大快活
FAIRWOOD

# FAIRWOOD HOLDINGS LIMITED

(Incorporated in Bermuda with Limited Liability)
(Stock Code: 52)

# 2025·2026
# INTERIM REPORT

PRINTED WITH SOY INK

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# Corporate Information

## Board of Directors

*Non-executive Director*
Dennis Lo Hoi Yeung *(Chairman)*

*Executive Directors*
Lo Fai Shing Francis *(Vice Chairman)*
Peggy Lee *(Chief Executive Officer)*

*Independent Non-executive Directors*
Joseph Chan Kai Nin
Peter Lau Kwok Kuen
Peter Wan Kam To
Yip Cheuk Tak

## Audit Committee

Peter Wan Kam To *(Chairman)*
Joseph Chan Kai Nin
Peter Lau Kwok Kuen

## Remuneration Committee

Joseph Chan Kai Nin *(Chairman)*
Peter Lau Kwok Kuen
Yip Cheuk Tak

## Nomination Committee

Dennis Lo Hoi Yeung *(Chairman)*
Peter Wan Kam To
Yip Cheuk Tak
Joseph Chan Kai Nin
Peggy Lee

## Company Secretary

Chan Kang Tung

## Auditor

Deloitte Touche Tohmatsu
*Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance*

## Solicitor

Johnson Stokes & Master

## Public Relations Consultant

Strategic Financial Relations Limited
24/F, Admiralty Centre 1
18 Harcourt Road, Hong Kong

## Principal Bankers

The Bank of East Asia, Limited
China Construction Bank (Asia) Corporation Limited
Chong Hing Bank Limited
Dah Sing Bank, Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
MUFG Bank, Ltd.
OCBC Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
United Overseas Bank Limited

## Registered Office

Victoria Place, 5th Floor, 31 Victoria Street
Hamilton HM10, Bermuda

## Head Office and Principal Place of Business

2/F, TRP Commercial Centre
18 Tanner Road, North Point, Hong Kong

## Principal Registrar and Transfer Office

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor, 31 Victoria Street
Hamilton HM10, Bermuda

## Hong Kong Branch Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Rooms 1712–1716, 17/F, Hopewell Centre
183 Queen’s Road East, Hong Kong

## Website

www.fairwoodholdings.com.hk

## Stock Code

52

# Interim Results

The Board of Directors (the "Board") of Fairwood Holdings Limited (the "Company") hereby announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2025 together with the comparative figures for the six months ended 30 September 2024. The results have been reviewed by the Company's auditor, Deloitte Touche Tohmatsu, and the Company's audit committee.

# Condensed Consolidated Statement of Profit or Loss

**for the six months ended 30 September 2025**

*(Expressed in Hong Kong dollars)*

| | | Six months ended 30 September | |
|---|---|---|---|
| | | **2025** | 2024 |
| | *Notes* | ***$'000*** | *$'000* |
| | | **(unaudited)** | (unaudited) |
| **Revenue** | *4* | **1,517,523** | 1,553,451 |
| Cost of sales | | **(1,394,410)** | (1,436,946) |
| **Gross profit** | | **123,113** | 116,505 |
| Other revenue and other net gain | *5* | **16,663** | 33,579 |
| Selling expenses | | **(22,415)** | (22,118) |
| Administrative expenses | | **(72,258)** | (79,806) |
| Valuation (losses) gains on investment properties | *10(a)* | **(467)** | 1,270 |
| Impairment losses on other property, plant and equipment | *10(b)* | **(4,920)** | (4,835) |
| Impairment losses on right-of-use assets | *11* | **(7,819)** | (10,083) |
| **Profit from operations** | | **31,897** | 34,512 |
| Finance costs | *6(a)* | **(16,194)** | (16,738) |
| **Profit before taxation** | *6* | **15,703** | 17,774 |
| Income tax expense | *7* | **(2,488)** | (2,253) |
| **Profit for the period attributable to equity shareholders of the Company** | | **13,215** | 15,521 |
| **Earnings per share** | | | |
| Basic | *9(a)* | **10.20 cents** | 11.98 cents |
| Diluted | *9(b)* | **10.20 cents** | 11.98 cents |

The notes on pages 10 to 28 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 8.

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

**for the six months ended 30 September 2025**

*(Expressed in Hong Kong dollars)*

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| | **(unaudited)** | (unaudited) |
| **Profit for the period attributable to equity shareholders of the Company** | **13,215** | 15,521 |
| **Other comprehensive income (expense) for the period (after tax):** | | |
| Item that may be reclassified subsequently to profit or loss: | | |
| – Exchange differences on translation of financial statements of subsidiaries in Mainland China | **45** | (591) |
| **Total comprehensive income for the period attributable to equity shareholders of the Company** | **13,260** | 14,930 |

The notes on pages 10 to 28 form part of this interim financial report.

# Condensed Consolidated Statement of Financial Position

**at 30 September 2025**

*(Expressed in Hong Kong dollars)*

| | Notes | At 30 September 2025 $'000 (unaudited) | At 31 March 2025 $'000 (audited) |
|---|---|---|---|
| **Non-current assets** | | | |
| Investment properties | 10 | **20,623** | 21,090 |
| Other property, plant and equipment | 10 | **477,031** | 433,077 |
| Right-of-use assets | 11 | **879,582** | 881,001 |
| | | **1,377,236** | 1,335,168 |
| Goodwill | | **1,001** | 1,001 |
| Non-current deposits | | **57,731** | 61,377 |
| Deferred tax assets | | **2,129** | 4,602 |
| | | **1,438,097** | 1,402,148 |
| **Current assets** | | | |
| Inventories | 12 | **61,061** | 54,282 |
| Trade and other receivables | 13 | **104,928** | 103,194 |
| Current tax recoverable | | **2,294** | 52 |
| Bank deposits and cash and cash equivalents | 14 | **552,074** | 545,653 |
| | | **720,357** | 703,181 |
| **Current liabilities** | | | |
| Trade and other payables | 15 | **448,654** | 402,510 |
| Lease liabilities | | **361,184** | 372,430 |
| Current tax payable | | **–** | 258 |
| Provisions | 17 | **26,743** | 31,122 |
| Long service payment obligation | 18 | **280** | 920 |
| Bank borrowings | 19 | **10,953** | 5,419 |
| | | **847,814** | 812,659 |

# Condensed Consolidated Statement of Financial Position

**at 30 September 2025** *(continued)*

*(Expressed in Hong Kong dollars)*

| | Notes | At 30 September 2025 $'000 (unaudited) | At 31 March 2025 $'000 (audited) |
|---|---|---|---|
| **Net current liabilities** | | **(127,457)** | (109,478) |
| **Total assets less current liabilities** | | **1,310,640** | 1,292,670 |
| **Non-current liabilities** | | | |
| Lease liabilities | | **570,605** | 565,700 |
| Other payable | | **11,300** | – |
| Deferred tax liabilities | | **129** | 114 |
| Rental deposits received | | **990** | 1,690 |
| Provisions | *17* | **43,714** | 40,224 |
| Long service payment obligation | *18* | **34,034** | 32,907 |
| Bank borrowings | *19* | **5,476** | – |
| | | **666,248** | 640,635 |
| **NET ASSETS** | | **644,392** | 652,035 |
| **Capital and reserves** | | | |
| Share capital | | **129,553** | 129,553 |
| Reserves | | **514,839** | 522,482 |
| **TOTAL EQUITY** | | **644,392** | 652,035 |

The notes on pages 10 to 28 form part of this interim financial report.

