卓悅控股有限公司
BONJOUR Holdings Limited
Hong Kong Stock Code 653

Bonjour Holdings Limited
卓悅控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 653)

SECOND INTERIM RESULTS ANNOUNCEMENT FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2024

The Board of Directors (the "**Board**" or the "**Directors**") of Bonjour Holdings Limited (the "**Company**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively, "**Bonjour**" or the "**Group**") for the twelve months ended 31 December 2024 (the "**Period**" or the "**Review Period**") (the "**Interim Results**"), together with the comparative figures for the corresponding period in 2024. The Interim Results have not been audited by the Independent Auditor of the Company, but have been reviewed by the Audit Committee of the Company (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the twelve months ended 31 December 2024

		Twelve months ended 31 December	
		2024	2023
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Audited)
Turnover	*2*	**80,546**	950,271
Cost of goods sold		**(47,751)**	(887,219)
Gross profit		**32,795**	63,052
Other income	*4*	**5,379**	9,628
Gain on deconsolidation of a subsidiary		**–**	102,996
Distribution costs		**(5,454)**	(15,166)
Administrative expenses		**(82,608)**	(116,059)
Impairment loss on trade and other receivables		**(2,057)**	(1,072)
Impairment loss on right-of-use assets		**–**	(162)
(Loss)/Profit from operations		**(51,945)**	43,217
Share of result of a joint venture		**(66,943)**	24,775
Finance costs	*5*	**(15,557)**	(13,381)
(Loss)/Profit before tax		**(134,445)**	54,611
Income tax credit/(expense)	*6*	**78**	(640)
(Loss)/Profit for the Period	*7*	**(134,367)**	53,971
(Loss)/Earnings per share:			(Restated)
Basic and diluted	*8*	**HK$(56.5) cents**	HK$29.1 cents

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the twelve months ended 31 December 2024

		Twelve months ended 31 December	
		2024	2023
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Audited)
(Loss)/Profit for the Period	*7*	**(134,367)**	53,971
Other comprehensive income/(expense) for the Period, net of tax			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement gains on long service payment liabilities		**70**	98
Fair value changes of financial assets at fair value through other comprehensive income ("**FVTOCI**")		**(409)**	(4,734)
		(339)	(4,636)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**–**	(2)
Other comprehensive expense for the Period		**(339)**	(4,638)
Total comprehensive (expense)/income for the Period		**(134,706)**	49,333

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Notes	At 31 December 2024 HK$'000 (Unaudited)	At 31 December 2023 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment	*9*	**1,793**	820
Right-of-use assets	*10*	**20,803**	37,562
Intangible assets		**–**	–
Rental and utility deposits		**4,858**	1,991
Financial assets at FVTOCI		**–**	409
Investments in associates		**551**	551
Investment in a joint venture	*12*	**301,457**	368,400
		329,462	409,733
Current assets			
Inventories		**4,011**	9,657
Trade receivables	*13*	**20,687**	1,160
Rental and utility deposits		**1,028**	6,826
Prepayments, deposits and other receivables		**60,058**	60,623
Bank and cash balances		**6,448**	16,109
		92,232	94,375
Current liabilities			
Trade payables	*14*	**5,175**	4,811
Other payables, deposits received and accrued charges		**53,711**	58,817
Contract liabilities		**5,078**	8,355
Amount due to the controlling shareholder		**80,094**	32,142
Bank and other borrowings	*15*	**32,698**	15,334
Lease liabilities		**49,382**	27,910
		226,138	147,369
Net current liabilities		**(133,906)**	(52,994)
Total assets less current liabilities		**195,556**	356,739

	Notes	**At 31 December 2024**	At 31 December 2023
		HK$'000	*HK$'000*
		(Unaudited)	(Audited)
Non-current liabilities			
Other borrowings	*15*	**31,335**	32,179
Lease liabilities		**14,414**	41,085
Long service payment liabilities		**1,153**	1,239
		46,902	74,503
Net assets		**148,654**	282,236
Capital and reserves			
Share capital	*16*	**2,377**	47,543
Reserves		**146,277**	234,693
Total equity		**148,654**	282,236

Notes:

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Bonjour Holdings Limited (the "**Company**") was incorporated in the Cayman Islands with limited liability. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business is 12/F., Bonjour Tower, No. 36-50 Wang Wo Tsai Street, Tsuen Wan, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company and its subsidiaries (collectively, the "**Group**") are principally engaged in wholesaling and retailing of beauty, healthcare and lifestyle products in Hong Kong and Macau and e-commerce business.

As at 31 December 2024, the Board of Directors of the Company (the "**Directors**") consider the immediate parent and ultimate controlling party of the Company to be Mr. Chen Jianwen.

These condensed consolidated financial statements for the twelve months ended 31 December 2024 (the "**Period**") have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023. The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those adopted in the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following amended Hong Kong Financial Reporting Standards ("**HKFRSs**") which is a collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("**HKAS**") and Interpretations issued by the HKICPA for the first time relevant to the Group's operations and effective for the annual periods beginning on 1 January 2024.

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 adoption of the above amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

The Group has not adopted any new and amended HKFRSs that have been issued but are not yet effective for the annual periods beginning on or after 1 January 2024. These new and amended HKFRSs include the following which may be relevant to the Group.

		Effective for the annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet determined
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027

The Directors are in the process of making assessments of what the impact of these new and amended HKFRSs that are expected to be in the period of initial adoption on or after the effective date of the pronouncement. The Directors consider that the initial adoption of these standards is unlikely to have a significant impact on the condensed consolidated financial statements.

These condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial assets stated at their fair value.

These condensed consolidated financial statements are presented in Hong Kong dollars ("**HK$**") which is also the functional and presentation currency of the Company.

The preparation of these condensed consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. These judgements, estimates and assumptions in applying the Group's accounting policies and key sources of estimation uncertainty remained the same as those applied in the annual consolidated financial statements for the year ended 31 December 2023.

