Fulum Group Holdings Limited
富臨集團控股有限公司

ANNUAL REPORT 2025

ABOUT FULUM GROUP

Established in 1992, the Fulum Group has been adhering to the spirit of "The Rationale of Three Excellents – Excellent Supply, Excellent Service, Excellent Environment" with its dedication to innovation and ongoing commitment to excellence. Today, the Fulum Group has been developed into a highly renowned restaurant group in Hong Kong. Apart from providing mass and high-end Cantonese catering services, the Group is recently committed to developing the brand diversification strategies by opening restaurants which offer different cuisines and are differently positioned so as to keep pace with the local dining trends.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. YEUNG Wai *(Chairman)*
Mr. YEUNG Ho Wang *(Chief Executive Officer)*
Mr. YEUNG Yun Kei
Mr. LEUNG Siu Sun
Mr. YEUNG Chun Nin

Non-executive Director

Mr. WU Kam On Keith *(Vice Chairman)*
(resigned on 1 April 2025)

Independent Non-executive Directors

Mr. NG Ngai Man Raymond
(resigned on 27 September 2024)
Mr. WONG Wai Leung Joseph
Mr. CHAN Chun Bong Junbon
Ms. HUANG Li Mei
(appointed with effect on 27 September 2024)

COMPANY SECRETARY

Mr. Chan Yiu Kwong

AUTHORISED REPRESENTATIVES

Mr. YEUNG Wai
Mr. YEUNG Ho Wang

MEMBERS OF AUDIT COMMITTEE

Mr. WONG Wai Leung Joseph *(Chairman)*
Mr. CHAN Chun Bong Junbon
Ms. HUANG Li Mei

MEMBERS OF NOMINATION COMMITTEE

Mr. CHAN Chun Bong Junbon *(Chairman)*
Ms. HUANG Li Mei
Mr. YEUNG Wai

MEMBERS OF REMUNERATION COMMITTEE

Ms. HUANG Li Mei *(Chairman)*
Mr. WONG Wai Leung Joseph
Mr. YEUNG Wai

MEMBERS OF EXECUTIVE COMMITTEE

Mr. YEUNG Wai *(Chairman)*
Mr. YEUNG Ho Wang
Mr. YEUNG Yun Kei
Mr. LEUNG Siu Sun
Mr. YEUNG Chun Nin

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

CORPORATE HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

26/F, Capital Tower, 38 Wai Yip Street,
Kowloon Bay, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG SHARE REGISTRAR

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

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Bank of East Asia, Limited
Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited

AUDITOR

ZHONGHUI ANDA CPA Limited

STOCK CODE

01443

WEBSITE

www.fulumgroup.com

HIGHLIGHTS

- Revenue was approximately HK$1,702.1 million (2024: approximately HK$1,841.2 million), representing a decrease of approximately 7.6%
- Gross profit margin[1] was at approximately 72.3% (2024: approximately 72.6%), representing a decrease of approximately 0.3%
- Earnings before interest expense, tax, depreciation and amortisation were approximately HK$309.7 million (2024: approximately HK$373.8 million)
- Loss for the year attributable to owners of the Company was approximately HK$66.4 million (2024: profit for the year attributable to owners of the Company of approximately HK$50.6 million)
- Basic loss per share[2] was approximately HK$5.11 cents (2024: basic earnings per share of approximately HK$3.89 cents)
- The Board does not recommend the payment of any dividend for the year ended 31 March 2025 (2024: a final dividend of HK$0.3 cents per ordinary share)

1 Gross profit equals revenue minus cost of inventories sold. Gross profit margin is calculated by dividing gross profit by revenue and multiplying the resulting value by 100%.

2 The calculation of the basic loss per share amounts is based on loss for the year attributable to owners of the Company of approximately HK$66,371,000 (2024: profit attributable to owners of the Company of approximately HK$50,584,000) and 1,300,000,000 (2024: 1,300,000,000) ordinary shares in issue during the year.

MESSAGE FROM THE CHAIRMAN

MESSAGE FROM THE CHAIRMAN

DEAR SHAREHOLDERS,

On behalf of the board (the "**Board**") of directors (the "**Directors**") of Fulum Group Holdings Limited (the "**Company**", together with its subsidiaries, "**Fulum Group**" or the "**Group**"), I am pleased to present to you the annual report of the Company for the year ended 31 March 2025 (the "**Financial Year**").

Looking back on the Financial Year, although Hong Kong's economy showed some signs of recovery, sluggish consumer spending and rising operating costs continued to exert pressure on Hong Kong's catering industry. The changing consumption patterns of tourists, as well as an increasing trend amongst the Hong Kong public of heading north for shopping, further exacerbated the challenges faced by the industry. In response to the tough operating environment, the Group made significant changes during the year, including decisively adjusting its business structure, redistributing its restaurant portfolio, promoting digital management, optimising operational processes and relocating certain back-office departments to Zhuhai, Mainland China, to reduce costs. We are determined to pursue diversified brand development to maintain our competitiveness amidst the market downturns and to make early preparations for our long-term development.