# Condensed Consolidated Statement of Changes in Equity

**for the six months ended 30 September 2025**

*(Expressed in Hong Kong dollars)*

| | | Attributable to equity shareholders of the Company | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | *Notes* | Share capital *$'000* | Share premium *$'000* | Capital reserve *$'000* | Exchange reserve *$'000* | Land and buildings revaluation reserve *$'000* | Retained profits *$'000* | Total *$'000* |
| **At 1 April 2024 (audited)** | | 129,553 | 55,183 | 8,254 | 1,059 | 527 | 465,829 | 660,405 |
| **Changes in equity for the six months ended 30 September 2024:** | | | | | | | | |
| Profit for the period | | – | – | – | – | – | 15,521 | 15,521 |
| Other comprehensive expense for the period | | – | – | – | (591) | – | – | (591) |
| Total comprehensive (expense) income for the period | | – | – | – | (591) | – | 15,521 | 14,930 |
| Dividends approved in respect of the previous year | *8(b)* | – | – | – | – | – | (38,866) | (38,866) |
| Lapse and cancellation of share options | | – | – | (161) | – | – | 161 | – |
| Equity-settled share-based transactions | *6, 16* | – | – | 831 | – | – | – | 831 |
| | | – | – | 670 | – | – | (38,705) | (38,035) |
| **At 30 September 2024 (unaudited)** | | 129,553 | 55,183 | 8,924 | 468 | 527 | 442,645 | 637,300 |

# Condensed Consolidated Statement of Changes in Equity

**for the six months ended 30 September 2025** *(continued)*

*(Expressed in Hong Kong dollars)*

| | | Attributable to equity shareholders of the Company | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | *Notes* | Share capital *$'000* | Share premium *$'000* | Capital reserve *$'000* | Exchange reserve *$'000* | Land and buildings revaluation reserve *$'000* | Retained profits *$'000* | Total *$'000* |
| **At 1 April 2025 (audited)** | | **129,553** | **55,183** | **9,755** | **831** | **527** | **456,186** | **652,035** |
| **Changes in equity for the six months ended 30 September 2025:** | | | | | | | | |
| Profit for the period | | – | – | – | – | – | 13,215 | 13,215 |
| Other comprehensive income for the period | | – | – | – | 45 | – | – | 45 |
| Total comprehensive income for the period | | – | – | – | 45 | – | 13,215 | 13,260 |
| Dividends approved in respect of the previous year | *8(b)* | – | – | – | – | – | (22,024) | (22,024) |
| Lapse and cancellation of share options | | – | – | (13) | – | – | 13 | – |
| Equity-settled share-based transactions | *6, 16* | – | – | 1,121 | – | – | – | 1,121 |
| | | – | – | 1,108 | – | – | (22,011) | (20,903) |
| **At 30 September 2025 (unaudited)** | | **129,553** | **55,183** | **10,863** | **876** | **527** | **447,390** | **644,392** |

The notes on pages 10 to 28 form part of this interim financial report.

# Condensed Consolidated Cash Flow Statement

**for the six months ended 30 September 2025**

*(Expressed in Hong Kong dollars)*

| | Note | Six months ended 30 September 2025 $'000 (unaudited) | 2024 $'000 (unaudited) |
|---|---|---|---|
| **Operating activities** | | | |
| Cash generated from operations | | **316,569** | 308,269 |
| Net tax paid | | **(2,500)** | (1,633) |
| **Net cash generated from operating activities** | | **314,069** | 306,636 |
| **Investing activities** | | | |
| Payment for purchase of other property, plant and equipment | | **(89,965)** | (115,812) |
| Increase in bank deposits with more than three months to maturity | | **(77,040)** | (143,258) |
| Net proceeds from disposal of other property, plant and equipment | | **68** | 25 |
| **Net cash used in investing activities** | | **(166,937)** | (259,045) |
| **Financing activities** | | | |
| New bank borrowings raised | | **14,238** | 6,099 |
| Repayment of bank borrowings | | **(3,253)** | (6,099) |
| Capital element of lease rentals paid | | **(212,751)** | (219,333) |
| Finance costs paid | | **(16,194)** | (16,738) |
| **Net cash used in financing activities** | | **(217,960)** | (236,071) |
| **Net decrease in cash and cash equivalents** | | **(70,828)** | (188,480) |
| **Cash and cash equivalents at 1 April** | | **338,178** | 538,322 |
| **Effect of foreign exchange rate changes** | | **209** | 31 |
| **Cash and cash equivalents at 30 September** | *14* | **267,559** | 349,873 |

The notes on pages 10 to 28 form part of this interim financial report.

# Notes to the Unaudited Interim Financial Report

*(Expressed in Hong Kong dollars)*

## 1 Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 27 November 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

As at 30 September 2025, the Group's total current assets were $720,357,000 (31 March 2025: $703,181,000) and total current liabilities were $847,814,000 (31 March 2025: $812,659,000). As a result, the Group recorded net current liabilities of $127,457,000 (31 March 2025: $109,478,000) mainly due to lease liabilities of $361,184,000 (31 March 2025: $372,430,000) recognised under current liabilities.

Despite the net current liabilities as at 30 September 2025, the Group's bank deposits and cash and cash equivalents amounted to $552,074,000 (31 March 2025: $545,653,000) and unutilised banking facilities amounted to $235,327,000 (31 March 2025: $206,140,000) on the same day and the Group reported a profit before taxation of $15,703,000 (2024: $17,774,000) and recorded net cash generated from operating activities of $314,069,000 (2024: $306,636,000) during the six months ended 30 September 2025. Furthermore, based on the cash flow projection prepared by management which covers a period of not less than twelve months from 30 September 2025, the directors of the Company (the "Director(s)") are of the opinion that anticipated cash flows generated from the Group's operations and unutilised banking facilities can strengthen the Group's financial position and enable the Group to have sufficient financial resources to meet its financial obligations as and when they fall due in the coming twelve months from 30 September 2025. Accordingly, the Group's consolidated financial statements have been prepared on a going concern basis.

The preparation of an interim financial report 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.

