Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

TASTE • GOURMET
GROUP LIMITED
嚐•高美集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8371)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL HIGHLIGHTS:

- Number of restaurants increased to 66 as at 31 March 2025.
- 12 new restaurants were opened during the year.
- Three more new restaurants have opened since 31 March 2025.
- Number of customers increased by 26.4% to 5,230,386.
- Average spending per customer decreased from HK$247.5 to HK$233.2.
- Revenue grew 19.1% to approximately HK$1,219.6 million for the year.
- Profit attributable to Owners of the Company increased by 5.6% to HK$95.5 million.
- Proposed final dividend of HK8.0 cents per share.

The board of directors (the "**Board**" or "**Directors**") of Taste • Gourmet Group Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 March 2025 (the "**Annual Results**"). This announcement contains full text of the annual report of the Group for the year ended 31 March 2025 and the contents were prepared in accordance with the relevant disclosure requirements of the Rules Governing the Listing of Securities on the GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Annual Results have been reviewed by the Board and the audit committee of the Company.

This results announcement is published on the websites of the Company at www.tastegourmet.com.hk and the Stock Exchange at www.hkexnews.hk. The annual report of the Company for the year ended 31 March 2025 will be delivered to the shareholders of the Company and will be available at the abovementioned websites in due course.

Dividend

The Board recommended the payment of a final cash dividend out of the retained profits under reserves of the Company of HK$0.080 per share (the Company paid a final dividend of HK$0.074 per share for the year ended 31 March 2024 and paid an interim dividend of HK$0.055 per share for the six months ended 30 September 2023) to Shareholders whose names are on the register of members of the Company on 7 August 2025, which is subject to the approval by the Shareholders at the annual general meeting of the Company on 1 August 2025 or any adjournment thereof (the "**2025 AGM**") and compliance with the Companies Law of the Cayman Islands. The Company paid an interim dividend of HK$0.060 per share for the six months ended 30 September 2024.

It is expected that the cheques for cash dividends will be sent by ordinary mail to the Shareholders at their own risk on or about 22 August 2025.

Closure of Register of Members

The register of members of the Company will be closed for the following periods:

(1) from 29 July 2025 to 1 August 2025, both days inclusive, during which period no transfer of shares will be registered for the purpose of ascertaining the shareholders entitled to attend and vote at the 2025 AGM; and

(2) on 7 August 2025, during which period no transfer of shares will be registered for the purpose of ascertaining the shareholders entitled to the final dividend to be approved at the 2025 AGM.

All completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 28 July 2025 and 6 August 2025 respectively.

By Order of the Board
WONG Ngai Shan
Chairman and Executive Director

Hong Kong, 24 June 2025

As at the date of this announcement, the Board comprises:

Executive Directors:
WONG Ngai Shan *(Chairman)*
CHAN Wai Chun *(Chief Executive Officer)*

Non-executive Director:
YU Man To Gerald Maximillian *(Company Secretary)*

Independent Non-executive Directors:
CHAN Yuen Ting
TSANG Siu Chun
WANG Chin Mong

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.

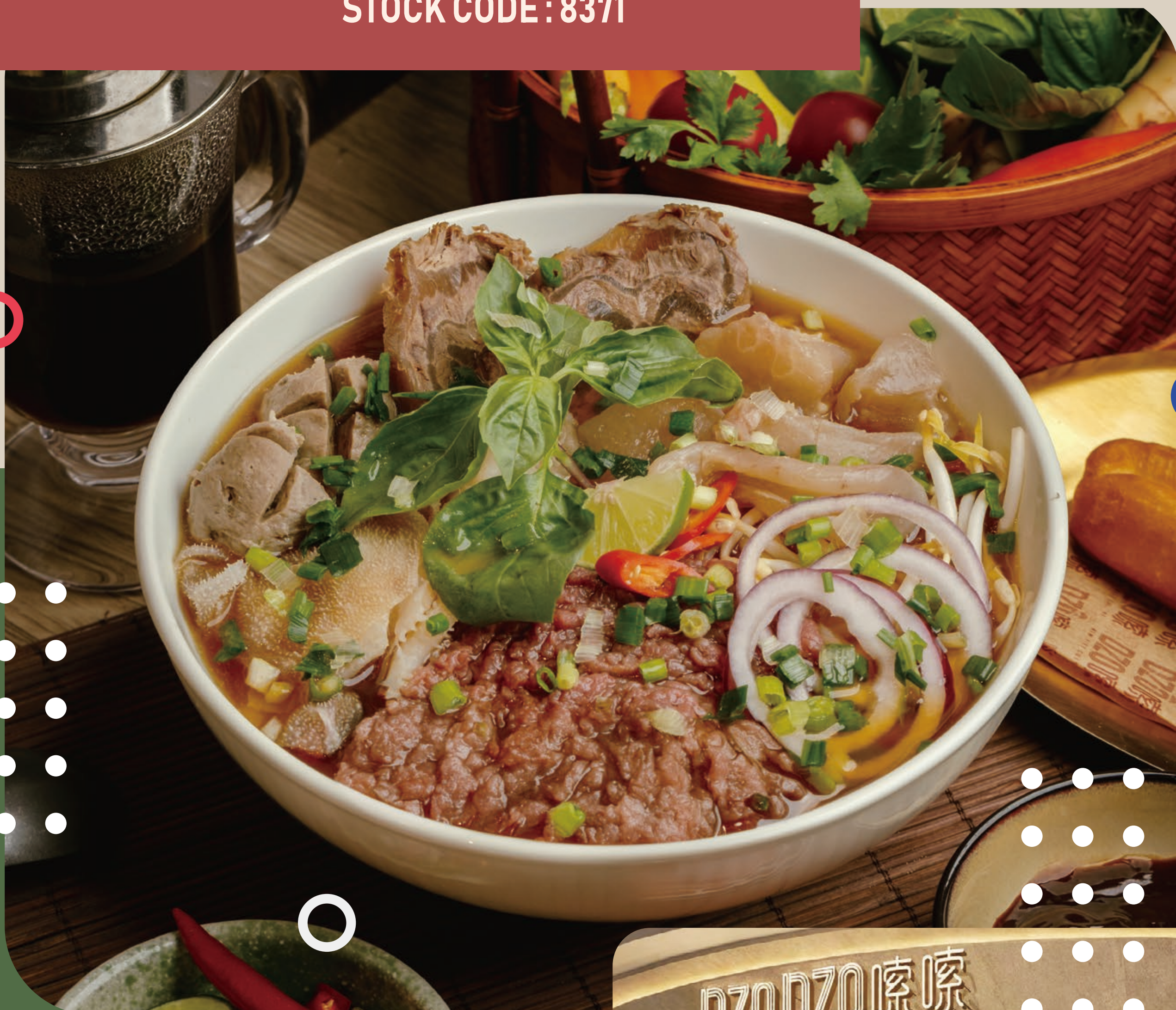
This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at www.tastegourmet.com.hk.

TASTE·GOURMET GROUP LIMITED

嚐·高美集團有限公司

(Incorporated in the Cayman Island with limited liability)

STOCK CODE: 8371



2024/25

ANNUAL REPORT

CHARACTERISTICS OF "GEM" OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "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 Main Board. 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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the directors (the "**Directors**") of Taste • Gourmet Group Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (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.*

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors
Mr. WONG Ngai Shan *(Chairman)*
Ms. CHAN Wai Chun *(Chief Executive Officer)*

Non-executive Director
Mr. YU Man To Gerald Maximillian

Independent non-executive Directors
Ms. CHAN Yuen Ting
Mr. TSANG Siu Chun
Mr. WANG Chin Mong

COMPLIANCE OFFICER

Mr. YU Man To Gerald Maximillian

AUTHORISED REPRESENTATIVES

Mr. WONG Ngai Shan
Mr. YU Man To Gerald Maximillian

COMPANY SECRETARY

Mr. YU Man To Gerald Maximillian *B.BUS, MBA, FCPA*

AUDIT COMMITTEE

Mr. WANG Chin Mong *(Chairman)*
Ms. CHAN Yuen Ting
Mr. TSANG Siu Chun

REMUNERATION COMMITTEE

Mr. TSANG Siu Chun *(Chairman)*
Ms. CHAN Yuen Ting
Mr. WANG Chin Mong
Mr. WONG Ngai Shan

NOMINATION COMMITTEE

Ms. CHAN Yuen Ting *(Chairman)*
Mr. TSANG Siu Chun
Mr. WANG Chin Mong

COMPLIANCE COMMITTEE

Ms. CHAN Yuen Ting *(Chairman)*
Mr. TSANG Siu Chun
Mr. WANG Chin Mong

AUDITORS

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

REGISTERED OFFICE

Cricket Square, Hutchins Drive, PO Box 2681
Grand Cayman KY1-1111, Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B, 24/F Crawford Tower
99-101 Jervois Street, Sheung Wan, Hong Kong

PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive, PO Box 2681
Grand Cayman KY1-1111, Cayman Islands

HONG KONG SHARE REGISTRAR

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

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited

STOCK CODE

08371

COMPANY'S WEBSITE

www.tastegourmet.com.hk (Corporate)
www.tastegourmet.co (Restaurants)

FINANCIAL SUMMARY

RESULTS

	Year ended 31 March				
	2021 HK$'000	2022 HK$'000	2023 HK$'000	2024 HK$'000	**2025** **HK$'000**
Revenue	379,023	568,056	747,517	1,023,946	**1,219,605**
Profit before tax	24,758	27,339	76,076	108,303	**111,158**
Income tax expense	(526)	(5,251)	(6,555)	(17,653)	**(17,995)**
Profit for the year	24,232	22,088	69,521	90,650	**93,163**
Attributable to:					
Owners of the Company	24,967	26,381	68,567	90,458	**95,533**
Non-controlling interests	(735)	(4,293)	954	192	**(2,370)**
	24,232	22,088	69,521	90,650	**93,163**

ASSETS AND LIABILITIES

	As at 31 March				
	2021 HK$'000	2022 HK$'000	2023 HK$'000	2024 HK$'000	**2025** **HK$'000**
Total assets	446,204	506,013	688,549	835,154	**876,757**
Total liabilities	(288,081)	(351,073)	(498,592)	(595,810)	**(603,945)**
Net assets	158,123	154,940	189,957	239,344	**272,812**

CHAIRMAN'S STATEMENT

Dear shareholders,

On behalf of Taste • Gourmet Group Limited (the "**Company**") together with its subsidiaries (the "**Group**"), I am pleased to present to the shareholders the annual results of the Group for the year ended 31 March 2025.

Over the past year, the catering industry in Hong Kong has been struggling to move forward amidst multiple structural challenges. The Group has been united in facing these challenges and steadily advancing its brand and business development.

The northward shift of consumption in recent years has continued to reshape the landscape of catering industry in Hong Kong. The northward movement of customers during weekends and holidays has become a new norm, resulting in a significant reduction in consumption demand for local evening markets and holidays. The rise of takeaway platforms has also dealt a major blow to the traditional dine-in business model, while domestic catering brands have been moving south to capture the market, intensifying competition. High rents in core business districts and rising costs of food and labour have further squeezed the survival of enterprises.

What's more, global geopolitical fluctuations and increased market uncertainties have contributed to a further decline in consumer power, creating multiple pressures of "weak demand, high costs and intensified competition". For small and mid-sized catering enterprises, such environment is no longer a mere cyclical fluctuation, but a long-term structural challenge. Recognising the severity of this change, the Group has reformed its existing structure and operating strategies, while optimising its brand image and cost efficiency.

In terms of cost challenges, we are proactively addressing manpower shortage and rental pressure. We are committed to improving the Group's flexible talent management system, enhancing staff collaboration and skill adaptability through cross-brand training and diversified recruitment channels. In response to rental pressure, we have continued to actively communicate with our landlords in the light of the market situation, with a view to seeking flexible adjustment options. In terms of food costs, we have reduced the wastage rate of food ingredients through large-scale procurement, logistics optimisation and ingredient testing services, while enhancing food safety to consolidate consumer confidence.

In the face of various challenges, the Group breaks through the limitations of traditional services and quality by taking enhancing the value of experience as the core. We focus on scene building, creating a pleasant dining atmosphere for customers, and continuously bring novelty to customers through brand diversification. In addition, the number of members in the Group's customer relationship management system has exceeded 190,000, which is an exciting achievement that demonstrates customers' recognition and trust in the Group's brand. Through data analysis, we are able to better understand customer needs and consumption patterns, optimize service experience and improve the efficiency of information delivery, close the distance with customers, and consolidate customer relationships, laying a solid foundation for cultivating a loyal customer base and enhancing brand value.

CHAIRMAN'S STATEMENT

The operating practice over the past year has once again proved that adherence to "food quality" and "warm service" is the cornerstone for the Group's steady progress amidst changes. Looking ahead, we will continue to advance our brand diversification strategy, explore new market opportunities and further enhance operational efficiency through digital transformation. We are convinced that only by adhering to the core value of "people-oriented, customer-first" and responding to market changes with dynamic innovation can we distinguish ourselves in the face of challenges.

APPRECIATION

I would like to express my sincere gratitude to all shareholders, customers, suppliers, business partners and employees of the Group. Your trust and contributions have been the greatest driving force for the Group to move forward against adversity. We will continue to work together to realize long-term value.

Wong Ngai Shan
Chairman and Executive Director

CEO REPORT

BUSINESS REVIEW

During the year ended 31 March 2025 ("**FY2025**"), the Group opened twelve new restaurants: (1) Sankinn at the Metroplaza in Kwai Chung in May 2024; (2) Taipei Rendezvous at Pak Shek Kok in Taipo in May 2024; (3) QUE at the Metroplaza in Kwai Chung in July 2024; (4) Tsukanto at the Metroplaza in Kwai Chung in July 2024; (5) Match 2 at the Harbour City in July 2024; (6) Taipei Rendezvous at the Tsuen Wan Plaza in Tsuen Wan in August 2024; (7) Dzo Dzo at the New Town Plaza in Shatin in July 2024; (8) Moments Together at the MixC in Shenzhen Bay in July 2024; (9) Sankinn at the PopCorn in Tseung Kwan O in November 2024; (10) Sankinn at the New Town Plaza in Shatin in December 2024; (11) Match 2 at the Hysan Place in Causeway Bay in December 2024; and (12) Nabe Urawa at the Amoy Plaza in Kowloon Bay in January 2025.

Rakuraku at the Kornhill Plaza in Taikoo was closed in April 2024 as the return from this restaurant was not deemed efficient enough on the number of staff deployed. The number of restaurants is as follows:

By Brands	31.03.2024	30.09.2024	31.03.2025	Date of Report
Hong Kong				
Nabe Urawa	10	10	11	11
QUE	6	7	7	7
Sankinn	4	5	7	7
Dab-Pa	6	6	6	6
Yakiniku Guu	4	4	4	4
Taipei Canteen/Rendezvous	1	3	3	3
Takano Ramen	3	3	3	3
Match 2	1	2	3	3
Rakuraku Ramen	3	2	2	2
Khao San	2	2	2	3
La'taste	2	2	2	2
Moments Together	2	2	2	2
Tsukanto	1	2	2	2
Azure 80	1	1	1	1
Canton House	–	–	–	1
Dzo Dzo	–	1	1	1
Golden Dragon	–	–	–	1
Kyoto Shokudo (Wasyokuya Yamaichi)	1	1	1	1
Parkview	1	1	1	1
Tirpse	1	1	1	1
Urawa	1	1	1	1
Hong Kong Total	**50**	**56**	**60**	**63**
Mainland China				
Moments Together	2	3	3	3
Same Same	3	3	3	3
Mainland China Total	5	6	6	6
Total	**55**	**62**	**66**	**69**

By Cuisine/Type	31.03.2024	30.09.2024	31.03.2025	Date of Report
Japanese	29	30	31	31
Chinese	17	22	25	27
Southeast Asian	7	8	8	9
Western	2	2	2	2
Total	**55**	**62**	**66**	**69**

Movement during each period	Full Year 31.03.2024	Six Months 30.09.2024	Six Months 31.03.2025	FY2025 Cumulative
At the Beginning of the Period	42	55	62	55
New Restaurants	15	8	4	12
Closed Restaurants	(2)	(1)	–	(1)
At the End of the Period	**55**	**62**	**66**	**66**

Confirmed leases for the opening of new restaurants are as follows:

Restaurant	Location	Mall Operator	Lease Term	Option	Expected Commencement Date
Khao San	Tsuen Wan Plaza	SHK Properties	5	–	Q2 2025
Golden Dragon & Canton House	Citygate	Swire Properties	5	–	Q2 2025
Izakaya Hirokoji	Cityplaza	Swire Properties	5	–	Q3 2025
Yakiniku Guu	Park Central	SHK Properties	3	3	Q3 2025
Nabe Urawa	MOSTown	Henderson Land	3	3	Q3 2025

For details of some of these leases, please refer to the announcements issued by the Company dated 3 March 2025, 21 March 2025, 2 April 2025, 12 May 2025 and 20 May 2025.

Khao San at the Tsuen Wan Plaza commenced operations in May 2025 and the Golden Dragon and the Canton House at the Citygate commenced operations in June 2025.

Significant Investments, Material Acquisitions or Disposals

In July 2018, the Group entered into a licensing agreement with an independent third party (the "**Licensor**") to license the exclusive and unlimited usage rights to the Japanese ramen brand "多賀野" or "Takano" for all countries outside of Japan for eight years (the "**Original Licensing Agreement**"). The consideration for this agreement was JPY22,000,000 (equivalent to HK$1,526,000), and the licence period commenced in October 2018.

In October 2024, the Group entered into a Trademark Assignment and Licensing Agreement with the Licensor to acquire the trademark of "多賀野" and "Takano" registered in Japan held by the Licensor (the "**Japanese Trademark**"). The consideration for this acquisition was JPY54,000,000 (equivalent to HK$2,795,000). the Original Licensing Agreement was terminated upon the transfer of the Japanese Trademark to the Company. Please refer to the announcements issued by the Company dated 23 July 2018 and 22 October 2024 for details.

In December 2024, the Group acquired the remaining 40% interest in our PRC subsidiary (萬家匯美, the "**PRC Subsidiary**") from Shuanghui Food and Beverage Investment Management Company Limited (雙匯餐飲投資管理有限公司, "**Shuanghui**") for a total consideration of RMB9,000,000 (equivalent to HK$9,535,000, the "**Acquisition**"). The PRC subsidiary is now wholly owned by the Group. Upon completion of the Acquisition, the shareholders' agreement and any other rights of Shuanghui have been terminated.

Save as disclosed above, there were no other significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during FY2025.

Restaurant Operations

During FY2025, a total of 5,230,386 customers patronized our restaurants, an increase of 1,093,935 customers or 26.4% when compared to the year ended 31 March 2024 ("**FY2024**"). However, the average spending per customer ("**ASP**") decreased from HK$247.5 to HK$233.2 for FY2025 compared to FY2024. The reason for the decrease in the ASP was due to the increase in revenue of the lower ASP restaurants. The key operating information by cuisine are summarized as follows:

	Year Ended											
	31.03.2025						31.03.2024					
	Revenue *HK$'000*	Number of Seats	Average Daily Sales *HK$*	Number of Customers	ASP *HK$*	Daily Seating Turnover Rate	Revenue *HK$'000*	Number of Seats	Average Daily Sales *HK$*	Number of Customers	ASP *HK$*	Daily Seating Turnover Rate
Southeast Asian	**104,561**	**801**	**311,115**	**675,633**	**154.8**	**2.5**	73,890	731	259,468	491,241	150.4	2.4
Japanese	**606,740**	**3,061**	**1,715,952**	**2,593,787**	**233.9**	**2.4**	517,460	2,908	1,591,058	2,086,637	248.0	2.2
– Nabe Urawa/Yakiniku Guu	**350,611**	**1,762**	**1,020,005**	**1,249,468**	**280.6**	**2.1**	293,996	1,746	903,246	990,190	296.9	1.7
– Ramen	**65,293**	**309**	**196,612**	**414,150**	**157.7**	**4.0**	76,000	309	220,374	493,858	153.9	4.6
– Others	**190,836**	**990**	**499,335**	**930,169**	**205.2**	**2.5**	147,464	853	467,438	602,589	244.7	2.2
Chinese	**459,296**	**2,490**	**1,458,540**	**1,776,937**	**258.5**	**2.3**	375,184	1,751	1,089,217	1,346,030	278.7	2.2
Western	**48,119**	**209**	**180,363**	**184,029**	**261.5**	**3.3**	55,858	209	210,624	212,543	262.8	3.8
	1,218,716	**6,561**	**3,665,970**	**5,230,386**	**233.0**	**2.4**	1,022,392	5,599	3,150,367	4,136,451	247.2	2.3
Others	**889**	**-**	**-**	**-**	**-**	**-**	1,554	-	-	-	-	-
	1,219,605	**6,561**	**3,665,970**	**5,230,386**	**233.2**	**2.4**	1,023,946	5,599	3,150,367	4,136,451	247.5	2.3

CEO REPORT

FINANCIAL REVIEW

Revenue

During FY2025, the Group recorded revenue of approximately HK$1,219,605,000, representing an increase of 19.1% when compared to FY2024.

We derive our revenue from the sales of food and beverages at our restaurants in Hong Kong and the PRC. The following table sets forth the breakdown of our revenue by cuisine during the relevant periods.

	Year Ended				
	31.03.2025		31.03.2024		
	HK$'000	**% of Revenue**	*HK$'000*	% of Revenue	**Changes**
Southeast Asian	**104,561**	**8.6%**	73,890	7.2%	**41.5%**
Japanese	**606,740**	**49.7%**	517,460	50.5%	**17.3%**
Chinese	**459,296**	**37.7%**	375,184	36.6%	**22.4%**
Western	**48,119**	**3.9%**	55,858	5.5%	**(13.9%)**
Others	**889**	**0.1%**	1,554	0.2%	**(42.8%)**
Total revenue	**1,219,605**	**100.0%**	1,023,946	100.0%	**19.1%**

When compared to FY2024, the increase in revenue is attributable to (1) those restaurants opened during FY2024 having a year of operations; and (2) new restaurants opened during FY2025. However, the increase has been off-set by a slight decrease in the ASP. The decrease in the ASP was mainly due to the increase in the number of new QUE restaurants and the new Taiwanese restaurants which have a lower ASP than the existing restaurants, resulting in the decrease of the overall ASP in FY2025.

Major Cost Components

	Year Ended				
	31.03.2025		31.03.2024		
	HK$'000	**% of Revenue**	*HK$'000*	% of Revenue	**Changes**
Raw materials and consumables used	**334,043**	**27.4%**	275,938	26.9%	**21.1%**
Staff costs	**373,267**	**30.6%**	306,705	30.0%	**21.7%**
Depreciation of property, plant and equipment	**54,147**	**4.4%**	44,094	4.3%	**22.8%**
Depreciation of ROU Assets	**165,305**	**13.6%**	139,958	13.7%	**18.1%**
Property rentals and related expenses	**61,551**	**5.0%**	55,173	5.4%	**11.6%**
Utilities and cleaning expenses	**41,704**	**3.4%**	34,416	3.4%	**21.2%**
Other expenses	**60,692**	**5.0%**	50,831	5.0%	**19.4%**
Finance cost	**19,260**	**1.6%**	14,750	1.4%	**30.6%**

Raw materials and consumables used increased by approximately 21.1% during FY2025 when compared to FY2024 is mainly due to the opening of new restaurants as discussed under revenue above. As a percentage of revenue, raw materials and consumables used increased from 26.9% in FY2024 to 27.4% in FY2025. The increase is mainly attributable to (1) with the exception of the all-you-can-eat type restaurants where revenue remained stable, a general decrease in revenue in the other restaurants; and (2) our all-you-can-eat type restaurants have a higher food cost but a significantly lower staff cost.

