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WELIFE TECHNOLOGY LIMITED

維力生活科技有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1703)

VOLUNTARY ANNOUNCEMENT IN RELATION TO

(1) POSITIVE PROFIT ALERT; AND

(2) BUSINESS UPDATE

This announcement is made by Welif Technology Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

POSITIVE PROFIT ALERT

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the three months ended June 30, 2025 and the information currently available, the Group recorded revenue for the period of approximately HKD66.1 million and net profit of approximately HKD 4.5 million.

According to this expectation, the Group’s interim reporting period expects to record revenue of approximately HKD152.6 million to HKD153.6 million as compared to

revenue of approximately HKD99.4 million for the six months ended September 30 (the “**Interim Reporting Period**”), 2024, representing a significant improvement of over 53.5% to 54.5%. The Group also expects to record a gross profit for the Interim Reporting Period of approximately HKD98.8 million to HKD99.8 million as compared to a gross profit of approximately HKD63.2 million for the six months ended September 30, 2024, representing a significant improvement of over 56.3% to 52.3%. Finally, the Group expects to record a net profit for the Interim Reporting Period of approximately HKD11.4 million to HKD12.4 million as compared to a net loss of approximately HKD16.6 million for the six months ended September 30, 2024, representing a significant improvement of over 168.7% to 169.7%

Such expected positive increases in revenue, gross profit, and net profit during the Interim Reporting Period are primarily driven by the factors described below:

1. The implementation of three traditional Chinese restaurants and two Eastern and Western fusion restaurants (also known as “**Cha Chaan Teng**”);
2. Improved cash flow and revenue resulting from the implementation of two Eastern and Western restaurants;
3. Continuous optimization of our operating expenses in a balanced and efficient manner.

BUSINESS UPDATE

As the date of this announcement, the Group operates three traditional Chinese restaurants and two Cha Chaan Teng in Hong Kong.

NEWLY ACQUIRED TRADITIONAL CHINESE RESTAURANT

The Group has entered into a three-year tenancy agreement on 27 June 2025 with the landlord for a property in a commercial complex in Kwun Tong introduced by Jones Lang LaSalle Limited. The former Chinese restaurant business at the original site has left the site. The property retains purpose-built facilities and equipment for a traditional Chinese restaurant. The Group expects to commence operation of its Chinese restaurant business in mid-August 2025

after refurbishment. Under the negotiated terms, the landlord is providing preferential monthly rent comprising management and air-conditioning fees, supplemented by a three-month rent-free period. Following comprehensive assessment of foot traffic and these favorable conditions, the Board has identified this as an optimal opportunity to establish a restaurant catering to nearby office workers.

The incurred and expected financial performance of the four traditional Chinese restaurants and two Cha Chaan Teng of the Group up to the date of this announcement are as follows:

(i) Financial performance of traditional Chinese restaurants

As the Group has leased the above restaurant property in Kwun Tong in June 2025, the Company is actively looking for restaurant shops with reasonable rentals, facilities and renovations. As far as the Company is concerned, the catering industry is now facing operating pressure and at the same time, there are more opportunities for transfer of restaurants at a low price in the market, the Company will continue to carefully consider all suitable development opportunities, especially in terms of rental costs, customer base, cash flow and investment in facilities and renovations, etc., and aims to expand from 4 to 6 restaurants by 2025, including but not limited to direct leasing, acquisition of operating rights and tendering in order to continue to expand the restaurant segment.

| | | For the month | For two | For three | For six |
|--------------|-----------|---------------|--------------|--------------|--------------|
| | | ended 30 | months ended | months ended | months ended |
| | FY2025 | April 2025 | 31 May 2025 | 30 June 2025 | 30 September |
| | (audited) | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 |
| Revenue | 218,275 | 17,874 | 34,254 | 51,125 | 119,073 |
| Gross Profit | 166,882 | 11,513 | 22,096 | 33,091 | 77,343 |
| Net Profit / | | | | | |
| (Loss) | (32,536) | 935 | 2,252 | 3,648 | 9,223 |

(ii) Financial performance of Cha Chaan Teng

In addition to the traditional Chinese restaurant business mentioned above, the Group is actively developing its Cha Chaan Teng business. In view of the market opportunities, the Company will acquire two Hong Kong style cafes business in 2025. Under the uncertain economic conditions, Cha Chaan Teng, which are the basic needs of the community at an affordable price, have a stable source of customers and demand, and the Group will proactively adjust its business strategies in line with the changes in the consumption pattern in order to cope with the changes in the market.