Going concern assessment

During the Period, the Group incurred net cash outflow from operating activities of HK$64,787,000 and, as of that date, the Group had net current liabilities of HK$133,906,000. The Group's business operations are mainly financed by bank and other borrowings, loans from the controlling shareholder and internal source of financing. As at 31 December 2024, the Group's bank and cash balances amounted to HK$6,448,000. In view of these circumstances, the Directors have been continuously implementing measures to improve and maintain the Group's liquidity which include:

(a) Mr. Chen Jianwen, the ultimate controlling shareholder, has agreed and committed to continue to support financially the operations of the Group to meet all third-party obligations for at least the ensuing twelve-month period after 31 December 2024;

(b) The Group has taken various cost control measures to tighten the costs of operations;

(c) The Group is actively negotiating with external parties and banks to obtain new sources of financing to finance the Group's working capital and improve the Group's liquidity position; and

(d) The Group will continue to maintain its relationship with the parties providing facilities to the Group and comply with any covenant requirements.

Notwithstanding the above, the Directors after making due inquiries and considering the basis of cash flow forecast and taking into account the above measures, conclude the Group will have sufficient financial resources to meet in full of its working capital requirements and financial obligations as and when they fall due in the foreseeable future. Accordingly, these condensed consolidated financial statements have been prepared on a going concern basis.

Change of financial year end date

On 27 December 2024, the Company has resolved to change the financial year end date from 31 December to 30 June. The forthcoming financial year end date of the Company will be 30 June 2025 and the next audited consolidated financial statements of the Company will cover a period of 18 months from 1 January 2024 to 30 June 2025. Accordingly, the condensed consolidated second interim financial information of the Company covers twelve months ended 31 December 2024 with comparative figures covering the twelve months ended 31 December 2023.

2. TURNOVER

An analysis of the Group's turnover by major products recognised during the Period is as follows:

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Revenue from contracts with customers within the scope of HKFRS 15:		
Sales of beauty, healthcare and lifestyle products	**51,079**	64,824
Sales of technology products	**29,467**	885,447
	80,546	950,271

3. SEGMENT INFORMATION

The Group manages its business by business lines and geographical locations in a manner consistent with the information reported internally to the management for resources allocation and review of performance. The chief operating decision maker (the "**CODM**"), being the Executive Directors, has identified the business lines into two reportable segments.

(a) Reportable segment information

	Wholesaling and retailing of beauty, healthcare and lifestyle products *HK$'000*	Wholesaling of technology products *HK$'000*	Unallocated corporate assets and liabilities *HK$'000*	Total *HK$'000*
For the twelve months ended 31 December 2024 (unaudited):				
Reportable segment turnover	**51,079**	**29,467**	**–**	**80,546**
Reportable segment cost of goods sold	**(18,571)**	**(29,180)**	**–**	**(47,751)**
Reportable segment gross profit	**32,508**	**287**	**–**	**32,795**
As at 31 December 2024 (unaudited):				
Reportable segment assets	**73,262**	**22,514**	**325,918**	**421,694**
Reportable segment liabilities	**(207,990)**	**(5,078)**	**(59,972)**	**(273,040)**
For the twelve months ended 31 December 2023 (audited):				
Reportable segment turnover	64,824	885,447	–	950,271
Reportable segment cost of goods sold	(18,092)	(869,127)	–	(887,219)
Reportable segment gross profit	46,732	16,320	–	63,052
As at 31 December 2023 (audited):				
Reportable segment assets	75,043	26,269	402,796	504,108
Reportable segment liabilities	(148,614)	(8,355)	(64,903)	(221,872)

(b) Disaggregation of revenue from contracts with customers

Disaggregation of turnover by the timing over revenue recognition within the scope of HKFRS 15 attributable to the reportable segment turnover is set below:

	Wholesaling and retailing of beauty, healthcare and lifestyle products *HK$'000*	Wholesaling of technology products *HK$'000*	Total *HK$'000*
For the twelve months ended 31 December 2024 (unaudited):			
At a point in time	**51,079**	**29,467**	**80,546**
For the twelve months ended 31 December 2023 (audited):			
At a point in time	64,824	885,447	950,271

(c) Geographical information

The Group's turnover from external customers is categorised by the geographical markets based on the locations where the goods being delivered and the Group's non-current assets are categorised by the physical locations of the assets (other than financial instruments, investment in a joint venture and investments in associates) as detailed below:

	Turnover		**Non-current assets**	
	Twelve months ended 31 December		**As at 31 December**	As at 31 December
	2024	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)
Hong Kong	**76,179**	934,619	**22,262**	38,187
Macau	**4,367**	15,652	**334**	195
	80,546	950,271	**22,596**	38,382

(d) Revenue from major customers

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Wholesaling of technology products:		
Customer A	**22,320**	–
Customer B	**14,357**	393,878
Customer C	**7,959**	–
Customer D	**7,151**	198,065

4. OTHER INCOME

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Interest income on bank deposits	**1**	28
Imputed interest on bank and other borrowings	**1,839**	3,330
Imputed interest income on rental deposits	**369**	743
Rental income	**115**	291
Government subsidies	**61**	4,734
Exchange gain	**412**	155
Sundry income	**2,582**	347
	5,379	9,628

5. FINANCE COSTS

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Interest expense on lease liabilities	**4,530**	6,796
Interest expense on bank and other borrowings	**6,979**	4,899
Interest expense on amount due to the controlling shareholder	**4,022**	1,648
Interest expense on long service payment liabilities	**26**	38
	15,557	13,381

6. INCOME TAX CREDIT/(EXPENSE)

Income tax credit/(expense) recognised in profit or loss during the Period is as follows:

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Current tax - Hong Kong Profits Tax:		
Over-provision/(Provision) for the Period	**78**	(640)

Hong Kong Profits Tax is provided at 16.5% (2023: 16.5%) of the estimated assessable profits for the Period, except for one of the Company's subsidiary incorporated in Hong Kong is a qualifying corporation under the two-tiered profits tax regime.

Under this regime, the first HK$2 million assessable profits of such subsidiary is taxed at 8.25% and the remaining assessable profits is taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2023.

PRC Enterprise Income Tax is provided at 25% (2023: 25%) of the estimated assessable profits for the Period. Macau SAR Complementary Tax is provided at 12% (2023: 12%) of the estimated assessable profits for the Period.