During the reporting period, the Group continued to adapt to challenges by adopting a "full timeslots" restaurant branding strategy. Through its "Concept Line (概念線)" brands and categories, the Group diversified its catering business to meet consumers' round-the-clock catering needs, enabling customers to enjoy a variety of delicacies at any time across the Group's restaurants. Meanwhile, the Group has actively and successfully expanded its food court business, providing customers with a wide range of quality food choices in major residential areas, broadening its customer base through the development of different business models, and enhancing its competitiveness in the market.

During the Financial Year under review, the Group continued to provide traditional Chinese dining experiences to customers under the "Fulum (富臨)" and "Sportful Garden (陶源)" brands. The Group will continue to explore development opportunities in different regions, with a view to promoting the Group's diversified and quality catering brands to different places and other regions in Asia.

Looking ahead onto the coming year, the outlook for Hong Kong's catering industry remains challenging. However, the Government's active promotion of the mega-event economy is expected to boost tourism and local consumption. The Group will continue to optimise its brand portfolio, reduce operating costs through digital management and deployment of takeaway platforms, and actively explore expansion opportunities in the Greater Bay Area and other overseas markets. With flexible and innovative business strategies, the Group is committed to consolidating its market position and creating long-term value for its shareholders.

Last but not least, on behalf of the Board, I wish to extend my appreciation to all our staff for their dedication and for working side by side with the Group in the face of numerous challenges. I also wish to express my gratitude to all shareholders, investors, customers and business partners for their steadfast support and trust. We will continue to provide quality catering services to our customers and strive to maximise value for our shareholders and the Company.

Yeung Wai
Chairman
27 June 2025

CALENDAR

Announcement of interim results	28 November 2024
Announcement of annual results	27 June 2025
Despatch of annual report to shareholders	28 July 2025
Closure of register of members for attending the annual general meeting	23 September 2025 - 26 September 2025
Annual general meeting	26 September 2025

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Hong Kong's catering industry faces multiple challenges from 2024 to the first half of 2025. Although the overall economy continues to recover, consumers' willingness to spend remains weak, and the volume of restaurant receipts indicator continued to fall, reflecting the contraction in diners and consumption activities. The cost of raw materials and labor continued to rise, increasing operating pressure. The overall revenue of the catering industry showed a differentiated trend, with fast food restaurants and non-Chinese restaurants performing relatively well, while Chinese restaurants and bars faced greater pressure. The popularity of take-out and online ordering services after the pandemic has changed consumption patterns, and the catering industry needs to actively adjust its business strategies to cope with market changes.

According to data from the Hong Kong Census and Statistics Department, the seasonally adjusted GDP grew by about 2% in the first quarter of 2025, indicating a steady economic expansion. Real GDP grew by 3.1% year-on-year, faster than the previous quarter. Despite the economic growth, private consumption expenditure still fell slightly by 1.2%, reflecting continued consumer caution. The government continues to promote expansionary financial policies and capital expenditure increases, which will help support economic activities and the development of the catering industry.

In the first quarter of 2025, the number of visitors to Hong Kong was about 12.2 million, a year-on-year increase of 9%, and the tourism industry has gradually recovered. However, mainland tourists prefer short-distance travel, which provides limited support to the local catering industry. The total restaurant revenue value in the fourth quarter of 2024 was approximately HK$27.56 billion, a slight increase of 0.46% year-on-year; but after deducting price factors, the revenue quantity index fell by about 1.1%, indicating that actual consumption has not yet fully recovered. In terms of value and volume, revenues of Chinese restaurants decreased by 3.6% and 5.3% respectively; those of non-Chinese restaurants increased by 2.2% and 1.6% respectively; revenues of fast food restaurants increased by

6.6% and 4.3% respectively; while revenues of bars decreased by 8.9% and 11.9%. Overall, the catering industry is facing cost pressure and changes in consumption patterns, and the operating environment remained tough.

The Chinese mainland market continued to recover, with total retail sales of consumer goods reaching RMB 48.8 trillion in 2024, a year-on-year increase of 3.5%; the catering industry's revenue was close to RMB 5.6 trillion, a year-on-year increase of 5.3%, a higher growth rate than the overall retail market. The mainland consumer market is large and continues to expand, providing important development opportunities for Hong Kong catering companies. The government's promotion of economic diversification and consumption upgrades has prompted innovation and improvement in service quality in the catering industry, and the market outlook is optimistic.