Staff costs increased by approximately 21.7% during FY2025 when compared to FY2024. As a percentage of revenue, staff costs increased slightly from 30.0% to 30.6% when compared to FY2024. The increase in staff costs and as a percentage of revenue is mainly due to the majority of new restaurants are not all-you-can-eat type restaurants.

Property rentals and related expenses increased by approximately 11.6% when compared to FY2024. The increase is primarily due to more restaurants were in operations during FY2025. As a percentage of revenue, property rental and related expenses decreased from 5.4% to 5.0% when compared to FY2024. Property rentals and related expenses only includes expenses such as turnover rents, building management fees and rates.

Depreciation of property, plant and equipment and Depreciation of ROU Assets increased by approximately 22.8% and approximately 18.1% respectively when compared to FY2024, which is primarily due to more restaurants were in operations and the significant number of new restaurants opened during FY2025. In addition, the increase in depreciation of ROU Assets is also attributed by new leases under rent free periods that were under renovation. As a percentage of revenue, depreciation of property, plant and equipment and depreciation of ROU Assets remained stable at 4.4% and 13.6%.

Other expenses include items such as advertising expenses, credit card charges, delivery fees, entertainment expenses, insurance, printing and stationery, medical expenses and repairs and maintenance. Other expenses amounted to approximately HK$60,692,000, representing an increase of approximately 19.4% when compared to FY2024, primarily due to more restaurants were in operations during FY2025. As a percentage of revenue, other expenses remained stable at approximately 5.0%.

Net Profit and Profit Attributable to Owners of the Company

For the year ended 31 March 2025, net profit and profit attributable to owners of the Company amounted to approximately HK$93,163,000 and HK$95,533,000, respectively. Net profit increased by approximately HK$2,513,000 or 2.8% and net profit attributable to owners of the Company increased by approximately HK$5,075,000 or 5.6%. The increases are the result of the cumulative effect of the above factors.

Financial Resources and Position

As at 31 March 2025, the Group did not have any bank borrowings.

Cash and cash equivalents amounted to HK$190.9 million as at 31 March 2025 which are mostly denominated in Hong Kong Dollars. Although the Group has some restaurants which are subject to the exchange rate exposure of the Renminbi, the Group's main businesses are still conducted in Hong Kong, therefore the Group does not expect to be exposed to any material foreign exchange risks in the next twelve months.

As at 31 March 2025, the Group was in a net cash position (net debt divided by equity attributable to owners of the Company plus net debt).

Contingent Liabilities

As at 31 March 2025, the Group did not have any significant contingent liabilities.

Capital Commitments

As at 31 March 2025, the Group's outstanding capital commitments was approximately HK$4,936,000.

CEO REPORT

Final Dividend

The Board recommended the payment of a final cash dividend out of the retained profits under reserves of the Company of HK$0.080 per share (a final dividend of HK$0.074 per share for the year ended 31 March 2024 and an interim dividend of HK$0.055 per share for the six months ended 30 September 2023) to Shareholders whose names are on the register of members of the Company on 7 August 2025, which is subject to the approval by the Shareholders at the annual general meeting of the Company on 1 August 2025 or any adjournment thereof (the "**2025 AGM**") and compliance with the Companies Law of the Cayman Islands.

It is expected that the cheques for cash dividends will be sent by ordinary mail to the Shareholders at their own risk on or about 22 August 2025.

The Company has adopted an annual dividend pay-out policy of a ratio of not less than 50% of profit attributable to Shareholders (the "**Dividend Pay-out Ratio**"). Any amount of dividends to be declared and paid by our Company in excess of the 50% ratio will be at the discretion of our Directors taking into consideration our future operations and earnings, our business development, capital requirements and surplus, general financial conditions, contractual restrictions and such other factors as our Directors consider appropriate. Profit attributable to Shareholders amounted to approximately HK$95,533,000. Based on the estimated dividend amount of approximately HK$30,472,000 and the interim dividend paid of HK$22,770,000, the Dividend Pay-out Ratio is 56% for the year ended 31 March 2025.

FUTURE PROSPECTS

With a downturn in the global economic conditions, we expect the business of the Group will be affected, however, we will continue to improve the quality of our food together with the highest standard of services. Value-for-money is the key to our success, customers need to feel that they are getting their money's worth by providing a dining experience that matches their expectation.

We have secured several outstanding locations during the past year and will continue to discuss with shopping mall landlords for new potential locations in Hong Kong and in Mainland China.

Appreciation

On behalf of the Board, I would like to take this opportunity to express my gratitude to all the staff and management team for their contribution during the period. I would also like to express my appreciation to the continuous support of our shareholders and investors.

Chan Wai Chun
Chief Executive Officer and Executive Director

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. WONG Ngai Shan *(Chairman)*

Mr. Wong, aged 50, is one of the co-founders of our Group. He is responsible for our Group's overall corporate strategies, management, business development, project planning and implementation. He has assumed a leading role in our management and is responsible for formulating business direction of our Group. Mr. Wong is a member of the remuneration committee of the Company.

Mr. Wong graduated from the City University of Hong Kong with a Higher Diploma in Accountancy and became an associate of the Association of Chartered Certified Accountants and is a Certified Public Accountant (CPA) of The Hong Kong Institute of Certified Public Accountants. Mr. Wong has over 15 years of accounting and finance experience and has worked as an auditor for Deloitte Touche Tohmatsu and as the financial controller of a company in the coating industry.

Mr. Wong started investing in the food and beverage business since 2006 and is familiar with industry trends, market behaviour, customer and supplier impact and dealing with competitions and other operational challenges. He has obtained the Basic Food Hygiene Certificate for Hygiene Managers.

Mr. Wong is the spouse of Ms. CHAN Wai Chun. He is also a director of all members of our Group.

Ms. CHAN Wai Chun *(Chief Executive Officer)*

Ms. Chan, aged 48, is one of the co-founders of our Group. She is responsible for the overall day to day operation and management of our business, overseeing menu design, accounting, internal control, human resources, and staff training.

Ms. Chan holds a Postgraduate Diploma in Education (Primary) from the Hong Kong Institute of Education and a Bachelor of Science degree from The University of Hong Kong. Ms. Chan obtained the Certificate of Registration as a Teacher under the Education Ordinance. She also obtained the Certificate in Food Hygiene for Hygiene Supervisor.

Ms. Chan has over 17 years of experience in the food and beverage industry. She worked as a teacher in Hong Kong for seven years before joining our Group.

Ms. Chan is the spouse of Mr. Wong Ngai Shan. She is also a director of all members of our Group.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

NON-EXECUTIVE DIRECTOR

Mr. YU Man To Gerald Maximillian *(Company Secretary)*

Mr. Yu, aged 58, is the Company Secretary of our Company who joined our Group in April 2017 and he was appointed as an executive Director on 1 August 2022 and re-designated as a non-executive Director on 1 July 2023.

Mr. Yu holds a bachelor's degree in business and a master's degree in business administration. Mr. Yu was admitted as a fellow member of CPA Australia (FCPA (Aust.)) and a fellow member of the Hong Kong Institute of Certified Public Accountants (FCPA).

Mr. Yu has over 32 years of experience in accounting, finance, management and company secretarial field. Prior to joining the Company, Mr. Yu has worked as the chief financial officer and company secretary of China MeiDong Auto Holdings Limited (1268.HK), Sound Global Limited (now delisted, 967.HK and E6E.SI), Wai Chun Mining Industry Group Company Limited (now known as Wai Chun Bio Technology Limited, 660.HK), Wai Chun Group Holdings Limited (1013. HK) and Towngas China Company Limited (now known as Towngas Smart Energy Company Limited, 1083.HK). Mr. Yu also worked as the company secretary of Sinolink Worldwide Holdings Limited (1168.HK). Mr. Yu was with Towngas China for almost nine years and was with an international accounting firm for over seven years prior to joining Towngas China.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. CHAN Yuen Ting

Ms. Chan, aged 51, was appointed as an independent non-executive Director of our Company on 17 January 2018. She is the chairman of the nomination committee and compliance committee and a member of the audit committee and remuneration committee of the Company.

Ms. Chan is currently the risk compliance and people director of Citybus Limited, its subsidiaries and associated companies. Ms. Chan holds a Bachelor's degree of Social Science from The Chinese University of Hong Kong, a Master's degree in Public Administration and Public Policy from the University of York in the United Kingdom and a Master's degree in International Trade and Commercial Law from the University of Durham in the United Kingdom. She was granted the award of Postgraduate Diploma of the Manchester Metropolitan University in the United Kingdom having followed an approved programme in English and Hong Kong Law (Common Professional Examination) at The University of Hong Kong (Space). Ms. Chan obtained the Postgraduate Certificate in Laws from The University of Hong Kong. She was admitted as a solicitor in Hong Kong in 2008 and is a member of the Law Society of Hong Kong.

Ms. Chan has over 18 years of legal and compliance experience.

Mr. TSANG Siu Chun
Mr. Tsang, aged 70, was appointed as an independent non-executive Director of our Company on 17 January 2018. He is the chairman of the remuneration committee and a member of the audit committee, nomination committee and compliance committee of the Company.

Mr. Tsang holds a Bachelor's degree in Arts from the University of Toronto.

Mr. Tsang serves as the managing director of An Seng Enterprises Limited which is principally engaged in the manufacturing and sales of furniture and home decoration products and the managing director of Chan Seng Yee Estates Ltd which is principally engaged in estates agency investment. He was the chairman of Po Leung Kuk from 1992 to 1993. Mr. Tsang was appointed as a Non-official Justice of Peace since June 1993. He was the vice president of An Kwei Clans Association (H.K.) Ltd from November 2011 to February 2017, and is currently the president. Mr. Tsang is also the president of The 14th Hong Kong Federation of Quanzhou Association and the vice chairman of the Hong Kong Federation of Fujian Associations Limited.

Mr. WANG Chin Mong
Mr. Wang, aged 53, was appointed as an independent non-executive Director of our Company on 17 January 2018. He is the chairman of the audit committee and a member of the remuneration committee, nomination committee and compliance committee of the Company.

Mr. Wang holds a bachelor's degree in accounting and finance. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants. Mr. Wang is also a Certified ESG Planner CEP® which is recognized and authorized by International Chamber of Sustainable Development, an NGO registered in Hong Kong with the chapters in Geneva and London.

In addition to the audit experience with an international audit firm, Mr. Wang has more than 20 years of experience in acting as company secretary, financial controller or chief financial officer of companies listed in GEM and Main Board.

SENIOR MANAGEMENT

Mr. CHENG Chin Wing *(Chief Financial Officer)*
Mr. Cheng, aged 39, joined the Group in 2023 as Chief Financial Officer. Mr. Cheng is primarily responsible for the financial reporting, financial planning, treasury and financial control matters of the Group. Mr. Cheng has over 17 years of experience in the fields of financial reporting, auditing, financial management, company secretarial and compliance matters of listed companies in Hong Kong. He holds a bachelor's degree of commerce in accountancy and is member of the Hong Kong Institute of Certified Public Accountants (CPA). Prior to joining the Group, Mr. Cheng was the financial controller of LH Group Holdings Limited (1978.HK). Mr. Cheng also served as the company secretary of Lap Kei Engineering (Holdings) Limited (1690.HK) and Bamboos Health Care Holdings Limited (2293.HK). Mr. Cheng was the deputy financial controller of Zhonghua Gas Holdings Limited (formerly known as Noble House (China) Holdings Limited, 8246.HK) and worked for Deloitte Touche Tohmatsu prior to joining Noble House (China) Holdings Limited.

Mr. LO Ka Ki *(Head of Operations)*
Mr. Lo, aged 49, joined the Group in June 2021 as the Group Executive Chef. Mr. Lo has over 30 years of experience culinary field working for the Ritz Carlton, Caprice and as the executive chef at the Gia Group and Bo Innovation. During his time at Bo Innovation, the restaurant was awarded two Michelin Stars in 2009 and upgraded to three Stars in 2014. He also help Bo London and MIC HK on gaining a Michelin Star.

Mr. CHAN Ka Shing *(Head of Business Development)*

Mr. Chan, aged 37, is our general manager responsible for the new projects and business development of our Group. Mr. Chan joined our Company in September 2014, responsible for the opening of our new stores, including the decoration, floor plan and design of our different brands of restaurants. Mr. Chan completed a bartending course in December 2010. He obtained the Merit Awards in the Asian Cocktail Championship, De Kuyper Cocktail Championship and Creative Classic and Bartending Flair. Mr. Chan was awarded the Certificate in Food Hygiene for Hygiene Supervisor and obtained the Level 2 Award in Food Safety in Catering. Mr. Chan worked for IPC Foodlab as an assistant restaurant manager, as a management trainee in the food and beverage department of Page One The Designer's Bookshop (HK) Ltd. He also worked as a bar supervisor for the Nabe One Limited.

Ms. CHAK Hoi Shan *(Head of Human Resources)*

Ms. Chak, aged 39, is our Head of Human Resources. Ms. Chak joined our Group in March 2018. Ms. Chak was certificated by the Hong Kong Institute of Accredited Accounting Technicians in 2011. Ms. Chak has worked for an International Japanese Food and Beverage Group responsible for operations, human resources, internal control and finance. She has assisted to set up, operate and manage restaurants located in Hong Kong International Airport and prime areas covering Hong Kong Island, Kowloon and New Territories. Ms. Chak has worked for a Japanese business support company and provided human resources, operation, finance and other back office support service and advice to her clients including Japanese catering related company e.g. Yakiniku restaurants, Izakaya restaurants and Wagyu beef retails etc.

Ms. LOW Sook Kuan Irene *(Head of Marketing & Communications)*

Ms. Low, aged 46 joined the Group in July 2020 as Head of Marketing & Communications. She has over 20 years of experience in hospitality industry and her past duties included a full spectrum of functions covering sales, events and marketing management. Mr. Low holds a diploma in journalism from MDIS Singapore in partnership with University of Oklahoma. She has also completed various management programmes namely strategic hospitality management, financial management, and strategic marketing for hotels and restaurants from Cornell University. Prior to joining the Group, she held senior management positions in recognized companies focusing on marketing, operation, sales, etc.

Mr. WONG Chun Kuen *(Head of Procurement and Quality Assurance)*

Mr. Wong, aged 46, is our Procurement and Quality Assurance manager who joined our Group in June 2015. Mr. Wong is responsible for all procurements and quality assurance matters of our Group. Mr. Wong holds a Bachelor's degree in Public Administration and Management with honours. Mr. Wong was certificated by Travel Industry Council of Hong Kong in 2003. Mr. Wong worked as a manager for Xiamen Gangpin Imp & Exp Co. Ltd. overseeing the development of new markets including the sourcing, import and sales of wine in the Fujian and Guangdong provinces of the PRC and worked as a merchandiser for A.Y.N. Accessories Trading Limited and Joy Life Ltd. Mr. Wong is a nephew of Mr. Wong Ngai Shan, our Controlling Shareholder and Executive Director, and is therefore an associate of a connected person of our Company.

REPORT OF THE DIRECTORS

The Board has pleasure in presenting the Report of the Directors and the audited consolidated financial statements of the Group for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the operation of full-service restaurants and kiosks in Hong Kong. Particulars of the subsidiaries are set out in note 37 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year ended 31 March 2025 and a discussion on the Group's future business development are provided in the section "Chairman's Statement" and "CEO Report" of this Annual Report. A discussion on the Group's environmental policies and performance, an account of the Group's key relationships with its stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group can be found in the "Corporate Governance Report" on pages 29 to 43 and the "Environmental, Social and Governance Report" on pages 44 to 58 of this Annual Report.

Description of possible risks and uncertainties that the Group may be facing can be found in Notes 33 and 34 to the consolidated financial statements.

Also, the financial risk management objectives and policies of the Group can be found in Note 34 to the consolidated financial statements. An analysis of the Group's performance during the year using financial key performance indicators is provided in the "Financial Summary" on page 3 of this Annual Report.

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 March 2025 and the state of affairs of the Group as at that date are set out in the consolidated financial statements on pages 64 to 128 of this Annual Report.

The Directors have recommended the payment of a final cash dividend out of retained profits under reserves of the Company of HK$0.080 per share (the "**Final Dividend**"). The Company paid an interim dividend for the six months ended 30 September 2024 of HK$0.060 per Share. The Company paid a final dividend of HK$0.074 per Share for the year ended 31 March 2024 and paid an interim dividend of HK$0.055 per Share for the six months ended 30 September 2023.

The Final Dividend will be paid to shareholders whose names are on the register of members of the Company on 7 August 2025. Subject to approval by shareholders at the annual general meeting of the Company (the "**AGM**") to be held on 1 August 2025 and compliance with the Companies Law of the Cayman Islands, the final dividend will be paid on or about 22 August 2025 and the register of members of the Company will be closed on 7 August 2025, during which period no transfer of shares will be registered.

REPORT OF THE DIRECTORS

RESERVES

Details of movements in the reserves of the Group during the year ended 31 March 2025 are set out in the consolidated statement of changes in equity set out on page 67 of this Annual Report.

The Company's reserves available for distribution to shareholders as at 31 March 2025 amounted to HK$87,062,000 (2024: HK$57,636,000), subject to the applicable statutory requirements under the laws of the Cayman Islands.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for each of the five financial years ended 31 March 2025 is set out on page 3 of this Annual Report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant, equipment of the Group during the year ended 31 March 2025 are set out in note 14 to the consolidated financial statements.

TAX RELIEF

The Company is not aware of any tax relief available to shareholders by reason of their holdings in the Company's securities.

Under current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of dividends paid by the Company.

SHARE CAPITAL

Details of the movement in the share capital of the Company during the year ended 31 March 2025 are set out in note 31 to the consolidated financial statements.

DIRECTORS

The Directors during the year ended 31 March 2025 and up to the date of this Annual Report were as follows:

Executive Directors
Mr. Wong Ngai Shan *(Chairman)*
Ms. Chan Wai Chun *(Chief Executive Officer)*

Non-Executive Director
Mr. Yu Man To Gerald Maximillian *(Company Secretary)*

Independent Non-executive Directors
Ms. Chan Yuen Ting
Mr. Tsang Siu Chun
Mr. Wang Chin Mong

The biographical details of the Directors and senior management of the Company are set out on pages 13 to 16 of this Annual Report.

In accordance with Article 84 of the articles of association of the Company (the "**Articles of Association**"), Mr. Wang Chin Mong and Mr. Wong Ngai Shan shall retire from office by rotation at the AGM and, all of them being eligible, would offer themselves for re-election.

The Company has received an annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the GEM Listing Rules. The Company considers all the independent non-executive Directors to be independent.

Directors' Service Contracts

Mr. Wong Ngai Shan and Ms. Chan Wai Chun have each entered into a service agreement with the Company for a term of three years commencing with effect from 17 January 2024, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party.

Mr. Yu Man To Gerald Maximillian has entered into a service agreement with the Company for a term of three years commencing with effect from 1 August 2022, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years from 17 January 2024, which can be terminated by either party giving not less than three months' notice in writing to the other party. Each of the independent non-executive Directors is subject to the provisions for retirement by rotation and re-election at the AGM in accordance with the Articles of Association.

Save as disclosed above, no Director proposed for re-election at the AGM has service agreement with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

Directors' Remuneration

Details of emoluments of the Directors are set out in note 11 to the consolidated financial statements.

Each of the independent non-executive Directors is entitled to a director's fee of HK$100,000 per annum. Save for Director's fees, none of our independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

The Directors' fees are subject to the Shareholders' approval at the AGM. Other emoluments are determined by the Board with reference to the recommendations from the Remuneration Committee taking into account the directors' duties, responsibilities and performance and the results of the Group.

Interests in Contracts

Other than as disclosed in note 36 to the consolidated financial statements, there is no contract of significance to which the Company, its holding company, or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Competing Business

Save as disclosed in this Annual Report, none of the Directors or their respective associates (as defined in the GEM Listing Rules) had any interests in any business (apart from the Group's business), which competes or is likely to compete, either directly or indirectly, with the businesses of the Group during the year and up to the date of this Annual Report.

Directors' and Chief Executive's Interests and Short positions in the Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation

As at 31 March 2025, the interests and short positions of the Directors and chief executive 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 Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) which were 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 required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

Long Positions in Shares

Name of Directors	Capacity/Nature of interest	Interest in Shares	Interest in underlying Shares pursuant to share options	Aggregate Interests	Approximate Percentage of Shareholding
Mr. Wong	Interest in controlled corporation and interest of spouse	260,302,000	–	260,302,000	68.59%
Ms. Chan	Interest in controlled corporation and interest of spouse	260,302,000	–	260,302,000	68.59%
Mr. Yu Man To Gerald Maximillian	Beneficial owner	76,000	950,000	1,026,000	0.27%
Mr. Tsang Siu Chun	Beneficial owner	20,000	–	20,000	0.01%

Notes:

1. IKEAB Limited is owned by Mr. Wong as to 70% and Ms. Chan as to 30%. As such Mr. Wong and Ms. Chan are deemed to be interested in the Shares owned by IKEAB Limited by virtue of the SFO.

2. Elite China Enterprise Limited ("**Elite China**") is owned by Mr. Wong as to 50% and Ms. Chan as to 50%. As such Mr. Wong and Ms. Chan are deemed to be interested in 9,984,000 Shares held by Elite China as at 31 March 2025 by virtue of the SFO.

3. Mr. Wong is the spouse of Ms. Chan.

Save as disclosed above, as at 31 March 2025, none of the Directors and chief executive of the Company has any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were 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 required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.48 to 5.67 of the GEM Listing Rules.

Directors' Rights to Acquire Shares or Debentures of the Company and Associated Corporation

Pursuant to the Company's share option scheme adopted by the Shareholders on 20 December 2017 (the "**SOS**"), the Company has granted certain Directors of the Company options to subscribe for shares of the Company, details of which as at 31 March 2025 were as follows:

Name of Director	Date of Grant	Exercise Period	Exercise Price (HK$)	Number of Shares Subject to Outstanding Share Options as at 01.04.2024	Number of Shares Subject to Outstanding Share Options as at 31.03.2025	Approximate Percentage of Shareholding
Mr. Yu Man To Gerald Maximillian	29 June 2018	29 June 2019 to 28 June 2028	0.92	105,000	105,000	0.03%
	29 June 2018	29 June 2020 to 28 June 2028	0.92	105,000	105,000	0.03%
	29 June 2018	29 June 2021 to 28 June 2028	0.92	140,000	140,000	0.04%
	9 August 2019	9 August 2020 to 8 August 2029	0.85	90,000	90,000	0.02%
	9 August 2019	9 August 2021 to 8 August 2029	0.85	90,000	90,000	0.02%
	9 August 2019	9 August 2022 to 8 August 2029	0.85	120,000	120,000	0.03%
	16 December 2021	16 December 2022 to 15 December 2031	0.90	90,000	90,000	0.02%
	16 December 2021	16 December 2023 to 15 December 2031	0.90	90,000	90,000	0.02%
	16 December 2021	16 December 2024 to 15 December 2031	0.90	120,000	120,000	0.03%

Notes:

1. The vesting period of the share options is from the date of grant until the commencement of the exercise period.

2. These share options represent personal interest held by the Directors as beneficial owners.

Other than the SOS mentioned below, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the Directors nor the chief executive of the Company, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

Interests and Short Position of Substantial Shareholders' and Other Person in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 March 2025, the interests and short positions of substantial shareholders and other persons (other than a Director or chief executive of the Company) in the shares and underlying shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long Position in Shares

Name of Substantial Shareholder	Capacity/Nature of interest	Number of Shares Held	Approximate Percentage of Shareholding
Mr. Wong	Interest in controlled corporation and interest of spouse	260,302,000	68.59%
Ms. Chan	Interest in controlled corporation and interest of spouse	260,302,000	68.59%
IKEAB Limited	Beneficial owner	250,318,000	65.96%

Notes:

1. IKEAB Limited is owned by Mr. Wong as to 70% and Ms. Chan as to 30%. As such Mr. Wong and Ms. Chan are deemed to be interested in the Shares owned by IKEAB Limited by virtue of the SFO.