Taxation for overseas subsidiaries is provided at the appropriate rates prevailing in the relevant countries where the Group operates based on the existing legislation, interpretation and practices.

7. LOSS/PROFIT FOR THE PERIOD

Loss/Profit for the Period is arrived after charging the following items:

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Cost of goods sold *(note)*	**47,751**	887,219
Depreciation of property, plant and equipment	**521**	247
Depreciation of right-of-use assets	**20,063**	23,396

Note: Cost of goods sold includes the reversal of allowance for slow-moving inventories of HK$3,856,000 (2023: HK$$12,560,000) recognised in profit or loss during the Period.

8. (LOSS)/EARNINGS PER SHARE

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

	Twelve months ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
(Loss)/Earnings:		
(Loss)/Profit for the Period attributable to owners of the Company	**(134,367)**	53,971

	2024	2023
	(Unaudited)	(Audited) (Restated)
Weighted average number of ordinary shares at 31 December	**237,715,800**	185,154,053

(a) On 30 September 2024, the Company held an extraordinary general meeting and a resolution was passed to approve the consolidation of every twenty issued and unissued ordinary shares of par value of HK$0.01 each in the share capital of the Company into one consolidated share of par values of HK$0.2 ("**Share Consolidation**"). The share consolidation became effective on 3 October 2024. Accordingly, the basic and diluted earnings per share for the year ended 31 December 2023 are restated.

(b) On 23 December 2024, the Company reduced the issued share capital of the Company by way of a reduction of the par value of each issued consolidation share from HK$0.20 to HK$0.01 by a cancellation of the paid up share capital to the extent of HK$0.19 per issued consolidated share ("**Capital Reduction**"). Immediately after the Capital Reduction, each authorised but unissued consolidated share of HK$0.20 was sub-divided into twenty (20) authorised but unissued new shares of HK$0.01 each ("**Sub-division**").

Details of the Share Consolidation, the Capital Reduction and the Sub-division have been published on the Company's announcements dated 3 September 2024 and 24 December 2024, the Company's circular dated 6 September 2024 and the Company's poll results announcement dated 30 September 2024.

(c) The effect of potential ordinary shares was anti-dilutive for the Period (2023: anti-dilutive). Hence, the weighted average number of ordinary shares was used as a denominator for calculating the basic and diluted earnings per share for both current and prior periods.

9. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group acquired property, plant and equipment of approximately HK$1,494,000 (2023: HK$17,000).

10. RIGHT-OF-USE ASSETS

During the Period, the Group acquired right-of-use assets of approximately HK$3,304,000 (2023: HK$8,283,000).

11. DIVIDENDS

The Directors do not recommend the payment of interim dividend attributable to owners of the Company for the Period (2023: Nil).

12. INVESTMENT IN A JOINT VENTURE

	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Unlisted equity investment:		
At 1 January	**368,400**	343,625
Share of result of a joint venture	**(66,943)**	24,775
At 31 December	**301,457**	368,400

Details of the Group's joint venture as at 31 December 2024 and 2023 are as follows:

Name of joint venture	**Form of business structure**	**Place of incorporation and business**	**Particulars of issued and paid up share capital**	**Percentage of ownership interest**	**Principal activity**
CR Business Innovation Investment Fund L.P. (the "**Fund**")	Exempted limited partnership	The Cayman Islands	HK$550,000,000 *(Note)*	75% (2023: 75%)	Property investment

Note: The total amount of capital contribution of HK$550,000,000 is not subject to any specific due date of the contribution. As at 31 December 2024 and 2023, the Group had an outstanding capital commitment of HK$61,088,000 to the Fund.

The equity interests in the Fund were accounted for using the equity method.

13. TRADE RECEIVABLES

The Group generally receives full payments as advanced deposits from the wholesale customers for the sales of technology products business and provides credit terms ranged from 30 to 120 days (2023: 30 to 120 days) from the invoice dates for the rest of wholesales customers, whereas provides 30 days (2023: 30 days) from the invoice dates from the e-commerce customers for the retail sales business and due immediately from the retail customers who purchase the merchandise in retail stores.

As at 31 December 2024 and 2023, the ageing analysis of trade receivables by invoice dates, before loss allowance for expected credit losses ("**ECLs**"), is as follows:

	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0—30 days	**404**	543
31—60 days	**1,753**	209
61—90 days	**6,535**	347
91—120 days	**4,548**	51
More than 120 days	**9,560**	853
Trade receivables, gross amount	**22,800**	2,003
Less: Loss allowance for ECLs	**(2,113)**	(843)
Trade receivables, net amount	**20,687**	1,160

14. TRADE PAYABLES

In general, credit terms offered by local suppliers are ranged from 30 to 120 days (2023: 30 to 120 days) from the dates of receipt of goods whereas overseas suppliers request the Group to pay from 30% to 50% (2023: 30% to 50%) of the invoice amounts as deposits before delivery of products and to settle the remaining balance before or after the arrival of products depending on the terms and conditions of purchase contracts.

As at 31 December 2024 and 2023, the ageing analysis of trade payables by dates of receipt of goods, is as follows:

	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0—30 days	**788**	89
31—60 days	**25**	–
61—90 days	**157**	42
91—120 days	**14**	–
More than 120 days	**4,191**	4,680
	5,175	4,811

15. BANK AND OTHER BORROWINGS

	2024	2023
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Unsecured:		
Bank borrowings	**3,223**	3,792
Other borrowings	**60,810**	43,721
	64,033	47,513

16. SHARE CAPITAL

	2024 Number of shares	**2024 (Unaudited) *HK$'000***	**2024 Par value *HK$***	2023 Number of shares	2023 (Audited) *HK$'000*	2023 Par value *HK$*
Authorised:						
At 1 January	10,000,000,000	100,000	0.01	10,000,000,000	100,000	0.01
Share Consolidation *(note 8(a))*	(9,500,000,000)	–	0.19	–	–	–
Capital Reduction and Sub-division *(note 8(b))*	9,500,000,000	–	(0.19)	–	–	–
At 31 December	10,000,000,000	100,000	0.01	10,000,000,000	100,000	0.01
Issued and fully paid:						
At 1 January	4,754,315,999	47,543	0.01	3,512,565,999	35,126	0.01
Shares issued under capitalisation of shareholder's loan	–	–	–	1,241,750,000	12,417	–
Share Consolidation *(note 8(a))*	(4,516,600,200)	–	0.19	–	–	–
Capital Reduction *(note 8(b))*	–	(45,166)	(0.19)	–	–	–
At 31 December	237,715,799	2,377	0.01	4,754,315,999	47,543	0.01