## 1 Basis of preparation *(continued)*

This interim financial report contains 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 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The financial information relating to the financial year ended 31 March 2025 that is included in the interim financial report 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. Statutory financial statements for the year ended 31 March 2025 are available from the Company's head office and principal place of business.

## 2 Changes in accounting policies

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the Group's condensed consolidated financial statements:

| | |
|---|---|
| Amendments to HKAS 21 | Lack of Exchangeability |

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

## 3 Segment reporting

The Group manages its businesses by two divisions, namely Hong Kong restaurants and Mainland China restaurants, which are organised by geographical location. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

– Hong Kong restaurants: this segment operates restaurants in Hong Kong.
– Mainland China restaurants: this segment operates restaurants in Mainland China.

Other segments generate profits mainly from leasing of investment properties and include corporate expenses.

*(a) Segment results*

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the periods is set out below.

***For the six months ended 30 September***

| | Hong Kong restaurants | | Mainland China restaurants | | Other segments | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | ***$'000*** | *$'000* | ***$'000*** | *$'000* | ***$'000*** | *$'000* | ***$'000*** | *$'000* |
| Revenue from external customers | **1,437,483** | 1,459,438 | **76,846** | 90,803 | **3,194** | 3,210 | **1,517,523** | 1,553,451 |
| Inter-segment revenue | **–** | – | **–** | – | **270** | 174 | **270** | 174 |
| Reportable segment revenue | **1,437,483** | 1,459,438 | **76,846** | 90,803 | **3,464** | 3,384 | **1,517,793** | 1,553,625 |
| Reportable segment profit (loss) | **34,409** | 26,065 | **(9,289)** | 937 | **3,789** | 4,420 | **28,909** | 31,422 |

Segment assets information is not reported to or used by the Group's most senior executive management.

## 3 Segment reporting *(continued)*

*(b) Reconciliations of reportable segment profit*

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| **Profit** | | |
| Reportable segment profit before taxation | **28,909** | 31,422 |
| Valuation (losses) gains on investment properties | **(467)** | 1,270 |
| Impairment losses on other property, plant and equipment | **(4,920)** | (4,835) |
| Impairment losses on right-of-use assets | **(7,819)** | (10,083) |
| Consolidated profit before taxation | **15,703** | 17,774 |

## 4 Revenue

The principal activities of the Group are operation of fast food restaurants and property investments. Revenue represents the sales value of food and beverages sold to customers and rental income and excludes value added tax or other sales taxes and is after deduction of any trade discounts. An analysis of revenue is as follows:

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| Sale of food and beverages at a point in time | **1,514,329** | 1,550,241 |
| Property rental | **3,194** | 3,210 |
| | **1,517,523** | 1,553,451 |

## 5 Other revenue and other net gain

| | Six months ended 30 September 2025 | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| **Other revenue** | | |
| Interest income | **7,960** | 13,241 |
| Government grants | **271** | – |
| | **8,231** | 13,241 |
| **Other net gain** | | |
| Net loss on disposal of other property, plant and equipment | **(1,777)** | (2,323) |
| Net foreign exchange loss | **(226)** | (581) |
| Electric and gas range incentives | **2,469** | 2,773 |
| Profit on sale of redemption gifts | **2,016** | 1,810 |
| Gain on lease modifications | **1,770** | 15,571 |
| Others | **4,180** | 3,088 |
| | **8,432** | 20,338 |
| | **16,663** | 33,579 |

## 6 Profit before taxation

Profit before taxation is arrived at after charging:

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| *(a) Finance costs* | | |
| Interest expense on lease liabilities | **16,065** | 16,647 |
| Interest expenses on bank borrowings | **129** | 91 |
| | **16,194** | 16,738 |
| *(b) Other items* | | |
| Cost of inventories *(note)* | **373,559** | 371,201 |
| Depreciation charge | | |
| – Other property, plant and equipment | **57,883** | 51,493 |
| – Right-of-use assets | **206,096** | 210,020 |
| Auditor's remuneration | **1,010** | 978 |
| Expenses relating to short-term leases | **10,574** | 13,897 |
| Variable lease payments not included in the measurement of lease liabilities | **2,356** | 2,128 |
| Building management fee and air conditioning | **45,120** | 44,658 |
| Electricity, water and gas | **92,708** | 95,138 |
| Logistics expenses | **31,773** | 31,517 |
| Repair and maintenance | **20,435** | 22,236 |
| Sanitation | **22,057** | 25,024 |
| Cost of subsequent replacement of cutlery and utensils | **4,847** | 4,407 |
| Staff costs | **502,958** | 537,403 |
| Equity-settled share-based payment expenses | **1,121** | 831 |
| Contributions to defined contribution retirement plan | **23,959** | 25,824 |
| Other expenses | **70,212** | 79,997 |
| | **1,466,668** | 1,516,752 |
| Representing: | | |
| Cost of sales | **1,394,410** | 1,436,946 |
| Administrative expenses | **72,258** | 79,806 |
| | **1,466,668** | 1,516,752 |

*Note:* The cost of inventories represents food and beverage costs.

## 7 Income tax expense

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| **Current tax – Hong Kong Profits Tax** | | |
| Provision for the period | **–** | 2,044 |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | **2,488** | 209 |
| | **2,488** | 2,253 |

No provision for taxation in Hong Kong has been made as the Group does not have assessable profits arising in Hong Kong for the six months ended 30 September 2025.

The provision for Hong Kong Profits Tax was calculated at 16.5% of the estimated assessable profits for the six months ended 30 September 2024, except for one subsidiary of the Group which was a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2.0 million of assessable profits were taxed at 8.25% and the remaining assessable profits were taxed at 16.5%.

The Group's Mainland China operations do not have assessable profits for the six months ended 30 September 2025 and 2024. Therefore, no provision has been made for People's Republic of China Enterprise Income Tax for both periods.

## 8 Dividends

(a) *Dividends payable to equity shareholders of the Company attributable to the interim period*

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| Interim dividend declared and payable after the interim period of HK5.0 cents (2024: HK5.0 cents) per share | **6,478** | 6,478 |

The interim dividend has not been recognised as a liability at the end of the reporting period.

(b) *Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and payable during the interim period*

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| Final dividend in respect of the previous financial year ended 31 March 2025, approved and payable during the following interim period, of HK17.0 cents (year ended 31 March 2024: HK30.0 cents) per share | **22,024** | 38,866 |

## 9 Earnings per share

(a) *Basic earnings per share*

The calculation of basic earnings per share for the six months ended 30 September 2025 is based on the profit attributable to ordinary equity shareholders of the Company of $13,215,000 (2024: $15,521,000) and the weighted average number of ordinary shares of 129,553,000 shares (2024: 129,553,000 shares) in issue during the period.