2. Elite China Enterprise Limited ("**Elite China**") is owned by Mr. Wong as to 50% and Ms. Chan as to 50%. As such Mr. Wong and Ms. Chan are deemed to be interested in 9,984,000 Shares held by Elite China as at 31 March 2025 by virtue of the SFO.

3. Mr. Wong is the spouse of Ms. Chan.

Save as disclosed above, as at 31 March 2025, the Directors are not aware of any interests and short positions owned by any parties (other than a Director) in the shares and underlying shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO.

Short Positions in Shares and Underlying Shares in the Company

As at 31 March 2025, the Company had not been notified of any short positions being held by any substantial Shareholder in the Shares or underlying Shares of the Company.

SHARE OPTION SCHEME

Pursuant to the SOS, the Board may, at its sole discretion, invite any director or proposed director (including an independent non-executive director) of any member of our Group, any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in, any member of our Group (an "**Employee**"), any proposed Employee, any full-time or part-time Employee, or a person for the time being seconded to work full-time or part-time for any member of our Group (an "**Executive**"), a consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of our Group, or any advisory, consultancy, professional or other services to any member of our Group, or a close associate (as defined under the GEM Listing Rules) of any of the foregoing persons (together, the "**Eligible Persons**" and each an "**Eligible Person**").

The purpose of the SOS is to motivate Eligible Persons to optimise their future contributions to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, and additionally in the case of Executives, to enable our Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

The exercise price of the share option will be determined at the higher of the average of closing prices of the Shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the option, the closing price of the Shares on the Stock Exchange on the date of grant or the nominal value of the Shares.

The SOS will remain in force for a period of 10 years commencing on 17 January 2018.

The share options under the SOS are exercisable at any time for a period to be determined by the Directors, which shall not be more than 10 years after the date of grant.

The total number of Shares in respect of which options may be granted under the SOS is not permitted to exceed 10% of the Shares in issue on the Listing Date without prior approval from the Shareholders. No option may be granted in any 12-month period to any one Eligible Person which if exercised in full would result in the total number of Shares already issued and issuable to him under all the options previously granted to him and the said option exceeding 1% of the number of Shares issued and issuable under all the options which may be granted under the SOS or any other share option schemes at the time it is proposed to grant the relevant options to that employee.

Each grant of share options to a Director, chief executive or substantial Shareholder of our Company or any of their respective associates under the Share Option Scheme shall be approved by Independent Non-executive Directors of our Company (excluding the Independent Non-executive Director of our Company who is the proposed grantee of the share options). Where any grant of share options to a substantial Shareholder or an Independent Non-executive Director of our Company or any of their respective associates would result in the securities issued and to be issued upon exercise of all share options already granted and which may be granted (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(a) representing in aggregate over 0.1% of the Shares in issue; and

(b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK$5 million, such further grant of share options must be approved by our Shareholders.

The Company shall send a circular to our Shareholders containing the information required under Rule 23.04 of the GEM Listing Rules. The relevant Eligible Person, his associates and all core connected persons of our Company shall abstain from voting at such general meeting. Any vote taken at the meeting to approve the grant of such share options must be taken on a poll.

Share options granted under the SOS must be taken up within the time period to be stated on the letter containing the offer of the grant of the share options, upon payment of HK$1.00 per grant.

The number of share options available for grant under the scheme mandate as at 31 March 2025 were 29,850,000 share options (33,390,000 as at 1 April 2024).

As at the date of this report, a total of 37,582,000 shares may be granted under the SOS, representing approximately 9.9% of the issued share capital of the Company.

As at 31 March 2025, the Company had 9,126,000 share options outstanding under the SOS, representing approximately 2.4% of the issued share capital of the Company. Details of the share options outstanding as at the date of this report are as follows:

Option Type	Date of Grant	Exercisable Period	Exercise Price (HK$)
2018 Options	29 June 2018	29 June 2019 to 28 June 2028	0.92
	29 June 2018	29 June 2020 to 28 June 2028	0.92
	29 June 2018	29 June 2021 to 28 June 2028	0.92
2019 Options	9 August 2019	9 August 2020 to 8 August 2029	0.85
	9 August 2019	9 August 2021 to 8 August 2029	0.85
	9 August 2019	9 August 2022 to 8 August 2029	0.85
2021 Options	16 December 2021	16 December 2022 to 15 December 2031	0.90
	16 December 2021	16 December 2023 to 15 December 2031	0.90
	16 December 2021	16 December 2024 to 15 December 2031	0.90
2025 Options	17 February 2025	17 February 2026 to 16 February 2035	1.58
	17 February 2025	17 February 2027 to 16 February 2035	1.58
	17 February 2025	17 February 2028 to 16 February 2035	1.58

The following table discloses movements in the share options of the Company during the year:

Eligible Person	Options Type	Date of Grant	Exercisable Period	Exercise Price (HK$)	Number of Shares subject to the outstanding options as at 01.04.2024	Granted during the period	Exercised during the period	Lapsed during the period	Number of Shares subject to the outstanding options as at 31.03.2025	Weighted average closing price of Shares immediately before the date on which the options were exercised
Category 1: Directors										
Mr. Yu	2018 Options	29 June 2018	29 June 2019 to 28 June 2028	0.92	105,000	–	–	–	105,000	–
			29 June 2020 to 28 June 2028	0.92	105,000	–	–	–	105,000	–
			29 June 2021 to 28 June 2028	0.92	140,000	–	–	–	140,000	–
	2019 Options	9 August 2019	9 August 2020 to 8 August 2029	0.85	90,000	–	–	–	90,000	–
			9 August 2021 to 8 August 2029	0.85	90,000	–	–	–	90,000	–
			9 August 2022 to 8 August 2029	0.85	120,000	–	–	–	120,000	–
	2021 Options	16 December 2021	16 December 2022 to 15 December 2031	0.90	90,000	–	–	–	90,000	–
			16 December 2023 to 15 December 2031	0.90	90,000	–	–	–	90,000	–
			16 December 2024 to 15 December 2031	0.90	120,000	–	–	–	120,000	–
Total for Directors					**950,000**	**–**	**–**	**–**	**950,000**	
Category 2: Employees	2018 Options	29 June 2018	29 June 2019 to 28 June 2028	0.92	486,000	–	(129,000)	–	357,000	1.42
			29 June 2020 to 28 June 2028	0.92	486,000	–	(129,000)	–	357,000	1.42
			29 June 2021 to 28 June 2028	0.92	648,000	–	(172,000)	–	476,000	1.42
	2019 Options	9 August 2019	9 August 2020 to 8 August 2029	0.85	366,000	–	(69,000)	–	297,000	1.42
			9 August 2021 to 8 August 2029	0.85	366,000	–	(69,000)	–	297,000	1.42
			9 August 2022 to 8 August 2029	0.85	488,000	–	(92,000)	–	396,000	1.42
	2021 Options	16 December 2021	16 December 2022 to 15 December 2031	0.90	759,000	–	(72,000)	–	687,000	1.42
			16 December 2023 to 15 December 2031	0.90	789,000	–	(72,000)	–	717,000	1.42
			16 December 2024 to 15 December 2031	0.90	1,052,000	–	–	–	1,052,000	–
	2025 Options	17 February 2025	17 February 2026 to 16 February 2035	1.58	–	1,062,000	–	–	1,062,000	–
			17 February 2027 to 16 February 2035	1.58	–	1,062,000	–	–	1,062,000	–
			17 February 2028 to 16 February 2035	1.58	–	1,416,000	–	–	1,416,000	–
Total for Employees					**5,440,000**	**3,540,000**	**(804,000)**	**–**	**8,176,000**	
Total					**6,390,000**	**3,540,000**	**(804,000)**	**–**	**9,126,000**	

A total of 3,540,000 share options were granted during the year ended 31 March 2025.

Subsequent to 31 March 2025 and up to the date of this report, a total of 1,394,000 share options were exercised.

Note:

(1) The vesting period of the share options is from the date of grant until the commencement of the exercise period.

The fair value of options granted amounted to approximately HK$665,000 (the "**Options Fair Value**") or HK$0.19 per share option, which will be amortised over the vesting period of the options granted. The value of the options granted was calculated using the Binomial Model based on the following assumptions:

Valuation date	17 February 2025
Exercise price	HK$1.58
Share price at effective grant date	HK$1.42
Expected volatility	30.53%
Risk-free interest rate	3.75%
Contractual life of options granted	10 years
Expected dividend yield	9.44%

Notes:

(1) The risk-free rate represents the yields to maturity of Hong Kong Sovereign Curve with respective terms to maturity as at the valuation date.

(2) Volatility is the annualised standard deviation of daily return of comparable companies' share price.

The volatility of the underlying Shares during the life of the options granted was estimated with reference to the historical volatility prior to the grant of the share options. Changes in such input assumptions could affect the fair value estimates.

During the year ended 31 March 2025, approximately HK$79,000 of the Options Fair Value was amortised in the accounts of the Company.

CONNECTED TRANSACTION

During the year ended 31 March 2025, the Group had no transaction which need to be disclosed as connected transaction in accordance with the requirements of the GEM Listing Rules.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken in normal course of business are set out in note 36 to the consolidated financial statements.

NON-COMPETITION UNDERTAKINGS

Each of the controlling Shareholders has provided to the Company a written confirmation in respect of his/its compliance with the Non-Compete Undertakings dated 20 November 2017 (the "**Non-Compete Undertakings**") for the year ended 31 March 2025. The independent non-executive Directors have also reviewed the status of compliance by each of the controlling Shareholders with the undertakings in the Non-Compete Undertakings and have confirmed that, as far as he/it can ascertain, there is no breach of any of the undertakings in the Non-Compete Undertakings.

BORROWINGS

During the year ended 31 March 2025, the Group had no outstanding borrowings.

DONATIONS

During the year ended 31 March 2025, the Group made charitable and other donations amounting to HK$118,000.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this Annual Report, there is sufficient public float of not less than 25% of the Shares in issue as required under the GEM Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

We target the general public and have a large and diverse customer base in Hong Kong. Owing to the nature of our business, we do not rely on any single customer. During the year, the percentage of revenue attributable to the Group's five largest customers was less than 30%. The five largest suppliers of the Group in aggregate accounted for about 27% of its operating costs for the year. Purchases from the largest supplier accounted for about 12% of its operating costs for the year. None of the Directors, their associates, or any shareholder (who to the knowledge of the Directors owned more than 5% of the Company's Share capital) had any interest in the Group's five largest suppliers.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2025 and up to the date of this report.

EMOLUMENT POLICY

As at 31 March 2025, the Group had a total of 1,646 employees, of which the 1,484 were situated in Hong Kong. In addition to offering competitive remuneration packages to employee, discretionary bonuses and share options may also be granted to eligible employees based on individual performance.

The Group also encourages its employees to pursue a balanced life and provides a good working environment for its employees to maximise their potential and contribution to the Group.

The remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics, decides the emoluments of the Directors. No Director, or any of his associates, and executive, is involved in dealing with his own remuneration.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the schemes is set out in note 38 to the consolidated financial statements and under the heading "Share Option Scheme" in this report.

REPORT OF THE DIRECTORS

CORPORATE GOVERNANCE

During the year ended 31 March 2025, the Company had complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules (the "**CG Code**").

AUDITOR

The consolidated financial statements of the Company for the year ended 31 March 2025 have been audited by Deloitte Touche Tohmatsu, the Company's auditors. A resolution will be proposed at the AGM to re-appoint Deloitte Touche Tohmatsu as the auditors of the Company.

This report is signed for and on behalf of the Board.

Chan Wai Chun
Executive Director and Chief Executive Officer

Hong Kong, 24 June 2025

CORPORATE GOVERNANCE REPORT

The Directors and other members of the management team of the Company are dedicated to maintain high standards of corporate governance. They will continue to exercise leadership, enterprise, integrity and judgement so as to achieve continuing prosperity and to act in the best interests of the Company and its Shareholders as a whole in a transparent and responsible manner. Strategic development with prudence and adherence to ethical principles form the core of the Company's corporate governance practices.

The Company continues to devote efforts on promoting good corporate governance so as to ensure its ability to attract investment, protect the rights of the Shareholders and stakeholders, and enhance Shareholders' value.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the CG Code as its own code on corporate governance practices. The Company has taken various measures to cope with the latest development in the corporate governance regime.

The Company has complied with the code provisions as set out in the CG Code during the year ended 31 March 2025.

The Board continues to monitor and review the Company's corporate governance practices to ensure compliance.

BOARD OF DIRECTORS

Composition of the Board

As at the date of this Annual Report, the Board comprises six members as follows:

Executive Directors
Mr. Wong Ngai Shan *(Chairman)*
Ms. Chan Wai Chun *(Chief Executive Officer)*

Non-executive Director
Mr. Yu Man To Gerald Maximillian *(Company Secretary)*

Independent Non-executive Directors
Ms. Chan Yuen Ting
Mr. Tsang Siu Chun
Mr. Wang Chin Mong

All Directors have distinguished themselves in their field of expertise, and have exhibited high standards of personal and professional ethics and integrity. The biographical details of each Director are disclosed on pages 13 to 16 of this Annual Report.

The Company has arranged appropriate directors' and officers' liabilities insurance for Directors and officers of the Company. The insurance coverage is reviewed on an annual basis.

Each independent non-executive Director has confirmed, in accordance with the guidelines for assessing independence set out in Rule 5.09 of the GEM Listing Rules that he or she is independent of the Company and the Company also considers that all of them are independent.

Except for the spousal relationship between Mr. Wong Ngai Shan and Ms. Chan Wai Chun as disclosed in the biographical details on page 13 of this Annual Report, there is no relationship (including financial, business, family or other material/relevant relationship) between any members of the Board and the Group.

The list of Directors is disclosed in all corporate communications issued by the Company from time to time pursuant to the GEM Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the GEM Listing Rules.

Mr. Wong Ngai Shan and Ms. Chan Wai Chun have each entered into a service agreement with the Company for a term of three years commencing from 17 January 2024, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party. Mr. Yu Man To Gerald Maximillian has entered into a service agreement with the Company for a term of three years commencing with effect from 1 August 2022, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party.

Each of the independent non-executive Directors, namely, Ms. Chan Yuen Ting, Mr. Tsang Siu Chun and Mr. Wang Chin Mong has entered into a letter of appointment with the Company for a term of three years from 17 January 2024, which can be terminated by either party giving not less than three months' notice in writing to the other party.

Pursuant to the Articles of Association, at least one-third of the Directors shall retire from office but are eligible for re-election by the Shareholders at each annual general meeting of the Company and each Director shall retire on a rotational basis at least once every three years.

During the year, the Board had at all times met the requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise pursuant to Rule 5.05 of the GEM Listing Rules and the appointment of independent non-executive Directors representing at least one-third of the Board pursuant to Rule 5.05A of the GEM Listing Rules.

Functions of the Board

The Board, headed by the chairman of the Board (the "**Chairman**"), is responsible for formulation and approval of the Group's development, business strategies, policies, annual budgets and business plans, recommendation of any dividend and supervision of management.

The executive Directors are responsible for day-to-day management of the Company's operations, financial management and conducting meetings with senior management of the Group, at which operational issues and financial performance are evaluated.

The Company considers that internal control system and risk management function are essential, and the Board plays an important role in implementing and monitoring internal control system and risk management function.

Matters specifically decided by the Board and those reserved for the management, such as daily management, administration, operation of the Company and so forth, are reviewed by the Board on a periodic basis. The management shall report back to the Board. In addition, the Directors may seek independent professional advice in appropriate circumstances at the Company's expenses.

The Articles of Association sets out the responsibilities and proceedings of the Board. The Board meets regularly, at least four times a year, to consider operational reports and policies of the Company. Significant operational policies are discussed and passed by the Board.

Corporate Governance Functions

The Board is responsible for performing corporate governance duties that include:

(a) developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board;

(b) reviewing and monitoring the training and continuous professional development of the Directors and senior management;

(c) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;

(d) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors; and

(e) reviewing the Company's compliance with the Code and disclosure in the Corporate Governance Report.

During the year ended 31 March 2025, the Board approved the terms of reference of the Board (with respect to corporate governance duties), and the terms of reference of the Nomination Committee, the Audit Committee and the Remuneration Committee and the Shareholders communication policy of the Company (the "**Shareholders Communication Policy**").

Directors' Training and Continuous Professional Development

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under the GEM Listing Rules and other relevant regulatory requirements.

The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and management to enrol in a wide range of professional development courses and seminars relating to the GEM Listing Rules, companies ordinance/act and corporate governance practices organized by professional bodies, independent auditors and/or chambers in Hong Kong so that they can continuously update and further improve their relevant knowledge and skills.

From time to time, the Company Secretary updates and provides written training materials on the latest developments of applicable laws, rules and regulations to the Directors.

According to the records maintained by the Company, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the Code on continuous professional development during the year:

Corporate Governance/Updates on laws, rules and regulations

	Reading Materials	Attending Seminars/ In-house Workshops
Executive Directors:		
Mr. Wong Ngai Shan *(Chairman)*	✓	✓
Ms. Chan Wai Chun *(Chief Executive Officer)*	✓	✓
Non-Executive Director:		
Mr. Yu Man To Gerald Maximillian *(Company Secretary)*	✓	✓
Independent Non-Executive Directors:		
Ms. Chan Yuen Ting	✓	✓
Mr. Tsang Siu Chun	✓	✓
Mr. Wang Chin Mong	✓	✓

Board Meetings

Code provision A.1.1 of the Code prescribes that at least four regular board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication. Due notices and board papers were given to all Directors prior to each meeting in accordance with the Articles of Association and the Code.

During the year ended 31 March 2025, four Board meetings were held. Details of individual attendance of each of the Directors are set out below:

	Attendance/ Number of Meetings Eligible to Attend
Executive Directors:	
Mr. Wong Ngai Shan *(Chairman)*	4/4
Ms. Chan Wai Chun *(Chief Executive Officer)*	4/4
Non-Executive Director:	
Mr. Yu Man To Gerald Maximillian *(Company Secretary)*	4/4
Independent Non-Executive Directors:	
Ms. Chan Yuen Ting	4/4
Mr. Tsang Siu Chun	4/4
Mr. Wang Chin Mong	4/4

Board Process

Directors are provided with relevant information to make informed decisions. The Board and each Director have separate and independent access to the Company's senior management for information and making enquires if necessary. In addition, Directors may seek independent professional advice in appropriate circumstances at the Company's expenses.

Every Director is entitled to have access to the advice and services of the Company Secretary with a view to ensure that the Board procedures, and all applicable rules and regulations, are complied with. All minutes are kept by the Company Secretary and are opened for inspections by any Director during normal office hours by giving reasonable advance notice.

If a substantial Shareholder or a Director has a conflict of interest in a matter before the Board, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent board committee will be set up to deal with the matter.

Chairman and Chief Executive Officer

Code provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same person. The Chairman is Mr. Wong Ngai Shan; and the chief executive officer of the Company (the "**Chief Executive Officer**") is Ms. Chan Wai Chun. The roles of Chairman and Chief Executive Officer are separate. Such division of responsibilities has been clearly established. It allows a balance of power between the Board and the management of the Group, and ensures the independence and accountability of each of the Board and management of the Group. The Chairman oversees the Board so that it acts in the best interests of the Group. With the support of the executive Director and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and that they receive adequate, clear, complete and reliable information in a timely manner. The Chairman has overall responsibility for providing leadership, vision and direction regarding business development of the Group and ensuring that good corporate governance practices and procedures are established.

The Chief Executive Officer, who is assisted by the Company's senior management team, is responsible for the day-to-day business management and operations of the Group for formulating and successfully implementing policies and maintaining an effective executive support team. The Chief Executive Officer is accountable to the Board for keeping the Chairman and all the Directors fully informed of all major business developments and issues.

Responsibilities of the Directors

In the course of discharging their duties, the Directors act in good faith, with due diligence and care, and in the best interests of the Company and its Shareholders. Their responsibilities include:

- attending regular Board meetings focusing on business strategy, operational issues and financial performance;

- active participation on the boards of subsidiaries and associated companies;

- approval of annual budgets for each operating company covering strategy, financial and business performance, key risks and opportunities;

- monitoring the quality, timeliness, relevance and reliability of internal and external reporting;
- consideration of misuse of corporate assets and abuse in related party transactions; and
- ensuring processes are in place to maintain the overall integrity of the Company, including financial statements, relationships with suppliers, customers and other stakeholders, and compliance with all laws and ethics.

To enable the Directors to meet their obligations, an appropriate organizational structure is in place with clearly defined responsibilities and limits of authority.

Delegation by the Board
The Company has set out the respective functions and responsibilities reserved to the Board and those delegated to management staff under the supervision of the Board and its committees. The Board delegates day-to-day operations of the Group to executive Directors and senior management while reserving certain key matters for its approval, such as policy matters, strategies and budgets, internal control and risk management, material transactions (in particular, transactions that may involve conflict of interests), approval of financial results, the setting of budget and dividend policy, matters relating to the Company's share capital, appointment of Directors and other significant operational matters of the Company. The management reports to, and is accountable to, the Board. Decisions of the Board are communicated to the management through, among others, executive Directors who have attended the board meetings.

BOARD DIVERSITY POLICY

The Company recognises that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development.

The Board has adopted a Board Diversity Policy which sets out the approach to achieve and maintain diversity on the Board.

Pursuant to the Board Diversity Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and other qualities. The Company also takes into consideration its own business model and specific needs from time to time in determining the optimal composition of the Board.

Nomination Committee has considered measurable objectives based on four focus areas: gender, age, professional experience and ethnicity to implement the Board Diversity Policy. Such objectives will be reviewed from time to time to ensure their appropriateness and the progress made towards achieving those objectives will be ascertained. Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

The Board Diversity Policy is available on the website of the Company at tastegourmet.com.hk for public information.

STAFF DIVERSITY

The Group had a workforce of 1,646 employees as of 31 March 2025, of which, approximately 52.5% of the workforce (including senior management) were female and 25.7% of the Group's senior management positions (excluding Directors) were held by female. The Group considers the total diversity (including gender diversity) of the Group is balanced as a whole and intends to maintain a similar level of gender diversity of the overall workforce, and will continue to promote diversity through training programs, employee networks, equitable hiring and recruitment practices.

NOMINATION POLICY

The Nomination Committee has formulated and set out a nomination policy ("**Nomination Policy**"). The objective of the Nomination Policy is to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the Board composition can be managed without undue disruption, a formal, considered and transparent procedure is in place for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary). The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities.

DIVIDEND POLICY

The Company has adopted a dividend policy to pay an annual dividend at a ratio of no less than 50% of profit attributable to owners of the Company.