17. RELATED PARTY TRANSACTIONS

a) In addition to those related party transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following transactions with related parties during the Period:

	Twelve months ended 31 December 2024 *HK$'000* (Unaudited)	2023 *HK$'000* (Audited)
Interest expense on amount due to the controlling shareholder	**4,022**	1,648

b) The remuneration for the Directors and other members of key management during the Period was as follows:

	Twelve months ended 31 December 2024 *HK$'000* (Unaudited)	2023 *HK$'000* (Audited)
Directors' fees	**604**	604
Salaries	**6,803**	7,086
Discretionary bonus	**–**	200
Retirement plans contributions	**39**	95
	7,446	7,985

18. EVENTS AFTER THE REPORTING PERIOD

On 12 November 2024, the Group entered into a subscription agreement with Mr. Chen Jianwen (the "**Subscription Agreement**"). According to the Subscription Agreement, Mr. Chen Jianwen has conditionally agreed to subscribe and the Group has conditionally agreed to allot and issue a total of 210,000,000 of subscription shares, at a subscription price of HK$0.158 per subscription share, by the way of offsetting the part of the outstanding principal and accrued interest of the shareholder's loan of approximately HK$33,180,000 payable to Mr. Chen Jianwen.

Upon the completion of the allotment and issue of the subscription shares, the amount of HK$33,180,000 under the shareholder's loan shall be deemed as repaid. The allotment and issue of the subscription shares was completed on 13 January 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Interim Results

For the twelve months ended 31 December 2024 (the "**Period**" or "**Review Period**"), Bonjour Holdings Limited (the "**Company**") and its subsidiaries (collectively, "**Bonjour**" or the "**Group**") recorded revenue of approximately HK$80.5 million (2023: approximately HK$950.2 million), representing a decrease of approximately 92.5% from the corresponding period in 2023. This resulted in a loss for the Period of approximately HK$134.4 million (2023: profit; approximately HK$54.0 million). The Board has resolved not to declare any interim dividend for the Period (2023: Nil).

Market Overview: Hong Kong Retail Sector and Global Dynamics

Hong Kong's retail sector navigated a complex landscape in 2024, balancing persistent challenges with transformative opportunities. While global economic volatility, shifting consumer behaviors, and geopolitical tensions tested resilience, the accelerated adoption of digital innovation—particularly cross-border e-commerce—emerged as a defining growth driver.

- ***Local Retail Challenges: Adaptation Amid Uncertainty***

  The post-pandemic recovery of Hong Kong's retail market remained uneven, marked by slower-than-expected rebounds in key segments. Tourist arrivals, historically dominated by high-spending mainland Chinese shoppers, shifted toward experiential travel over luxury retail, dampening sales in prime commercial districts. Concurrently, rising living costs and inflationary pressures suppressed local consumer confidence, prompting cautious spending patterns.

- ***Digital Transformation: Redefining Retail Engagement***

  The accelerated shift toward digitalisation has become a defining force in Hong Kong's retail sector, reshaping customer expectations and business strategies alike. Ecommerce penetration surged to unprecedented levels, with online sales now accounting for over 25% of total retail revenue in 2024, up from 20% in 2023 and 15% in 2022. Retailers are increasingly adopting omnichannel strategies, integrating online and offline (O2O) experiences to cater to tech-savvy customers. Innovations such as AI-driven personalised marketing, social commerce platforms, and live-stream shopping have become essential tools for driving engagement and loyalty.

- ***Global Headwinds: Geopolitics and Supply Chain Pressures***

  Hong Kong's retail sector faced intensified global pressures:

  – Geopolitical strains: The US-China trade war and currency volatility (e.g., a strong HKD) reduced the city's appeal for tourists from weaker-currency markets.

  – Supply chain disruptions: Escalating import costs for electronics, fashion, and luxury goods compelled retailers to adjust pricing strategies, potentially impacking sales volume.

  – Sustainability imperatives: A growing global emphasis on eco-conscious consumption pushed retailers to adopt sustainable practices, from ethical sourcing to carbon-neutral operations.

To navigate these challenges, businesses implemented strategic measures, including diversifying supply chains, optimising inventory systems, and embedding sustainability into core operations to meet evolving consumer expectations.

- ***Cross-Border E-Commerce: Gateway to the Greater Bay Area***

  The most transformative opportunity in 2024 stemmed from Hong Kong's deepening integration with mainland China's Greater Bay Area (GBA). With a collective disposable income exceeding RMB2.3 trillion, the GBA's affluent middle class emerged as a key river of demand for premium, internationally sourced goods. Cross-border e-commerce platforms became vital channels, offering seamless access to high-quality goods while circumventing traditional logistical barriers.

- ***Strategic Outlook: Innovation as a Catalyst for Growth***

  Despite systemic challenges, Hong Kong's retail sector demonstrated remarkable resilience in 2024 by embracing innovation, sustainability, and cross-border collaboration. As consumer preferences continue to evolve, retailers that prioritize omnichannel excellence, data-driven decision-making, and regional collaboration are best positioned to capitalise on emerging opportunities.

- ***Looking Ahead: Agility and Innovation as Growth Drivers***

  In summary, the retail sector's future success will depend on its ability to navigate an increasingly interconnected yet volatile global economy. Key to this will be a steadfast commitment to agility, customer-centricity, and forward-thinking strategies.

  HKMALL (香港貓), a leading cross-border e-commerce platform, exemplifies this strategic evolution. By leveraging its advanced infrastructure and localised expertise, HKMALL empowers Hong Kong retailers to access both the GBA's affluent consumer base and global markets. This dual reach reinforces Hong Kong's position as a pivotal hub in both regional and international trade networks, driving growth and innovation in the retail sector. HKMALL is well positioned to leverage this development and expand its reach into the GBA and beyond to global markets.