## 9 Earnings per share *(continued)*

*(b) Diluted earnings per share*

The calculation of diluted earnings per share for the six months ended 30 September 2025 is based on the profit attributable to ordinary equity shareholders of the Company of $13,215,000 (2024: $15,521,000) and the weighted average number of ordinary shares of 129,553,000 shares (2024: 129,553,000 shares) in issue during the period. The computation of diluted earnings per share does not assume the exercise of the Company's options because the exercise prices of those options were higher than the average market price for the period ended 30 September 2025 and 2024.

## 10 Investment properties and other property, plant and equipment

*(a)* All investment properties of the Group were revalued as at 30 September 2025 by the Group's independent valuer, using the same valuation techniques applied in the 31 March 2025 valuations. As a result, losses of $467,000 (six months ended 30 September 2024: gains of $1,270,000) have been charged to the consolidated statement of profit or loss.

*(b)* During the six months ended 30 September 2025, the Group's management identified certain individual restaurants, each as a cash-generating unit for impairment assessment purpose, which under-performed and estimated the recoverable amounts of the right-of-use assets and other property, plant and equipment of these restaurants. Based on these estimates, the carrying amounts of the right-of-use assets and other property, plant and equipment were written down by $7,819,000 (six months ended 30 September 2024: $10,083,000) and $4,920,000 (six months ended 30 September 2024: $4,835,000) respectively during the period and same amounts of impairment losses were recognised accordingly. The aggregate recoverable amounts of eight of these restaurants amounted to $67,582,000 based on their value in use (six months ended 30 September 2024: fourteen of these restaurants amounted to $41,958,000). The estimates of recoverable amount were based on the value in use of these right-of-use assets and other property, plant and equipment, determined using a pre-tax discount rate of 15.5% (six months ended 30 September 2024: 15.5%).

**10 Investment properties and other property, plant and equipment** *(continued)*

*(c)* During the six months ended 30 September 2025, the Group acquired items of other property, plant and equipment with a cost of $108,380,000 (six months ended 30 September 2024: $130,969,000). Items of other property, plant and equipment with a net book value of $1,845,000 were disposed of during the six months ended 30 September 2025 (six months ended 30 September 2024: $2,348,000).

*(d)* At 30 September 2025, the net book value of properties pledged as security for banking facilities granted to certain subsidiaries of the Group amounted to $571,000 (31 March 2025: $621,000).

**11 Right-of-use assets**

During the six months ended 30 September 2025, the Group entered into a number of lease agreements for use of restaurants and signages, and therefore recognised the additions to the right-of-use assets of $78,631,000 (six months ended 30 September 2024: $35,212,000). The carrying amount of the right-of-use assets was written down by $7,819,000 (six months ended 30 September 2024: $10,083,000) during the period. The leases of restaurants contain variable lease payment terms that are based on revenue generated from the restaurants and minimum annual lease payment terms that are fixed.

Details of impairment losses on right-of-use assets are disclosed in note 10(b).

**12 Inventories**

*(a)* *Inventories in the consolidated statement of financial position comprise:*

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***$'000*** | *$'000* |
| Food and beverages | **55,351** | 49,624 |
| Consumables, packaging materials and other sundry items | **5,710** | 4,658 |
| | **61,061** | 54,282 |

## 12 Inventories *(continued)*

*(b) The analysis of the amount of inventories recognised as an expense is as follows:*

| | **Six months ended 30 September** | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| Carrying amount of inventories sold | **373,437** | 365,786 |
| Write-down of inventories | **122** | 5,415 |
| | **373,559** | 371,201 |

## 13 Trade and other receivables

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***$'000*** | *$'000* |
| Trade debtors, net of loss allowance | **8,929** | 9,025 |
| Other receivables | **13,921** | 16,122 |
| Rental and utility deposits paid | **55,667** | 55,707 |
| Prepayments | **26,411** | 22,340 |
| | **104,928** | 103,194 |

All debtors, deposits and prepayments of the Group, apart from certain utility deposits totalling $5,448,000 (31 March 2025: $5,023,000), are expected to be recovered or recognised as expenses within one year.

## 13 Trade and other receivables *(continued)*

As at the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follow:

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***$'000*** | *$'000* |
| 1 to 30 days | **7,762** | 8,588 |
| 31 to 90 days | **843** | 220 |
| 91 to 180 days | **7** | 190 |
| 181 to 365 days | **317** | 27 |
| | **8,929** | 9,025 |

The Group's sales to customers are mainly on a cash and e-payment basis. The Group also grants credit terms of 30 to 75 days to certain customers to which the Group provides catering services.

## 14 Bank deposits and cash and cash equivalents

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***$'000*** | *$'000* |
| Deposits with banks | **191,076** | 167,338 |
| Restricted cash | **722** | 435 |
| Cash at bank and on hand | **75,761** | 170,405 |
| Cash and cash equivalents in the condensed consolidated cash flow statement | **267,559** | 338,178 |
| Bank deposits over three months | **284,515** | 207,475 |
| | **552,074** | 545,653 |

## 15 Trade and other payables

| | **At 30 September 2025** **$'000** | At 31 March 2025 $'000 |
|---|---|---|
| Creditors and accrued expenses | **402,366** | 376,878 |
| Contract liabilities | **6,324** | 7,008 |
| Other payables and deferred income | **15,901** | 17,282 |
| Rental deposits received | **888** | 189 |
| Dividend payable | **23,175** | 1,153 |
| | **448,654** | 402,510 |

Included in trade and other payables are trade creditors, based on the invoice date, with the following ageing analysis:

| | **At 30 September 2025** **$'000** | At 31 March 2025 $'000 |
|---|---|---|
| 1 to 30 days | **121,882** | 114,774 |
| 31 to 90 days | **7,458** | 4,048 |
| 91 to 180 days | **921** | 2,480 |
| 181 to 365 days | **31** | 68 |
| Over one year | **235** | 289 |
| | **130,527** | 121,659 |

## 16 Equity-settled share-based transactions

On 11 July 2025, the Board resolved the followings:

(a) To cancel 3,330,000 share options (the "Outstanding Share Options") which were granted to certain employees and Directors (collectively called the "Existing Holders'), subject to the respective consent of the Existing Holders. The Outstanding Share Options were previously granted to the Existing Holders to subscribe for a total of 3,330,000 ordinary shares of the Company (the "Share(s)") at the exercise price of $11.456 per Share; and

(b) To grant 5,500,000 share options to the Existing Holders and other employees of the Group to subscribe for a total of 5,500,000 Shares, of which 3,330,000 share options were served as replacement of the cancelled Outstanding Share Options. Each option gives the holder the right to subscribe for one Share. These share options shall be exercisable in three tranches. 34% from 11 July 2026 to 10 July 2035; 33% from 11 July 2027 to 10 July 2035; and the remaining 33% from 11 July 2028 to 10 July 2035. The exercise price of these new share options is $5.470 per Share, being the closing price of the Share as stated in the Stock Exchange's daily quotations sheets on the date of grant.