BOARD COMMITTEES

The Company has set up a number of committees of the Board, including the Remuneration Committee, the Audit Committee, the Nomination Committee and the Compliance Committee, with specific terms of reference relating to their authority and duties, which strengthen the Board's functions and enhance its expertise.

Remuneration Committee

The Remuneration Committee comprises one executive Director, Mr. Wong Ngai Shan and three independent non-executive Directors, namely Ms. Chan Yuen Ting, Mr. Tsang Siu Chun and Mr. Wang Chin Mong. Mr. Tsang Siu Chun is the chairman of the Remuneration Committee.

The Remuneration Committee was established in December 2017 and written terms of reference of the Remuneration Committee have been adopted by the Board and posted on the websites of the Company and the Stock Exchange.

The Remuneration Committee's responsibilities include but not limited to the review and consideration of the Company's remuneration policy for the Directors and senior management, the recommendations to the Board on the remuneration packages of individual executive Director and senior management including benefits in kind, pension rights and compensation payments, and recommendations relating to remunerations of independent non-executive Directors.

During the year ended 31 March 2025, two Remuneration Committee meetings were held. Details of individual attendance of each of the Directors are set out below:

	Attendance/ Number of Meetings Eligible to Attend
Mr. Tsang Siu Chun *(Chairman)*	2/2
Ms. Chan Yuen Ting	2/2
Mr. Wang Chin Mong	2/2
Mr. Wong Ngai Shan	2/2

The Group remunerates its employees based on their individual performance, job nature and responsibilities. The Group also provides training and various benefits to its employees including medical welfare, provident funds, bonuses and other incentives. The Group also encourages its employees to pursue a balanced life and provides a good working environment to maximize their potential and contribution to the Group.

The remuneration of the members of the senior management (excluding all Executive Directors) by band for the year ended 31 March 2025 is set out below:

Remuneration bands	Number of person(s)
HK$1,000,001 to HK$1,500,000	3

During the year, 3,540,000 share options were granted, there is no performance target or clawback mechanism attached to the share options. However, the Remuneration Committee believes that granting the share options could incentivize the grantees to contribute to the company's future development. The share options granted to each grantee were determined based on their contributions over the past financial periods. This ensures that relevant performance targets have already been met before any share options are granted. The share options are subject to the terms of the SOS, which outlines circumstances under which they may lapse if the grantees cease to be employees of the Company or breach the scheme rules. The Remuneration Committee believes that the grant aligns with the purpose of the SOS.

Audit Committee

The Audit Committee comprises Ms. Chan Yuen Ting, Mr. Tsang Siu Chun and Mr. Wang Chin Mong, all of whom are independent non-executive Directors. Mr. Wang Chin Mong is the chairman of the Audit Committee.

The Audit Committee was established in December 2017 and written terms of reference, which describe the authority and duties of the Audit Committee have been adopted and posted on the websites of the Company and the Stock Exchange, and are regularly reviewed and updated by the Board.

The Audit Committee reports directly to the Board and reviews financial statements and internal control, and to protect the interests of the Shareholders.

The Audit Committee meets regularly with the Auditors to discuss various accounting issues, and reviews the effectiveness of internal controls.

During the year ended 31 March 2025, two Audit Committee meetings was held. Details of individual attendance of each of the Directors are set out below:

	Attendance/ Number of Meetings Eligible to Attend
Mr. Wang Chin Mong *(Chairman)*	2/2
Ms. Chan Yuen Ting	2/2
Mr. Tsang Siu Chun	2/2

A meeting of the Audit Committee was held on 24 June 2025 to review the Group's consolidated financial statements for the year ended 31 March 2025, in conjunction with the Group's external auditor, Deloitte Touche Tohmatsu.

Nomination Committee

The Nomination Committee comprises Ms. Chan Yuen Ting, Mr. Tsang Siu Chun and Mr. Wang Chin Mong, all of whom are independent non-executive Directors. Ms. Chan Yuen Ting is the chairman of the Nomination Committee.

The Nomination Committee was established in December 2017 and written terms of reference of the Nomination Committee have been adopted by the Board and are posted on the websites of the Company and the Stock Exchange which conforms with the revised GEM Listing Rules which became effective on 1 January 2019.

The Nomination Committee's responsibilities include but not limited to formulating policy and making recommendation to the Board on nominations and appointments of Directors and Board succession.

The Nomination Committee is also responsible for reviewing the structure, size and composition of the Board taking into account of the Company's Board Diversity Policy, assessing independence of the independent non-executive Directors, making recommendations on any proposed changes to the Board (including suspension or termination), review the business, technical, or specialised skills and experience or each Director or potential Director and the ability, time, commitment and willingness of a new Director to serve and an existing to continue.

Having reviewed the written confirmation from each of the independent non-executive Director, the Nomination Committee is satisfied that each independent non-executive Director conforms to the independence requirement as set out in Rule 5.09 of the GEM Listing Rules.

During the year ended 31 March 2025, one Nomination Committee meeting was held. Details of individual attendance of each of the Directors are set out below:

	Attendance/ Number of Meetings Eligible to Attend
Ms. Chan Yuen Ting *(Chairman)*	1/1
Mr. Tsang Siu Chun	1/1
Mr. Wang Chin Mong	1/1

Nomination of Directors

On 24 June 2025, the Nomination Committee, having reviewed the Board's composition, nominated Mr. Wang Chin Mong and Mr. Wong Ngai Shan to the Board for recommendation to the Shareholders for re-election at the 2025 AGM. The nominations were made in accordance with the Nomination Policy and the Board Diversity Policy.

The biographical details of Mr. Wang Chin Mong and Mr. Wong Ngai Shan are set out under "***Biographical Details of Directors and Senior Management***" on pages 13 to 16 of this Annual Report.

Compliance Committee

The Compliance Committee comprises Ms. Chan Yuen Ting, Mr. Tsang Siu Chun and Mr. Wang Chin Mong, all of whom are independent non-executive Directors. Ms. Chan Yuen Ting is the chairman of the Compliance Committee.

The Compliance Committee was established in December 2017 and its responsibilities include but not limited to:

- review the effectiveness of our Group's regulatory compliance procedures and system, including operational and compliance procedures and risk management functions;

- assess and review the adequacy of resources and training provided to our management and staff in relation to our Group's regulatory compliance functions; and

- receive and handle any actual or potential non-compliance matters and engage external professional advisers where necessary.

During the year ended 31 March 2025, one Compliance Committee meeting was held. Details of individual attendance of each of the Directors are set out below:

	Attendance/ Number of Meetings Eligible to Attend
Ms. Chan Yuen Ting *(Chairman)*	1/1
Mr. Tsang Siu Chun	1/1
Mr. Wang Chin Mong	1/1

EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is responsible for the Company's risk management and internal control systems and for reviewing its effectiveness. The Group's internal audit department and senior management conduct reviews of the effectiveness of the risk management and internal control systems of the Group. The Audit Committee reviews the findings and recommendations of the senior management in their meetings held at least four times a year and reports to the Board on such review.

The key feature of the Group's risk management and internal control systems is to effectively identify and evaluate emerging risks and risk changes both quantitatively and qualitatively, and to promptly manage such risks with appropriates responses and mitigation strategies.

The risk management and internal control systems are designed to manage, rather than eliminate business risk; to help safeguard the Group's assets against fraud and other irregularities; and to give reasonable, but not absolute, assurance against material financial misstatement or loss. In addition, it should provide a basis for the maintenance of proper and fair accounting records and assist in the compliance with relevant rules and regulations.

The Company has developed and adopted various risk management guidelines and procedures with defined authority for implementation. Such guidelines and procedures cover, including but not limited to, policy on securities trading, safety control system for operations and fire, methods of prevention from occupational disease, guidelines on the use of office seal, policy on confidential control (as updated and amended from time to time), policy on employees' external training, guidelines regarding information management and transition. The Board conducts such review at least once every year.

In respect of the year ended 31 March 2025, the Board, through the Audit Committee, reviewed the overall effectiveness of the Group's risk management and internal control systems, covering financial, operational and compliance controls and risk management functions, which included the adequacy of resources, qualifications and experience of staff of the accounting and financial reporting function, and their training programmes and budget.

Whistleblowing procedures are in place to facilitate employees of the Company to raise, in confidence and anonymity, concerns about improprieties (such as criminal offences or financial impropriety) or other matters of the Company.

The Board believes that there are no material internal controls deficiencies that may affect the Shareholders and an effective system is in place to adequately safeguard the assets of the Group. The Group will continue to enhance the system to cope with the changes in the business environment.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

For the purposes of handling and disseminating inside information, the Group has taken various procedures and measures, including arousing the awareness to preserve confidentiality of inside information within the Group, sending blackout period and securities dealing restrictions notification to all Directors and the relevant employees regularly, disseminating information to specified persons on a need-to-know basis and regarding closely to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in June 2012.

The Company has a policy of open communication which allows strong access to both internally and externally generated information. Pertinent information is identified, captured and communicated in a timely manner. The policy has been reviewed by the Board in December 2021.

The Company provides each employee with an employee manual, which states how employees can communicate with the Company in case any problem arises. The Company considers this as a mechanism to help encourage communications between the Company and employees. Moreover, regular meetings are held to provide an avenue for mutual understanding between the Company and employees. The Company has also made arrangements for employees of the Company to raise concerns about possible improprieties in financial reporting, internal control and other matters.

The Company attaches great importance to fair disclosure as it is considered a key means by which to enhance corporate governance standards and provide necessary information to shareholders and other stakeholders, to enable them to form their own judgments, as well as providing feedback to the Company. The Company also understands that the integrity of the information provided is essential in building market confidence.

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is well aware of its obligations under the Securities and Futures Ordinance, the Listing Rules and the overriding principle that information which is considered as inside information should be announced promptly when it is the subject of a decision;

- conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information";

- informs all Directors, senior management and related staff of the latest regulations and requirements according to the letters issued or announcements published by the Securities and Futures Commission and the Stock Exchange;

- has developed procedures and mechanisms for the disclosure of inside information and established the working team to evaluate whether disclosure of the inside information is required; and

- has established and implemented procedures for responding to external enquiries about the Company's affairs. Only Directors and delegated management of the Company can act as the Company's spokespersons and respond to enquiries on designated areas.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors (the "**Model Code**"). All Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standards set out in the Model Code throughout the year ended 31 March 2025.

EXTERNAL AUDITOR

The Auditors is Deloitte Touche Tohmatsu. Deloitte Touche Tohmatsu provided services in respect of the audit of Company's consolidated financial statements which were prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the year ended 31 March 2025.

For the year ended 31 March 2025, apart from the provision of annual audit services, the Company's external auditors, Deloitte Touche Tohmatsu, were also the reporting accountants of the Company in relation to the proposed transfer of listing of the Shares from GEM to the Main Board. The remuneration charged by the Company's auditors, Deloitte Touche Tohmatsu, during the year ended 31 March 2025 is set out below:

Description of Services Performed

		HK$
(1)	Audit service	2,400,000
(2)	Non-audit service	300,000
		2,700,000

DIRECTORS' RESPONSIBILITIES IN PREPARING FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the financial statements and ensuring that the preparation of the accounts is in accordance with statutory requirements and applicable accounting standards.

GOING CONCERN

The Directors, having made appropriate enquiries, consider that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements.

COMPANY SECRETARY

The company secretary is responsible for ensuring that Board's procedures are followed and facilitating communications among Directors as well as with shareholders and management. The Company Secretary is Mr. Yu Man To, Gerald Maximillian. The Company Secretary has duly complied with the relevant training requirement under Rule 5.15 of the GEM Listing Rules.

CONSTITUTIONAL DOCUMENTS

There were no changes to the Memorandum of Association of the Company and Articles of Association during the year ended 31 March 2025.

A copy of the Memorandum of Association and Articles of Association of the Company is posted on the websites of the Company and the Stock Exchange.

COMMUNICATION WITH SHAREHOLDERS

The Directors are aware of the importance of maintaining good relations and communications with the Shareholders. The Board established a Shareholders Communication Policy setting out the principles of the Company in relation to Shareholders' communications, with the objective of ensuring that its communication with the Shareholders are timely and accurate.

The Company uses a range of communication tools, such as annual general meetings, annual reports, various notices, announcements and circulars, to ensure the Shareholders are kept well informed of the Group's key business imperatives.

The Company has maintained a website at www.tastegourmet.com.hk which serves as a forum for corporate communications with the Shareholders and the general public. All corporate communications required under the GEM Listing Rules are displayed and archived since the Listing Date on the Company's website and there are established procedures to ensure timely update in compliance with the GEM Listing Rules.

At the AGM, separate resolutions will be proposed by the Chairman in respect of each issue itemized on the agenda, including the re-election of the Directors. The Chairman, the chairman of each of the Remuneration Committee, the Audit Committee and the Nomination Committee and members of senior management, together with representative(s) from the Auditors will attend the AGM to answer questions from the Shareholders.

The notice of the AGM will be distributed to all Shareholders at least 21 days prior to the AGM and the accompanying circular also sets out details of each proposed resolution and other relevant information as required under the GEM Listing Rules.

Details of individual attendance at general meeting of the Company of each of the Directors during the year ended 31 March 2025 are set out as follows:

	Attendance/ Number of Meetings
Executive Directors:	
Mr. Wong Ngai Shan *(Chairman)*	1/1
Ms. Chan Wai Chun *(Chief Executive Officer)*	1/1
Non-Executive Director:	
Mr. Yu Man To Gerald Maximillian *(Company Secretary)*	1/1
Independent Non-Executive Directors:	
Ms. Chan Yuen Ting	1/1
Mr. Tsang Siu Chun	1/1
Mr. Wang Chin Mong	1/1

SHAREHOLDERS' RIGHTS

Convening an Extraordinary General Meeting by Shareholders and Putting Forward Proposals

Under the Articles of Association, an extraordinary general meeting ("**EGM**") may be convened by the Board upon requisition by any one or more Shareholders holding not less than one-tenth of the paid up capital of the Company which carries the right of voting at any general meetings. The Shareholder(s) shall make a written requisition to the Board or the Company Secretary at the head office of the Company in Hong Kong, specifying the shareholding information of the Shareholder(s), his/her/their contact details and the proposal regarding any specifying transaction/business and its supporting documents.

If within 21 days of deposit of such written requisition, the Board does not proceed to convene such EGM, the requisitionist(s) himself/herself/themselves may convene an EGM in the same manner as that in which such meeting may be convened by the Board, provided that such meeting so convened shall not be held after the expiration of two months from the date of deposit of such requisition.

Making Enquiries to the Board

Shareholders may send written enquiries, either by post or by facsimiles, together with his/her/its contact details, such as postal address or fax, addressing to the head office of the Company at Unit B, 24/F Crawford Tower, 99-101 Jervois Street, Sheung Wan, Hong Kong or facsimile number (852) 2880 9068.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1 INTRODUCTION

The Group is pleased to present the Environmental, Social and Governance Report (the "**ESG Report**") covering our Environmental, Social and Governance ("**ESG**") progress and performance of the period from 1 April 2024 to 31 March 2025 ("**FY2025**"). The Company believes the consideration of ESG factors as one of the key driver of the way we conduct our business. We take an active approach to managing ESG-related risks and tackling environmental and social challenges, and we acknowledge the importance of effective governance at the management and the Board.

We adhere to the "Operational Principle" by disclosing the substantial environmental and social impacts of our operations in Hong Kong, Nanjing, Shanghai and Shenzhen.

We are committed to uphold the highest ESG standards for the benefit of our stakeholders. While an acknowledgment of ESG risk factors is important, it is not enough. Appropriate oversight at the management and Board level, as well as effective policies and practices, are key contributors to our ability to effectively manage a wide variety of risk factors.

2 ABOUT THIS REPORT

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the GEM Listing Rules and covers the Group's business in Hong Kong, Nanjing, Shanghai and Shenzhen for FY2025.

Materiality: In accordance with the materiality principle outlined by the Stock Exchange, the ESG Report presents a detailed process of identifying and disclosing significant environmental, social, and governance factors and standards. This process includes identifying critical issues and a matrix of material issues. Additionally, the ESG Report provides descriptions of key stakeholders and the outcomes of stakeholder engagement.

Quantitative: Statistical standards, methods, assumptions, and calculation tools used in the ESG Report for reporting emissions/energy consumption (where applicable) and the source of conversion factors are all explained in the annotations.

Balance: The ESG Report shall present an unbiased portrayal of the Group's performance during the reporting period and shall refrain from making selections, omissions, or using inappropriate presentation formats that could potentially influence readers' decisions or judgments.

Consistency: The statistical methodologies used to analyze the information presented in the ESG Report will remain consistent with those employed in the previous year. Any modifications will be clearly documented in the ESG Report.

3 REPORTING LANGUAGE

The ESG Report is published in English and traditional Chinese. In case of any discrepancies, the English version shall prevail.

4 REPORTING APPROVAL

The ESG Report was approved by the Board on 24 June 2025 after confirmation by the management.

5 ABOUT THE GROUP

The Group is a multi-branding multi-cuisine restaurant chain serving a variety of cuisines, mainly Southeast Asian, Chinese, Japanese and Western cuisines targeting mid-to-high-end customer segments. Since the opening of our first restaurant, Urawa Japanese restaurant, in December 2007, we have been expanding our restaurant network in Hong Kong, Nanjing, Shanghai and Shenzhen through our multi-brand multi-cuisine business model. As at 31 March 2025, we own and operate a total of 66 full service restaurants strategically located in first tier and/or premium shopping malls or on street levels in prime areas and CBD, covering Hong Kong Island, Kowloon and New Territories, Nanjing, Shanghai and Shenzhen.

6 RESPONSE TO THIS REPORT

We welcome and value the feedback from our stakeholders to continuously improve our ESG management and performance. Please feel free to share your views and thoughts with us at info@tastegourmet.com.hk.

7 ESG MANAGEMENT

The Board has the overall responsibility to oversee ESG strategy and reporting. It has delegated ESG-related responsibilities to the management of the Group, including but not limited to Directors, senior management, restaurant managers and head chefs and is closely monitored by the chief executive officer (the "**CEO**") and the chief financial officer (the "**CFO**") of the Company. The compliance committee of the Company is responsible for the review, endorsement and report to the Board on Group's sustainability standards, goals and to oversee the Group-level strategies, policies and practices on sustainability matters to attain those standards and goals as well as compliance with all applicable laws and regulations and a range of risk management and internal control systems.

Based on the principles of objectivity, standardisation, transparency and comprehensiveness, this report serves to provide details of the Company's ESG policies and initiatives of our restaurant business. We have identified the following ESG Segments in this report:

Environmental	Social	Operating Practices
• Emissions • Use of Resources • Environment and Natural Resources • Climate Change	• Employment & Labour Practices • Health and Safety • Training and Development	• Supply Chain Management • Product Responsibility • Anti-Corruption • Community Investments

This is the seventh ESG Report issued by the Company.

8 STAKEHOLDER ENGAGEMENT

We engages our stakeholders, both formally and informally, on a number of major issues and initiatives in order to gain a better understanding of their views and expectations.

Shareholders

Communications

- Annual general meeting.
- Mandatory announcement, notices and circulars.
- Regular issuance of announcements on a voluntary basis on business updates.
- Physical as well as online roadshows in Hong Kong and online roadshows for Singapore and Taiwan during the year.
- Exposure through corporate website (www.tastegourmet.com.hk) as well as restaurant website (www.tastegourmet.co).

Concerns

- Transparency of business.
- Protection of shareholders' interests.
- Corporate strategy and financial performance.

Customers

Communications

- Social media platforms.
- Collaboration with external parties on promotional activities.
- Continuous review of customer feedbacks through comments cards, direct discussion with the customers and through social media platforms.
- Timely respond to customer complaints.
- Mobile phone customer relations application in the form of a membership programme for closer interaction with our customers.
- Exposure through corporate website (www.tastegourmet.com.hk) as well as restaurant website (www.tastegourmet.co).

Concerns

- Food safety.
- Food quality and service.
- Dining environment.
- Information security and privacy protection.

8 STAKEHOLDER ENGAGEMENT *(Continued)*

Suppliers

Communications

- Regular updates of price quotations.
- Regular updates on import licences and certificates.

Concerns

- Food safety.
- Quality and consistency of ingredients and other materials.

Government

Communications

- Engaged external professional (the "**External Consultant**") on the review of the legal compliance status.
- Organised professional and compliance training.

Concerns

- Regulatory compliance.

Employees

Communications

- Continuous training provided to our employees.
- Performance review and appraisals.
- Adopted the share option scheme as an incentive to employees.
- Subsidies to our employees for external continuous educational courses.

Concerns

- Occupational health and safety.
- Remuneration and benefits.
- Career development.
- Work life balance.

Landlords

Communications

- Regular meetings.
- Food tastings at new restaurants.
- New restaurant concept developments.
- Attend events organised by the landlords.
- Collaboration on promotional activities.

Concerns

- Food safety and customer services.
- Restaurant performance.
- Long term business relationship.
- Contract negotiation.

9 ENVIRONMENTAL

9.1 Emissions

In our operation, electricity and gas is consumed in the form of lightings, cooking equipment, refrigerators, air conditioning, office equipment and motor vehicles.

We have not set any energy consumption emission targets as our level of emission is directly tied to the level of business activity at a particular restaurant. As most of our restaurants are located in shopping malls, the hours of business is determined by our landlords.

Emission Data

	FY2025	FY2024
Number of Restaurants in operations during the year	**67**	57
Total Days of Operations	**21,779**	17,753

AIR POLLUTANTS EMISSION

	Units	**FY2025**	FY2024
Total CO_2 Emission	KG	**8,916,000**	6,783,000
CO_2 Emission per operating day	KG	**409.39**	382.08
Total NO_x Emission	KG	**1,264,000**	1,127,000
NO_x Emission per operating day	KG	**58.04**	63.48
Total SO_x Emission	KG	**29,300**	22,000
SO_x Emission per operating day	KG	**1.35**	1.24
Total PM Emission	KG	**1,397**	1,051
PM Emission per operating day	KG	**0.06**	0.06

GHG EMISSION (tCO_2e)

	Units	**FY2025**	FY2024
Scope 1: Direct Emission	Tonne	**803.11**	717.79
Scope 2: Indirect Emission	Tonne	**6,003.05**	4,866.65
Total Emission	Tonne	**6,806.16**	5,584.44
Total Emission per operating day	Tonne	**0.31**	0.31
Emission Intensity (tCO_2e)/HKD'000 Revenue)		**0.01**	0.01

9 ENVIRONMENTAL *(Continued)*

9.1 Emissions *(Continued)*

Emission Data *(Continued)*

Greenhouse gas emissions ("**GHG**") of the Group are primarily generated during the cooking process through energy consumption. Therefore, GHG emission is dictated by the level of business activities at a particular restaurant. However, we will continue to negotiate with suppliers on lowering the minimum order quantity for delivery and ideally deliveries on a daily basis so that we can reduce the number of refrigeration units at our restaurants.

Waste Management

Food waste and cooking oil waste are the major non-hazardous emissions in our restaurant operations. We also use recyclable materials in our takeaway containers as far as possible.

Food Waste

The control of food waste is a very important factor for the Group. Food waste could be the result of poor storage management, poor inventory control, or poor quality control. Food waste not only affect profitability and customer satisfaction, it is an unnecessary waste. We have a stringent set of policies and procedures that helps to eliminated unnecessary food waste, however the attitudes of our employees towards the reduction of food waste as a part of our corporate culture is the key to success.

