



YING KEE TEA HOUSE GROUP LIMITED

英記茶莊集團有限公司

(Incorporated in Hong Kong with limited liability)

Stock code : 8241



Interim Report
2025/26

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

Management Discussion and Analysis

Financial Highlights

| | For the six months ended 30 September | |
|-----------------------------------|--|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| | | |
| Revenue | 10,686 | 11,442 |
| Gross profit | 8,241 | 8,702 |
| Loss before taxation | (4,766) | (6,556) |
| Income tax expense | – | – |
| Loss attributable to shareholders | (4,766) | (6,556) |
| Loss per share | (HK1.32 cents) | (HK1.81 cents) |

Business and Operational Review

For the six months ended 30 September 2025 (the “**Reporting Period**”), the Company and its subsidiaries (the “**Group**”) encountered yet another reduction in revenue attributable to consumers’ saving attitude towards perishable goods in the retail market. The overall retail environment remains uncertain due to the wavering condition of Sino-US trade relationship and global unrest leading to reduced consumer spending. The government of the Hong Kong Special Administrative Region (“**Hong Kong**”) has been pushing initiatives attempts to attract more influx of tourists to Hong Kong to improve the economy.

Management Discussion and Analysis

Financial Review

Revenue, gross profit and net loss

The consolidated revenue of the Group for the Reporting Period amounted to approximately HK\$10.7 million (six months ended 30 September 2024: approximately HK\$11.4 million), representing a decrease of approximately 6.6%. The gross profit for the Reporting Period amounted to approximately HK\$8.2 million (six months ended 30 September 2024: approximately HK\$8.7 million), decreasing by approximately 5.3%. Gross profit margin was approximately 77.1% (six months ended 30 September 2024: approximately 76.1%), representing an increase of approximately 1.0% compared with that of the last corresponding period. Net loss for the Reporting Period was approximately HK\$4.8 million (six months ended 30 September 2024: net loss of approximately HK\$6.6 million). The decrease in net loss for the Reporting Period relative to the corresponding period in 2024 was mainly due to decrease in depreciation on the right-of-use assets and finance cost.

Selling and distribution costs

Selling and distribution costs remained approximately the same to approximately HK\$0.5 million (six months ended 30 September 2024: approximately HK\$0.5 million).

Administrative expenses

Administrative expenses decreased slightly from approximately HK\$12.3 million for the six months ended 30 September 2024 to approximately HK\$10.6 million for the Reporting Period, representing a mere decrease of approximately 14.3%.

Finance expenses

Finance charges for the Reporting Period amounted to HK\$2.2 million (six months ended 30 September 2024: HK\$2.4 million), and were mainly interests on bank borrowings, finance lease and promissory notes.

Outlook and Prospect

With the strong foundation of loyal local consumers, the Company foresees steady revenue growth alongside the continued improvement of Hong Kong's overall economy. Nevertheless, the Company will place emphasis on monitoring administrative expenses to narrow the loss for the coming year.



Management Discussion and Analysis

Liquidity and Cash Flow Management

The Group has adopted a prudent financial policy in order to maintain a healthy financial position under the uncertainty of the economic situation. The Group has funded the liquidity and capital requirements principally from cash generated from operations.

As at the end of the Reporting Period, the Group's net current liabilities amounted to approximately HK\$51.9 million (31 March 2025: net current liabilities of approximately HK\$50.2 million), which was an increase of approximately HK\$1.7 million or 3.4% because of the increase in trade and other payables. Cash and bank balances amounted to approximately HK\$1.4 million (31 March 2025: approximately HK\$1.5 million), a decrease of approximately HK\$0.1 million or 7.7%.

As at the end of the Reporting Period, current assets amounted to approximately HK\$9.8 million (31 March 2025: approximately HK\$9.3 million) and current liabilities amounted to approximately HK\$61.7 million (31 March 2025: approximately HK\$59.5 million). Current ratio was approximately 0.16 times as at the end of the Reporting Period (31 March 2025: approximately 0.16 times).

Gearing Ratio

Gearing ratio is calculated as bank borrowings divided by the total equity as at the respective reporting date.

The gearing ratio as at the end of the Reporting Period was approximately -280.3% (31 March 2025: approximately -424.2%) because of the loss.

Capital Expenditure

For the Reporting Period, the Group's capital expenditure amounted to approximately HK\$121,000 (six months ended 30 September 2024: approximately HK\$120,000), mainly for plant and equipment.

Foreign Exchange Exposure

Since all of the assets and liabilities of the Group are situated in Hong Kong and denominated in Hong Kong dollars, and almost all of the revenue is generated from Hong Kong, the functional and reporting currency is the Hong Kong dollar. There were no hedging instruments except for cash and bank balances of approximately RMB11,000 as at the end of the Reporting Period (31 March 2025: approximately RMB11,000). For payment of purchases in Renminbi, the Directors considered that the foreign exchange exposure was fairly covered as purchases in Renminbi only constituted a minor percentage of total purchase and their settlement within 60 days would not cause any material foreign exchange risk.