BUSINESS REVIEW

In the financial year under review, facing the severe operating environment of Hong Kong's catering industry, Fulum Group actively carried out drastic business adjustments, continuously improved and simplified operating processes, and made early preparations for future development. The Group actively promoted the reorganization of its business structure, significantly improving overall operational efficiency and profitability by re-examining and allocating restaurant portfolios and closing branches with suboptimal performance. The Group has been committed to providing high-quality and diversified catering services to the public, meeting the needs of different age groups and spending power. During the period, the Group continued to promote business diversification, expanding more brands, covering different cuisines and price levels, and successfully attracting a wider customer base.

During the financial year under review, the Group effectively reduced operating costs and improved service quality by optimizing operating processes and promoting digital management, laying a solid foundation for future sustainable development. The Group relocated some of its back-office functions to Zhuhai, China to reduce costs, while making full use of flexible remote working to streamline workflows and improve efficiency. The Group attaches great importance to digital transformation and uses it as an opportunity to promote environmental benefits. During the financial year under review, we adopted a one-stop mobile office platform to improve operational efficiency and reduce costs by optimizing resource management efficiency, remote collaboration and conferencing, cloud services and integrating multi-functional tools. At the same time, it can also reduce the use of paper and consumables, and reduce carbon emissions through flexible office.

The Group has been expanding its catering brands in residential areas and tourist regions at a steady and prudent pace. As of 31 March 2025, the Group operated a total of 98 restaurants in Hong Kong, including 12 restaurants under the "Fulum" series brands, 5 restaurants under the "Sportful Garden" (陶源) series brands, 81 restaurants and tea shops and 6 food courts under the "Concept Line" series, 2 restaurants in Mainland China and 1 restaurant in Macau.

During the financial year under review, the Group continued to expand its "Concept Line" series, actively introducing cuisines from various countries to create a catering ecosystem for all time zones, using innovative themed foods and limited-time dishes to cater to different age groups and diverse tastes. The Group takes "small store model group management" as its concept, providing Korean izakaya and Korean barbecue, Korean and Western light meals, popular Japanese restaurants, casual cafes, authentic Thai cuisine and exquisite Western cuisine, while covering multiple price levels to enhance market competitiveness.

In addition to restaurants that cater to the general public's tastes, Fulum Group is also actively developing different catering models. During the period, the Group established a new restaurant brand "Agate" (璞) in the M+ Building in the West Kowloon Cultural District, offering exquisite and innovative Cantonese cuisine, expanding its presence in the high-end catering market; at the same time, we operate two tea shops "HEYTEA" under a franchise model, providing handmade drinks that are very popular among young customers, in order to develop more different business models and expand our customer base.

In addition, the Group has actively expanded its food court business and established a new brand food court in Kai Tak Sports Park, which brings together the most popular restaurants in the city, providing venue users and local residents with a wide range of food choices. Currently, food courts have covered major residential areas such as Yuen Long, Tuen Mun, Kowloon Bay and Kai Tak. Customers can browse the customer discounts provided by multiple food courts through mobile applications and place orders instantly. We will continue to look for suitable locations and expand more food courts in the future.

During the reporting period, the Group continued to expand its presence in China by jointly opening a Korean barbecue restaurant "The Charcoal Room" (柞木炭家) in Zhuhai, marking the Group's further expansion in the Greater Bay Area market. In the future, the Group will continue to seek for the right opportunity to promote its diversified and high-quality catering brands to various parts of the country and other Asian regions.

During the financial year under review, the Group continued to provide customers with traditional Chinese dining experience through its "Fulum" series and "Sportful Garden" series. The "Fulum" series targets the mass market and features Cantonese cuisine, including seafood, dim sum and hot pot, and provides distinctive decorations and luxurious venues for weddings and banquets; the "Sportful Garden" series focuses on mid- to high-end Cantonese delicacies and attracts high-end customers with luxurious decorations. In the face of changes in people's dining habits after the pandemic, the Group actively adjusted its operating strategy and developed the Fulum online shopping platform. In line with market tastes and needs, it regularly launched takeaway meal packages, BBQ assortment and side dishes, and expanded its customer base through both online and offline operations.

FINANCIAL REVIEW

During the year under review, the Group's revenue decrease by approximately 7.6% to approximately HK$1,702.1 million (2024: approximately HK$1,841.2 million) from last year.