Each of our restaurant monitors the consumption amount of our food ingredients on a daily basis, which we believe is an effective way to reduce wastage and storage costs as the head chef of each restaurant should know the best utilisation of the various food ingredients and the consumption patterns of the customers at each restaurant. We generally minimise the amount of food ingredients stored at our restaurants based on our estimated sales and production volume of the following day.

During the year, no material non-compliance issue was noted in relation to food waste disposal.

Cooking Oil Waste

Cooking oil waste and grease trap waste are properly disposed of through waste oil collectors with the International Sustainability and Carbon Certification authorised by the Environmental Protection Department in Hong Kong and the equivalent authorities under the relevant laws and regulations of the PRC.

During the year, no material non-compliance was noted in relation to cooking oil waste disposal.

9 ENVIRONMENTAL *(Continued)*

9.1 Emissions *(Continued)*

Waste Management *(Continued)*

The Group's waste disposals during the year are as follows:

WASTE MANAGEMENT

	Unit	FY2025	FY2024
Hazardous Waste	KG	**–**	–
Non-hazardous Waste	KG	**8,008,441**	7,079,540
Total	KG	**8,008,441**	7,079,540
Waste Disposal per operating day	KG	**367.71**	398.78
Intensity (KG/HKD'000 Revenue)		**6.57**	6.91

We have not set any waste disposal targets. As the level of food wastage is already monitored closely and we do not believe that there will be significant room for improvement. As for cooking oil waste disposal, the level of cooking oil waste is directly linked to the business activity at a particular restaurant.

During FY2025, there was no confirmed non-compliance of laws and regulations related to environmental protection that had a significant impact on the Group.

9.2 Use of Resources

The use of resources for FY2025 are as follows:

ENERGY CONSUMPTION AND INTENSITY

	Unit	FY2025	FY2024
Electricity	kWh	**13,968,737**	10,508,021
Gas	kWh	**4,112,952**	3,676,041
Total	kWh	**18,081,689**	14,184,062
Energy Consumption per operating day		**830.24**	798.97
Energy Intensity (kWh/HKD'000 Revenue)		**14.83**	13.85

9 ENVIRONMENTAL *(Continued)*

9.2 Use of Resources *(Continued)*

WATER CONSUMPTION AND INTENSITY

	Unit	**FY2025**	FY2024
Total Water Consumption	M^3	**272,327**	181,126
Water Consumption per operating day		**12.50**	10.20
Water Intensity (M^3/HKD'000 Revenue)		**0.22**	0.18

We have not set any water efficiency targets as the level of water consumed is directly linked to the business activity at a particular restaurant.

Data for packaging material used is not disclosed as only take-aways uses packaging materials. Under Hong Kong's new regulation on disposable plastic products, effective from April 2024, groups will need to significantly reduce their use of single-use plastics, including items such as plastic cutlery, straws, and takeaway containers. They will be required to adopt alternatives made from environmentally-friendly materials, thereby contributing to a decrease in plastic waste and promoting sustainable practices.

We have not set any energy use efficiency targets as the level of consumption is directly linked to the business activities at a particular restaurant.

9.3 Environment and Natural Resources

We have a number of policies in place to limit the consumption of electricity to the minimum level, examples of some of our energy savings initiatives are as follows:

- Energy saving lightings in all our restaurants and at our office
- Turning off cooking equipment when not in use
- Closed off and turn off air-conditioning and lights in sections of our restaurant during non-peak hours
- Although the amount of water consumed in our operation is not significant, we encourage our employees to use water efficiently such as only using the dishwasher with a full load
- Use of more energy efficient equipment at our restaurants

In shopping malls, there is a fixed period when air conditioning is supplied which we matched as far as possible the operating hours of our restaurants.

All our vehicles are electric vehicles.

9 ENVIRONMENTAL *(Continued)*

9.4 Climate Change

Extreme weather events because of climate change have been evident and the situation will only deteriorate. Typhoons, storms, and heavy rainfalls directly impact the business operations and hours of operations at our restaurants, are likely to become more frequent with the typhoon season getting longer. We fully support the national goal of peaking its carbon emissions before 2030 and reaching carbon neutrality by 2060. However, for a meaningful reduction, governments need to take a more proactive role in requiring the energy companies to reduce emissions during energy production. Extreme weathers also affect the supply of ingredients which in turn affects our costs thus profitability and the most effective way to mitigate the supply issue is to revise our menu by offering alternative products.

10 SOCIAL

10.1 Employment and Labour Practices

Our employees are the most important asset and resources of our Group. We are an equal opportunity employer and no discrimination is tolerated on the basis of age, gender, race, colour, sexual orientation, disability or marital status. We do not employ any person below the age of 16. In addition to offering competitive remuneration packages to employee, discretionary bonuses and share options may also be granted to eligible employees based on individual performance.

Quality service is an important success factor to our business and employee retention is a known challenge within the fierce restaurant business. Aside from offering competitive remuneration packages, our Group has also implemented an incentive bonus scheme for each restaurant to encourage self-initiatives to drive sales, employee retention and reduction in unnecessary headcount at every outlet. Our bonus scheme is performance based and would be calculated taking into account the achievement of performance target including financial indicators such as revenue and profit target, as well as other qualitative targets such as service quality and work attitude such as timeliness of the employee. Such bonus vary in accordance with the seniority and positions of different employees.

We also conduct annual performance reviews for our employees, which is used as a basis to determine salary adjustments which frequency would depend on a number of factors such as our financial performance and general market conditions and suitability for promotion, taking into account market conditions and business needs.

The Group also encourages its employees to pursue a balanced life and provides a good working environment for its employees to maximise their potential and contribution to the Group. Normal working hours for our full time employees at our restaurants is 10 hours per day.

Our headcount planning is subject to regular review by our head office, taking into factors including but not limited to (i) market conditions; (ii) the size of the restaurant; (iii) proportion of labour costs to total overheads; and (iv) profit margin of the restaurant.

10 SOCIAL *(Continued)*

10.1 Employment and Labour Practices *(Continued)*

During FY2025, no material non-compliance issue was noted in relation to employment regulations in Hong Kong.

WORKFORCE INFORMATION

	FY2025			FY2024		
	Number of Staff	**% of Total**	**Turnover Rate**	Number of Staff	% of Total	Turnover Rate
BY GENDER						
Female	**864**	**52.5%**	**127.8%**	760	51.8%	148.1%
Male	**782**	**47.5%**	**174.2%**	707	48.2%	180.8%
Total	**1,646**		**150.0%**	1,467		164.1%
BY EMPLOYMENT CATEGORY						
Senior	**73**	**4.4%**	**12.6%**	70	4.8%	–3.0%
Middle	**207**	**12.6%**	**57.5%**	179	12.2%	60.6%
General Staff	**1,366**	**83.0%**	**171.4%**	1,218	83.0%	190.3%
Total	**1,646**		**150.0%**	1,467		164.1%
BY AGE GROUP						
Under 30	**487**	**29.6%**	**239.6%**	467	31.8%	240.4%
30 to 50	**679**	**41.3%**	**120.2%**	567	38.7%	129.5%
Over 50	**480**	**29.1%**	**97.0%**	433	29.5%	124.3%
Total	**1,646**		**150.0%**	1,467		164.1%
BY GEOGRAPHICAL REGION						
Hong Kong	**1,484**	**90.2%**	**157.5%**	1,318	89.8%	176.1%
Mainland China	**162**	**9.8%**	**82.3%**	149	10.2%	46.7%
Total	**1,646**		**150.0%**	1,467		164.1%

10.2 Health and Safety

In conformity with industry norms, we are required to comply with various laws and regulations applicable to the restaurant industry in Hong Kong. In order to comply with safety related laws and regulations and occupational health and safety regulations issued by the government authorities in Hong Kong, we have designed and implemented internal safety measures and guidelines for our employees to follow. We also provide training to new recruits and existing employees to keep them up to date with work safety procedures and standards.

We have policies in place to ensure a high standard is kept at all times with regards to means of ventilation, sanitary fitments, facilities for cleaning equipment and utensils, means of exit and entry and fire safety.

10 SOCIAL *(Continued)*

10.2 Health and Safety *(Continued)*

We also maintain an internal record and reporting procedure in relation to work injuries in order for our Directors to monitor work injury incidences and make necessary amendments to the internal procedures to reduce the risk of further injuries. During the year ended 31 March 2025, no major work safety incidents occurred in our restaurants.

During the year ended 31 March 2025, no material non-compliance issue was noted in relation to health and safety regulations.

10.3 Training and Development

We believe that training is needed to ensure that all employees possess the required knowledge on our standards and procedures as well as work and safety procedures. For our front-line new recruits, we provide on-the-job training to assist the new recruit to become familiarised with our operation processes. We provide our experienced staff with checklists to ensure all matters on food quality, internal procedures and safety standards are properly discussed with new recruits. To cater for the working hours of our staff, we also provide various training classes including dining service and preparation of a dish in video format so that the staff can access the training materials at the time and place at their convenience. We also encourage our employees to undertake external courses that are funded by the Group.

Our Directors and senior management are encouraged to undertake some form of continuing professional development courses or training. Subsidies are granted to our employees to undertake external continuous educational courses.

Trainings conducted by the Group during FY2025 are as follows:

TRAINING INFORMATION

	FY2025			FY2024		
	Training	**Training Hours**	**Training Hours per Staff**	Training	Training Hours	Training Hours per Staff
BY GENDER						
Female	**100.0%**	**3,631.2**	**4.20**	100.0%	3,005.0	3.95
Male	**100.0%**	**3,186.4**	**4.07**	100.0%	2,637.0	3.73
Total	**100.0%**	**6,817.6**	**4.14**	100.0%	5,642.0	3.85
BY EMPLOYMENT CATEGORY						
Senior	**100.0%**	**414.0**	**5.67**	100.0%	264.0	3.77
Middle	**100.0%**	**972.0**	**4.70**	100.0%	780.0	4.36
General Staff	**100.0%**	**5,431.6**	**3.98**	100.0%	4,598.0	3.78
Total	**100.0%**	**6,817.6**	**4.14**	100.0%	5,642.0	3.85

11 OPERATING PRACTICES

11.1 Supply Chain Management

We generally select our suppliers based on a set of selection criteria, which includes (i) capacity, reputation and business operations of the supplier; (ii) type, variety and quality of food ingredients, goods or services offered by the supplier; (iii) pricing of the food ingredients, goods or services; (iv) supply terms and conditions, such as payment terms, delivery schedule and discount; (v) past performance; and (vi) our relationship with the suppliers.

New suppliers may be introduced by first passing our executive chef's sample testing, followed by an assessment by our Group executive chef and final approval by our Directors. If we identify a potential new supplier, our head chef will first screen the supplier whether their product quality can meet our standards and whether they satisfy our other requirements, such as the cost, origin of the supply of the food ingredients, possession of necessary licences and timely delivery of orders. We will only choose potential suppliers as our approved supplier if the price quoted by the supplier is lower than the purchase prices generally offered by our existing approved suppliers or, if higher, then need to be justifiable by other reasons such as exclusivity. If the potential supplier passes our initial screening, we will place a small trial order to test the quality of their food, and their reliability and timeliness in the delivery. If the potential supplier passes the testing phase, we will then negotiate a long-term supply relationship although we generally do not enter into any framework or long-term agreements, which we believe is the customary industry practice in Hong Kong. We will then consider the above factors and results to determine whether to approve the supplier as an approved supplier.

Our Group has maintained a list of approved food and beverage suppliers, comprising more than 300 suppliers as at 31 March 2025. In order to secure a stable supply of food ingredients and beverages, there are at least two approved suppliers for each type of food ingredient and beverage when possible. Our Group executive chef and business development manager will monitor the quality of our raw materials and consumables and may suggest to our management to consider removing certain suppliers if there is deterioration in the capacities, reliability or consistency of service and product quality of those suppliers. We may remove suppliers failing to meet our selection criteria or being susceptible of negative publicity from our supplier list.

11 OPERATING PRACTICES *(Continued)*

11.1 Supply Chain Management *(Continued)*

The number of suppliers engaged during the year are as follows:

SUPPLIERS

	FY2025		FY2024	
	Number	Percentage of Total	Number	Percentage of Total
BY NUMBERS				
Main Suppliers (80% of Total Purchases)	**66**	**21.0%**	64	20.3%
Other Suppliers (20% of Total Purchases)	**249**	**79.0%**	252	79.7%
Total	**315**	**100.0%**	316	100.0%
BY GEOGRAPHICAL LOCATIONS				
Hong Kong	**272**	**86.3%**	281	88.9%
Mainland China	**43**	**13.7%**	35	11.1%
Total	**315**	**100.0%**	316	100.0%

11.2 Product Responsibility

Food Safety and Hygiene

Food safety and hygiene is the most important factor and central to our restaurant operation. Our food safety and quality control policies and procedures are closely integrated with our supplier selection process and food preparation process. Our restaurant managers and head chefs are responsible for the quality control at each of our restaurants. They are responsible for inspecting the food supplies and ingredients, overseeing the food preparation process and monitoring the dining environment and kitchen area. We clean and sanitise each of our restaurants in accordance with our policies and procedures. We ensure the implementation of our quality control policies through (i) training and supervision of our employees; and (ii) the evaluation of our procedures.

During FY2025, no material complaints or claims on our food was received by us nor were our restaurants subject to any investigation on food hygiene by any government authorities or relevant consumer protection organisations due to any food safety incident.

11 OPERATING PRACTICES *(Continued)*

11.2 Product Responsibility *(Continued)*

Customer Service and Food Quality

We believe the key to our success is our returning customers, however a customer will only return if they are getting value for their money regardless of the amount of money spent. We address customer satisfaction through the provision of good customer service and consistent food quality.

Daily briefing sessions and evaluations are conducted by our restaurant manager of each restaurant to ensure the quality of our services, and to brief the staff about the new dishes launched to ensure they have a good understanding of the menu. Head chef and the restaurant manager of each restaurant also have a daily meeting to communicate any problems encountered so as to ensure a smooth operation of the restaurant. Our senior management hold a monthly meeting to discuss various issues, including the profitability, food and service quality, staffing arrangement, renovation and marketing strategy, to understand the current status as well as adjust our business strategy as appropriate.

We collect feedback from our customers through various channels: (i) our social media pages and emails; (ii) food-critic websites; (iii) visits by our marketing team, who will examine various aspects such as service quality and customers' feedback. Our restaurant managers discuss the customer feedbacks during daily briefing sessions and our marketing department compiles all the feedbacks and identify and evaluate the issues with the relevant personnel in order to improve our overall operations. Our restaurant managers will also discuss the customer feedbacks with our senior management in order to improve our overall operations.

During FY2025, we did not receive any material complaints nor complaint filed by our customers to the Consumer Council. We were not aware of any incident of customer complaint claiming material compensation that could have a material adverse impact on our business, results of operations and financial position. Most of the customer complaints related to the food and service quality.

The marketing activities of our Group aim to promote pleasant dining experience at our restaurants with quality food and affordable prices available in a range of cuisines and dining setting from casual to full service dining. We promote our restaurants through various marketing activities, including the maintenance of our website, the display of our menu in digital panels at the shopping malls to the public at our restaurant, launching promotion campaigns with credit cards and shopping mall networks, offering discount to major corporates and residents in the vicinity. We also have a membership programme, use various forms of media, such as social media and magazines, third-party smartphone applications for online table reservation as well as promote our restaurants through the distribution of flyers/coupons which can broaden our reach to our potential customers.

11 OPERATING PRACTICES *(Continued)*

11.3 Anti-Corruption

Corruption, deception, bribery, forgery, extortion, money-laundering and any other kinds of business fraud are strictly prohibited. Our employee's handbook set out internal control policies and procedures to govern the investigation and follow-up procedures of reported fraud incidents. We have internal control policies and procedure to mitigate fraudulent events which are reviewed and systematic fraud risk assessments are conducted periodically. Any abnormality should be reported to the Audit Committee for investigation. Whistle-blowing channel is also established for the reporting of violations of professional conducts.

During the year, no material non-compliance issue was noted or reported to the relevant authorities in relation to any corruption or fraudulent activities.

11.4 Community

We are committed to investing in the improvement of community well-being and social services. Employees are encouraged to participate in a wide range of charitable events.

During the year, the Group made donations of approximately HK$118,000 to charitable and other organisations.

INDEPENDENT AUDITOR'S REPORT

Deloitte. 德勤

TO THE SHAREHOLDERS OF TASTE • GOURMET GROUP LIMITED
嚐 • 高美集團有限公司
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Taste • Gourmet Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 64 to 128, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"). We have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS *(Continued)*

Key audit matter	How our audit addressed the key audit matter
Impairment of property, plant and equipment and right-of-use assets related to loss-making restaurants We identified the impairment of property, plant and equipment and right-of-use assets as a key audit matter, as significant judgement is required to assess the amount of impairment of property, plant and equipment and right-of-use assets. As at 31 March 2025, property, plant and equipment of loss-making restaurants amounted to HK$5,562,000 and HK$3,706,000, net of accumulated impairment losses of HK$2,601,000 and HK$1,370,000 on leasehold improvements and furniture and equipment, respectively, while right-of-use assets of loss-making restaurants amounted to HK$16,010,000, net of accumulated impairment loss of HK$4,629,000. As further disclosed in notes 4 and 16 to the consolidated financial statements, determining whether property, plant and equipment and right-of-use assets are impaired requires an estimation of the value in use of the cash-generating units of each loss-making restaurant. The value in use calculations require the Group to estimate the cash flow projections to arise from the cash-generating units by considering operating costs, budgeted sales, growth rates and gross margins which are based on past performance and management's expectations to future changes in the market and taking into account a suitable discount rate to calculate the present value. Based on the management's assessment, impairment losses on leasehold improvements and furniture and equipment included in property, plant and equipment and right-of-use assets were charged to profit or loss amounted to HK$2,601,000, HK$1,370,000 and HK$4,629,000 during the year ended 31 March 2025, respectively.	Our procedures in related to management's impairment assessment included: • Evaluating that the management reviews on the historical operation and financial performance of its restaurants to determine whether there is any indication of impairment, and the assumptions used in the value in use calculations for those restaurants with impairment indicator; • Checking the mathematical accuracy of the value in use calculation; • Challenging the reasonableness of the key assumptions adopted in the cash flow projections including operating costs, budgeted sales, growth rates and gross margins, by referring to the historical information and the management budget; • Assessing the key factors e.g. equity risk premium and size premium used in determining the discount rate and comparing to discount rate adopted in the industry for reasonableness; and • Evaluating the sensitivity analysis prepared by the management on the operating costs, budgeted sales, growth rates, gross margins and discount rate to assess the extent of impact on the value in use calculation.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan, Alan (practising certificate number: P06748).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

24 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 HK$'000	2024 HK$'000
Revenue	5	**1,219,605**	1,023,946
Other income	6	**10,436**	7,390
Other gains and losses	7	**(8,914)**	(1,168)
Raw materials and consumables used		**(334,043)**	(275,938)
Staff costs		**(373,267)**	(306,705)
Depreciation of property, plant and equipment	14	**(54,147)**	(44,094)
Depreciation of right-of-use assets	15	**(165,305)**	(139,958)
Property rentals and related expenses		**(61,551)**	(55,173)
Utilities and cleaning expenses		**(41,704)**	(34,416)
Other expenses		**(60,692)**	(50,831)
Finance cost	8	**(19,260)**	(14,750)
Profit before tax	9	**111,158**	108,303
Income tax expense	10	**(17,995)**	(17,653)
Profit for the year		**93,163**	90,650
Other comprehensive expense:			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operation		**(106)**	(1,025)
Total comprehensive income for the year		**93,057**	89,625
Profit (loss) for the year attributable to:			
– Owners of the Company		**95,533**	90,458
– Non-controlling interests		**(2,370)**	192
		93,163	90,650
Total comprehensive income (expense) for the year attributable to:			
– Owners of the Company		**95,328**	89,843
– Non-controlling interests		**(2,271)**	(218)
		93,057	89,625
		HK cents	HK cents
Earnings per share			
– Basic	13	**25.2**	23.9
– Diluted	13	**25.0**	23.7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2025

	NOTES	2025 HK$'000	2024 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	**161,603**	153,209
Right-of-use assets	15	**417,988**	445,229
Interest in an associate	17	**–**	–
Goodwill	18	**2,400**	2,400
Intangible assets	19	**2,883**	616
Financial asset at fair value through profit or loss	20	**1,906**	1,844
Rental and utilities deposits	21	**63,349**	55,972
Prepayments and other deposits	21	**334**	901
Deferred tax assets	28	**6,349**	4,120
		656,812	664,291
CURRENT ASSETS			
Inventories	22	**2,968**	2,778
Trade and other receivables, prepayments and deposits	21	**23,852**	22,804
Amount due from a shareholder	27	**121**	97
Amount due from an associate	27	**49**	–
Tax recoverable		**2,067**	2,211
Cash and cash equivalents	23	**190,888**	142,973
		219,945	170,863
CURRENT LIABILITIES			
Trade and other payables	24	**108,398**	91,759
Contract liabilities	25	**6,090**	3,645
Lease liabilities	26	**161,188**	132,930
Tax payable		**7,637**	7,882
Provision for reinstatement costs	29	**3,076**	2,970
		286,389	239,186
NET CURRENT LIABILITIES		**(66,444)**	(68,323)
TOTAL ASSETS LESS CURRENT LIABILITIES		**590,368**	595,968

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2025

	NOTES	2025 HK$'000	2024 HK$'000
NON-CURRENT LIABILITIES			
Lease liabilities	26	**288,495**	331,925
Provision for reinstatement costs	29	**22,131**	18,494
Provision for long service payments	30	**3,004**	1,114
Deferred tax liabilities	28	**3,059**	4,224
Deferred income		**867**	867
		317,556	356,624
NET ASSETS		**272,812**	239,344
CAPITAL AND RESERVES			
Share capital	31	**37,950**	37,870
Share premium and reserves		**236,864**	193,887
Equity attributable to owners of the Company		**274,814**	231,757
Non-controlling interests		**(2,002)**	7,587
TOTAL EQUITY		**272,812**	239,344

The consolidated financial statements on pages 64 to 128 were approved and authorised for issue by the Board of Directors on 24 June 2025 and are signed on its behalf by:

WONG NGAI SHAN
DIRECTOR

CHAN WAI CHUN
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Attributable to owners of the Company										
	Share capital HK$'000	Share premium HK$'000	Special reserve HK$'000 (Note i)	Other reserve HK$'000 (Note ii)	Share options reserve HK$'000	Capital redemption reserve HK$'000	Translation reserve HK$'000	Retained profits HK$'000	Sub-total HK$'000	Non-controlling interest HK$'000	Total HK$'000
At 1 April 2023	37,848	5,588	(300)	313	918	2,872	246	134,667	182,152	7,805	189,957
Profit for the year	–	–	–	–	–	–	–	90,458	90,458	192	90,650
Other comprehensive expense for the year	–	–	–	–	–	–	(615)	–	(615)	(410)	(1,025)
Total comprehensive (expense) income for the year	–	–	–	–	–	–	(615)	90,458	89,843	(218)	89,625
Issuance of shares upon exercise of share options (note 31)	22	211	–	–	(36)	–	–	–	197	–	197
Recognition of equity settled share-based payment (note 38)	–	–	–	–	85	–	–	–	85	–	85
Lapse of share options (note 38)	–	–	–	–	(57)	–	–	57	–	–	–
Dividends recognised as distribution (note 12)	–	–	–	–	–	–	–	(40,520)	(40,520)	–	(40,520)
At 31 March 2024	37,870	5,799	(300)	313	910	2,872	(369)	184,662	231,757	7,587	239,344
Profit for the year	–	–	–	–	–	–	–	95,533	95,533	(2,370)	93,163
Other comprehensive expense for the year	–	–	–	–	–	–	(205)	–	(205)	99	(106)
Total comprehensive (expense) income for the year	–	–	–	–	–	–	(205)	95,533	95,328	(2,271)	93,057
Issuance of shares upon exercise of share options (note 31)	80	800	–	–	(160)	–	–	–	720	–	720
Acquisition of additional interest in a subsidiary (note 37)	–	–	–	(2,217)	–	–	–	–	(2,217)	(7,318)	(9,535)
Recognition of equity settled share-based payment (note 38)	–	–	–	–	79	–	–	–	79	–	79
Dividends recognised as distribution (note 12)	–	–	–	–	–	–	–	(50,853)	(50,853)	–	(50,853)
At 31 March 2025	37,950	6,599	(300)	(1,904)	829	2,872	(574)	229,342	274,814	(2,002)	272,812

