 September 2023.

The number of Shares that may be issued in respect of awards granted under the Share Scheme during the Period divided by the weighted average number of Shares in issue for the Period is 0.0336.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DISCLOSURES UNDER RULES 17.22 TO 17.24 OF THE GEM LISTING RULES

As at 30 September 2023, details of the existing banking facilities with covenants relating to specific performance of the controlling shareholder of the Company, which constituted disclosure obligation pursuant to Rule 17.20 of the GEM Listing Rules are as follows:

Date of facilities	Nature of facilities	Aggregate Amount	Life of the facilities	Specific performance obligation
12 June 2019	Term loan facility, revolving loan facility and combined facility	HK\$20,000,000	No fixed term but subject to review and will continue up to and including 15 May 2024	Note
30 August 2019	Term loan facility	HK\$10,000,000	– ditto –	Note
3 January 2020	Term loan facility	HK\$25,800,000	– ditto –	Note
30 November 2020	Term loan facility	HK\$21,500,000	– ditto –	Note
3 June 2021	Term loan facility	HK\$4,000,000	– ditto –	Note

Note: As part of the conditions of the loan facilities, the Company had undertaken that Ms. Tse, a former Executive Director, Chairlady and Chief Executive Officer, (i) will serve as the Chairlady, (ii) will be actively involved in the management and business of the Group, (iii) will remain as the single major Shareholder through beneficial ownership, controlled corporation, trust or other means, and (iv) the Tangible Net Worth (as defined in the relevant facility letters) of the Company will be maintained at a minimum level of HK\$30 million at all times. Following the resignation of Ms. Tse and pursuant to the letter of undertaking dated 2 June 2023, (i) Ms. TK Chan, an Executive Director and the Chairlady, shall remain as the single major Shareholder through beneficial ownership, controlled corporation, trust or other means, (ii) Ms. C Chan, an Executive Director and the Chief Executive Officer, will serve as the Chief Executive Officer, (iii) Ms. C Chan is actively involved in the management and business of the Group, and (iv) the Tangible Net Worth (as defined in the relevant facility letters) of the Company will be maintained at a minimum level of HK\$30 million at all times.

Except as disclosed above, the Group had no other circumstances which would give rise to a disclosure obligation under Rules 17.22 to 17.24 of the GEM Listing Rules as at 30 September 2023.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company established the audit committee (the “**Audit Committee**”) pursuant to a resolution of the Directors passed on 17 December 2016 in compliance with Rule 5.28 of the GEM Listing Rules. The written terms of reference in compliance with code provisions D.3.3 and D.3.7 of the CG Code has been adopted. Among other things, the primary duties of the Audit Committee are to make recommendations to the Board on appointment or reappointment and removal of external auditor; review financial statements of the Company and provide advice and comments in respect of financial reporting; and oversee the effectiveness of the procedures of the internal control of the Group.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Chun Yeung Darren, Mr. Chin Chun Wing and Mr. Tang Wing Lam David. Mr. Chan Chun Yeung Darren is the chairman of the Audit Committee.

CORPORATE GOVERNANCE AND OTHER INFORMATION

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS *(Continued)*

The Audit Committee has reviewed the unaudited condensed consolidated financial statements for the Period and this interim report and is of the view that such statements and report have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made.

The unaudited condensed consolidated financial statements for the Period have also been reviewed by the Group's external auditor, Baker Tilly Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

SUBSEQUENT EVENTS

Save as disclosed in this interim report, no other material events were undertaken by the Group subsequent to 30 September 2023 and up to the date of approval of this report.

By order of the Board
Bar Pacific Group Holdings Limited
Chan Tsz Kiu Teresa
Chairlady and Executive Director

Hong Kong, 6 November 2023

As at the date of this report, the executive Directors are Ms. Chan Tsz Kiu Teresa (Chairlady), Ms. Chan Ching Mandy (CEO) and Ms. Chan Tsz Tung; and the independent non-executive Directors are Mr. Chan Chun Yeung Darren, Mr. Chin Chun Wing and Mr. Tang Wing Lam David.