The options outstanding at 30 September 2025 had a weighted average exercise price of $5.470 (31 March 2025: $11.456) and a weighted average remaining contractual life of 9.78 years (31 March 2025: 8.27 years). The number of the shares that may be issued during the period represents 0.1% (31 March 2025: 0.1%) of the weighted average number of issued shares.

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial tree model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial tree model.

| | **Options granted on 11 July 2025** |
|---|---|
| **Fair value of share options and assumptions** | |
| Fair value at measurement date | $1.02 |
| Share price | $5.470 |
| Exercise price | $5.470 |
| Expected volatility | 21.48% |
| Option life | 10.0 years |
| Expected dividend yield | 3.90% |
| Risk-free interest rate | 3.008% |

## 17 Provisions

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***$'000*** | *$'000* |
| Provision for reinstatement costs for rented premises | **70,457** | 71,346 |
| Less: Amount included under "current liabilities" | **(26,743)** | (31,122) |
| Amount included under "non-current liabilities" | **43,714** | 40,224 |

## 18 Long service payment obligation

| | **At 30 September 2025** | At 31 March 2025 |
|---|---|---|
| | ***$'000*** | *$'000* |
| Long service payment obligation | **34,314** | 33,827 |
| Less: Amount included under "current liabilities" | **(280)** | (920) |
| Amount included under "non-current liabilities" | **34,034** | 32,907 |

## 19 Bank borrowings

| | At 30 September 2025 $'000 | At 31 March 2025 $'000 |
|---|---|---|
| Bank borrowings | **16,429** | 5,419 |
| Less: Amount included under "current liabilities" | **(10,953)** | (5,419) |
| Amount included under "non-current liabilities" | **5,476** | – |

Certain bank borrowings of the Group are secured by the corporate guarantees. In addition, the Group is required to comply with certain restrictive financial covenants imposed by the banks.

The carrying amounts of bank borrowings approximate their fair values.

An analysis of the carrying amounts of the Group's bank borrowings by type and currency is as follows:

| | At 30 September 2025 $'000 | At 31 March 2025 $'000 |
|---|---|---|
| RMB at fixed rates | **10,953** | – |
| RMB at floating rates | **5,476** | 5,419 |
| | **16,429** | 5,419 |

At the end of the reporting period, the effective interest rates on the Group's bank borrowings are as follows:

| | At 30 September 2025 | At 31 March 2025 |
|---|---|---|
| Effective interest rate: | | |
| Fixed rates bank borrowings | **3.55%** | N/A |
| Floating rates bank borrowings | **2.60%** | 3.62% |

## 20 Commitments

Capital commitments for acquisition of other property, plant and equipment outstanding at 30 September 2025 not provided for in the Group's interim financial report were as follows:

| | **At 30 September 2025** **\$'000** | At 31 March 2025 *\$'000* |
|---|---|---|
| Contracted for | **2,828** | 28,323 |
| Authorised but not contracted for | **11,504** | 25,043 |
| | **14,332** | 53,366 |

## 21 Contingent liabilities

At 30 September 2025, guarantees were given to banks by the Company in respect of banking facilities extended to certain wholly-owned subsidiaries.

As at the end of the reporting period, the Directors do not consider it probable that a claim will be made against the Company under these guarantee arrangements. The maximum liability of the Company at the end of the reporting period under the guarantees is the amount of the facilities drawn down by all the subsidiaries that are covered by the guarantees, being $119,837,000 (31 March 2025: $115,938,000).

The Company has not recognised any deferred income in respect of the guarantee as its fair value cannot be reliably measured and there is no transaction price.

## 22 Fair value measurement of financial instruments

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 September 2025 and 31 March 2025.

## 23 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in this interim financial report, the Group entered into the following material related party transactions during the six months ended 30 September 2025:

*(a)* *Remuneration for key management personnel of the Group for the six months ended 30 September 2025 is as follows:*

| | Six months ended 30 September | |
|---|---|---|
| | **2025** | 2024 |
| | ***$'000*** | *$'000* |
| Salaries and other short-term employee benefits | **3,685** | 7,196 |
| Contribution to defined contribution retirement plans | **18** | 18 |
| | **3,703** | 7,214 |

During the period, Mr Dennis Lo Hoi Yeung has entered into a service contract with the Company as Non-executive Chairman of the Company commencing from 1 April 2025 for a term of three years. Under the service contract, he is entitled to receive an annual service fee of $1,130,000. Service charges expense incurred during the six months ended 30 September 2025 amounted to $565,000, his emoluments as executive director for the six months ended 30 September 2024 had been included in the above.

*(b)* During the period, a subsidiary of the Company leased a property from New Champion International Limited ("New Champion"). New Champion is a company beneficially owned by Mr Dennis Lo Hoi Yeung, Mr Lo Fai Shing Francis and his family members. In addition, Mr Dennis Lo Hoi Yeung is a director of New Champion. Depreciation of the right-of-use assets and interest expense on lease liabilities incurred during the six months ended 30 September 2025 amounted to $1,029,000 and $186,000 respectively (six months ended 30 September 2024: $1,030,000 and $207,000 respectively).

At 30 September 2025, the Group recognised right-of-use assets and lease liabilities of $9,317,000 and $9,742,000 respectively (31 March 2025: $10,346,000 and $10,625,000 respectively).

## 23 Material related party transactions *(continued)*

*(c)* During the period, a subsidiary of the Company leased a property from Hibony Limited ("Hibony"). Hibony is a company beneficially owned by Pengto International Limited (a company beneficially owned by Mr Dennis Lo Hoi Yeung). In addition, Mr Dennis Lo Hoi Yeung is a director of Hibony. Depreciation of the right-of-use assets and interest expense on lease liabilities incurred during the six months ended 30 September 2025 amounted to $691,000 and $63,000 respectively (six months ended 30 September 2024: $923,000 and $100,000 respectively).

At 30 September 2025, the Group recognised right-of-use assets and lease liabilities of $1,958,000 and $2,986,000 respectively (31 March 2025: $2,649,000 and $4,003,000 respectively).

Deloitte. 德勤

# Report on Review of Condensed Consolidated Financial Statements to the Board of Directors of Fairwood Holdings Limited

*(Incorporated in Bermuda with limited liability)*

## Introduction

We have reviewed the condensed consolidated financial statements of Fairwood Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 3 to 28, which comprise the condensed consolidated statement of financial position as of 30 September 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Scope of Review

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

## Conclusion

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

**Deloitte Touche Tohmatsu**
*Certified Public Accountants*

Hong Kong

27 November 2025

# Management Discussion and Analysis

## Overall performance

The Group's revenue for the six months ended 30 September 2025 was HK$1,517.5 million (2024: HK$1,553.5 million). Gross profit margin rose to 8.1% (2024: 7.5%). Profit for the period attributable to equity shareholders of the Company was HK$13.2 million (2024: HK$15.5 million). Basic earnings per share were HK10.20 cents, compared to HK11.98 cents for the corresponding period in 2024.