Business Review

The Group embarked on a transformative journey since 2020, redefining its business model to adapt to the rapidly evolving retail landscape. This transformation has been centered around expanding product offerings, leveraging technological innovation, and building a robust omnichannel ecosystem. 2024 is a year of strategic transformation for the Group. The Group has further streamlined its operations by taking a bold strategic decision to terminate the traditional physical retail shop operations, whilst focusing the resources and investment into enhancement of the HKMALL eCommerce operations as well as development of the new form of B2B business via O2O operations in the Mainland China leveraging on bonded warehouse operations. While these efforts have positioned the Group for long-term growth, the termination of the physical shops have contributed to a decline in turnover, and with additional investment in building the new business model, the past year presented significant challenges that impacted financial performance.

The Group has however, successfully diversified its product range since 2020, expanding from pure cosmetics to include "Beauty, Health & Lifestyle" products, enhancing the consumer experience. This expansion has allowed us to cater to a broader customer base and align with shifting consumer preferences. Operationally, the Group has harnessed technological innovation to transition from traditional retail to a new business ecosystem that benefits all stakeholders, including consumers, merchants, and suppliers. HKMALL 2.0 is a global eCommerce platform that supports Hong Kong merchants and overseas brands across 34 countries and 41 market platforms, and has created an ecosystem to assist Hong Kong small and medium enterprises (SMEs) in digitally transforming their traditional business models. This is going strong, and number of suppliers participating in HKMALL is on the increase. As of 31-December-2024, there are over 370,000 SKUs and 3600 suppliers on HKMALL, compared to around 310,000 SKUs and 3200 suppliers in 2023.

Bonjour's strategy emphasizes omnichannel excellence, creating value for customers through seamless integration of online and offline channels. These efforts have continued into 2024, by developing the bonded warehouse operations in Hainan and Guangzhou, significant investments have been made to enhance multichannel initiatives and building capabilities for cross-border sales.

The Group also collaborated with reputable shopping platforms in the Mainland to accelerate sale of the Group's private label beauty products in the period. A successful pilot run was partnering with Hunan TV to sell "Suisse Reborn" skincare products on their TV Shopping Channel "Happigo"（快樂購）, successfully marketing products to Mainland customers through a digital TV platform.

Recognising the growing influence of social media and Key Opinion Leaders (KOLs) on consumer purchasing decisions, the Group has established a dedicated product outlet spanning over 10,000 square feet. This space allows KOLs to source a wide variety of products and conduct live showcases on social media, promoting products and engaging with audiences in real-time.

The Group collaborates with many organizations to promote live streaming and encourages the young generation to be educated on digital business. The Group has worked with the Junior Chamber of Commerce to launch competitions that nurture aspiring KOLs in live commerce and online marketing for the past four years.

Despite these achievements, the Group experienced a decline in turnover in the Period. Key factors include:

1. "Global Economic Challenges": Slowing global economic growth, inflationary pressures, and fluctuating exchange rates dampened consumer spending.

2. "Strategic Retail Infrastructure Restructuring": The Group prioritized sustainable growth over short-term gains, exiting traditional retail markets and reallocating resources to digital new retail models. While these measures impacted turnover, they are expected to yield stronger profitability in the long run

3. “Strategic Investments in Bonded Operations”: A significant portion of the Group’s resources was channeled into building bonded warehouse operations in Mainland China and deploying bonded cross-border vending machines in rail stations. These initiatives are part of the Group’s long-term strategy to enhance cross-border e-commerce capabilities and improve supply chain efficiency. While these investments temporarily impacted turnover, they are poised to drive future growth by enabling faster and more cost-effective access to Mainland markets for international products. These initiatives not only enhance consumer experience but also foster cross-border trade between China and global markets.

Looking forward, the Group remains optimistic about the growth potential of cross-border e-commerce and omnichannel retail. While the decline in turnover reflects the challenges of the past twelve months, it also underscores our commitment to building a more resilient and agile business. By staying attuned to market dynamics and investing in strategic initiatives, we are confident in our ability to drive sustainable growth and deliver value to our stakeholders in the years to come.

Flagship Platform for Beauty and Lifestyle Excellence

HKMALL is a leading eCommerce platform offering a diverse range of beauty, skincare, health and lifestyle products through both outright ownership and consignment models. As a comprehensive marketplace, HKMALL caters to a wide array of consumer needs, providing access to premium products from around the globe.

Within the HKMALL ecosystem, the Group operates “Bonjour Global Outlet”, a dedicated e-shop specialising in beauty and skincare. Bonjour Global Outlet proudly features an extensive portfolio of over 100 overseas renowned brands, including exclusive distribution agreements with prestigious names such as “Suisse Reborn”, “Dr. Bauer”, “Yumei”, “WOWWOW”, “Dr. Schafter”, “I.Skin Focus”, “Love Impact” and “Smiss 3” etc. The e-shop’s curated offerings span luxurious fragrances, innovative cosmetics, revitalising haircare, and indulgent body care products, ensuring customers have access to the very best in beauty and skincare.

HKMALL is committed to delivering exceptional value by offering high-quality products at competitive prices, making luxury and efficacy accessible to all. A dedicated team continuously monitors market trends and consumer behavior, leveraging in-depth research to identify emerging preferences and popular items. This proactive approach enables HKMALL to stay ahead of industry trends and meet the evolving needs of its customers.

By prioritizing quality, innovation, and customer satisfaction, the Group seeks to enhance customers’ lives with exceptional products tailored to their unique preferences and lifestyles. This dual approach ensures that the Group remains a trusted leader in the beauty, skincare, health and lifestyle sectors, addressing the ever-changing demands of modern consumers.

Strategic Cooperation and Industry Innovation Leadership

Beyond advancing its own growth, the Group remains steadfast in empowering small and medium-sized enterprises (SMEs) through premium eCommerce solutions and integrated intelligent retail systems. These offerings are designed to accelerate the digital evolution of traditional industries into agile, innovation-driven enterprises. By leveraging its advanced eCommerce and technology platform, the Group not only optimises cost structures and operational efficiency for businesses but also equips clients with tools to attain superior operational performance.