The following table sets forth the breakdown of the Group's main revenue and percentage change by line of business for the financial years indicated:

	2025 HK$'000	2024 HK$'000	**Change %**
Restaurant operations			
"Fulum (富臨)" main brand	**626,925**	755,440	**(17.0)**
"Sportful Garden (陶源)" main brand	**196,547**	220,836	**(11.0)**
"Concept Line (概念線)"	**774,316**	763,183	**1.5**
Sale of food and other operating items	**42,446**	51,480	**(17.5)**

During the year under review, the Group's gross profit margin decreased to 72.3% (2024: approximately 72.6%). The Group recorded a loss attributable to owners of the Company of approximately HK$66.4 million for the year ended 31 March 2025 when compared with a profit attributable to owners of the Company of approximately HK$50.6 million for the year ended 31 March 2024 which the decrease was mainly due to decrease in revenue.

PROSPECTS AND OUTLOOK

Looking ahead, in the face of challenges such as cost pressure and changes in consumption patterns, Fulum Group will actively seize the opportunities brought by the local economic recovery and the rebound in the tourism industry, and further enhance operational efficiency and customer experience by optimizing its catering portfolio, promoting brand diversification and digital development.

At the same time, the Group will actively explore markets outside Hong Kong. In addition to the highly promising Greater Bay Area, the Group is also actively studying overseas markets to advance its business layout. The Board believes that the series of adjustments and innovations carried out during the financial year under review will create greater development space for the Group. In the future, Fulum Group will strengthen its market position and enhance its competitiveness by adopting innovative and flexible business strategies to provide customers with a quality dining experience and continue to create long-term value for its shareholders.

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 March 2025, the Group's total assets decreased to approximately HK$1,013.7 million (2024: approximately HK$1,274.5 million). As at 31 March 2025, the Group recorded total equity of approximately HK$125.1 million (2024: approximately HK$193.4 million). The decrease in the total equity of the Group as at 31 March 2025 mainly resulted from loss attributable to owners of the Company of approximately HK$66.4 million for the year ended 31 March 2025.

As at 31 March 2025, the Group had approximately HK$74.6 million in cash and bank balances available (2024: approximately HK$121.8 million). The current ratio of the Group was approximately 0.39 (2024: approximately 0.45).

As at 31 March 2025, the Group's total borrowings amounted to approximately HK$249.1 million (2024: approximately HK$281.4 million), which mainly consisted of term loans in the amount of approximately HK$233.4 million (2024: approximately HK$265.7 million) and a revolving loan of approximately HK$15.7 million (2024: approximately HK$15.7 million). These borrowings were denominated in Hong Kong dollars, and the effective interest rates ranged from approximately 3.0% to 6.1% per annum.

CAPITAL EXPENDITURE

The capital expenditure during the year under review was primarily related to expenditures on additions and renovation of property, plant and equipment and investment property for the Group's central kitchen and logistics center, new restaurants and maintenance of existing restaurants. The capital commitments were related to leasehold improvements and equipment for our restaurants.

CONTINGENT LIABILITIES

As at 31 March 2025, the Group had contingent liabilities not provided for in the consolidated financial statements in the amount of approximately HK$17.6 million in relation to bank guarantees given in lieu of rental and utility deposits (2024: approximately HK$19.6 million).

FOREIGN CURRENCY EXPOSURE

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (to the extent that revenue or expenses are denominated in a currency that is different from the functional currency of the relevant subsidiaries of the Group). Majority of the Group's purchase during the year under review was denominated in the functional currency of the relevant subsidiaries.

The Group's assets, liabilities and transactions are mainly denominated in Hong Kong dollars. Certain of the Group's bank balances are denominated in Renminbi ("**RMB**") which is not freely convertible into other currencies. However, under Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations of the PRC, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. The Directors are of the view that the Group's operating cash flow and liquidity are not subject to significant foreign exchange rate risks and therefore no hedging arrangements were made. However, the Group will review and monitor the relevant foreign exchange exposure from time to time based on its business development requirements and may enter into foreign exchange hedging arrangements when appropriate.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 March 2025, the Group had approximately 2,163 employees. The Group believes that hiring, motivating and retaining qualified employees are crucial to the Group's success as a restaurant operator. During the year under review, the Group conducted a series of standardised training and advancement programs for all the Group's staff, from serving staff, cashiers, floor managers, chefs, restaurant managers to district managers. These training programs intend to ensure that all new staff are equipped with the skills required for their positions. The Group's internal advancement programs can provide its staff with clear advancement guidelines and promote employee satisfaction. The Group offers competitive remuneration packages to its employees, including basic salary, allowances, insurance and commission/ bonuses.

INDEBTEDNESS AND CHARGES ON GROUP'S ASSETS

As at 31 March 2025, the Company had outstanding bank loans of approximately HK$249.1 million, of which approximately HK$73.8 million were secured, and approximately HK$175.3 million were unsecured. As at 31 March 2025, the Company had lease liabilities recognised on the application of HKFRS 16 "Leases" of approximately HK$394.8 million, of which approximately HK$258.4 million were due within one year and approximately HK$136.4 million were due after one year.