Notes:

i. The special reserve represents the differences between the nominal amount of the share capital issued by the Company pursuant to the group reorganisation and the issued share capital of BWHK Limited when the Company became the holding company of the Group upon completion of the group reorganisation on 23 June 2017.

ii. Other reserve as at 31 March 2025 represents the aggregate amount of:

1) the differences between the considerations received and the proportionate share of the carrying amount of the net assets attributable to the relevant interest upon the deemed disposal of partial interest in subsidiaries amounted to HK$58,000 during the year ended 31 March 2016;

2) the difference between the consideration paid and the proportionate share of the carrying amount of the net assets attributable to the relevant interests upon the deemed acquisition of additional interest in a subsidiary amounted to HK$255,000 during the year ended 31 March 2017; and

3) the difference between the consideration paid of HK$9,535,000, and the proportionate share of the carrying amount of the net assets attributable to the relevant interests upon the acquisition of additional 40% equity interest in a subsidiary, 上海萬家匯美餐飲管理有限公司 ("萬家匯美"), of HK$7,318,000, amounted to HK$2,217,000 during the year ended 31 March 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$'000	2024 HK$'000
OPERATING ACTIVITIES		
Profit before tax	**111,158**	108,303
Adjustments for:		
Amortisation of intangible assets	**195**	240
Depreciation of property, plant and equipment	**54,147**	44,094
Depreciation of right-of-use assets	**165,305**	139,958
Finance cost	**19,260**	14,750
Gain on fair value change of financial asset at fair value through profit or loss	**(62)**	(59)
Gain on early termination of leases	**–**	(855)
Loss on early termination of licensing agreement	**333**	–
Impairment loss on property, plant and equipment	**3,971**	564
Impairment loss on right-of-use assets	**4,629**	1,253
Interest income from bank deposits	**(4,707)**	(3,902)
Interest income on rental deposits	**(1,716)**	(1,212)
(Gain) loss on disposal/write-off of property, plant and equipment	**(261)**	274
Share-based payment expenses	**79**	85
Operating cash flows before movements in working capital	**352,331**	303,493
Increase in inventories	**(190)**	(1,385)
Increase in trade and other receivables, prepayments and deposits and utilities deposits	**(1,104)**	(8,203)
Increase in trade and other payables	**15,860**	18,492
Decrease in provision for reinstatement costs	**(250)**	(1,000)
Increase in provision for long service payments	**1,890**	765
Increase in contract liabilities	**2,445**	1,404
Cash generated from operations	**370,982**	313,566
Income tax paid	**(21,504)**	(13,090)
NET CASH FROM OPERATING ACTIVITIES	**349,478**	300,476

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$'000	2024 HK$'000
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(65,481)**	(90,884)
Purchase of intangible asset	**(2,281)**	(90)
Payments for right-of-use assets	**(2,584)**	(2,784)
Payments for rental deposits	**(9,278)**	(8,769)
Refund of rental deposits	**1,401**	2,324
Repayment from an associate	**–**	35
Advance to an associate	**(49)**	–
Proceeds from disposal of property, plant and equipment	**399**	428
Deposits paid for acquisition of property, plant and equipment	**(334)**	(901)
Interest received	**4,707**	3,902
Repayment from a joint venture	**–**	25
Advance to a shareholder	**(24)**	(3)
NET CASH USED IN INVESTING ACTIVITIES	**(73,524)**	(96,717)
FINANCING ACTIVITIES		
Acquisition of additional interest in a subsidiary	**(9,535)**	–
Interest paid on lease liabilities	**(19,260)**	(14,750)
Repayments for lease liabilities	**(148,862)**	(123,722)
Issuance of shares upon exercises of share options	**720**	197
Dividends paid	**(50,853)**	(40,520)
NET CASH USED IN FINANCING ACTIVITIES	**(227,790)**	(178,795)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**48,164**	24,964
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**142,973**	118,720
Effect of foreign exchange rate changes	**(249)**	(711)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**190,888**	142,973
Represented by:		
Short term deposits within an original maturity of three months or less	**110,000**	60,000
Bank balances and cash	**80,888**	82,973
	190,888	142,973

1. GENERAL INFORMATION

Taste • Gourmet Group Limited (the "Company") (hereinafter its subsidiaries together with the Company collectively referred to as the "Group") was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 17 January 2018. Its parent is IKEAB Limited, a private company incorporated in the British Virgin Islands ("BVI"). The address of its registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business is located at Unit B, 24/F Crawford Tower, 99-101 Jervois Street, Sheung Wan, Hong Kong. Its ultimate controlling parties are Mr. Wong Ngai Shan ("Mr. Wong") and Ms. Chan Wai Chun ("Ms. Chan"), who are also the executive directors of the Company.

The Company is an investment holding company and principally engaged in operating restaurants in Hong Kong and the People's Republic of China (the "PRC"), with details set out in note 37.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company and all values are rounded to the nearest thousands (HK$'000) except when otherwise indicated.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined
2 Effective for annual periods beginning on or after 1 January 2025
3 Effective for annual periods beginning on or after 1 January 2026
4 Effective for annual periods beginning on or after 1 January 2027

Except as described below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements ("HKFRS 18")

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements* ("HKAS 1"). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and HKFRS 7 *Financial Instruments: Disclosures*. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made. HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of Stock Exchange and by the Hong Kong Companies Ordinance.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group's current liabilities exceeded its current assets by HK$66,444,000 as at 31 March 2025. In the opinion of the directors of the Company, the Group will have sufficient funds available from its future operating cash flows. Taking into account of the unutilised available banking facilities, amounting to HK$25,500,000 as at 31 March 2025, and its cash flows from operations, the directors of the Company are confident that the Group will be able to meet its financial obligations when they fall due for at least the next twelve months from the end of the reporting period. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interest in subsidiary are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Revenue from contracts with customers

Information about Group's accounting policies relating to contracts with customers is provided in note 5.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 *Leases* at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component on the basis of their relative stand-alone prices and are accounted for by other applicable standards.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Leases *(Continued)*

The Group as a lessee (Continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates as at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Leases *(Continued)*

The Group as a lessee (Continued)

Lease modifications
The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities and lease incentives from lessor by making corresponding adjustments to the relevant right-of-use assets. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Foreign currencies
In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchanges differences on the settlement of monetary items, and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interest as appropriate).

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Employee benefits

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme (the "MPF Scheme") and state-managed retirement benefit schemes, which are defined contribution retirement benefit plans, are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standards requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

Income tax expenses represent the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated statement of financial position and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary difference. In addition, deferred tax liabilities are not recognised it the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Taxation *(Continued)*

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to settle or recover the carrying amount of its liabilities and assets.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment other than construction in progress are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Leasehold improvement in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill *(Continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligations, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligations, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 *Revenue from Contracts with Customers* ("HKFRS 15"). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those financial assets at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points received or paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

Classification and subsequent measurement of financial assets *(Continued)*

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables, rental and utilities deposits, other deposits, amounts due from a shareholder and an associate, and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognise lifetime ECL for trade receivables. The ECL on these assets are assessed individually.

For all other financial instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instrument
An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost
Financial liabilities including trade and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled and have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the coming financial year.

Estimated impairment of property, plant and equipment and right-of-use assets related to loss-making restaurants

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rates. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rates in the cash flow projections, could materially affect the recoverable amounts.

As at 31 March 2025, the gross amounts of the leasehold improvements, furniture and equipment and right-of-use assets related to those loss-making restaurants are HK$5,562,000, HK$3,706,000 and HK$16,010,000, net of accumulated impairment losses of HK$2,601,000, HK$1,370,000 and HK$4,629,000 (2024: HK$9,416,000, HK$5,135,000 and HK$39,942,000, net of accumulated impairment losses of HK$426,000, HK$238,000 and HK$1,498,000), respectively. Impairment loss of HK$2,601,000, HK$1,370,000, and HK$4,629,000 (2024: HK$363,000, HK$201,000 and HK$1,253,000) in respect of leasehold improvements, furniture and equipment and right-of-use assets have been recognised, respectively. Details of the impairment assessment of property, plant and equipment and right-of-use assets are disclosed in note 16.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Estimation of useful lives of property, plant and equipment

The Group's management determines the estimated useful lives in determining the related depreciation charges for its property, plant and equipment. This estimate is based on the management's experience of the actual useful lives of property, plant and equipment of similar nature and functions and takes into account the lease terms including renewal options in the lease contracts of the Group's restaurants. The management will accelerate the depreciation charge where the economic useful lives are shorter than previously estimated due to removal or closure of restaurants. Actual economic useful lives may differ from estimated economic useful lives. As at 31 March 2025, the carrying amount of property, plant and equipment is HK$161,603,000 (2024: HK$153,209,000).

Estimated impairment of goodwill related to restaurant operation

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit (or group of cash-generating units) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or changes in facts and circumstances which result in downward revision of future cash flows or upward revision of discount rate, a material impairment loss may arise.

As at 31 March 2025, the carrying amount of goodwill is HK$2,400,000 (2024: HK$2,400,000). Details of the recoverable amount calculation are disclosed in note 18.

5. REVENUE AND SEGMENT INFORMATION

Revenue represents amounts received and receivable from restaurant operations, net of discounts, during the years ended 31 March 2025 and 2024.

The principal activities of the Group are operating restaurants serving different kinds of cuisine in Hong Kong and the PRC during the years ended 31 March 2025 and 2024.

Disaggregation of revenue from contracts with customers

	2025 **HK$'000**	2024 HK$'000
Type of cuisines		
Southeast Asian	**104,561**	73,890
Japanese	**606,740**	517,460
Western	**48,119**	55,858
Chinese	**459,296**	375,184
Others	**889**	1,554
	1,219,605	1,023,946

Performance obligations for contracts with customers and revenue recognition policies

The performance obligation is the promise to provide catering services. Revenue from catering services is recognised at a point in time when the services are rendered. A receivable is recognised by the Group when the services are rendered to the customers at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment of the transaction price is due immediately at the point the services are rendered to the customers. For payments settled by credit cards by customers, the settlement period is normally within 2 days from the trade date, and for sales of food and beverages through food delivery agents, the Group allows a credit period of 7 to 30 days.

The Group also grants award credits for customers under the Group's customer loyalty scheme, revenue is recognised when the services are rendered, being at the point the services are rendered to customers using the award credits as settlement methods at the restaurants.

With the provision these services are at a period of one year or less, as permitted under HKFRS 15, the transaction price allocation to the unsatisfied contracts is not disclosed.

Segment revenue and results

Information reported to Mr. Wong and Ms. Chan, (collectively as the "Controlling Shareholders"), being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, focuses on the operating results of the Group by location of operation. The CODM has determined that the Group has two reportable segments for the restaurants serving different kinds of cuisine in Hong Kong and the PRC, each of which is considered a separate operating segment by the CODM.

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Segment revenue and results *(Continued)*

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

For the year ended 31 March 2025

	Hong Kong HK$'000	The PRC HK$'000	Consolidated HK$'000
Revenue from external sales	**1,155,690**	**63,915**	**1,219,605**
Segment profit (loss)	**133,875**	**(3,238)**	**130,637**
Unallocated other gains and losses			**62**
Unallocated expenses			**(19,541)**
Profit before tax			**111,158**

For the year ended 31 March 2024

	Hong Kong HK$'000	The PRC HK$'000	Consolidated HK$'000
Revenue from external sales	974,385	49,561	1,023,946
Segment profit	124,314	1,170	125,484
Unallocated other gains and losses			59
Unallocated expenses			(17,240)
Profit before tax			108,303

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit earned (loss incurred) by the reportable segment excluding unallocated other gains and losses (i.e. gain on fair value change of financial asset at FVTPL) and without allocation of central administration costs. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

The Group's customer base is diversified and no individual customer had contributed more than 10% of the Group's revenue during the years ended 31 March 2025 and 2024.

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Other segment information

For the year ended 31 March 2025

	Hong Kong HK$'000	The PRC HK$'000	Consolidated HK$'000
Depreciation of property, plant and equipment	**49,243**	**4,904**	**54,147**
Depreciation of right-of-use assets	**157,051**	**8,254**	**165,305**
Impairment of property, plant and equipment	**1,772**	**2,199**	**3,971**
Impairment of right-of-use assets	**3,729**	**900**	**4,629**
Loss on early termination of licensing agreement	**333**	**–**	**333**
Gain on disposal/write-off of property, plant and equipment	**(210)**	**(51)**	**(261)**

For the year ended 31 March 2024

	Hong Kong HK$'000	The PRC HK$'000	Consolidated HK$'000
Depreciation of property, plant and equipment	41,012	3,082	44,094
Depreciation of right-of-use assets	133,411	6,547	139,958
Impairment of property, plant and equipment	564	–	564
Impairment of right-of-use assets	1,253	–	1,253
Loss on disposal/write-off of property, plant and equipment	250	24	274

Geographical information

Information about the Group's revenue is presented based on the location of the customers. Information about the Group's non-current assets other than rental and utilities deposits, prepayments and other deposits, financial asset at FVTPL, goodwill, intangible assets and deferred tax assets is presented based on the geographical location of the assets.

	Revenue		Non-current assets	
	2025 HK$'000	2024 HK$'000	**2025 HK$'000**	2024 HK$'000
Geographical markets				
Hong Kong	**1,155,690**	974,385	**557,672**	565,394
The PRC	**63,915**	49,561	**21,919**	33,044
	1,219,605	1,023,946	**579,591**	598,438

6. OTHER INCOME

	2025 HK$'000	2024 HK$'000
Interest income on:		
– bank deposits	**4,707**	3,902
– rental deposits	**1,716**	1,212
Management fee income from an associate	**–**	10
Government subsidies	**–**	563
Others	**4,013**	1,703
	10,436	7,390

7. OTHER GAINS AND LOSSES

	2025 HK$'000	2024 HK$'000
Exchange (loss) gain, net	**(304)**	9
Gain on fair value change of financial asset at FVTPL	**62**	59
Gain on early termination of leases	**–**	855
Gain (loss) on disposal/write-off of property, plant and equipment	**261**	(274)
Loss on early termination of licensing agreement	**(333)**	–
Impairment loss on property, plant and equipment (note 16)	**(3,971)**	(564)
Impairment loss on right-of-use assets (note 16)	**(4,629)**	(1,253)
	(8,914)	(1,168)

8. FINANCE COST

	2025 HK$'000	2024 HK$'000
Interest on lease liabilities	**19,260**	14,750

9. PROFIT BEFORE TAX

	2025 HK$'000	2024 HK$'000
Profit before tax has been arrived at after charging:		
Fees to external auditor		
Audit service	**2,400**	2,400
Non-audit service	**300**	–
Amortisation of intangible assets	**195**	240
Staff costs:		
Directors' remuneration (Note (a) and note 11)	**5,549**	5,452
Other staff costs		
– salaries and other benefits	**325,630**	266,777
– performance-based bonus (Note (b))	**26,072**	21,752
– retirement benefits scheme contribution excluding directors	**17,057**	14,079
– share-based payment expenses	**79**	85
Total directors and other staff costs	**374,387**	308,145

Notes:

(a) Directors' remuneration includes other non-monetary benefits (such as accommodation) provided to the directors of the Company. During the year ended 31 March 2025, depreciation of right-of-use assets in relation to these non-monetary benefits amounted to HK$1,120,000 (2024: HK$1,440,000).

(b) Performance-based bonus of the restaurants and administrative employees were determined based on the revenue generated by the respective restaurants for restaurants staff and financial performance of the Group for administrative employees, respectively.

10. INCOME TAX EXPENSE

	2025 HK$'000	2024 HK$'000
The charge comprises:		
Hong Kong Profits Tax		
– Current tax	**21,369**	15,468
– Under (over) provision in prior year	**34**	(4)
	21,403	15,464
Deferred tax charge (note 28)	**(3,408)**	2,189
	17,995	17,653

10. INCOME TAX EXPENSE *(Continued)*

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million. For the remaining subsidiaries of the Group in Hong Kong, they are subject to 16.5% of the estimated assessable profits under Hong Kong Profits Tax.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% for both years.

The income tax expense for the year can be reconciled from the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 **HK$'000**	2024 HK$'000
Profit before tax	**111,158**	108,303
Tax at Hong Kong Profits Tax rate of 16.5%	**18,341**	17,870
Tax effect of expenses not deductible for tax purpose	**294**	48
Tax effect of income not taxable for tax purpose	**(788)**	(657)
Tax effect of tax losses not recognised	**288**	–
Tax effect of deductible temporary difference not recognised	**291**	–
One-off tax reduction of Hong Kong Profits Tax by Inland Revenue Department (Note)	**(20)**	(33)
Income tax at concessionary rate	**(165)**	(165)
Under (over) provision in prior year	**34**	(4)
Tax effect of different tax rate of subsidiary operating in other jurisdiction	**(212)**	113
Others	**(68)**	481
Income tax expense for the year	**17,995**	17,653

Note: The Hong Kong Profits Tax for the year ended 31 March 2025 are waived subject to a ceiling of HK$1,500 per entity (2024: HK$3,000 per entity).

11. DIRECTORS', CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION

Particulars of the emoluments of directors, the chief executive and the five highest paid employees are as follows:

(a) Directors' and chief executive's emoluments

Details of the emoluments paid or payable to the directors of the Company and the chief executive of the Company during the years ended 31 March 2025 and 2024 are as follows:

	Executive directors		Non-executive director	Independent non-executive directors			
	Mr. Wong HK$'000	Ms. Chan HK$'000 (Note a)	Mr. Yu Man To Gerald Maximillian HK$'000 (Note c)	Mr. Tsang Siu Chun HK$'000	Mr. Wang Chin Mong HK$'000	Ms. Chan Yuen Ting HK$'000	Total HK$'000
Year ended 31 March 2025							
Directors							
Fees	–	–	–	100	100	100	300
Other emoluments							
– Salaries and other benefits (Note b)	2,739	2,095	360	–	–	–	5,194
– Retirement benefits scheme contribution	18	18	15	–	–	–	51
– Share-based payment expenses	–	–	4	–	–	–	4
	2,757	2,113	379	100	100	100	5,549

	Executive directors		Non-executive director	Independent non-executive directors			
	Mr. Wong HK$'000	Ms. Chan HK$'000 (Note a)	Mr. Yu Man To Gerald Maximillian HK$'000 (Note c)	Mr. Tsang Siu Chun HK$'000	Mr. Wang Chin Mong HK$'000	Ms. Chan Yuen Ting HK$'000	Total HK$'000
Year ended 31 March 2024							
Directors							
Fees	–	–	–	100	100	100	300
Other emoluments							
– Salaries and other benefits (Note b)	2,678	1,953	460	–	–	–	5,091
– Retirement benefits scheme contribution	18	18	16	–	–	–	52
– Share-based payment expenses	–	–	9	–	–	–	9
	2,696	1,971	485	100	100	100	5,452

11. DIRECTORS', CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION *(Continued)*

(a) Directors' and chief executive's emoluments *(Continued)*

Notes:

(a) Ms. Chan serves as the chief executive of the Company for the years ended 31 March 2025 and 2024.

(b) Directors' remuneration for the year ended 31 March 2025 includes depreciation of right-of-use assets for Mr. Wong and Ms. Chan's quarter amounted to HK$1,120,000 (2024: HK$1,440,000).

(c) Mr. Yu Man To Gerald Maximillian served as the chief financial officer of the Company until his resignation from such position on 1 July 2023.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group.

The non-executive director and independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(b) Five highest paid employees

The five highest paid employees of the Group during the year included two (2024: two) directors whose details of emoluments are set out in (a) above. The remunerations of the remaining three (2024: three) employees were as follows:

	2025 HK$'000	2024 HK$'000
Salaries and allowances	**2,562**	2,485
Performance-based bonus*	**777**	724
Retirement benefits scheme contribution	**54**	54
Share-based payment expenses	**8**	4
	3,401	3,267

* Performance-based bonus of the restaurants and administrative employees were determined based on the revenue generated by the respective restaurants for restaurants staff and financial performance of the Group for administrative employees, respectively.

11. DIRECTORS', CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES' REMUNERATION *(Continued)*

(b) Five highest paid employees *(Continued)*

The number of the highest paid employees, who are neither a director nor chief executive of the Company, whose emoluments fell within the following band is as follows:

	No. of employees	
	2025	2024
Nil to HK$1,000,000	**–**	–
HK$1,000,001 to HK$1,500,000	**3**	3

No emolument was paid by the Group to the directors of the Company or any of the highest paid employees of the Group as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 March 2025 and 2024. No remuneration was waived during the years ended 31 March 2025 and 2024.

During the years ended 31 March 2025 and 2024, certain non-chief executive highest paid employees were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 38.

12. DIVIDENDS

	2025	2024
	HK$'000	HK$'000
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2025 Interim – HK6.0 cents (2024: 2024 Interim – HK5.5 cents) per share	**22,770**	20,828
2024 Final – HK7.4 cents (2023: 2023 Final – HK5.2 cents) per share	**28,083**	19,692
	50,853	40,520

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2025 of HK8.0 cents per ordinary share, in an aggregate amount of approximately HK$30,472,000, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2025	2024
	HK$'000	HK$'000
Earnings		
Profit for the year attributable to owners of the Company	**95,533**	90,458

	Number of shares	
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	379,469	378,688
Effect of dilute potential ordinary shares:		
Share options	2,111	2,449
Weighted average number of ordinary shares for the purpose of diluted earnings per share	381,580	381,137

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Furniture and equipment HK$'000	Motor vehicles HK$'000	Construction in progress HK$'000	Total HK$'000
COST					
At 1 April 2023	130,556	70,087	1,292	6,290	208,225
Exchange adjustments	(544)	(172)	–	–	(716)
Additions	54,119	36,976	–	2,395	93,490
Disposals/write-off	(5,250)	(4,489)	–	–	(9,739)
Transfer	6,290	–	–	(6,290)	–
At 31 March 2024	185,171	102,402	1,292	2,395	291,260
Exchange adjustments	(112)	(36)	–	–	(148)
Additions	27,810	25,860	1,072	11,929	66,671
Disposals/write-off	(1,333)	(994)	(411)	–	(2,738)
Transfer	11,232	–	–	(11,232)	–
At 31 March 2025	222,768	127,232	1,953	3,092	355,045
DEPRECIATION AND IMPAIRMENT					
At 1 April 2023	69,141	32,415	1,161	–	102,717
Exchange adjustments	(223)	(64)	–	–	(287)
Charge for the year	27,025	16,987	82	–	44,094
Impairment loss recognised	363	201	–	–	564
Eliminated upon disposals/write-off	(4,820)	(4,217)	–	–	(9,037)
At 31 March 2024	91,486	45,322	1,243	–	138,051
Exchange adjustments	(96)	(31)	–	–	(127)
Charge for the year	33,832	20,185	130	–	54,147
Impairment loss recognised	2,601	1,370	–	–	3,971
Eliminated upon disposals/write-off	(1,333)	(884)	(383)	–	(2,600)
At 31 March 2025	126,490	65,962	990	–	193,442
CARRYING VALUES					
At 31 March 2025	96,278	61,270	963	3,092	161,603
At 31 March 2024	93,685	57,080	49	2,395	153,209

The above items of property, plant and equipment, other than construction in progress, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	Shorter of 20% or over the lease terms, where appropriate
Furniture and equipment	20%
Motor vehicles	20%

15. RIGHT-OF-USE ASSETS

	Leased properties HK$'000
At 31 March 2025	
Carrying amount	417,988
At 31 March 2024	
Carrying amount	445,229
For the year ended 31 March 2025	
Depreciation charge	165,305
Impairment loss recognised	4,629
Exchange realignment	(84)
For the year ended 31 March 2024	
Depreciation charge	139,958
Impairment loss recognised	1,253
Exchange realignment	(996)

The above items of right-of-use assets are depreciated on a straight-line basis at the following rates per annum:

Leased properties	Over the lease terms

	Year ended 31.3.2025 HK$'000	Year ended 31.3.2024 HK$'000
Expense relating to short-term leases	**321**	1,600
Variable lease payments not included in the measurement of lease liabilities	**8,669**	9,415
Total cash outflow for leases (Note)	**179,696**	152,271
Additions to right-of-use assets	**142,777**	214,181
Derecognition of right-of-use assets for early termination	**–**	11,027

Note: Total cash outflow for leases includes expense related to short-term leases, variable lease payments not included in the measurement of lease liabilities, payments for right-of-use assets and payments of principal and interest portion of lease liabilities.