To catalyze the shift of conventional enterprises toward modernized frameworks, the Group oversees the "Hong Kong Industry Innovation Centre" (HKIIC). This flagship initiative harnesses the synergy of "Industry + technology + Capital" to propel digital transformation. Designated as the Hong Kong hub for the "Guangdong-Hong Kong-Macau Youth Entrepreneurship Incubator", the HKIIC delivers end-to-end support encompassing shared workspace solutions, startup incubation and acceleration programs, financing advisory services, and ecosystem development. HKIIC has been accredited under Cyberport's "Accelerator Support Program (CASP)", affirming their status as certified accelerators within the Cyberport innovation ecosystem.

The Group further strengthens its competitive edge through strategic alliances with bonded warehousing facilities in Guangzhou and Hainan, bolstering wholesale capabilities and optimising logistics and distribution networks. These partnerships enhance supply chain agility, ensuring rapid and cost-effective product delivery while unlocking access to untapped markets. SMEs benefit from expanded cross-border eCommerce channels, enabling broader customer reach and participation in global trade opportunities. Moving forward, the Group will intensify efforts to scale its cross-border wholesale operations, positioning itself as a critical enabler for international suppliers seeking to penetrate and expand within Mainland China's dynamic consumer market.

By fostering innovation, collaboration, and digital excellence, the Group continues to drive sustainable value creation for stakeholders and partners worldwide.

Strategic Outlook

Digital transformation continues to redefine industries at an unprecedented pace. Building on the strategic pivot launched in early 2020, the Group has evolved its business model to align with emerging technological and consumer trends, ensuring sustainable value creation and superior shareholder returns. Central to this evolution is the "Technology + Consumption" framework, which integrates advanced digital solutions to accelerate consumer engagement and market penetration. This strategy will remain a cornerstone of growth in 2025, enabling the Group to cultivate an interconnected, innovation-driven ecosystem that supports both its operations and the digital ambitions of partner enterprises.

- ***Retail Innovation via HKMALL (香港貓)***

  The Group's retail division is spearheaded by HKMALL, a dynamic digital commerce hub that transcends traditional online retail. Beyond serving as Bonjour's flagship eCommerce portal, HKMALL empowers merchants to establish scalable digital storefronts, democratizing access to cutting-edge eCommerce tools. This platform has become a critical enabler for Hong Kong SMEs, offering a rapid transition from legacy operations to agile, digitally integrated business models.

- ***Omni-Channel Ecosystem Development***

  Through its omni-channel retail network, HKMALL fosters strategic partnerships with suppliers, leveraging data-driven insights on consumer behavior, product trends, and purchasing patterns to refine supply chain dynamics. Suppliers are increasingly integrated into the platform as hybrid online wholesalers and retailers, enhancing marketplace diversity. To meet evolving consumer demands, the Group will further curate a diversified product portfolio aligned with its mission to deliver a "better life" for customers. Concurrently, exclusive distribution partnerships will be prioritized to optimise risk mitigation and margin expansion.

- ***Operational Efficiency and Sustainability***

  Digital transformation extends beyond customer-facing operations to internal process optimisation. By deploying automation and AI-driven workflows, the Group has achieved significant gains in operational efficiency, reducing redundancies and elevating per-employee productivity. A commitment to sustainability is further embedded through paperless transactions and resource-light processes, aligning with global ESG standards while reducing environmental footprints.

- ***Cross-Border Growth and Collaborative Commerce***

  In 2024, the Group strengthened its cross-border B2B capabilities through a joint investment in bonded warehouses in Guangzhou and Hainan, enhancing its foothold in the Greater Bay Area's eCommerce landscape. Complementing this, AI-powered bonded vending machines were strategically deployed across high-traffic transit hubs, creating an integrated offline-to-online (O2O) ecosystem. These initiatives provide SMEs with a seamless, one-stop platform to access expansive markets across the region.

  The Group has also cultivated a robust influencer commerce network, partnering with key opinion leaders (KOLs) on a consignment basis. This asset-light model eliminates inventory risks for KOLs while amplifying product visibility, driving incremental revenue streams at minimal cost.

- ***Confidence in Future Growth***

  While the Group's traditional retail segment faced subdued recovery in 2024, strategic investments in new retail technologies and cross-border expansions—particularly in the Greater Bay Area and emerging Chinese markets—position the business for revitalised growth in 2025. With a robust foundation in innovation, an expanded service scope, and a recalibrated risk management framework, the Group is poised to capitalise on post-pandemic opportunities, delivering sustainable returns to shareholders and reinforcing its leadership in the digital economy era.

  Overall, while the Group's retail business experienced a slow recovery in the Period, coupled with strategic investments in new ventures as outlined above, the expansion of innovative business models across the Greater Bay Area and other key regions in China positions the Group for renewed growth in 2025. Bolstered by advancements in new retail technologies and an expanded operational scope, the Group is confident in its ability to regain momentum and deliver enhanced value to shareholders. With a robust foundation and a forward-looking strategy, the Group is poised to make a timely resurgence, driving sustainable returns and reinforcing its leadership in the evolving market landscape.

Financial Review

Overview

The Group's financial performance in the Period reflects a transitional phase marked by two key factors: a slower-than-anticipated recovery in the core retail segment and a deliberate strategic investment in next-generation business models. While the retail sector faced prolonged headwinds due to subdued consumer sentiment and structural market shifts, the Group prioritized long-term growth by accelerating capital allocation into innovative ventures, including cross-border eCommerce, digital ecosystems, AI-driven retail solutions, and O2O supply chain powered by bonded warehouse and bonded cross-border vending machine operations in Mainland China.

These investments, while critical to future competitiveness, required upfront expenditure during a period when the new initiatives had not yet reached operational maturity. Consequently, the temporary reduction in income from legacy retail operations, combined with the timing gap between investment outlays and revenue generation from emerging models, contributed to a challenging financial outcome for the Period.

The Board and management remain steadfast in their conviction that this phase of operational recalibration positions the Group to capitalise on high-growth opportunities in 2025 and beyond. With new ventures now nearing commercialization, the Group is poised to unlock synergies between its established retail infrastructure and cutting-edge digital platforms. Rigorous cost discipline and risk mitigation measures are being implemented to ensure a return to profitability, with a clear focus on maximizing shareholder value through sustainable, technology-enabled growth.