As at 31 March 2025, certain assets of the Group with a carrying amount in aggregate of HK$162.6 million (2024: HK$165.7 million) were pledged to secure its bank borrowings.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES OR ASSOCIATED COMPANIES

During the year under review, there was no material acquisition or disposal of subsidiaries or associated companies of the Company.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

The Group had no significant investments with a value of 5% or above of the Group's total assets as at 31 March 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS

The Group has no concrete plan for future investments or acquisition of capital assets in place as at the date of this annual report.

DIVIDENDS

The board does not recommend the payment of any dividend for the year ended 31 March 2025 (2024: a final dividend of HK$0.3 cents per ordinary share).

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Yeung Wai 楊維

Mr. Yeung Wai ("**Mr. Yeung**"), aged 61, has been an executive Director and the chairman of the Board since 24 February 2014. Co-founding the Group with Mr. Yeung Yun Chuen and Mr. Yeung Yun Kei in 1992, he is primarily responsible for the Group's overall operation management and the governance and implementation of corporate strategies as well as overseeing the strategic planning of business and marketing.

Mr. Yeung began his career in the food and beverage industry ("**F&B industry**") in the 1980s with over 40 years of relevant experience. Prior to founding of the Group, he had served various important positions in a number of well-known restaurants in Hong Kong and accumulated extensive experience in the management and day-to-day operations of restaurants.

As a restaurant entrepreneur, Mr. Yeung has been recognised in the F&B industry in Hong Kong and served several positions in the industry. He was appointed to the Quality Tourism Services Association (優質旅遊服務協會) as a governing council member from 2013 to 2015. Currently, he is a Director of the Association of Restaurant Managers (現代管理（飲食）專業協會) and also a permanent member of The Chinese General Chamber of Commerce (香港中華總商會).

Mr. Yeung is the brother of Mr. YC Yeung, our controlling shareholder, and Mr. YK Yeung, the father of Mr. Yeung Ho Wang, and the uncle of Mr. Yeung Chun Nin. He is also a director of all members of the Group.

Mr. Yeung Ho Wang 楊浩宏

Mr. HW Yeung, aged 37, has been an executive Director since 13 May 2021 and has been appointed as our chief executive officer with effect from 13 January 2023, and is responsible for overseeing the management and operation of our Group.

Mr. HW Yeung has over 11 years of experience in operation management and strategic planning especially in the F&B industry in Hong Kong. He joined the Group as the operation manager in August 2014 and was primarily responsible for policy enforcement and corporate management. He received a Bachelor Degree of Science in Business Management and a Master Degree of Science in Food Management from the University of Surrey in July 2011 and November 2012 respectively.

In addition, Mr. HW Yeung has also held positions in various industry associations and actively participated in their affairs in fulfilling their social responsibilities to give back to the community. He is currently president of the Association of Restaurant Managers, chairman (Affairs of Food and Beverage Industry) of Greater Bay Area Economic and Trade Association, vice president of the Hong Kong Smart Catering Association, officer of the Hong Kong Quality Tourism Services Association and a member of the Korean Chamber of Commerce in Hong Kong.

To put it simply, Mr. HW Yeung has been actively responding to market needs and promoting innovation in Hong Kong catering industry with tenacity, enthusiastically supporting the work of various industry associations and striving for advancement and improvement with all their members.

Mr. HW Yeung is the son of Mr. Yeung, the nephew of Mr. YK Yeung and a cousin of Mr. Yeung Chun Nin. Mr. HW Yeung is also a nephew of Mr. YC Yeung, our controlling shareholder.

Mr. Yeung Yun Kei 楊潤基

Mr. YK Yeung, aged 63, has been an executive Director since 10 June 2014. He is the co-chief operating officer of the Group and one of the founders of the Group. His chief responsibilities are the management and strategic development of the restaurants under our "Fulum (富臨)" main brand.

Prior to founding the Group in 1992, Mr. YK Yeung was an experienced practitioner in the F&B industry in Hong Kong with over 40 years of extensive experience, serving various positions in a number of restaurants in Hong Kong.

Mr. YK Yeung has been well recognised in the F&B industry. In the year of 2009 to 2010, he was awarded a "platinum five-star medal" (白金五星勳章) in the "China Hotel Industry 100 Elites" (飯店業中華英才百福榜). His industry recognition also includes his position as a current director of the Hong Kong Federation of Restaurants and Related Trades (香港餐飲聯業協會). He also received the "gold belt certificate" from, and was elected as a director of, The HK 5-S Association (香港五常法協會) in July 2013.