Management Discussion and Analysis

Principal Risks and Uncertainties

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that only well-established customers will be considered for open account terms and the approval of credit terms is subject to stringent credit check procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Interest rate risk

As at the end of the Reporting Period, the Group had bank borrowings and interest rate risk was present. The Group had strived to negotiate with the bank to lower the lending rates to a more favourable level for the forthcoming period.

Liquidity risk

The Group monitors its risk to a shortage of funds using a monthly cash flow forecast. The Group's objective is to maintain a balance between continuity of funding and flexibility through cash from time deposits and funds generated from operations.

Employees and Remuneration Policies

As at the end of the Reporting Period, the Group had 46 employees (30 September 2024: 50) working in Hong Kong. Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonus. Various training was provided to the employees during the Reporting Period. The total staff costs (excluding the remuneration of Directors) for the Reporting Period amounted to approximately HK\$5.2 million (six months ended 30 September 2024: approximately HK\$5.5 million).

Dividends

The board of Directors (the "Board") has resolved not to declare any dividend for the Reporting Period (six months ended 30 September 2024: Nil).

Contingent Liabilities

The Group had no significant contingent liabilities as at the end of the Reporting Period.



Management Discussion and Analysis

Charge on the Group's Assets

As at the end of the Reporting Period, the Group has first and second legal charges on ownership and rental rights respectively of the Group's assets, namely, property at Shop B, Ground Floor, Siu Ying Commercial Building, 151–155 Queen's Road Central, 1–1B, Wing Kut Street, Hong Kong and property at Ground Floor, Mei Wah Building, No. 170 Johnston Road, Hong Kong as securities for the banking facilities granted to the Group.

Save as disclosed above, there was no other material charge on the Group's assets during the Reporting Period.

Event after the Reporting Period

Save as disclosed above, there were no material events after the Reporting Period that would affect the result of the Group for the Reporting Period.

Other Information

Corporate Governance Practices and Compliance

During the Reporting Period, the Group was committed to maintaining a high standard of corporate governance, and complying with the Code of Corporate Governance Practices to the extent practicable. The Company has applied the code provisions in the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the GEM Listing Rules. During the Reporting Period and to the best knowledge of the Board, save as disclosed below, the Company has complied with the relevant provisions under the CG Code.

CG Code provision C.5.1 stipulates that board meetings should be held at least four times a year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication. During the Reporting Period, the Board convened one regular meeting to review and discuss the annual results for the year ended 31 March 2025, assess operating performance, and consider and approve the Company's overall strategies and policies. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary. Instead, the Board meets on other occasions when a Board-level decision on a particular matter is required. Save as the aforesaid Board meeting, the Board held one meeting during the Reporting Period to discuss and approve a continuing connected transaction of the Company.

The Board is responsible for providing leadership and oversight to promote the long term success of the Group. This responsibility is discharged through the formulation of corporate strategic objectives and policies, together with the ongoing monitoring and evaluation of operating activities and financial performance. The Board also conducts regular reviews of the Company's corporate governance practices and will implement such changes as are necessary to ensure continued compliance with the CG Code.

Securities Transactions of Directors

The Group has adopted a code of conduct regarding securities transactions by Directors (the “**Code of Conduct**”) on terms no less exacting than the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Group having made specific enquiries with all of the Directors, and all of the Directors confirmed that they have complied with the Code of Conduct during the Reporting Period.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.



Other Information

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and Its Associated Corporations

So far as the Directors are aware, as at the end of the Reporting Period, the interests and short positions of the Directors and chief executives of the Company in the shares of the Company ("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 ("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 were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in ordinary Shares and underlying Shares of the Company

| Name of Director/ chief executive | Capacity/Nature of interest | Number of shares/ underlying shares held/interested | Approximate percentage of shareholding |
|--------------------------------------|--|---|--|
| Mr. Chan Kwong Yuen | Interested in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Mr. Chan Kun Yuen | Interested in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Mr. Chan Shu Yuen | Interested in a controlled corporation | 270,000,000 (Note 1) | 74.66% |

Notes:

1. These 270,000,000 Shares are held by Profit Ocean Enterprises Limited ("Profit Ocean"), a company owned by Tri-Luck Investments Limited ("Tri-Luck"), Wealth City Global Limited ("Wealth City"), Sky King Global Limited ("Sky King") and Coastal Lion Limited ("Coastal Lion") in equal shares, i.e. 25% each. Each of Tri-Luck, Wealth City, Sky King and Coastal Lion is wholly owned by Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen respectively.

Under the acting in concert arrangement between Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Tat Yuen, each of Coastal Lion, Wealth City, Sky King, Tri-Luck, Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Tat Yuen is deemed to be interested in all the Shares of the Company held by Profit Ocean for purposes of the SFO.