Results Summary

The overall turnover decreased by approximately 91.5%.

Liquidity and Financial Resources

As at 31 December 2024, the Group's bank and cash balances of approximately HK$6.4 million (31 December 2023: approximately HK$16.1 million). The Group's bank and other borrowings and lease liabilities as at 31 December 2024 were approximately HK$127.8 million (31 December 2023: approximately HK$116.5 million), out of which, approximately HK$82.1 million (31 December 2023: approximately HK$43.2 million) were repayable within next 12 months. As at 31 December 2024, the net current liabilities were approximately HK$133.9 million (31 December 2023: approximately HK$53.0 million).

The Group's net debt ratio as at 31 December 2024 was approximately 0.86 (31 December 2023: approximately 0.4), and was calculated based on the Group's bank and other borrowings and lease liabilities divided by total equity of approximately HK$148.7 million (31 December 2023: approximately HK$282.2 million). The current ratio as at 31 December 2024 was approximately 0.41 (31 December 2023: approximately 0.64).

Cash Flow

Net cash outflow from operating activities for the Period was approximately HK$64.8 million (2023: approximately HK$72.2 million). The loss before tax was approximately HK$134.4 million (2023: profit before tax of approximately HK$54.6 million). The total amount of non-cash items of approximately HK$99.0 million (mainly comprises of depreciation expenses, finance costs and share of result of a joint venture) (2023: approximately HK$105.9 million (mainly comprises of depreciation expenses, finance costs and share of result of a joint venture) and net decrease in working capital of approximately HK$16.2 million (2023: decrease of approximately HK$10.1 million).

Net cash outflow from investing activities for the Period was approximately HK$1.50 million (2023: net cash inflow of approximately HK$20.0 million), which mainly represented the purchase of property, plant and equipment (2023: proceeds from disposal of the financial assets at FVTOCI).

Net cash inflow from financing activities for the Period was approximately HK$56.6 million (2023: approximately HK$50.4 million), which mainly represented the proceeds from and repayment to other borrowings and the shareholder's loans and principal element of lease payments (2023: proceeds and repayment of bank and other borrowings and shareholder's loans).

Foreign Exchange and Interest Rate Exposure and Management

The Group has limited exposure to foreign exchange fluctuations given that most of its assets, liabilities, receipts and payments are principally denominated in Hong Kong dollars, United States dollars, Macao Pataca and Renminbi with a few denominated in Japanese Yen and Euro. The Group will continue to monitor its foreign exchange receipts and payments and the gearing ratio on an on-going basis and, if necessary, will hedge the foreign exchange exposure by the forward contracts. As at 31 December 2024, no bank and other borrowings were denominated in any foreign currencies.

As at 31 December 2024, the Group had bank and other borrowings of approximately HK$64.0 million (31 December 2023: approximately HK$47.5 million). The bank and other borrowings were arranged at both fixed interest rate and floating interest rate basis at the short-term inter-bank offer rates.

Capital Structure

On 30 September 2024, the Company held an extraordinary general meeting and resolutions were passed to approve:–

(a) the consolidation of every twenty issued and unissued ordinary shares of par value of HK$0.01 each in the share capital of the Company into one consolidated share of par values of HK$0.2 ("**Share Consolidation**");

(b) the reduction of the issued share capital of the Company by way of a reduction of the par value of each issued consolidation share from HK$0.20 to HK$0.01 by a cancellation of the paid up share capital to the extent of HK$0.19 per issued consolidated share ("**Capital Reduction**"); and

(c) immediately after the Capital Reduction, the sub-division of the authorised but unissued consolidated share of HK$0.20 into twenty (20) authorised but unissued new shares of HK$0.01 each ("**Sub-division**").

The Share Consolidation became effective on 3 October 2024. On 18 December 2024, the Grand Court of the Cayman Islands made an order confirming the Capital Reduction. The Capital Reduction and the Sub-division became effective on 23 December 2024.

Details of the Share Consolidation, the Capital Reduction and the Sub-division have been published on the Company's announcements dated 3 September 2024 and 26 December 2024, the Company's circular dated 6 September 2024 and the Company's poll results announcement dated 30 September 2024.

On 12 November 2024, the Group entered into a subscription agreement with Mr. Chen Jianwen (the "**Subscription Agreement**"). According to the Subscription Agreement, Mr. Chen Jianwen has conditionally agreed to subscribe and the Group has conditionally agreed to allot and issue a total of 210,000,000 of subscription shares, at a subscription price of HK$0.158 per subscription share, by the way of offsetting the part of the outstanding principal and accrued interest of the shareholder's loan of approximately HK$33,180,000 payable to Mr. Chen Jianwen.

Upon the completion of the allotment and issue of the subscription shares, the amount of HK$33,180,000 under the shareholder's loan shall be deemed as repaid. The allotment and issue of the subscription shares was completed on 13 January 2025.

Charge on the Group's Assets

As at 31 December 2023 and 31 December 2024, none of the Group's assets was pledged to secure the banking facility granted to the Group.

Connected Transaction Loan Capitalisation involving Issue of New Shares under Specific Mandate

On 12 November 2024, the Company entered into a subscription agreement (the "**Subscription Agreement**") with Mr. Chen Jianwen as the executive director and the controlling shareholder (the "**Subscriber**"), pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 210,000,000 subscription shares (the "**Subscription Shares**") at a Subscription Price of HK$0.158 per Subscription Share to the Subscriber, which shall be satisfied by way of offsetting part of the outstanding principal and accrued interest of the shareholder's loan of approximately HK$33,180,000 payable by the Company to the Subscriber (the "**Loan Capitalisation**"). Upon completion, the amount of HK$33,180,000 under the shareholder's loan shall be deemed to have been repaid.

The Subscription Shares represent approximately 88.34% of the existing number of issued shares immediately before Completion and approximately 46.90% of the enlarged number of issued shares of 447,715,799 shares immediately following Completion.