## Business review

Market conditions remained challenging during the period under review. Despite this, the Group's first half performance was fair, reflecting intensive efforts to improve its overall efficiency and costs. These efforts have helped management achieve a business model to generate sustainable results going forward.

Cost management was handled effectively across all three major areas impacting the Group, namely labour, rent, and food costs. Labour costs remain high in Hong Kong for the F&B sector, but Fairwood has managed these well through productivity initiatives and a more efficient use of its labour resources, especially through the application of data analytics for improved manpower planning. Ongoing automation and digitalisation efforts have also contributed to increased labour efficiency. Meanwhile, rental costs have been lowered as a result of vigorous negotiations with landlords, along with improved use of space at store outlets to maximise usable floor areas. As for food costs, the Group's continual efforts in global sourcing and its expanded range of high-quality vendors has helped maintain costs at a reasonable level with enhanced food quality.

As always, new value promotions and product innovations were rolled out in the period to drive sales and generate new customers. Fairwood's classic Ah Wood Curry signature series was expanded and upgraded. To enhance customer segmentation, a number of different menu focuses were developed, such as a Hong Kong Style series that celebrates some of the classic traditional dishes of the city. The authentic Hong Kong-style satay series of dishes were also elevated based on the Group's recent collaboration with Min Hong (綿香), a much-respected Hong Kong condiment brand with over half a century of history. These are initiatives that have broadened Fairwood's menu range and were met with a strong response among lovers of Hong Kong's unique culinary heritage.

Other special dishes have been developed to attract younger diners, backed by promotional marketing efforts such as those featuring the talented 17-year old local guitarist Dale. These sorts of marketing initiatives are helping to rejuvenate the brand's image and link it with developing youth trends, styles and preferences. A subtle brand revamp was also introduced during the period, including a new version of the 'jumping man' logo and new wall murals in its stores, all designed to evoke a younger and more dynamic brand image.

In another move to enhance its brand perception in the period, Fairwood launched official social media accounts (Facebook and Instagram) to give itself a robust social media presence for the first time. Designed not for overt hard-selling of products, these accounts are instead being used in more subtle ways to connect with customers and build relationships, for example by promoting ESG initiatives, sharing news stories, and emphasising the human side of the Fairwood story. Already, much positive customer engagement has been received since the launch of these platforms in July.

*Community engagement*

The Group continued with its ongoing CSR initiatives in the period, including its regular Fairwood Care for Senior Card promotions for the elderly, along with its participation in the Caring Food Coupon Programme. Fairwood's Ah Wood Soft Meal initiative has also continued to be developed and expanded. In the period, 23 sessions of Fairwood Swallowing Assessment Stations were held, occasions where customers could be professionally assessed for and advised on chewing and swallowing issues. The sessions, held in collaboration with 31 NGOs, served over 640 people in the period. In addition, in June, in-store soft meal product knowledge training and tasting sessions were carried out for staff at all 39 Fairwood stores that sell the soft meals. Fairwood is now widely known as a reliable source for healthy soft meals for those with chewing or swallowing issues.

*Network*

During the period under review, there was a net growth of 3 fast food restaurants in Hong Kong. As at 30 September 2025, the Group was operating 150 Fairwood restaurants across Hong Kong. It also operated a small group of 8 specialty restaurants under the brand names ASAP (4), Taiwan Bowl (1), The Leaf Kitchen (2), and Ombra (1).

In the Mainland, after some years of fine-tuning its business model, the Group believes that its operations are stable and sustainable, holding much potential for further growth. During the period under review, there was a net growth of 4 fast food restaurants. The Group was operating 23 Fairwood fast food restaurants in the Greater Bay Area ("GBA") at period end.

## Prospects

The macro-economic situation in Hong Kong seems set to continue, posing challenges to Fairwood in terms of finding new ways to succeed and drive growth in an environment of curtailed spending.

As reported above, the Group has been successful in carving out cost efficiencies in pursuit of a highly sustainable operating model. This process will continue in the year ahead. New initiatives to generate incremental sales through Same Store Sales Growth (SSSG) and organic growth via store expansion will also be a focus.

The performance of Fairwood's Chinese Mainland operations has improved over recent months, and this is something that is expected to continue. The Group has had growing success in its marketing efforts, especially with the engagement of many local GBA KOLs as part of efforts to expand Fairwood's profile and attract new Mainland diners. In October, Fairwood opened its first Mainland flagship store in Guangzhou. This will provide a strong basis for planned future expansion, with new stores in the offing.

Building on its optimised business operating model and the strong potential of the GBA region, the Group is looking forward to steady, sustainable growth in the future, developing new tastes and experiences for the next generation of diners while continuing its long tradition of Hong Kong fast food excellence.

## Results overview

*Revenue*

For the six months ended 30 September 2025, the Group recorded revenue of HK$1,517.5 million, a 2.3% decrease as compared to HK$1,553.5 million for the same period last year due to challenging market conditions.

An analysis of revenue is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'m*** | *HK$'m* |
| Sale of food and beverages at a point in time | **1,514.3** | 1,550.3 |
| Property rental | **3.2** | 3.2 |
| | **1,517.5** | 1,553.5 |

*Gross profit margin*

Gross profit margin increased to 8.1% (2024: 7.5%), primarily due to (i) optimised staff cost management; and (ii) decrease in depreciation of right-of-use assets.

*Administrative expenses*

Administrative expenses decreased by 9.4% to HK$72.3 million (2024: HK$79.8 million). The decrease was mainly contributed by effective cost control.

*Key costs*

The breakdown of major expenses is set out below:

| | **2025** | | 2024 | |
|---|---|---|---|---|
| | ***HK$'m*** | ***% of revenue*** | *HK$'m* | *% of revenue* |
| Food and packaging costs | **373.6** | **24.6** | 371.2 | 23.9 |
| Staff cost | **528.0** | **34.8** | 564.1 | 36.3 |
| Rental costs* | **290.0** | **19.1** | 297.9 | 19.2 |

* Includes depreciation on right-of-use assets, finance cost of lease liabilities, rental costs of short-term lease, variable lease payments, building management fee, air-conditioning, government rates and rent.

*Other revenue and other net gain*

Other revenue and other net gain decreased by HK$16.9 million, mainly due to decrease in gain on lease modifications and interest income.

*Income tax*

Income tax expense increased from HK$2.3 million to HK$2.5 million.

*Profit attributable to equity shareholders*

Profit attributable to shareholders amounted to HK$13.2 million, a fall of 14.9% against last year's HK$15.5 million, primarily due to decrease in sales, which was offset by targeted cost control measures.