Mr. YK Yeung is the brother of Mr. Yeung and Mr. YC Yeung, our controlling shareholder, and the uncle of Mr. HW Yeung and Mr. Yeung Chun Nin. Mr. YK Yeung is also a director of the following members of the Group:

- Fulum Management Limited
- China Easy Investment Limited
- Fulum Shopping Network Company Limited
- China Weal (HK) Limited

Mr. Leung Siu Sun 梁兆新

Mr. Leung Siu Sun ("**Mr. Leung**"), aged 63, has been an executive Director since 10 June 2014. He is the executive chef of the Group and heads the production and procurement departments, central kitchen and logistics centre. His responsibilities include managing productions, developing new products and quality control.

With over 40 years of experience, Mr. Leung is a seasoned chef with working experience in the F&B industry in Hong Kong, the PRC and Japan. His career highlights include his positions at Maxim's Caterers Limited in Hong Kong, The Garden Hotel Guangzhou in the PRC, and The Royal Hotel in Aomori, Japan, all held in the 1980s. Mr. Leung was appointed as a committee member of the Famous Chefs Committee of the World Master Chefs Association for Chinese Cuisine (世界粵菜廚皇協會) in year 2016. He was awarded the Chinese Cuisine Chef Achievements Award by Unilever Hong Kong Limited (香港聯合利華有限公司) in year 2017. Mr. Leung joined our production department in July 1995 as a chef and has since been involved in the quality assurance functions. He was promoted to his current position of executive chef in June 2004.

Mr. Leung sought to improve his industry knowledge by completing the "green belt" certificate course organised by The HK 5-S Association (香港五常法協會) in April 2007, and was subsequently advanced to the "black belt" certificate in July 2013. Mr. Leung has also attended an overseas training course on advanced food production and management organised by the Hong Kong Productivity Council and was helmed as a member of Les Amis d'Escofficer Society, Inc. (廚皇會大使), an international non-profit organisation promoting fine dining, in February 2005. Mr. Leung received a certificate for food hygiene managers from the Hong Kong Christian Service Kwun Tong Vocational Training Centre in April 2005.

Mr. Yeung Chun Nin 楊振年

Mr. Yeung Chun Nin, aged 40, has been an executive Director since 30 June 2022. He has over 15 years of experience in catering operation. He joined the Group in 2009, and has been the business director of "Sportful Garden (陶源)", the Group's main brand, where he has been primarily responsible for corporate management and strategic planning since 2016. Mr. Yeung Chun Nin obtained a Bachelor Degree of Science in Business Management from the University of Nottingham in the United Kingdom in 2008.

Mr. Yeung Chun Nin has been actively promoting development of the local catering industry. He has been a member of the Hong Kong Federation of Restaurants & Related Trades Limited (香港餐飲聯業協會) (the "**Federation**") since 2017 and is currently the president of the Federation. In addition, he is currently the convenor of the Industry Committee of the Chinese Manufacturers' Association of Hong Kong, a member of the 8th Session of the Promotion and International Affairs Committee of Hong Kong Brand Development Council, the executive committee member and vice president of Federation of Hong Kong Zhuhai Community, vice chairman of the Youth Committee of Federation of Hong Kong Zhuhai Community, a member of the 10th Session of the Zhuhai-Xiangzhou District Committee of the Chinese People's Political Consultative Conference, and vice president of Zhuhai Xiangzhou Friendship Association.

Mr. Yeung Chun Nin is the nephew of both Mr. Yeung and Mr. YK Yeung, and a cousin of Mr. HW Yeung. Mr. Yeung Chun Nin is also the son of Mr. YC Yeung, our controlling shareholder.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Wai Leung Joseph 黃偉樑

Mr. Wong Wai Leung Joseph ("**Mr. Wong**"), aged 69, has been appointed as an independent non-executive Director since 7 May 2021 and is responsible for supervising the overall management of the Group.

Mr. Wong has over 32 years of experience in the accounting and financial service industry. Mr. Wong has been an independent director of Cordlife Group Limited, the shares of which are listed on the Singapore Exchange Limited, from September 2014 to May 2024. Mr. Wong was an executive director of Credit Agricole (Suisse), Hong Kong from June 2006 to June 2012, where he served clients on wealth management. From February 1988 to May 2006, Mr. Wong worked at Deloitte Touche Tohmatsu, during which he was engaged in a wide spectrum of business domains, including initial public offerings, taxation and asset protection plans for high-net worth individuals.

Mr. Wong holds a Bachelor of Commerce from the University of Calgary in Alberta, Canada. He is a member of the Hong Kong Independent Non-executive Director Association and Singapore Institute of Directors.

Mr. Chan Chun Bong Junbon

Mr. Chan Chun Bong Junbon ("**Mr. Chan**"), aged 43, has been appointed as an independent non-executive Director since 13 May 2021 and is responsible for supervising the overall management of the Group.