As the Subscriber is the chairman of the Board, an executive Director and the controlling shareholder of the Company, and hence a connected person of the Company under Chapter 14A of the Listing Rules, the Subscription Agreement, the Loan Capitalisation, the allotment and issue of the Subscription Shares and the transactions contemplated thereunder constitute a connected transaction of the Company and is subject to the reporting, announcement, circular and Independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for the Subscriber who is deemed to be interested in the Subscription Agreement, none of the Directors has any interest in the Subscription Agreement, the Loan Capitalisation, the allotment and issue of the Subscription Shares and the transactions contemplated thereunder or is otherwise required to abstain from voting on the relevant resolution(s) of the Board.

The Extraordinary General Meeting has been convened and held on 10 January 2025 for the purpose of considering and, as thought fit, approving the Subscription Agreement, the Loan Capitalisation, the allotment and issue of the Subscription Shares and the transactions contemplated thereunder and the grant of the Specific Mandate for the allotment and issue of the Subscription Shares.

In accordance with Rule 14A.36 of the Listing Rules, the Subscriber has been required to abstain from voting on the resolution(s) to approve the Subscription Agreement, the Loan Capitalisation, the allotment and issue of the Subscription Shares and the transactions contemplated thereunder at the Extraordinary General Meeting. Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, other than the Subscriber, no other shareholder has a material interest in the transactions contemplated under the Subscription Agreement, including the grant of the Specific Mandate, and has been required to abstain from voting on the resolution(s) to approve the Subscription Agreement, the Loan Capitalisation, the allotment and issue of the Subscription Shares and the transactions contemplated thereunder and the grant of the Specific Mandate to the Directors for the allotment and issue of the subscription shares to the Subscriber at the Extraordinary General Meeting held on 10 January 2025.

Completion of the Loan Capitalisation took place on 13 January 2025 and the Subscription Shares were allotted and issued to the Subscriber under the Specific Mandate obtained at the Extraordinary General Meeting held on 10 January 2025.

Details of the connected transactions have been published on the Company's announcement dated 12 November 2024, the Company's circular dated 20 December 2024 and the Company's poll results announcement dated 10 January 2025.

Material Acquisition or Disposal of Subsidiaries, Associates and Joint Ventures

There was no material acquisition or disposal of subsidiaries, associates or joint ventures during the Period.

Human Resources

The Group adheres to a strong belief that one of the most valuable assets of a corporation is its employees. As at 31 December 2024, the Group had 78 (2023: 158) full-time and part-time employees in Hong Kong and Macau. Staff costs including Directors' emoluments for the Period were significantly streamlined at approximately HK$43.9 million (2023: approximately HK$59.1 million).

The Group values its human resources and recognises the importance of attracting and retaining qualified staff for its continuing success. Remuneration packages are generally structured with reference to market terms and individual qualifications. In addition, share options and/or discretionary bonuses will also be granted to eligible employees based on individual's performance and upon management's discretion. The Group also provides mandatory provident fund schemes, medical insurance schemes, staff purchases discounts and training programs for the employees.

Dividends

The Directors do not recommend the payment of interim dividend for the Period (2023: Nil).

Future Plans of Material Investments and Capital Assets

The Board will consider any available plans for investments and capital assets which can improve the Group's profitability and liquidity.

Contingent liabilities

As at 31 December 2023 and 31 December 2024, the Group did not have any material contingent liabilities.

Purchase, Sale or Redemption of Listed Securities

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the Period.

PLACING OF BONDS

On 2 August 2021 (after trading hours), the Company entered into a placing agreement (the "**Placing Agreement**") with Venture Smart Asia Limited, the placing agent (the "**Placing Agent**"), pursuant to which the Placing Agent conditionally agreed to act as placing agent, on a best effort basis, for the purposes of procuring placees to subscribe in cash for the two-year 9% bonds with an aggregate principal amount of up to HK$50,000,000 during the period commencing from the date of the Placing Agreement and terminating on the date falling on the expiration of six (6) months from the date of the Placing Agreement. Please refer to the announcement of the Company dated 2 August 2021 for details. Both the Company and the Placing Agent intend to further extend the Placing Agreement to 31 July 2025.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code for the Period.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of good corporate governance practices and procedures. Throughout the Period, the Group has complied with the code provisions prescribed in the Corporate Governance Code (the "**CG Code**") set out in the Appendix C1 to the Listing Rules.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference. At present, members of the Audit Committee comprise of three Independent Non-executive Directors, namely Mr. Kwok Chi Shing, Mr. Lee Kwun Kwan and Mr. Yan Sherman Chuek-ning. Mr. Kwok Chi Shing is the Chairman of the Audit Committee. During the Period, four meetings of the Audit Committee have been held. The Audit Committee has reviewed the effectiveness of both the external audit and internal control and also the risk management evaluation. The unaudited consolidated interim results and the interim report of the Group for the Period have been reviewed by the Audit Committee.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has established a remuneration committee and a nomination committee on 16 September 2005. These board committees were formed to ensure the maintenance of high corporate governance standards.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Company's website (http://corp.bonjourhk.com) and the website of the Stock Exchange (www.hkexnews.hk). The interim report of the Group for the Period will be dispatched to the Company's shareholders and made available at the Company's website and the Stock Exchange's website in due course.

CHANGE IN COMPOSITION OF NOMINATION COMMITTEE

The Board hereby announces that with effect from 28 February 2025, Ms. Chiu Lai Kuen, Susanna is an executive Director, has been appointed as a member of the Nomination Committee of the Company (the "**Nomination Committee**"). Following the above changes, the Nomination Committee comprises three members, namely Mr. Yan Sherman Chuek-ning (Chairman), Ms. Chiu Lai Kuen, Susanna and Mr. Kwok Chi Shing.

By order of the Board
Bonjour Holdings Limited
Chen Jianwen
Chairman and Executive Director

Hong Kong, 28 February 2025

As at the date of this announcement, the Board comprised of Mr. Chen Jianwen and Ms. Chiu Lai Kuen, Susanna as Executive Directors; and Mr. Kwok Chi Shing, Mr. Lee Kwun Kwan and Mr. Yan Sherman Chuek-ning as Independent Non-executive Directors.