15. RIGHT-OF-USE ASSETS *(Continued)*

For both years, the Group leases various offices and restaurant premises for its operations. Leases contracts are entered into for fixed for the term of one to six years (2024: one to six years). The operating lease rentals for certain restaurants are determined at the higher of a fixed rental or a pre-determined percentage on revenue of respective restaurants pursuant to the terms and conditions that are set out in the respective rental agreement. As the future revenue of these restaurants could not be reliably determined, the relevant contingent rents have not been included in the measurement of right-of-use assets and only the minimum lease commitments have been included.

Leases of shops are either with only fixed lease payments or contain variable lease payments that are based on 9% to 14% (2024: 9% to 15%) of monthly sales and minimum monthly lease payments that are fixed over the lease terms, whichever is higher. Some variable payment terms include cap clauses. The payment terms are common in shops in Hong Kong and the PRC where the Group operates. The amount of fixed and variable lease payments paid/payable to relevant lessors for the years ended 31 March 2025 and 2024:

	Number of shops	Fixed payments HK$'000	Variable payments HK$'000	Total payments HK$'000
For the year ended 31 March 2025				
Shops without variable lease payments	**1**	**1,891**	**–**	**1,891**
Shops with variable lease payments	**66**	**165,816**	**8,669**	**174,485**
	67	**167,707**	**8,669**	**176,376**
For the year ended 31 March 2024				
Shops without variable lease payments	1	2,376	–	2,376
Shops with variable lease payments	54	135,850	9,415	145,265
	55	138,226	9,415	147,641

The overall financial effect of using variable payment terms is that higher rental costs are incurred by shops with higher sales. Variable rent expenses are expected to continue to represent a similar proportion of shop sales in future years.

The lease agreements entered into between the landlord and the Group include an extension option at the discretion of the respective group entities for further two to three years from the end of the leases without fixed rental. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Including in the amount of right-of-use assets as at 31 March 2025, HK$2,664,000 (2024: HK$2,784,000) is related to the rental agreement entered into with the Controlling Shareholders.

The Group regularly entered into short-term leases for car park spaces and restaurants. As at 31 March 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above due to a short term lease of a restaurant entered in current year.

15. RIGHT-OF-USE ASSETS *(Continued)*

Extension options and termination options

The Group has extension and termination options in a number of leases for the 13 (2024: 13) shops based on the following tables. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessors.

For the year ended 31 March 2025

	Extension options exercisable No. of leases	Extension options exercised No. of leases
Shops	**13**	**10**

For the year ended 31 March 2024

	Extension options exercisable No. of leases	Extension options exercised No. of leases
Shops	13	12

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the years ended 31 March 2025 and 2024, there is no such triggering event.

Restrictions or covenants on leases

In addition, lease liabilities of HK$449,683,000 are recognised with related right-of-use assets of HK$415,284,000 as at 31 March 2025 (2024: lease liabilities of HK$464,855,000 are recognised with related right-of-use assets of HK$442,445,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases committed

As at 31 March 2025, the Group entered into new leases for several restaurants that have not yet commenced, with non-cancellable period of 3 to 5 years, excluding period under extension options, the total future undiscounted cash flows over the non-cancellable period amounted to HK$39,226,000 (2024: HK$37,961,000).

Details of the lease maturity analysis of lease liabilities are set out in notes 26 and 34.

16. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT, AND RIGHT-OF-USE ASSETS

During the years ended 31 March 2025 and 2024, certain restaurants of the Group have been experiencing recurring losses or performing below budget. The directors of the Company consider there are impairment indicators and hence conduct impairment assessment on the relevant restaurants, which constitute individual cash-generating units for the purpose of impairment assessment. The recoverable amounts of the relevant assets have been determined on the basis of value in use of the individual restaurant to which the relevant assets belong.

The value in use calculations use cash flow projections based on the latest financial budgets approved by the Group's management covering a period of the lease term at a range of pre-tax discount rates from 14.94% to 16.33% (2024: 15.08% to 18.39%). Cash flow projections during the budget period were based on the operating costs, budgeted sales, growth rates and gross margins during the budget period and the budgeted margins have been determined based on past performance and management's expectations for the future changes in the market.

For the year ended 31 March 2025, based on the result of the assessment, the directors of the Company determine that the recoverable amount of a cash-generating unit is lower than the carrying amount in current year. Impairment of HK$2,601,000, HK$1,370,000 and HK$4,629,000 has been recognised in respect of the carrying amount of leasehold improvements, furniture and equipment, and right-of-use assets of a loss-making restaurant of HK$2,961,000, HK$2,336,000 and HK$11,381,000 respectively.

For the year ended 31 March 2024, based on the result of the assessment, the directors of the Company determine that the recoverable amount of a cash-generating unit is lower than the carrying amount in current year. Impairment of HK$363,000, HK$201,000 and HK$1,253,000 has been recognised in respect of the carrying amount of leasehold improvements, furniture and equipment, and right-of-use assets of a loss-making restaurant of HK$3,610,000, HK$2,000,000 and HK$12,455,000, respectively.

As at 31 March 2025, accumulated impairment loss on leasehold improvements, furniture and equipment and right-of-use assets of the Group is HK$3,027,000 (2024: HK$426,000), HK$1,608,000 (2024: HK$238,000) and HK$6,127,000 (2024: HK$1,498,000), respectively.

17. INTEREST IN AN ASSOCIATE

Details of the Group's investment in an associate is as follows:

	2025 HK$'000	2024 HK$'000
Cost of investment in an associate	**4**	4
Deemed capital contribution	**43**	43
Share of post-acquisition loss and other comprehensive expenses	**(47)**	(47)
	–	–

Details of the Group's associate as at the end of reporting period are as follows:

Name of associate	Place of incorporation/ principal place of business	Proportion of ownership interest held by the Group As at 31 March		Proportion of voting rights held by the Group As at 31 March		Principal activity
		2025	2024	**2025**	2024	
United Mind Limited ("UML")	Hong Kong	**40%**	40%	**40%**	40%	Restaurants operation

Deemed capital contribution was arisen from fair value adjustment upon initial recognition of loan advanced to an associate in prior year.

The associate is accounted for using the equity method in the consolidated financial statements.

	2025 HK$'000	2024 HK$'000
The unrecognised share of loss of an associate	**–**	(364)

	2025 HK$'000	2024 HK$'000
Cumulative unrecognised share of loss of an associate	**1,034**	1,034

18. GOODWILL

	HK$'000
COST	
At 1 April 2023, 31 March 2024 and 31 March 2025	2,400

Goodwill is arising from the acquisition of a chain of restaurant operation business, namely Parkview, which operates restaurants in Hong Kong servicing western cuisine and has been allocated to a group of cash-generating units (the "CGUs").

The recoverable amount of an individual CGU has been determined on a value in use calculation. The recoverable amount is based on certain key assumption. The value in use calculation uses cash flow projections based on latest financial budgets approved by the directors of the Company covering a period of 5 years, and at a pre-tax discount rate of 19.48% (2024: 18.47%). Cash flows beyond remaining lease terms of respective restaurants are extrapolated, using a steady growth rate of 2% (2024: 2%) per annum. Other key assumptions for the value in use calculations related to the estimation of cash inflows/outflows which included budgeted revenue and operating expenses, such estimation is based on the CGUs' past performance and managements' expectations for the market development. The directors of the Company believe that any reasonably possible change in any of these assumptions would not cause the carrying amount of the group of CGUs to exceed its recoverable amount.

The goodwill was tested for impairment at the end of the reporting period by comparing the carrying amount of the CGU (including goodwill, property, plant and equipment and right-of-use assets) with its recoverable amount. The directors of the Company determined that there is no impairment loss for the years ended 31 March 2025 and 2024.

19. INTANGIBLE ASSETS

	License HK$'000 (Note a)	Franchises HK$'000 (Note b)	Trademarks HK$'000 (Note c)	Total HK$'000
COST				
At 1 April 2023	1,526	217	94	1,837
Addition	–	90	–	90
At 31 March 2024	1,526	307	94	1,927
Addition (Note a)	–	–	2,795	2,795
Write-off upon early termination of licensing agreement	(1,526)	–	–	(1,526)
At 31 March 2025	–	307	2,889	3,196
AMORTISATION AND IMPAIRMENT				
At 1 April 2023	857	120	94	1,071
Change for the year	190	50	–	240
At 31 March 2024	1,047	170	94	1,311
Change for the year	146	49	–	195
Eliminated upon early termination of licensing agreement	(1,193)	–	–	(1,193)
At 31 March 2025	–	219	94	313
CARRYING VALUES				
At 31 March 2025	–	88	2,795	2,883
At 31 March 2024	479	137	–	616

The above intangible assets other than trademark have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

License	8 years
Franchises	6 years

Notes:

(a) In July 2018, the Group entered into a licensing agreement with an independent third party (the "Licensor") to license the rights to the exclusive and unlimited usage for all countries outside of Japan of a Japanese ramen brand "多賀野" or "Takano" (the "License") for 8 years with a consideration of JPY22,000,000 (equivalent to HK$1,526,000) with license period starting from October 2018.

In October 2024, the Group entered into a Trademark Assignment and Licensing Agreement with the Licensor to acquire the trademark of "多賀野" and "Takano" registered in Japan held by the Licensor (the "Japanese Trademark") at a consideration of JPY54,000,000 (equivalent to HK$2,795,000). Upon the transfer of the Japanese Trademark to the Company, the original licensing agreement made in July 2018 shall be early terminated.

19. INTANGIBLE ASSETS *(Continued)*

Notes: *(Continued)*

(b) In September 2019, the Group entered into a franchising agreement with an independent third party to have the rights to the exclusive and unlimited usage of brand "Tirpse" (the "Franchise") in Hong Kong and Macau for 6 years with a consideration of JPY3,000,000 (equivalent to approximately HK$217,000) with franchise period starting from December 2019. This franchise agreement shall be extended for a further 6 years in the event that no objection is made by either party six months prior to the end of the initial franchise period.

In April 2023, the Group entered into a franchising agreement with an independent third party to have the rights to the exclusive and unlimited usage of brand "Tsukanto" (the "Franchise") in Hong Kong and Macau for 6 years with a consideration of HK$90,000 with franchise period starting from April 2023. This franchise agreement shall be extended for a further 6 years in the event that no objection is made by either party six months prior to the end of the initial franchise period.

(c) The trademark of "Sweetology" was acquired from an independent third party through acquisition of a business and has a legal life of 10 years but is renewable every 10 years at minimal cost. The directors of the Company are of the opinion that the Group would renew the trademark continuously and has the ability to do so.

The trademark of "多賀野" and "Takano" was newly acquired from an independent third party as disclosed in Note a.

The trademarks are considered by the directors of the Company as having an infinite useful life because they are expected to contribute to net cash inflows indefinitely, and will not be amortised until its useful life is determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired.

As at 31 March 2025 and 2024, the directors of the Company determine that there is no impairment loss on its license, franchise and trademarks.

20. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 **HK$'000**	2024 HK$'000
Financial asset mandatorily measured at FVTPL:		
Life insurance plan (Note)	**1,906**	1,844

Note:

As at 31 March 2025 and 2024, the Group has a US$ denominated life insurance policy with an insurance company to insure Mr. Wong, a director of the Company. Under this policy, the Group is the beneficiary and policy holder and the total insured sum is US$1,080,000 (equivalent to HK$8,370,000). The Group is required to pay a single premium of US$173,000 (equivalent to HK$1,340,000) at inception. The Group can, at any time, withdraw cash based on the account value of the policy ("Account Value") at the date of withdrawal, which is determined by the gross premium paid plus accumulated guaranteed interest earned and minus any charges made in accordance with the terms and conditions of the policy. If withdrawal is made between the 1st to 15th policy year, there is a specified amount of surrender charge deducted from the Account Value. This insurance company will pay the Group a guaranteed interest rate of 4.4% per annum for the first year and a variable return per annum afterwards (with minimum guaranteed interest rate of 3% per annum) during the effective period of the policy.

In the opinion of the directors of the Company, the amount is not expected to be withdrawn within twelve months from the end of the reporting period. Accordingly, the balance is classified as non-current.

21. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2025 HK$'000	2024 HK$'000
Trade receivables	**5,715**	5,969
Rental and related deposits	**71,175**	63,822
Utilities deposits	**382**	379
Prepaid rates and property management fee	**2,307**	1,327
Prepayments	**4,376**	3,040
Other receivables and other deposits	**3,246**	4,066
Other tax recoverable	**–**	173
Deposits for acquisitions of property, plant and equipment	**334**	901
	87,535	79,677
Less: items expected to be realised over one year shown under non-current assets:		
Rental and utilities deposits	**(63,349)**	(55,972)
Prepayments and other deposits under non-current assets – Deposits for acquisitions of property, plant and equipment	**(334)**	(901)
Total items shown under non-current assets	**(63,683)**	(56,873)
Shown under current assets	**23,852**	22,804

As at 1 April 2023, trade receivables from contracts with customers amounted to HK$3,214,000.

The revenue from sales of food and beverages from customers are on cash or credit card settlement. The Group allows a credit period of 30 days to its trade receivables arising from sales of food and beverages through food delivery service agents.

As at 31 March 2025 and 2024, the Group's receivables include receivables from financial institutions in relation to the payments settled by credit cards by customers of which the settlement period is normally within 2 days from the trade date, and receivables from the food delivery agents or other payment channels of which the settlement period is within 30 days from the invoice date.

All trade receivables are aged within 30 days as at 31 March 2025 and 2024 with no impairment loss being recognised. All trade receivables are not past due and settled subsequent to the end of each reporting period.

Details of impairment assessment on trade and other receivables and deposits are set out in note 34.

22. INVENTORIES

	2025 HK$'000	2024 HK$'000
Food and beverages used in restaurant operations	**2,968**	2,778

23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represents bank balances and cash and short term deposits within an original maturity of three months or less and carry interest at prevailing market rates ranging from nil to 3.70% per annum as at 31 March 2025 (2024: nil to 4.64% per annum).

24. TRADE AND OTHER PAYABLES

	2025 HK$'000	2024 HK$'000
Trade payables		
– aged within 30 days (based on invoice date)	**26,660**	23,121
Accrued employee benefit expense	**64,743**	53,895
Other payables for property, plant and equipment	**4,256**	3,967
Other payables for an intangible asset	**514**	–
Accruals	**12,225**	10,776
	108,398	91,759

The credit period granted by suppliers on purchase of goods is 0 to 30 days. No interest is charged by the trade creditors.

25. CONTRACT LIABILITIES

	2025 HK$'000	2024 HK$'000
Prepayments received from customers for sales of coupons	**937**	941
Utilised award credits under customer loyalty programme	**5,153**	2,704
	6,090	3,645

At 1 April 2023, contract liabilities amounted to HK$2,241,000.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities.

25. CONTRACT LIABILITIES *(Continued)*

	2025 HK$'000	2024 HK$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	**3,645**	599

During the years ended 31 March 2025 and 2024, the Group granted award credits for customers under the Group's customer loyalty scheme and sold certain coupons to its customers and the balance represents the unutilised amounts received from its customers as at 31 March 2025 and 2024.

26. LEASE LIABILITIES

	2025 HK$'000	2024 HK$'000
Lease liabilities payable:		
Within one year	**161,188**	132,930
Within a period of more than one year but not more than two years	**137,642**	127,404
Within a period of more than two years but not more than five years	**150,853**	203,859
Within a period of more than five years	**–**	662
	449,683	464,855
Less: Amount due for settlement within 12 months shown under current liabilities	**(161,188)**	(132,930)
Amount due for settlement after 12 months shown under non-current liabilities	**288,495**	331,925

The weighted average incremental borrowing rates applied to lease liabilities ranging from 2.93% to 5.50% (2024: 2.93% to 4.75%).

27. AMOUNTS DUE FROM A SHAREHOLDER AND AN ASSOCIATE

(a) Amount due from a shareholder

The amount is non-trade in nature, unsecured, interest-free and repayable on demand.

The maximum amount outstanding during the year is HK$121,000 (2024: HK$97,000).

(b) Amount due from an associate

The amount is non-trade in nature, unsecured, interest-free and repayable on demand.

Details of impairment assessment of amounts due from a shareholder and an associate for the years ended 31 March 2025 and 2024 are set out in note 34.

28. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 HK$'000	2024 HK$'000
Deferred tax assets	**6,349**	4,120
Deferred tax liabilities	**(3,059)**	(4,224)
	3,290	(104)

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

	Tax loss HK$'000	**Allowance for credit losses** HK$'000	**Accelerated tax depreciation** HK$'000	**Other adjustment** HK$'000	**Total** HK$'000
At 1 April 2023	2,310	215	(552)	103	2,076
(Charged) credited to profit or loss for the year	(670)	(215)	(1,684)	380	(2,189)
Exchange realignment	9	–	–	–	9
At 31 March 2024	1,649	–	(2,236)	483	(104)
Credited to profit or loss for the year	531	–	2,215	662	3,408
Exchange realignment	(14)	–	–	–	(14)
At 31 March 2025	2,166	–	(21)	1,145	3,290

At the end of the reporting period, the Group has unused tax losses of HK$10,866,000 (2024: HK$7,244,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK$9,123,000 (2024: HK$7,244,000) of such losses. No deferred tax asset has been recognised on the remaining tax losses of HK$1,743,000 (2024: nil) due to the unpredictability of future profit streams and the tax loss may be carried forward indefinitely.

At the end of the reporting period, the Group has other deductible temporary differences of HK$1,762,000 (2024: nil). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which such deductible temporary differences can be utilised.

29. PROVISION FOR REINSTATEMENT COSTS

	Reinstatement works HK$'000
At 1 April 2023	15,606
Provision for the year	6,896
Utilisation of provision	(1,000)
Exchange adjustments	(38)
At 31 March 2024	21,464
Provision for the year	4,000
Utilisation of provision	(250)
Exchange adjustments	(7)
At 31 March 2025	25,207

	2025 HK$'000	2024 HK$'000
Current	**3,076**	2,970
Non-current	**22,131**	18,494
	25,207	21,464

The provision for reinstatement costs is related to the estimated cost of reinstating the rented premises to be carried out at the end of the respective lease period. These amounts have not been discounted for the purpose of measuring the provision for reinstatement works as the effect is not significant.

30. PROVISION FOR LONG SERVICE PAYMENTS

Movements in the Group's long service payment ("LSP") liability during the year are as follows:

	HK$'000
At 1 April 2023	349
Addition	765
At 31 March 2024	1,114
Addition	1,890
At 31 March 2025	3,004

For the Group's subsidiaries operating in Hong Kong, pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay LSP to qualifying employees in Hong Kong under certain circumstances (e.g. dismissal by employers or upon retirement), subject to a minimum of 5 years employment period, based on the following formula:

Last monthly wages (before termination of employment) × 2/3 × Years of service

Last monthly wages are capped at HK$22,500 while the amount of long service payment shall not exceed HK$390,000. This obligation is accounted for as a post-employment defined benefit plan.

Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group's mandatory MPF contributions, plus/minus any positive/negative returns thereof, for the purpose of offsetting LSP payable to an employee (the "Offsetting Arrangement').

The Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "Amendment Ordinance") was gazetted on 17 June 2022, which abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset the LSP. The abolition officially took effect on the Transition Date (i.e. 1 May 2025). Separately, the Government of the Hong Kong Special Administrative Region of the People's Republic of China is also expected to introduce a subsidy scheme to assist employers for a period of 25 years after the Transition Date on the LSP payable by employers up to a certain amount per employee per year.

Under the Amendment Ordinance, the Group's mandatory MPF contributions, plus/minus any positive/negative returns, after the Transition Date can continue to be applied to offset the pre-Transition Date LSP obligation but are not eligible to offset the post-Transition Date LSP obligation. Furthermore, the LSP obligation before the Transition Date will be grandfathered and calculated based on the last monthly wages immediately preceding the Transition Date and the years of service up to that date.

31. SHARE CAPITAL

	Number of shares	Amount HK$'000
Ordinary shares of HK$0.1 each		
Authorised:		
At 1 April 2023, 31 March 2024 and 31 March 2025	1,000,000,000	100,000
Issued and fully paid:		
At 1 April 2023	378,476,000	37,848
Issuance of shares upon exercise of share options (Note (i))	220,000	22
At 31 March 2024	378,696,000	37,870
Issuance of shares upon exercise of share options (Note (ii))	804,000	80
At 31 March 2025	379,500,000	37,950

Notes:

i. During the year ended 31 March 2024, the subscription rights attaching to 220,000 share options were exercised at the average share price of HK$1.06 per share, resulting in the issue of 220,000 shares for a total cash consideration of HK$197,000. An amount of HK$36,000 was transferred from the share options reserve to share premium upon the exercise of share options.

ii. During the year ended 31 March 2025, the subscription rights attaching to 804,000 share options were exercised at the average share price of HK$1.09 per share, resulting in the issue of 804,000 shares for a total cash consideration of HK$720,000. An amount of HK$160,000 was transferred from the share options reserve to share premium upon the exercise of the share options.

32. RETIREMENT BENEFITS PLANS

The Group operates a MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries or up to a maximum of HK$1,500 and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of the employee's monthly salaries or up to a maximum of HK$1,500 (the "Mandatory Contributions"), and this is the only obligation of the Group with respect to the MPF Scheme to make the required contribution. The employees are entitled to 100% of the employer's Mandatory Contributions upon their retirement at the age of 65, death or total incapacity.

The retirement benefits scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss and other comprehensive income represent contribution paid or payable to the funds by the Group at rates specified in the rules of the MPF Scheme.