Mr. Chan has over 16 years of experience in corporate management, business expansion and brand marketing in the areas of real estate, fast moving consumer goods, retail and wholesale. Mr. Chan is the founder and the chief executive officer of Block Group International Holdings Limited (奧創國際(控股)有限公司), a company established in February 2019 and principally engaged in the provision of property investment consultancy services. Mr. Chan also serves in several companies. He has been a director of Yick Fung Hong Commercial Development Co., Ltd (億豐行商業發展有限公司, a company principally engaged in property investment) since May 2017 and a general manager of YFH Management Services Limited (億豐行管理服務有限公司, a company principally engaged in property management) since March 2017 respectively. He has been a general manager of Guangzhou NAOMI Cosmetics Co., Ltd.* (廣州市娜娥美化妝品有限公司) from May 2015. In addition, Mr. Chan has been a director of Wayway Daily Necessities (Dongguan) Ltd.* (東莞威威日用品有限公司, a detergent manufacturer) and Yick Fung Hong Cosmetic & Detergent Co. Ltd. (億豐行化妝洗劑有限公司, which principally engages in manufacturing and sale of cosmetic and detergent) from September 2014 and May 2015 respectively. Prior to that, he worked at Sa Sa Cosmetic Company Limited, a wholly-owned subsidiary of Sa Sa International Holdings Limited (a company currently listed on the Main Board of the Stock Exchange (stock code: 178)) from March 2010 to March 2015, and he last served as a senior business development manager. Mr. Chan graduated from Monash University with dual degree of Bachelor of Commerce and Bachelor of Arts in November 2004. Moreover, Mr. Chan obtained a professional executive diploma in Sustainability, Environmental, Social, Corporate Governance and Green Finance from the Hong Kong Management Association in 2023, demonstrating his great emphasis on continuing education development.

As an entrepreneur actively engaging in product marketing and branding, Mr. Chan attaches great importance to the development of intellectual property rights (IPR) business operation and actively promotes IP trade-related activities and co-operation projects in his business operations. He founded Creative IP Farm, a non-profit making social enterprise, in October 2023, dedicated to promoting cross-sectoral and cross-genre collaboration, with a vision to facilitate creativity for business by using intellectual property (IP) as a tool, while also promoting Hong Kong culture in a creative and engaging way. Moreover, Mr. Chan has been actively involved in community services and philanthropic activities in Hong Kong and the PRC. He was appointed as the honorary president of the Wan Chai District Arts, Cultural, Recreational and Sports Association Limited (灣仔區文娛康樂體育會有限公司) as well as honorary president of the Hong Kong Quarry Bay Residents Association Limited (香港鰂魚涌居民協會有限公司) respectively in November 2018. In addition, He was appointed as a member of the 13th session of the Standing Committee of the Dongguan Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十三屆東莞市委員會常務委員會) in January 2018, and was appointed as a member of the Finance Committee of Hospital Governing Committees of Hong Kong (Kwai Chung Hospital & Princess Margaret Hospital) and a member of the Princess Margaret Hospital Charitable Trust Committee since April 2022.

Mr. Chan has attained outstanding achievements in the field of corporate innovation and economic construction. In September 2019, he was awarded the "Asian Chinese Leadership Award" by the Chartered Institute of Management of Canada and the Asian Institute of Knowledge Management. In the same year, he was also awarded the 2019 "Global Chinese Outstanding Youth Award (全球華人傑出青年)" which recognizes outstanding young leaders of the world for their achievements in serving the society, promoting social welfare and establishing a model for the new generation.

Ms. Huang Li Mei

Ms. Huang Li Mei, aged 62, has extensive experience in the food and beverage industry in Hong Kong and the PRC with an expertise in catering and food safety. In 2025, she was appointed as a judge of the Chinese Culinary Institute in Hong Kong, participating in the formulation of industry standards. In 2023, she served as the chief consultant for the CCTV documentary the Taste of Hong Kong* (《香港之味》) and as a specially invited consultant for Guangdong TV's Flavors of Hong Kong* (《香港味道》), promoting the dissemination of Chinese culinary culture. Prior to that, Ms. Huang has been awarded the title "Doctorate of Gastronomy*" (美食博士) by French Chefs Association* (法國廚皇會). She has also been awarded the title "International Connoisseur of Gastronomy*"(國際美食家) by World Federation of Renowned Chinese Cuisine Chefs* (世界中餐名廚聯合會) and is currently its ambassador.