Long positions in ordinary Shares of associated corporations

| Name of Director/ chief executive | Name of associated corporation | Capacity/Nature of interest | Number of Shares held/ interested | Percentage of shareholding |
|--------------------------------------|--------------------------------------|--------------------------------------|---|-------------------------------|
| Mr. Chan Kwong Yuen | Profit Ocean | Interest in a controlled corporation | 250 | 25% |
| | Coastal Lion | Beneficial owner | 100 | 100% |
| Mr. Chan Kun Yuen | Profit Ocean | Interest in a controlled corporation | 250 | 25% |
| | Wealth City | Beneficial owner | 100 | 100% |
| Mr. Chan Shu Yuen | Profit Ocean | Interest in a controlled corporation | 250 | 25% |
| | Sky King | Beneficial owner | 100 | 100% |

Other Information

Save as disclosed above, as at the end of the Reporting Period, none of the Directors or chief executives of the Company nor their associates had any interests and short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as referred to in Rule 5.46 of the GEM Listing Rules.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

So far as known to the Directors or chief executives of the Company, as at the end of the Reporting Period, the following persons/entities (other than the Directors and chief executives of the Company) had or were deemed to have an interest or a short position in the Shares or the underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Long positions in ordinary Shares and underlying Shares of the Company

| Name of Shareholder | Nature of interest and capacity | Number of Shares/ underlying Shares held/ interested | Approximate percentage of the total issued Shares |
|-----------------------|--------------------------------------|--|---|
| Profit Ocean | Beneficial owner | 270,000,000 | 74.66% |
| Mr. Wong Tak Ming | Beneficial owner | 18,135,000 | 5.01% |
| Tri-Luck | Interest in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Wealth City | Interest in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Sky King | Interest in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Coastal Lion | Interest in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Mr. Chan Tat Yuen | Interest in a controlled corporation | 270,000,000 (Note 1) | 74.66% |
| Ms. Chu Min | Interest of spouse | 270,000,000 (Note 2) | 74.66% |
| Ms. Chan King Chi | Interest of spouse | 270,000,000 (Note 3) | 74.66% |
| Ms. Po Miu Kuen Tammy | Interest of spouse | 270,000,000 (Note 4) | 74.66% |
| Ms. Ng Wai Lam Lana | Interest of spouse | 270,000,000 (Note 5) | 74.66% |

Other Information

Notes:

1. The total issued capital of Profit Ocean is owned by Tri-Luck, Wealth City, Sky King and Coastal Lion in equal shares, i.e. 25% each, while the total issued share capital of each of Tri-Luck, Wealth City, Sky King and Coastal Lion is wholly owned by Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen, respectively.

Under the acting in concert arrangement between Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen, each of Tri-Luck, Wealth City, Sky King and Coastal Lion, Mr. Chan Tat Yuen, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen is deemed to be interested in all the shares held by Profit Ocean for purposes of the SFO.

2. Ms. Chu Min is the spouse of Mr. Chan Tat Yuen. For purposes of the SFO, Ms. Chu Min is deemed to be interested in the Shares held by Mr. Chan Tat Yuen.
3. Ms. Chan King Chi is the spouse of Mr. Chan Kun Yuen. For purposes of the SFO, Ms. Chan King Chi is deemed to be interested in the Shares held by Mr. Chan Kun Yuen.
4. Ms. Po Miu Kuen Tammy is the spouse of Mr. Chan Shu Yuen. For purposes of the SFO, Ms. Po Miu Kuen Tammy is deemed to be interested in the Shares held by Mr. Chan Shu Yuen.
5. Ms. Ng Wai Lam Lana Zoe is the spouse of Mr. Chan Kwong Yuen. For purposes of the SFO, Ms. Ng Wai Lam Lana Zoe is deemed to be interested in the Shares held by Mr. Chan Kwong Yuen.

Save as disclosed above, as at the end of the Reporting Period, no person, other than the Directors whose interests are set out in the section "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations" above, had or was deemed to have an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

As at the end of the Reporting Period, the controlling shareholders did not pledge any of the Shares to any party. The Company did not breach any loan agreement that is significant to the Group's operations nor enter into loan agreements with covenants relating to specific performance of the controlling shareholders. Moreover, none of the Company nor its subsidiaries provided any financial assistance and guarantees to affiliated companies of the Company.

Share Option Scheme

The Company has conditionally approved and adopted a share option scheme (the "**Share Option Scheme**") by written resolutions on 14 March 2018. Further details of the Share Option Scheme are set in the section headed "Statutory and General Information – 8. SHARE OPTION SCHEME" in Appendix IV of the prospectus of the Company dated 23 March 2018. The purpose of the share option scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution to the Group.

On 9 September 2019, the Company granted to certain participants entitled under the Share Option Scheme, subject to their acceptance, a maximum of share options to subscribe for a total of 32,300,000 ordinary shares of the Company under the Share Option Scheme.

Other Information

The above options granted under the Share Option Scheme were exercised, lapsed or cancelled as at the last day of the exercisable period on 31 May 2023. Since then and throughout the Reporting Period, no share options were granted, exercised, lapsed or cancelled under the Share Option Scheme. There were no outstanding options as at 1 April 2025 and 30 September 2025. Accordingly, the calculation of the ratio of the number of Shares that may be issued in respect of options granted under the Share Option Scheme during the Reporting Period to the weighted average number of Shares in issue for the Reporting Period is not applicable.

The numbers of options available for grant under the Share Option Scheme on 1 April 2025 and 30 September 2025 are 3,700,000 and 3,700,000 respectively.

Competing Interests

The Directors were not aware of any business or interest of the Directors or the controlling shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group during the Reporting Period.

Audit Committee

The Audit Committee was established on 14 March 2018 with written terms of reference in compliance with the requirements as set out in Rule 5.28 of the GEM Listing Rules and the CG Code.