## Financial Review

*Liquidity and financial resources*

As at 30 September 2025, total assets of the Group amounted to HK$2,158.5 million (31 March 2025: HK$2,105.3 million). The Group's net current liabilities were HK$127.5 million (31 March 2025: net current liabilities of HK$109.5 million), represented by total current assets of HK$720.4 million (31 March 2025: HK$703.2 million) against total current liabilities of HK$847.8 million (31 March 2025: HK$812.7 million) and the current ratio, being the proportion of total current assets against total current liabilities, was 0.85 (31 March 2025: 0.87). Total equity was HK$644.4 million (31 March 2025: HK$652.0 million).

Despite of net current liabilities, the financial position of the Group remained healthy with bank deposits and cash and cash equivalents totaled HK$552.1 million (31 March 2025: HK$545.7 million) which represented 76.6% (31 March 2025: 77.6%) of total current assets. The bank deposits and cash and cash equivalents increased by HK$6.4 million represented an increase of 1.2% from 31 March 2025 balance. Most bank deposits and cash and cash equivalents were denominated in Hong Kong dollars, United States dollars and Renminbi.

The Group had bank borrowings of HK$16.4 million (31 March 2025: HK$5.4 million) for PRC business expansion. The gearing ratio was 2.5%, being the proportion of bank borrowings to total equity (31 March 2025: 0.8%). The unutilised banking facilities were HK$235.3 million (31 March 2025: HK$206.1 million).

*Profitability*

Annualised return on average equity was 4.1% (31 March 2025: 5.4%), being profit for the period attributable to equity shareholders of the Company against the average total equity at the beginning and the end of the reporting period and then multiplied by two.

*Financial risk management*

The Group is exposed to foreign currency risk primarily through other financial assets and bank deposits and cash and cash equivalents that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States dollars and Renminbi. As Hong Kong dollar is pegged to United States dollar, the Group does not expect any significant movements in the United States dollar/Hong Kong dollar exchange rate. The Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short term imbalances and the related foreign exchange risk has not been hedged.

*Charges on the Group's assets*

As at the end of the reporting period, the net book value of properties pledged as security for banking facilities granted to certain subsidiaries of the Group amounted to HK$0.6 million (31 March 2025: HK$0.6 million).

*Commitments*

As at 30 September 2025, the Group's outstanding capital commitments was HK$14.3 million (31 March 2025: HK$53.4 million).

*Contingent liabilities*

As at 30 September 2025, guarantees are given to banks by the Company in respect of banking facilities extended to certain wholly-owned subsidiaries.

As at the end of the reporting period, the directors of the Company do not consider it probable that a claim will be made against the Company under these guarantee arrangements. The maximum liability of the Company at the end of the reporting period under the guarantees is the amount of the facilities drawn down by all the subsidiaries that are covered by these guarantees, being HK$119.8 million (31 March 2025: HK$115.9 million).

The Company has not recognised any deferred income in respect of these guarantees as their fair value cannot be reliably measured and there is no transaction price.

*Employee information*

As at 30 September 2025, the total number of employees of the Group was approximately 5,400 (31 March 2025: 5,500). Employees' remuneration is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

The Group continues to offer competitive remuneration packages, share options and bonus to eligible staff, based on the performance of the Group and the individual employees. Also, the Group has committed to provide related training programme (such as on-the-job training, in-house seminar and training sponsorship) to improve the quality, competence and skills of all staff.

## Other Information

### Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures

As at 30 September 2025, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules were as follows:

*(a) Interests in the Company*

| | Ordinary Shares of HK$1 each | | | | Number of underlying Shares pursuant to share options | | Approximate percentage of total issued Shares* |
|---|---|---|---|---|---|---|---|
| | Personal interests | Family interests | Corporate interests | Other interests | | Total | |
| Dennis Lo Hoi Yeung | 509,000 | – | – | 56,235,384 *(Notes 1 & 2)* | – | 56,744,384 | 43.80% |
| Lo Fai Shing Francis | – | – | – | 55,435,384 *(Note 1)* | 1,040,000 | 56,475,384 | 43.59% |
| Peggy Lee | 402,000 | – | – | – | 1,100,000 | 1,502,000 | 1.16% |

* This percentage has been compiled based on 129,552,780 Shares in issue as at 30 September 2025

*Note 1:* These Shares were held by Neblett Investments Limited ("Neblett") and CFJ Holdings Limited ("CFJ"). These companies are beneficially owned by two separate trusts of which Mr Dennis Lo Hoi Yeung and Mr Lo Fai Shing Francis are the discretionary objects. Both Mr Dennis Lo Hoi Yeung and Mr Lo Fai Shing Francis, by virtue of their interests in the trusts as the discretionary objects and as the Chairman of the Company and Executive Director respectively, were deemed interested in the Shares held by Neblett and CFJ.

*Note 2:* 800,000 Shares held in the capacity as one of the executors of the estate of the late Madam Lee Kwee Fuen.

*(b)* *Interests in Fairwood Fast Food Limited*

| | **Number of Non-voting deferred shares** | | | | |
|---|---|---|---|---|---|
| | **Personal interests** | **Family interests** | **Corporate interests** | **Other interests** | **Total** |
| Dennis Lo Hoi Yeung | 11,500 | – | 279,357 *(Note 3)* | – | 290,857 |

*Note 3:* These shares were held by Pengto International Limited, a company owned by Mr Dennis Lo Hoi Yeung solely.

All the interests stated above represent long positions.

Apart from the foregoing and those disclosed under the section headed "Share option scheme" below, as at 30 September 2025, none of the Directors or chief executive of the Company or any of their spouses or children under eighteen years of age had any other interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Details of Directors' and chief executive's interests under the share option scheme of the Company (the "Share Option Scheme") are also set out in the section headed "Share option scheme" below.

## Share option scheme

The Share Option Scheme was approved by the shareholders of the Company (the "Shareholder(s)") and adopted on 9 September 2021.

Set out below is a table summarizing the movements of the share options under the Share Option Scheme during the six months ended 30 September 2025:

| | | | Date of grant | Exercisable period | Number of options outstanding as at 1 April 2025 | Number of options granted during the period | Number of options lapsed during the period | Number of options cancelled during the period | Number of options exercised during the period | Number of options outstanding as at 30 September 2025 | Exercise price per Share *HK$* | Closing price per Share immediately before date of grant of options *HK$* | Weighted average closing price per Share immediately before date of exercise of options *HK$* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) | Directors: | | | | | | | | | | | | |
| | Lo Fai Shing Francis | (a) | 5 July 2023 | 5 July 2024 to 4 July 2033 *(Notes 1 and 3)* | 1,040,000 | – | – | (1,040,000) | – | – | 11.456 | 11.420 | – |
| | | (b) | 11 July 2025 | 11 July 2026 to 10 July 2035 *(Notes 2 and 3)* | – | 1,040,000 | – | – | – | 1,040,000 | 5.470 | 5.490 | – |
| | Peggy Lee | (a) | 5 July 2023 | 5 July 2024 to 4 July 2033 *(Notes 1 and 3)* | 300,000 | – | – | (300,000) | – | – | 11.456 | 11.420 | – |
| | | (b) | 11 July 2025 | 11 July 2026 to 10 July 2035 *(Notes 2 and 3)* | – | 1,100,000 | – | – | – | 1,100,000 | 5.470 | 5.490 | – |
| | | | | Sub Total: | 1,340,000 | 2,140,000 | – | (1,340,000) | – | 2,140,000 | | | |
| (2) | Employees | (a) | 5 July 2023 | 5 July 2024 to 4 July 2033 *(Notes 1 and 3)* | 2,210,000 | – | (20,000) | (1,990,000) | – | 200,000 | 11.456 | 11.420 | – |
| | | (b) | 11 July 2025 | 11 July 2026 to 10 July 2035 *(Notes 2 and 3)* | – | 3,360,000 | – | – | – | 3,360,000 | 5.470 | 5.490 | – |
| | | | | Sub Total: | 2,210,000 | 3,360,000 | (20,000) | (1,990,000) | – | 3,560,000 | | | |
| | | | | Total: | 3,550,000 | 5,500,000 | (20,000) | (3,330,000) | – | 5,700,000 | | | |

*Note 1:* These options shall be exercisable in three tranches as follows: 34% from 5 July 2024 to 4 July 2033; 33% from 5 July 2025 to 4 July 2033; and the remaining 33% from 5 July 2026 to 4 July 2033.

*Note 2:* These options shall be exercisable in three tranches as follows: 34% from 11 July 2026 to 10 July 2035; 33% from 11 July 2027 to 10 July 2035; and the remaining 33% from 11 July 2028 to 10 July 2035.

*Note 3:* The vesting periods of the share options granted on 5 July 2023 and 11 July 2025 respectively is not less than 12 months from the respective date of grant and there is no performance target attached to the share options.

The number of options available for grant under the scheme mandate pursuant to the Share Option Scheme at the beginning and the end of the six months ended 30 September 2025 is 9,205,278 and 3,705,278 respectively.

Apart from the foregoing, at no time during the six months ended 30 September 2025 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of acquisition of Shares in or debentures of the Company or any of its associated corporations within the meaning of the SFO.

## Substantial shareholder's and other person's interests in the Shares and underlying Shares

As at 30 September 2025, the interests or short positions of every person, other than the Directors and chief executive of the Company, in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

| | | **Shares directly and/or indirectly held** | **Approximate percentage of total issued Shares*** |
|---|---|---|---|
| (i) | Neblett *(Note 1)* | 48,775,384 | 37.65% |
| (ii) | CFJ | 6,660,000 | 5.14% |
| (iii) | Winning Spirit International Corp. ("WSIC") *(Note 1)* | 48,775,384 | 37.65% |
| (iv) | HSBC International Trustee Limited ("HITL") *(Note 2)* | 55,440,384 | 42.79% |
| (v) | Mitsubishi UFJ Financial Group, Inc. ("MUFJFGI") *(Note 3)* | 6,481,500 | 5.00% |

* This percentage has been compiled based on 129,552,780 Shares in issue as at 30 September 2025

*Note 1:* These interests represented the same block of Shares directly held by Neblett. WSIC owned 100% interest in Neblett and was therefore deemed interested in the Shares directly held by Neblett.

*Note 2:* Except for 5,000 Shares held by HITL as trustee for other trusts, these interests represented the same block of Shares directly held by Neblett and CFJ. HITL, in its capacity as a trustee of two separate trusts of which Mr Dennis Lo Hoi Yeung (as founder and discretionary object) and Mr Lo Fai Shing Francis (as discretionary object), owned 100% interest in WSIC and CFJ and was therefore deemed interested in the Shares directly held by these companies.

*Note 3:* Pursuant to Section 336 of the SFO, the Shareholders are required to file the forms of disclosure of interests when certain criteria are fulfilled and the full details of the requirements are available on the Stock Exchange's official website. When Shareholder's shareholdings in the Company changes, it is not necessary to notify the Company and the Stock Exchange unless certain criteria are fulfilled. Therefore, substantial Shareholders' latest shareholdings in the Company may be different to the shareholdings filed with the Company and the Stock Exchange. Based on the form of disclosure of interests filed by MUFJFGI dated 12 September 2025, it was interested in these 6,481,500 Shares. The Company may not have sufficient information on the breakdown of the relevant interests and cannot verify the accuracy of information on the forms of disclosure of interests.

All the interests stated above represent long positions.

Save as disclosed above, no other interest or short position in the Shares or underlying Shares of the Company were recorded in the register required to be kept pursuant to Section 336 of the SFO as at 30 September 2025.

## Dividend

The Board has declared an interim dividend of HK5.0 cents (2024: HK5.0 cents) per Share for the six months ended 30 September 2025 to Shareholders whose names appear on the Register of Members of the Company at the close of business on Tuesday, 16 December 2025. The declared dividend represented a distribution of approximately 49% (2024: 42%) of the Group's profit for the period attributable to equity shareholders. The interim dividend will be paid on or before Wednesday, 31 December 2025.

## Closure of register of members

The Register of Members of the Company will be closed from Monday, 15 December 2025 to Tuesday, 16 December 2025 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for the interim dividend, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Friday, 12 December 2025 for registration. The record date for determining Shareholders' entitlement to the interim dividend is Tuesday, 16 December 2025.

## Purchase, sale or redemption of the Company's listed securities

Throughout the six months ended 30 September 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules), if any).

## Corporate governance

The Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 of the Listing Rules throughout the six months ended 30 September 2025, save and except that the Chairman and the Managing Director (Chief Executive Officer) of the Company are not subject to retirement by rotation under the Bye-Laws of the Company (the "Bye-laws").

Code provision B.2.2 of the CG Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years; however, the Chairman and the Managing Director of the Company are not subject to retirement by rotation under the Bye-laws. The Board considers that the exemption of both the Chairman and the Managing Director (the Chief Executive Officer) of the Company from such retirement by rotation provisions would provide the Group with strong and consistent leadership, efficient use of resources, effective planning, formulation and implementation of long-term strategies and business plans. The Board believes that it would be in the best interest of the Company for such Directors to continue to be exempted from retirement by rotation provisions.

## Audit committee

The audit committee comprises three Independent Non-executive Directors and reports to the Board. The audit committee has reviewed with the management and the Company's external auditor the unaudited financial information and interim results for the six months ended 30 September 2025.

## Compliance with the Model Code

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules for securities transactions by Directors. Following specific enquiry by the Company, all Directors confirmed their compliance with the required standards set out in the Model Code throughout the six months ended 30 September 2025.

By Order of the Board
**Fairwood Holdings Limited**
**Dennis Lo Hoi Yeung**
*Chairman*

Hong Kong, 27 November 2025