The employees of the subsidiary in the PRC are members of a state-managed retirement benefit scheme operated by the PRC government. The relevant subsidiary is required to make contributions to the retirement benefit scheme based on certain percentage of payroll costs to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

During the year, the contributions made by the Group relating to the above arrangements were HK$17,108,000 (2024: HK$14,131,000), of which HK$13,792,000 (2024: HK$11,538,000) was attributable to the MPF Scheme at rates specified in the rules of the MPF Scheme.

33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of lease liabilities and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits, as disclosed in the consolidated statement of changes in equity.

The directors of the Company review the capital structure from time to time. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issue and share buy-backs as well as the issue of new debts or the redemption of existing debts.

34. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	2025 HK$'000	2024 HK$'000
Financial assets		
Financial assets at amortised cost	**271,576**	217,306
At FVTPL	**1,906**	1,844
Financial liabilities		
Amortised cost	**31,430**	27,088

b. Financial risk management objectives and policies

The Group's major financial instruments include financial asset at FVTPL, trade and other receivables, cash and cash equivalents, rental and utilities deposits, other deposits, amounts due from a shareholder and an associate, and trade and other payables. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risks (interest rate risk and foreign currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risks

The Group's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates. Details of each type of market risks are described as follows:

(i) *Interest rate risk*

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and deposits. The Group currently does not enter into any hedging instrument for cash flow interest rate risk. However, the Group monitors interest rate risk exposure and will consider hedging significant interest rate risk should the need arise.

The Group is also exposed to fair value interest rate risk in relation to lease liabilities. The directors of the Company will take appropriate measures to manage interest rate exposure if interest rate fluctuates significantly. The management considers the fair value interest rate risk to the Group is low.

Sensitivity analysis

No sensitivity analysis of bank balances and deposits of the Group is presented as the directors of the Company consider that the interest rate fluctuations on bank balances and deposits is minimal.

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

***Market risks** (Continued)*

(ii) Foreign currency risk

The Group undertakes certain operating transactions in foreign currency, which exposes the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the directors of the Company monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should such need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets as at the end of the reporting period are as follows:

	2025 Assets HK$'000	2024 Assets HK$'000
Renminbi	**37**	2,505
US$	**1,906**	1,844

Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2024: 5%) increase and decrease in the functional currencies of the relevant subsidiaries (i.e. HK$) against the relevant foreign currency of the relevant subsidiaries (i.e. Renminbi). 5% (2024: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit for the year where the relevant functional currencies of the subsidiaries strengthen 5% (2024: 5%) against relevant foreign currencies. There would be an equal and opposite impact where functional currencies of the relevant subsidiaries weaken by 5% (2024: 5%) against the relevant foreign currencies.

	Decrease in profit for the year	
	2025 HK$'000	2024 HK$'000
Renminbi	**(2)**	(105)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign currency risk as the year end exposure does not reflect the exposure during the relevant years.

As the US$ will only vary between HK$7.75 = US$1 and HK$7.85 = US$1 under the Linked Exchange Rate System, the directors of the Company are of the opinion that the Group's exposure to US$ is minimal and accordingly, no foreign currency sensitivity analysis on US$ is presented.

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade and other receivables, rental and utilities deposits, other deposits, amounts due from a shareholder and an associate, bank balances and deposits.

As at 31 March 2025 and 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group has significant concentrations of credit risk with exposure spread over a number of counterparties and trade receivables represent mainly credit card receivables from financial institutions, and trade receivables from delivery agents and other payment channels. As the counterparties are reputable banks with high credit ratings assigned by international credit agencies and delivery agents and other payment channels with satisfactory settlement history, the directors of the Company consider that the Group's credit risk is significantly reduced.

Trade receivables arising from contracts with customers

In order to minimise the credit risk, the directors of the Company have a credit control policy in place under which credit evaluation of customers are performed on all customers requiring credit. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group performs impairment assessment under ECL model on trade receivables from credit card companies and delivery agents and the remaining trade receivables of the Group individually.

Trade receivables from financial institutions in connection to settlements by credit cards by the customers are with high credit rating and have no past due history. The directors of the Company consider these assets are short-term in nature and the probability of default is negligible on the basis of the high-credit-rating issuers as at 31 March 2025 and 2024; and accordingly, no loss allowance was recognised.

The management considered the probability of default of trade receivables with delivery agents and other payment channels is low since there is no overdue balance, and after taking into the account of the past default experience of the debtors and adjusted for general economic conditions of the industry at the reporting date. Accordingly, the directors of the Company are of the opinion that the credit risk of these trade receivables is limited.

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment *(Continued)*

Other receivables, rental and utilities deposits and other deposits

The directors of the Company make periodic individual assessment on the recoverability of other receivables, rental and utilities deposits and other deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The directors of the Company believe that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the years ended 31 March 2025 and 2024, the Group assessed the ECL for other receivables, rental and utilities deposits and other deposits were insignificant and thus no loss allowance was recognised.

Amounts due from a shareholder and an associate

The directors of the Company continuously monitor the credit quality and financial positions of the counterparties and the level of exposure to ensure that follow-up action is taken to recover the debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 on balances individually.

As at 31 March 2025 and 2024, the directors of the Company assess that there is no significant increase in credit risk of amounts due from a shareholder and an associate since initial recognition and thus the ECL allowance for theses receivables is measured under 12m ECL method.

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment *(Continued)*

Bank balances and deposits

Credit risk on bank balances and deposits is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL for bank balances and deposits by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on bank balances and deposits is considered to be insignificant.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL - not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle after due date	Lifetime ECL - not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL - not credit-impaired	Lifetime ECL - not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment *(Continued)*

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m ECL or lifetime ECL	2025 Gross carrying amount HK$'000	2024 Gross carrying amount HK$'000
Financial assets at amortised cost						
Trade receivables – credit cards	21	A2, A3 (Note 1)	N/A	Lifetime ECL	**3,778**	3,990
Trade receivables – other payment channels	21	N/A	Low risk (Note 1)	Lifetime ECL	**1,400**	1,386
Trade receivables – delivery agents	21	N/A	Low risk (Note 1)	Lifetime ECL	**537**	593
					5,715	5,969
Other receivables, rental and utilities deposits and other deposits	21	N/A	Low risk (Note 2)	12m ECL	**74,803**	68,267
Amount due from a shareholder	27	N/A	Low risk (Note 2)	12m ECL	**121**	97
Amount due from an associate	27	N/A	Low risk (Note 2)	12m ECL	**49**	–
Bank balances and deposits	23	Aa2, Aa3	N/A (Note 3)	12m ECL	**190,263**	141,524

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment *(Continued)*

Notes:

1. For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group assesses the ECL for credit card trade receivables from credit card companies, delivery agents and other payment channels individually.

   For credit card trade receivables, the external credit rating is assessed according to Moody's Rating Scaling. The Group has balances with two financial institutions in which the ratings are A2 and A3, respectively.

   For amounts due from delivery agents and other payment channels, the credit risks are limited as the counterparties have good business relationships with the Group with satisfactory settlement history and the Group also assesses the available forward-looking information that is available without cost and effort.

   During the years ended 31 March 2025 and 2024, no impairment allowance was provided for trade receivables as the amount is insignificant.

2. For the purposes of internal credit risk management, the Group uses historical settlement records and past experience to assess whether credit risk has increased significantly since initial recognition.

	2025 HK$'000	2024 HK$'000
Not past due/no fixed repayment terms		
Other receivables, rental and utilities deposits and other deposits	**74,803**	68,267
Amount due from a shareholder	**121**	97
Amount due from an associate	**49**	–

   During the years ended 31 March 2025 and 2024, no impairment allowance was provided for other receivables, rental and utilities deposits, other deposits and amounts due from a shareholder and an associate as the amount is insignificant.

3. The external credit rating is assessed according to Moody's Rating Scaling. The Group has balances and deposits with three banks, in which rating for one bank as Aa2 and rating for remaining two banks are Aa3.

   During the years ended 31 March 2025 and 2024, no impairment allowance was provided for bank balances and deposits as the amount is insignificant.

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations due to shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of committed credit facilities. The committed unutilised banking facilities made available to the Group are HK$25,500,000 (2024: HK$20,500,000).

The Group managed liquidity risk by maintaining sufficient cash and the availability of adequate banking facilities to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group's current liabilities exceeded its current assets by HK$66,444,000 at 31 March 2025. In the opinion of the directors of the Company, the Group has a number of sources of finance available to fund its operations including government subsidies and future operating cash flows. Taking into account to the available banking facilities, and the cash flows from operations, the directors of the Company are confident that the Group has sufficient working capital to meet in full its financial obligations as the fall due for at least the next twelve months from the end of the reporting period.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

34. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Liquidity tables

	Weighted average effective interest rate %	Repayable on demand or less than 1 year HK$'000	1 to 2 years HK$'000	2 to 5 years HK$'000	Over 5 years HK$'000	Total undiscounted cash flows HK$'000	Carrying amount HK$'000
As at 31 March 2025							
Non-derivative financial liabilities							
Trade and other payables	**–**	**31,430**	**–**	**–**	**–**	**31,430**	**31,430**
Lease liabilities	**4.09**	**176,198**	**146,922**	**158,229**	**–**	**481,349**	**449,683**
		207,628	**146,922**	**158,229**	**–**	**512,779**	**481,113**

	Weighted average effective interest rate %	Repayable on demand or less than 1 year HK$'000	1 to 2 years HK$'000	2 to 5 years HK$'000	Over 5 years HK$'000	Total undiscounted cash flows HK$'000	Carrying amount HK$'000
As at 31 March 2024							
Non-derivative financial liabilities							
Trade and other payables	–	27,088	–	–	–	27,088	27,088
Lease liabilities	3.34	146,421	136,549	211,686	672	495,328	464,855
		173,509	136,549	211,686	672	522,416	491,943

34. FINANCIAL INSTRUMENTS *(Continued)*

c. Fair value

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and key input(s) used).

Financial asset	Fair value at		Fair value hierarchy	Valuation technique and key input
	2025	2024		
	HK$'000	HK$'000		
Financial asset at FVTPL	**1,906**	1,844	Level 3	With reference to the adjusted cash value provided by counterparty which represents the premium paid to the policies adjusted by net yield with reference to the expected return rate of 4.4% (2024: 4.4%)

Note: The significant unobservable input is expected return rate and assuming other inputs were held constant, if the expected return rate increases, the fair value of the policies increase and vice versa. In the opinion of the directors of the Company, the change of expected return rate of the policies is insignificant based on historical record and no sensitivity is prepared.

There were no transfers between level 1, level 2 and level 3 for both years.

Reconciliation of Level 3 fair value measurements of financial assets

	HK$'000
At 1 April 2023	1,785
Net gains in profit or loss	59
At 31 March 2024	1,844
Net gains in profit or loss	62
At 31 March 2025	1,906

Of the total gains or losses for the year included in profit or loss, HK$62,000 (2024: HK$59,000) relates to financial assets designated as at FVTPL held at the end of the current reporting period. Fair value gains or losses on financial assets at FVTPL are included in "other gains and losses".

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities carried at amortised cost in the consolidated financial statements approximate their fair values.

35. CAPITAL COMMITMENTS

	2025 HK$'000	2024 HK$'000
Contracted for but not provided:		
Acquisition of property, plant and equipment	**4,936**	4,133

36. RELATED PARTY TRANSACTIONS

Apart from details of the balances with related parties disclosed in the consolidated statement of financial position and other details disclosed elsewhere in the consolidated financial statements, the Group also entered into the following transactions with related parties during the years:

Name of related party	Nature of transactions	2025 HK$'000	2024 HK$'000
Controlling shareholders	Expenses relating to short-term leases (Note)	**213**	175
	Payments for right-of-use assets - prepaid rentals (Note)	**2,584**	2,784
UML	Management fee income	**–**	10

Note: The Group entered into several lease agreements for the use of office premises, warehouses and directors' quarter for one year for the years ended 31 March 2025 and 2024. During the year ended 31 March 2025, the Group made payments for right-of-use assets of HK$2,584,000 (2024: HK$2,784,000) for those premises with new lease term of one year. In addition, the Group has entered into short-term lease agreements for leases of car park spaces for one year during the years ended 31 March 2025 and 2024.

Compensation of key management personnel

The remuneration of senior management personnel including executive directors' remuneration during the year is as follows:

	2025 HK$'000	2024 HK$'000
Short-term benefits	**11,165**	10,828
Post-employment benefits	**159**	162
Share-based payment expenses	**21**	15
	11,345	11,005

37. PRINCIPAL SUBSIDIARIES

a. General information of subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are set out below:

Name of subsidiaries #	Place of incorporation and operation	Issued and fully paid-up share capital	Attributable equity interest held by the Company		Principal activities
			As at 31 March 2025	As at 31 March 2024	
Better World Holdings Limited	HK	HK$100	**100%**	100%	Investment holding
Rise Charm Limited	HK	HK$100	**100%**	100%	Restaurant operations
Better World Development Limited	HK	HK$100	**100%**	100%	Restaurant operations
Nice Grain Limited	HK	HK$3,000,000	**100%**	100%	Restaurant operations
Taste New Limited	HK	HK$1,000,000	**100%**	100%	Restaurant operations
Taste Gourmet Limited	HK	HK$200	**100%**	100%	Restaurant operations
Business Development Limited	HK	HK$100	**100%**	100%	Restaurant operations
Better World Management Limited	HK	HK$1	**100%**	100%	Provision of management services
MP Limited	HK	HK$1,000,000	**100%**	100%	Restaurant operations
Taste Gourmet China Investment Limited	HK	HK$1	**100%**	100%	Restaurant operations
萬家匯美	The PRC	RMB15,000,000	**100%**	60%	Restaurant operations
United Rich F&B Limited	HK	HK$500,000	**100%**	100%	Restaurant operations
Birdymart Limited	HK	HK$2	**100%**	100%	Inactive
TW Enterprise Limited	HK	HK$1	**100%**	100%	Restaurant operations
TW Business Development Limited	HK	HK$10	**40%**	40%	Restaurant operations
TW F&B Limited	HK	HK$1	**100%**	100%	Restaurant operations
TW Fortune Limited	HK	HK$1	**100%**	100%	Restaurant operations
Taste Gourmet Taiwan Investment Limited	HK	HK$1	**100%**	100%	Inactive
Established during the year:					
TW Prosperity Limited	HK	HK$1	**100%**	–	Restaurant operations

Taste Gourmet China Investment Limited, Birdymart Limited and Taste Gourmet Taiwan Investment Limited are directly held subsidiaries of the Company. All other subsidiaries are indirectly held by the Company.

All the companies except for 萬家匯美 comprising the Group have adopted 31 March as their financial year end date and 萬家匯美 has adopted 31 December as its financial year end date.

38. SHARE-BASED PAYMENT TRANSACTIONS

Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to an extraordinary general meeting of the shareholders of the Company held on 20 December 2017 for the primary purpose of motivating employees (whether full time or part-time), proposed employees, directors or proposed directors, or business associates of the Group ("Eligible Person(s)"), for their past or future contributions to the Group and to attract and retain or otherwise maintain on-going relationships with Eligible Persons so as to encourage them to work towards enhancing the value of the Group.

On 29 June 2018, a total number of 2,810,000 options was granted to certain eligible employees under the Share Option Scheme at an exercise price of HK$0.92 per share. The exercise price is the same as the offer price of the shares of the Company at its initial public offering on 17 January 2018 which is higher than: (i) the closing price of HK$0.74 per share as stated in the daily quotation sheet issued by the Stock Exchange on 29 June 2018, being the date of the grant; (ii) the average closing price of HK$0.74 per share as stated in the daily quotation sheet issued by the Stock Exchange for five business days immediately preceding the date of the grant; and (iii) HK$0.10, being the nominal value of the each share. The share options granted will be vested as to 30%, 30% and 40% from the first, second and third anniversary from the date of grant and is all exercisable till 28 June 2028. 1,540,000 (2024: 1,970,000) share options were exercisable at 31 March 2025.

On 9 August 2019, a total number of 1,920,000 options was granted to certain eligible employees under the Share Option Scheme at an exercise price of HK$0.85 per share. The exercise price is higher than: (i) the closing price of HK$0.76 per share as stated in the daily quotation sheet issued by the Stock Exchange on 9 August 2019, being the date of the grant; (ii) the average closing price of HK$0.794 per share as stated in the daily quotation sheet issued by the Stock Exchange for five business days immediately preceding the date of the grant; and (iii) HK$0.10, being the nominal value of the each share. The share options granted will be vested as to 30%, 30% and 40% from the first, second and third anniversary from the date of grant and is all exercisable till 8 August 2029. 1,290,000 (2024: 1,520,000) share options were exercisable at 31 March 2025.

On 16 December 2021, a total number of 3,690,000 options was granted to certain eligible employees under the Share Option Scheme at an exercise price of HK$0.90 per share. The exercise price is higher than: (i) the closing price of HK$0.88 per share as stated in the daily quotation sheet issued by the Stock Exchange on 16 December 2021, being the date of the grant; (ii) the average closing price of HK$0.89 per share as stated in the daily quotation sheet issued by the Stock Exchange for five business days immediately preceding the date of the grant; and (iii) HK$0.10, being the nominal value of the each share. The share options granted will be vested as to 30%, 30% and 40% from the first, second and third anniversary from the date of grant and is all exercisable till 15 December 2031. 2,756,000 (2024: 1,740,000) share options were exercisable at 31 March 2025.

On 17 February 2025, a total number of 3,540,000 options was granted to certain eligible employees under the Share Option Scheme at an exercise price of HK$1.58 per share. The exercise price is higher than: (i) the closing price of HK$1.42 per share as stated in the daily quotation sheet issued by the Stock Exchange on 17 February 2025, being the date of the grant; (ii) the average closing price of HK$1.46 per share as stated in the daily quotation sheet issued by the Stock Exchange for five business days immediately preceding the date of the grant; and (iii) HK$0.10, being the nominal value of the each share. The share options granted will be vested as to 30%, 30% and 40% from the first, second and third anniversary from the date of grant and is all exercisable till 16 February 2035.

38. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Share Option Scheme *(Continued)*

	Grant date of 17 Feb 2025
Weighted average share price	HK$1.58
Grant date share price	HK$1.42
Exercise price	HK$1.58
Expected life	10 years
Expected volatility	30.53%
Dividend yield	9.44%
Risk-free interest rate	3.75%

The table below discloses movement of the Company's share options held by the Group's employees and directors:

	Issued on 29 June 2018 HK$'000	Issued on 9 August 2019 HK$'000	Issued on 16 December 2021 HK$'000	Issued on 17 February 2025 HK$'000	Total HK$'000
Outstanding as at 1 April 2023	2,200,000	1,670,000	3,190,000	–	7,060,000
Exercised during the year	(120,000)	(70,000)	(30,000)	–	(220,000)
Forfeited during the year	(110,000)	(80,000)	(260,000)	–	(450,000)
Outstanding as at 31 March 2024	1,970,000	1,520,000	2,900,000	–	6,390,000
Granted during the year	–	–	–	3,540,000	3,540,000
Exercised during the year	(430,000)	(230,000)	(144,000)	–	(804,000)
Outstanding as at 31 March 2025	1,540,000	1,290,000	2,756,000	3,540,000	9,126,000

The closing price of the Company's shares immediately before 16 December 2021, 9 August 2019, 29 June 2018 and 7 February 2025, the dates of grant, was HK$0.88, HK$0.76, HK$0.74 and HK$1.42, respectively. The fair value of the options determined at the dates of grant (i.e. 17 February 2025, 16 December 2021, 9 August 2019 and 29 June 2018) using the Binomial model was approximately HK$665,000, HK$358,000, HK$296,000 and HK$527,000, respectively, of which total of HK$79,000 (2024: HK$85,000) was charged to the profit or loss for the year ended 31 March 2025. No share options were exercisable at 31 March 2025.

The share options outstanding at 31 March 2025 had a weighted average remaining contractual life of 7.03 years (2024: 6.08 years).

38. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Share Option Scheme *(Continued)*

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are determined by the directors of the Company with best estimate. The value of an option varies with different variables of certain subjective assumptions.

The number of share options granted expected to vest has been reduced to reflect historical experience of forfeiture of 3.76% (2024: 5.34%) of options granted prior to completion of vesting period and accordingly the share option expense has been adjusted. At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in the profit or loss over the remaining vesting period, with a corresponding adjustment to the share options reserve.

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Dividend payable HK$'000	**Lease liabilities** HK$'000	**Total** HK$'000
At 1 April 2023	–	399,296	399,296
Financing cash flows	(40,520)	(138,472)	(178,992)
Finance costs recognised	–	14,750	14,750
New leases entered	–	167,379	167,379
Lease modified	–	34,748	34,748
Exchange adjustments	–	(964)	(964)
Lease terminated	–	(11,882)	(11,882)
Dividends declared (note 12)	40,520	–	40,520
At 31 March 2024	–	464,855	464,855
Financing cash flows	(50,853)	(168,122)	(218,975)
Finance costs recognised	–	19,260	19,260
New leases entered	–	126,854	126,854
Lease modified	–	6,881	6,881
Exchange adjustments	–	(45)	(45)
Dividends declared (note 12)	50,853	–	50,853
At 31 March 2025	–	449,683	449,683

40. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2025 HK$'000	2024 HK$'000
NON-CURRENT ASSETS		
Property, plant and equipment	**950**	915
Right-of-use asset	**960**	1,440
Investments in subsidiaries	**1,169**	1,169
Intangible assets	**2,857**	477
	5,936	4,001
CURRENT ASSETS		
Deposits and prepayments (Note)	**477**	636
Amounts due from subsidiaries (Note)	**129,716**	96,833
Bank balances (Note)	**66**	841
	130,259	98,310
CURRENT LIABILITIES		
Contract liabilities	**6,312**	2,423
Accrued expenses	**3,855**	4,251
Tax payable	**1,016**	131
	11,183	6,805
NET CURRENT ASSETS	**119,076**	91,505
NET ASSETS	**125,012**	95,506
CAPITAL AND RESERVES		
Share capital	**37,950**	37,870
Share premium and reserves	**87,062**	57,636
TOTAL EQUITY	**125,012**	95,506

Note: ECL for deposits, amounts due from subsidiaries and bank balances are assessed on a 12m ECL basis as there had been no significant increase in credit risk since initial recognition and impairment allowance is considered to be insignificant. No provision for impairment loss has been recognised during the years ended 31 March 2025 and 2024.

40. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY *(Continued)*

The movements in share premium and reserves of the Company for the current and prior years:

	Share premium HK$'000	Other reserve HK$'000	Share options Reserve HK$'000	Capital redemption reserve HK$'000	Retained profits HK$'000	Total HK$'000
At 1 April 2023	5,588	300	918	2,872	35,619	45,297
Profit and total comprehensive income for the year	–	–	–	–	52,599	52,599
Issuance of shares upon exercise of share options (note 31)	211	–	(36)	–	–	175
Recognition of equity settled share-based payment (note 38)	–	–	85	–	–	85
Lapse of share options (note 38)	–	–	(57)	–	57	–
Dividends recognised as distribution (note 12)	–	–	–	–	(40,520)	(40,520)
At 31 March 2024	5,799	300	910	2,872	47,755	57,636
Profit and total comprehensive income for the year	–	–	–	–	79,560	79,560
Issuance of shares upon exercise of share options (note 31)	800	–	(160)	–	–	640
Recognition of equity settled share-based payment (note 38)	–	–	79	–	–	79
Dividends recognised as distribution (note 12)	–	–	–	–	(50,853)	(50,853)
At 31 March 2025	6,599	300	829	2,872	76,462	87,062