The principal duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Group. The Audit Committee currently comprises all three independent non-executive Directors, namely Mr. Lee Wai Ho, Dr. Ip Wai Hung and Ms. Hon Yin Wah. The chairman of the Audit Committee is Ms. Hon Yin Wah.

The Audit Committee has reviewed the unaudited condensed consolidated results of the Company for the Reporting Period and is of the opinion that such results complied with the applicable accounting standards and the requirements under the GEM Listing Rules, and that adequate disclosures have been made.

By order of the Board

Ying Kee Tea House Group Limited

Chan Kwong Yuen

Chairman

Hong Kong, 28 November 2025

As at the date of this report, the Board comprises Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen and Mr. Chan Shu Yuen as executive Directors; and Dr. Ip Wai Hung, Mr. Lee Wai Ho and Ms. Hon Yin Wah as independent non-executive Directors.



Interim Results

The board of Directors (the “**Board**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2025 (the “**Reporting Period**”), together with the unaudited comparative figures for the corresponding period in 2024 as follows:

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

| | Notes | Six months ended 30 September | |
|--|-------|----------------------------------|---------------------------------|
| | | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Revenue | 4 | 10,686 | 11,442 |
| Cost of sales | | (2,445) | (2,740) |
| Gross profit | | 8,241 | 8,702 |
| Other income | 5 | 283 | 16 |
| Selling and distribution costs | | (544) | (511) |
| Administrative expenses | | (10,557) | (12,321) |
| Finance costs | 6 | (2,189) | (2,442) |
| Loss before income tax | 7 | (4,766) | (6,556) |
| Income tax expense | 8 | — | — |
| Loss and total comprehensive expense for the period attributable to equity holders of the Company | | (4,766) | (6,556) |
| Loss per share attributable to equity holders of the Company (expressed in HK cents per share) | | | |
| Basic and diluted loss per share | 10 | (1.32) | (1.81) |

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

| | Notes | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|--|-------|--|--|
| ASSETS AND LIABILITIES | | | |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 75,242 | 77,346 |
| Rental deposits | 12 | 510 | 510 |
| | | 75,752 | 77,856 |
| Current assets | | | |
| Inventories | | 6,440 | 5,887 |
| Trade and other receivables | 12 | 1,974 | 1,870 |
| Tax recoverable | | 42 | 65 |
| Cash and bank balances | | 1,360 | 1,473 |
| | | 9,816 | 9,295 |
| Current liabilities | | | |
| Trade and other payables | 13 | 2,586 | 1,072 |
| Bank borrowings | 14 | 13,722 | 14,101 |
| Promissory notes | 16 | 39,267 | 38,043 |
| Lease liabilities | 15 | 6,152 | 6,288 |
| | | 61,727 | 59,504 |
| Net current liabilities | | (51,911) | (50,209) |
| Total assets less current liabilities | | 23,841 | 27,647 |
| Non-current liabilities | | | |
| Provision for long service payment | | 1,358 | 1,358 |
| Provision for reinstatement cost | | 604 | 747 |
| Bank borrowings | 14 | 30,375 | 31,500 |
| Amount due to a related company | 17 | 3,000 | 3,000 |
| Amount due to controlling shareholders | 17 | 3,100 | — |
| Lease liabilities | 15 | 920 | 1,792 |
| | | 39,357 | 38,397 |
| Net liabilities | | (15,516) | (10,750) |
| EQUITY | | | |
| Share capital | | 42,312 | 42,312 |
| Reserves | | (57,828) | (53,062) |
| Capital deficiency | | (15,516) | (10,750) |



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

| | Share capital HK\$'000 | Capital reserve HK\$'000 (Note (i)) | Contribution reserve HK\$'000 (Note (ii)) | Accumulated losses HK\$'000 | (Capital deficiency)/ Total equity HK\$'000 |
|---|---------------------------|---|---|--------------------------------|---|
| As at 1 April 2025 | 42,312 | 990 | 12,843 | (66,895) | (10,750) |
| Loss and total comprehensive expense for the period | – | – | – | (4,766) | (4,766) |
| As at 30 September 2025 (unaudited) | 42,312 | 990 | 12,843 | (71,661) | (15,516) |
| As at 1 April 2024 | 42,312 | 990 | 12,843 | (49,576) | 6,569 |
| Loss and total comprehensive expense for the period | – | – | – | (6,556) | (6,556) |
| As at 30 September 2024 (unaudited) | 42,312 | 990 | 12,843 | (56,132) | 13 |

Notes:

- (i) Capital reserve represented the excess of nominal value of shares of Ying Kee Tea Company Limited over the nominal value of shares allotted by the Company arising from reorganisation.
- (ii) Contribution reserve represents the deemed contribution by controlling shareholders, in the issuance of non-interest bearing promissory notes to Chan Sing Hoi Enterprises Limited ("Chan Sing Hoi Enterprises") in 2020. The contribution reserve represents the difference between the fair value of assets acquired and the fair value of the non-interest bearing promissory notes issued in 2020, and the difference of fair value changes of promissory notes extended in 2023, details of which are set out in note 16.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

| | Six months ended 30 September | |
|--|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Cash flows from operating activities | | |
| Loss before income tax | (4,766) | (6,556) |
| Adjustments for: | | |
| – Depreciation | 2,901 | 4,088 |
| – Amortisation of reinstatement cost | – | 10 |
| – Interest income | – | (2) |
| – Interest expenses | 2,189 | 2,442 |
| – Write-back of provision of reinstatement cost | (127) | – |
| Operating profit/(loss) before working capital changes | 197 | (18) |
| Changes in working capital: | | |
| – Inventories | (553) | (396) |
| – Trade and other receivables | (104) | 612 |
| – Trade and other payables | 1,514 | 1,575 |
| Cash generated from operations | 1,054 | 1,773 |
| Income taxes refund/(paid) | 23 | (24) |
| <i>Net cash from operating activities</i> | <i>1,077</i> | <i>1,749</i> |
| Cash flows from investing activities | | |
| Interest received | – | 2 |
| Purchases of property, plant and equipment | (121) | (120) |
| Payment of reinstatement cost | (16) | – |
| <i>Net cash used in investing activities</i> | <i>(137)</i> | <i>(118)</i> |
| Cash flows from financing activities | | |
| Interest paid | (965) | (1,293) |
| Proceeds from new bank borrowings | 2,000 | – |
| Advance from controlling shareholders of the Company | 3,100 | – |
| Advance from a related party | – | 3,000 |
| Payment of lease liabilities | (1,684) | (1,390) |
| Repayment of bank borrowings | (3,504) | (2,487) |
| <i>Net cash used in financing activities</i> | <i>(1,053)</i> | <i>(2,170)</i> |
| Net decrease in cash and cash equivalents | (113) | (539) |
| Cash and cash equivalents at the beginning of the period | 1,473 | 2,912 |
| Cash and cash equivalents at the end of the period, represented by cash and bank balances | 1,360 | 2,373 |



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

1. GENERAL INFORMATION

Ying Kee Tea House Group Limited (the "**Company**") was incorporated in Hong Kong with limited liability on 14 September 2017. The address of its registered office was 8/F., Wah Shing Centre, 5 Fung Yip Street, Siu Sai Wan, Hong Kong and its principal place of business is Hong Kong.

The Company's shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 April 2018.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in the retail trading of tea products. As at the end of the reporting period, the Company's holding company is Profit Ocean Enterprises Limited, a company incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 September 2025 ("**Interim Period**") have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

The unaudited condensed consolidated financial statements for the Interim Period have been prepared on the historical cost basis. The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousand ("**HK\$'000**") except when otherwise indicated.

The unaudited condensed consolidated financial statements for the Interim Period have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31 March 2025, except for the adoption of the amended HKFRS Accounting Standards which are effective for the annual period beginning on 1 April 2025 as disclosed in note 3.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

2. BASIS OF PREPARATION (Continued)

The preparation of the unaudited condensed consolidated financial statements for the Interim Period in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim report contains the unaudited condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the annual financial statements for the year ended 31 March 2025. The unaudited condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statement prepared in accordance with HKFRS Accounting Standards.

The condensed consolidated financial statements for the Interim Period are unaudited, but have been reviewed by the Company's audit committee and authorised for issue by the board of directors on 28 November 2025.

The financial information relating to the financial year ended 31 March 2025 that is included in the unaudited condensed consolidated financial statements for the Interim Period as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; included a reference to a matter to which the auditor drew attention by way of emphasis without qualifying its report in relation to a material uncertainty about going concern; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

2. BASIS OF PREPARATION (Continued)

Going concern basis

During the six months ended 30 September 2025, the Group recorded a net loss of HK\$4,766,000. The Group's operations are financed by bank borrowings, promissory note and internal resources. As at 30 September 2025, the Group had net current liabilities of HK\$51,911,000. The Group's cash and bank balances amounting to HK\$1,360,000 as at 30 September 2025.

In view of these circumstances, management has been continuously implementing measures to improve and maintain the Group's liquidity which include:

- (i) the Group has taken various cost control measures to tighten the costs of operation and will continue to improve its working capital management and generate sufficient cash flows to meet its liabilities as and when they fall due in the next twelve months;
- (ii) the Group considers it is able to renew and maintain the existing banking facilities and obtain new sources of financing;
- (iii) Chan Sing Hoi Enterprises Limited, a related company, has confirmed that it does not intend to demand repayment from the Company for the promissory notes due to it (Note 16) until such time when repayment will not affect the Group's ability to repay other creditors in the normal course of business; and
- (iv) Golden Ocean International Holdings Limited ("Golden Ocean"), a related company, has undertaken to provide continuing financial support to the Group for at least twelve months from the date of approval of the unaudited condensed consolidated financial statements by the directors in order to maintain the Group as a going concern.

In assessing the Group's ability to continue as a going concern, the Directors have prepared a cash flow forecast which covers a period of not less than twelve months from 30 September 2025. The Director's cash flow forecast made certain key assumption with regard to the anticipated cash flow from the Group's business operations and the availability of financial facilities from external parties and related companies.