| | | For the month | For two | For three | For six |
|--------------|----------------|----------------|----------------|----------------|----------------|
| | | ended 30 | months ended | months ended | months ended |
| | FY2025 | April 2025 | 31 May 2025 | 30 June 2025 | 30 September |
| | (audited) | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| | <i>HKD'000</i> | <i>HKD'000</i> | <i>HKD'000</i> | <i>HKD'000</i> | <i>HKD'000</i> |
| Revenue | 9,357 | 4,548 | 9,700 | 15,007 | 33,506 |
| Gross Profit | 5,023 | 2,650 | 5,932 | 9,387 | 21,429 |
| Net Profit / | | | | | |
| (Loss) | 564 | 187 | 532 | 890 | 2,169 |

Summarising the financial performance of the traditional Chinese restaurants and Cha Chaan Teng mentioned above, the local catering industry has slowly started to show signs of recovery after the severe operating environment faced by the industry in the previous year. Through drastic business adjustments, the Group has continued to improve and streamline its operational processes, re-examined its restaurant portfolio and closed down restaurants with unsatisfactory performance, effectively controlling costs and turning losses into profits, while significantly enhancing its overall operational efficiency and profitability. The Group will actively seize the opportunities arising from the recovery of the local economy and the rebound of the tourism industry to continue to maximise the benefits for all shareholders.

FUTURE BUSINESS PLAN

The Group confirms its long-term commitment to the existing four traditional Chinese restaurants and two Cha Chaan Teng, which will continue operating under its management. Concurrently, we are pursuing strategic initiatives to strengthen our position in Hong Kong's catering sector. To align with current market trends favoring intimate weddings and private dining experiences while optimizing cost structures, the Group will implement the following strategies: (i) Expand market share within Hong Kong's restaurant industry; (ii) Enhance strategic focus on fusion restaurants across key districts, improving regional presence efficiency relative to outlet count.

Additionally, as the date of this announcement, the Group is expanding its portfolio to include smaller-format restaurants and intend to open more traditional Chinese restaurants and Cha Chaan Teng where appropriate.

The acquisition of traditional Chinese restaurants and Cha Chaan Teng establishments marks a significant milestone for the Group, demonstrating our commitment to this segment despite current market headwinds. By expanding our portfolio, the Group will strengthen its market share in the traditional Chinese restaurant sector, thereby enabling greater supplier negotiation to the Group through bulk purchasing for favorable terms, enhancing customer appeal via broader geographical coverage, and elevating brand reputation. To diversify our business model and revenue streams, the Group has established two Cha Chaan Teng outlets featuring affordable pricing, efficient service, and contemporary dining environments aimed at attracting younger demographics, optimizing table turnover, and shortening cash flow cycles. These ventures are expected to contribute positively to revenue growth and overall expansion; in fact, the Group is evaluating additional Eastern-Western fusion restaurant openings by late 2025. Through the Group diverse restaurant network, the Group are able to attract different customer groups ranging from the mass market to high-end customers, and covering the younger generation as well as more mature diners generally seen as the target market for the Group's restaurant business. In addition, within each category of customers, the Group are able to offer different types of dining experiences, including value-for-money Cantonese cuisine, mid-to-high end Cantonese cuisine and various other specialty cuisines.

This milestone represents a significant advancement in the Group 's strategic expansion and commitment to delivering premium dining experiences. It directly supports our vision to elevate customer satisfaction, strengthen our competitive position in traditional Chinese restaurants, and enhance the Group's financial performance. The Group believes this initiative aligns with corporate objectives and maximizes shareholder value.

The acquired restaurants are fully compliant with all regulatory standards and specifications. The Group will implement rigorous monitoring and stringent quality control measures to maintain operational excellence across these new establishments. This expansion is expected to drive significant improvement in the Group's financial performance for the six months ending 30 September 2025 compared to the same period in 2024.

In order to further expand the company, the Group will look to open more traditional Chinese restaurants in the foreseeable future. To evaluate the potential location of new operating traditional Chinese restaurants, the Group will obtain information from shopping mall operators/landlord to examine the actual and/or potential direct competitors at the potential location. The Group has a set of site selection criteria to examine the feasibility of opening a new restaurant, and a set of restaurants opening procedures from identification of a potential site to signing of the lease and from delivery of the premises to opening of the new restaurant.

As of the date hereof, management foresees no material impediments to sustained performance in the foreseeable future.

IMPLICATIONS FOR SHAREHOLDERS

Further updates regarding future restaurant expansions and developments will be provided as necessary. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's shares.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m.on Tuesday, 28 November 2023.

Trading in the Shares will continue to be suspended until further notice.

By order of the Board
Welif Technology Limited
Chu Pui Him
Executive Director

Hong Kong, 3 July 2025

As at the date of this announcement, the executive Director is Mr. Chu Pui Him and Mr. Leung Yin Cheuk, the non-executive Director is Mr. Fok Siu Keung, and the independent nonexecutive Directors are Mr. Char Shik Ngor Stephen, Mr. Wong Che Sang, Ms. Zhao Ming and Ms. Yin Shilu.