The Group's ability to achieve the cash flow forecast depends on management's ability to successfully implement the improvement measures (from (i) to (ii) described above) on the profitability and the continuous availability of those financing facilities and obtaining financial support successfully, as and when, needed from the related company (described in (iv) above). These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

2. BASIS OF PREPARATION (Continued)

Going concern basis (Continued)

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 unaudited condensed consolidated financial statements have been prepared on a going concern basis.

Should the going concern assumption be inappropriate, adjustments may have to be made to write down the values of assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the unaudited condensed consolidated financial statements.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

Amended HKFRS Accounting Standards that are effective for annual period beginning on 1 April 2025

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2025 have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31 March 2025, except for the adoption of the Amendments to HKAS 21 "Lack of Exchangeability" which are effective as of 1 April 2025.

The amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Besides, the amendments also require an entity to disclose additional information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the unaudited condensed consolidated interim financial statements of the Group.



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (Continued)

Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of the unaudited condensed financial statements for the Interim Period, certain amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group:

| | |
|--|--|
| HKFRS 18 | Presentation and Disclosure in Financial Statements ² |
| HKFRS 19 | Subsidiaries without Public Accountability: Disclosures ² |
| Amendments to HKFRS 9 and HKFRS 7 | Amendments to the Classification and Measurement of Financial Instruments ¹ |
| Amendments to HKFRS 9 and HKFRS 7 | Contracts Referencing Nature-dependent Electricity ¹ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |
| Amendments to HKFRS Accounting Standards | Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹ |
| 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 ² |

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. The new and amended HKFRS Accounting Standards are expected to have no material impact on the unaudited condensed financial statements for the Interim Period.

4. REVENUE AND SEGMENT REPORTING

4.1 Revenue

| | Six months ended 30 September | |
|-----------------------|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Sales of tea products | 10,686 | 11,442 |

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. REVENUE AND SEGMENT REPORTING (Continued)

4.2 Segment information

The Group has determined the operating segments based on the information reported to the executive directors, the chief operating decision maker. During the six months ended 30 September 2025 and 2024, the chief operating decision maker regards the Group's sales of tea products as a single operating segment and assesses the operating performance and allocates the resources of the Group as a whole. Accordingly, no segment information is presented.

Geographical information

During the six months ended 30 September 2025 and 2024, no separate analysis of segment information by geographical segment is presented as all the Group's revenue are derived from Hong Kong based on the location of customers and the Group's non-current assets are located in Hong Kong.

Information about major customers

During the six months ended 30 September 2025 and 2024, none of the Group's customers contributed over 10% of the Group's revenue.

5. OTHER INCOME

| | Six months ended 30 September | |
|---|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Bank interest income | – | 2 |
| Sundry income | 156 | 14 |
| Write-back of provision of reinstatement cost | 127 | – |
| | 283 | 16 |



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

6. FINANCE COSTS

| | Six months ended 30 September | |
|---|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| | | |
| Interest on bank borrowings and overdrafts | 797 | 1,064 |
| Imputed interest expenses from promissory notes | 1,224 | 1,149 |
| Finance charges on lease liabilities | 168 | 229 |
| | 2,189 | 2,442 |

7. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

| | Six months ended 30 September | |
|---|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| | | |
| Depreciation of property, plant and equipment | 1,723 | 1,858 |
| Depreciation of right-of-use assets | 1,178 | 2,230 |
| Total depreciation | 2,901 | 4,088 |
| Amortisation of reinstatement cost | – | 10 |
| Lease charges in respect of premises | | |
| – short term leases | 142 | 341 |
| – variable lease payments (Note) | 116 | 281 |
| Total lease charges | 258 | 622 |
| Auditor's remuneration | 290 | 200 |
| Cost of inventories recognised as an expense | 1,921 | 2,203 |

Note: The contingent rentals are charged based on pre-determined percentages of realised sales less the minimum lease payments of the respective leases.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

8. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been provided as the Group incurred taxation losses for the six months ended 30 September 2025 and 2024.

| | Six months ended 30 September | |
|-----------------------|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Current tax | | |
| Hong Kong Profits Tax | | |
| – Current period | – | – |

No deferred tax asset has been recognised in relation to unrecognised tax losses as at 30 September 2025 and 2024 due to the unpredictability of future profit streams. These tax losses do not expire under current legislation.

9. DIVIDEND

The directors do not recommend the payment of any interim dividend for the six months ended 30 September 2025 and 2024.

10. LOSS PER SHARE

The basic loss per share is calculated based on the loss attributable to equity holders of the Company and on the weighted average number of 361,650,000 ordinary share (six months ended 30 September 2024: 361,650,000) for the Interim Period.

| | Six months ended 30 September | |
|---|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Loss | | |
| Loss for the period attributable to equity holders of the Company for the purpose of basic loss per share | (4,766) | (6,556) |
| Number of shares | | |
| Number of shares | | |
| Weighted average number of ordinary shares used in calculating diluted loss per share (in thousands) | 361,650 | 361,650 |

For the six months ended 30 September 2025 and 2024, diluted loss per share is the same as basic loss per share. The potential shares arising from the conversion of the Company's share options would decrease the loss per share attributable to equity holders of the Company and is not taken into account as they had anti-dilutive effects.



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

11. PROPERTY, PLANT AND EQUIPMENT

For the Interim Period, the Group acquired property, plant and equipment valued at approximately HK\$121,000 (six months ended 30 September 2024: HK\$120,000).

For the six months ended 30 September 2025, the Group entered into a new contract amounting to HK\$676,000. For the six months ended 30 September 2024, the Group entered into modified contracts with lessors to revise the monthly rental and extend the lease terms of the leases. As the modification does not add the right to use one or more underlying assets, it is not accounted for as a separate lease. Accordingly, the Group recognised an additional amount of HK\$3,728,000 of right-of-use assets included in leasehold land and buildings and lease liabilities respectively.

As at 30 September 2025, the carrying amount of the Group's right-of-use assets in relation to properties was HK\$1,244,000 (31 March 2025: HK\$1,746,000).

As at 30 September 2025, leasehold land and buildings with a carrying amount of HK\$75,600,000 (31 March 2025: HK\$75,600,000) was pledged to secure general banking facilities granted to the Group. The details in relation to these borrowings are set out in note 14.

12. TRADE AND OTHER RECEIVABLES

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|--|--|--|
| Trade receivables | 429 | 314 |
| Less: ECL allowance | – | – |
| | 429 | 314 |
| Deposits, prepayments and other receivables | | |
| Rental and other deposits | 1,654 | 1,654 |
| Prepayments | 400 | 409 |
| Other receivables | 1 | 3 |
| Less: ECL allowance | – | – |
| | 2,484 | 2,380 |
| Less: non-current portion | | |
| Rental deposits | (510) | (510) |
| | 1,974 | 1,870 |

The directors consider that the fair value of trade and other receivables are not materially different from their carrying amount and the ECL are considered as insignificant because these balances have short maturity periods on their inception.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

12. TRADE AND OTHER RECEIVABLES (Continued)

The Group's sales to customers are mainly on cash basis. The Group also grants credit terms of 0 to 60 days (31 March 2025: 0 to 60 days) to certain corporate customers. Based on the invoice dates (or date of revenue recognition if earlier), the ageing analysis of trade receivables, net of ECL allowance, was as follows:

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|--------------|--|--|
| 0 – 30 days | 410 | 300 |
| 31 – 60 days | 18 | 13 |
| 61 – 90 days | – | 1 |
| Over 90 days | 1 | – |
| | 429 | 314 |

13. TRADE AND OTHER PAYABLES

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|------------------------------------|--|--|
| Trade payables | 1,663 | 450 |
| Accrued charges and other payables | 923 | 622 |
| | 2,586 | 1,072 |

Purchases are generally made without prescribed credit terms. Based on the invoice dates, the ageing analysis of trade payables was as follows:

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|--------------|--|--|
| 0 – 30 days | 657 | 450 |
| 31 – 60 days | 421 | – |
| 61 – 90 days | 113 | – |
| Over 90 days | 472 | – |
| | 1,663 | 450 |

All amounts are short term and hence the carrying amount of trade and other payables are considered to be reasonable approximation of their fair values.



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

14. BANK BORROWINGS

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|--|--|--|
| Carrying amount repayable: | | |
| Within one year | 13,722 | 14,101 |
| In the second year | 30,375 | 31,500 |
| In the third to fifth years | – | – |
| | 44,097 | 45,601 |
| Less: Carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities) | (11,472) | (11,851) |
| Amounts shown under current liabilities | (2,250) | (2,250) |
| Amounts shown under non-current liabilities | 30,375 | 31,500 |
| Secured (Notes (i) & (ii)) | 41,625 | 42,750 |
| Unsecured (Note (iii)) | 2,472 | 2,851 |
| | 44,097 | 45,601 |

Notes:

- (i) As at 30 September 2025 and 31 March 2025, the balances were secured by property, plant and equipment as set out in note 11.
- (ii) As at 30 September 2025, the amount of HK\$9,000,000 (31 March 2025: HK\$9,000,000) included in the secured borrowings were guaranteed by certain subsidiaries of the Company.
- (iii) As at 30 September 2025, the amount of HK\$2,472,000 (31 March 2025: HK\$2,851,000) included in the unsecured borrowings were guaranteed by Hong Kong Special Administrative region under SME Financing Guarantee Scheme and cross personal guarantees given by Chan Shu Yuen, Chan Kwong Yuen, Chan Kun Yuen and Chan Tat Yuen, the controlling shareholders of the Group.

The effective interest rates range from 2.85% to 6.04% (31 March 2025: 2.75% to 5.73%) per annum.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

15. LEASE LIABILITIES

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|--|--|--|
| Total minimum lease payments: | | |
| Due within one year | 6,296 | 6,531 |
| Due in the second to fifth years | 944 | 1,862 |
| | 7,240 | 8,393 |
| Future finance charges on leases liabilities | (168) | (313) |
| Present value of leases liabilities | 7,072 | 8,080 |
| | | |
| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
| Present value of minimum lease payments: | | |
| Due within one year | 6,152 | 6,288 |
| Due in the second to fifth years | 920 | 1,792 |
| | 7,072 | 8,080 |
| Less: Portion due within one year included under current liabilities | (6,152) | (6,288) |
| Portion due after one year included under non-current liabilities | 920 | 1,792 |

As at 30 September 2025, lease liabilities amounted to HK\$7,072,000 (31 March 2025: HK\$8,080,000) were effectively secured by the related underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default by repayment by the Group.

For the Interim Period, the total cash outflows for the leases (including short-term leases) were HK\$2,110,000 (six months ended 30 September 2024: HK\$2,241,000).



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

16. PROMISSORY NOTES

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|-----------------------------|--|--|
| At beginning of period/year | 38,043 | 35,698 |
| Imputed interest charged | 1,224 | 2,345 |
| At the end of period/year | 39,267 | 38,043 |

On 25 March 2020 ("Effective Date"), the Company issued two promissory notes with principal amounts of HK\$25,500,000 and HK\$25,000,000 respectively to Chan Sing Hoi Enterprises as part of the consideration for the acquisition of the two properties used as retail shops for business operation and the Company may, at its sole and absolute discretion, further extend the maturity date for another three years falling on the sixth anniversary of the Effective Date or such other date as suggested by the Company, whichever date is earlier. In December 2020, the Company has made early repayment amounted to HK\$10,000,000. The promissory notes of HK\$40,500,000 were extended at a discounted value which is calculated by the Group's effective interest rate of 6.57% per annum to discount the value of the promissory notes into their fair value at inception date.

The promissory notes were unsecured and interest-free on its principal sum. The promissory notes would be matured on 25 March 2026.

17. AMOUNTS DUE TO A RELATED COMPANY/CONTROLLING SHAREHOLDERS

The amount dues are unsecured, interest-free and not repayable within 12 months from the reporting date. The carrying amount of the amount dues approximate its fair value.

Four directors of the Company are also the beneficial owners of the related company.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

18. LEASE COMMITMENTS

As lessee

At the end of each reporting period, the lease commitments for short-term leases are as follows:

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|-----------------|--|--|
| Within one year | – | 16 |

In addition to the above, variable payments are charged on certain retail shops and concession counters based on pre-determined percentages of realised sales, but generally with a basic or minimum lease payments as agreed of the respective leases.

19. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group entered into the following material related party transactions for the six months ended 30 September 2025 and 2024:

19.1 Names and relationship

| Name of related party | Relationship with the Group |
|---------------------------|---|
| Chan Kwong Yuen | Director of the Company |
| Chan Kun Yuen | Director of the Company |
| Chan Tat Yuen | Director of the Company |
| Chan Sing Hoi Enterprises | An entity controlled by substantial shareholders of the Company |
| Golden Ocean | An entity controlled by substantial shareholders of the Company |



Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

19. RELATED PARTY TRANSACTIONS (Continued)

19.2 Related party transactions

| | Six months ended 30 September | | 2024 HK\$'000 (unaudited) |
|--|----------------------------------|-------------------------|---------------------------------|
| | 2025 | HK\$'000 (unaudited) | |
| | | | |
| Lease payment: | | | |
| Golden Ocean | 900 | | 1,878 |
| Finance charges on lease liabilities: | | | |
| Golden Ocean | 40 | | 98 |
| Sales of goods to: | | | |
| Chan Kun Yuen | 8 | | 15 |
| Chan Kwong Yuen | 1 | | 1 |
| Chan Tat Yuen | 18 | | 29 |
| Imputed interest expense: | | | |
| Chan Sing Hoi Enterprises | 1,224 | | 1,149 |

Rental expenses paid to related party were negotiated on an arm's length basis with reference to the market rentals.

Sales of goods to directors were made in the normal course of business and according to the prices and terms similar to those made to other parties.

The imputed interest would be amortised to interest expenses over the three years term of the promissory notes.

As at 30 September 2025 and 31 March 2025, the controlling shareholders of the Group, Chan Shu Yuen, Chan Kwong Yuen, Chan Kun Yuen and Chan Tat Yuen, have provided cross personal guarantees to the bank for banking facilities granted to the Group as set out in note 14 and no corporate guarantees to the banks for banking facilities granted to the Group.

As at 30 September 2025 and 31 March 2025, the amount due to a related party, Chan Sing Hoi Enterprises amounting to HK\$3,000,000 was unsecured, interest-free and repayable on demand.

As at 30 September 2025, the amount due to controlling shareholders amounting to HK\$3,100,000 was unsecured, interest-free and repayable on demand.

Notes to Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

19. RELATED PARTY TRANSACTIONS (Continued)

19.2 Related party transactions (Continued)

Outstanding balances arising from leasing of retail shops and the office premise included in leases liabilities as at 30 September 2025 and 31 March 2025 were as follows:

| | As at 30 September 2025 HK\$'000 (unaudited) | As at 31 March 2025 HK\$'000 (audited) |
|----------------------------|--|--|
| Payable to a related party | | |
| – Golden Ocean | 3,869 | 4,236 |

19.3 Key management personnel remunerations

Key management personnel remunerations in the Group including amounts paid to the Company's directors for the six months ended 30 September 2025 and 2024 were as follows:

| | Six months ended 30 September | |
|---|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (unaudited) | 2024 HK\$'000 (unaudited) |
| Salaries, allowances and other benefits | 1,389 | 1,364 |
| Retirement scheme contributions | 29 | 31 |
| | 1,418 | 1,395 |