In terms of professional practice, Ms. Huang has been a consultant of Katolee Foods Ltd.* (加藤利食品有限公司) since 2018 and has operated various restaurants including wonton noodle and dim sum shops in Guangzhou in the PRC from 2013 to 2017. Prior to that, Ms. Huang has been a female actress of Asia Television from 1991 to 2012, and Guangdong Television* (廣東電視台) from 1989 to 1990. During Ms. Huang's career with Asia Television, she has filmed and produced 22 gourmet shows with over 500 episodes from 2003 to 2012. Ms. Huang graduated from Professional Training Course on Television Art of Guangdong Radio and Television School* (廣東省廣播電視學校電視藝術專業培訓班) in 1987. Her unique integration of media and culinary perspectives has shaped her into a leading authority in the industry today.

SENIOR MANAGEMENT

Mr. Ip Ban 葉彬

Business Director

Mr. Ip Ban ("**Mr. Ip**"), aged 64, is the Group's chief business officer who joined the Group in 2006. Mr. Ip was appointed to his current position in April 2019 and is primarily responsible for setting business targets and executing the day-to-day business management of restaurants under the "Fulum" main brand. Mr. Ip has over 42 years of experience in restaurant operations. He also served as the store manager of certain restaurants of the Group from 2006 to 2009. He subsequently returned to the Group in October 2012 and served as the regional manager from March 2014 to March 2019.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

Corporate governance is the responsibility of the Board and the Board believes that good corporate governance is essential for long-term success and sustainability of our business.

This report describes the corporate governance practices adopted by the Company and highlights how the Company has applied the principles of the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

CORPORATE GOVERNANCE CODE

The Board periodically reviews the Group's corporate governance practices to ensure its continuous compliance with the code provisions of the CG Code (to the extent such provisions are applicable) as set out in Appendix C1 to the Listing Rules. Throughout the year ended 31 March 2025, the Board considered that the Company has complied with the code provisions set out in the CG Code.

As to the gender diversity required to be disclosed under the amended CG Code effective from 1 January 2022, the Board has been evaluating on appropriate plan for such diversity with reference to the relevant experiences and skills of the Board members, the Board compositions of market peers and the business development of the Group. The Board will continue to commit to maintaining a high standard of corporate governance practices to safeguard the interests of the shareholders of the Company, and to enhance corporate value and accountability. These objectives can be achieved by an effective Board, segregation of duties with clear responsibility, sound internal controls, appropriate risk assessment procedures and transparency to all the Company's shareholders.

CORPORATE CULTURE AND STRATEGY

The Company is dedicated to upholding high standards of corporate governance, including transparency, independence, accountability, responsibility, and fairness. These principles are regularly evaluated and updated to meet changing regulatory requirements and corporate governance developments. The Board believes that adhering to these standards is vital for its long-term performance and value creation for our Shareholders, the investing public and the other stakeholders.

The Company also recognises the importance of integrity, ethical conduct, and responsible business practices, which are instilled and continually reinforced across the Group. The Company's culture and values of acting lawfully, ethically, and responsibly are integral to its operations, long-term growth and sustainability and is essential to its success.

The Board has established the Company's purpose, values, and strategy, and has satisfied itself that the Company's culture is aligned. By acting with integrity and leading by example, the Directors aim to maintain and further enhance to promote the desired culture within the Group.

MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct (the "**Code of Conduct**") regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Based on responses of specific enquiries made with the Directors, all of the Directors have confirmed that they have complied with required standards as set out in the Model Code and Code of Conduct throughout the year ended 31 March 2025 and up to the date of this announcement.

BOARD OF DIRECTORS

The Board is responsible for formulating overall strategic policies of the Company, setting objectives for the management and monitoring the performance of the management. The management of the Company implements the strategic decisions and deals with operational matters of the Group under the delegation and authority of the Board.

The Board considers that it possesses various experience, capabilities, and expertise suitable for and relevant to the Company's businesses in order to provide sound judgement on strategic issues and effective oversight of and guidance to management. The Board includes experts in catering, food and beverage area and professionals in accounting and finance.

The Board has a balanced composition of executive and non-executive Directors to ensure independent viewpoints in all discussions. The Board currently comprises eight directors, including five executive Directors and three independent non-executive Directors. Board members are listed below:

EXECUTIVE DIRECTORS

Mr. Yeung Wai *(Chairman)*
Mr. Yeung Ho Wang *(Chief Executive Officer)*
Mr. Yeung Yun Kei
Mr. Leung Siu Sun
Mr. Yeung Chun Nin

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Wai Leung Joseph
Mr. Chan Chun Bong Junbon
Ms. Huang Li Mei

Biographical information of the Directors and their relationship (if any) are set forth on pages 14 to 18 of this annual report.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors have been appointed by the Company for a term of three years, renewable automatically for successive terms of one month each commencing from the next day after the expiry of the then current term of appointment. Such appointment may be terminated in accordance with the terms of the letters of appointment, including by either party giving to the other party not less than three months' advance written notice of termination. In compliance with Rules 3.10A, 3.10 (1) and (2) of the Listing Rules, the Company has appointed three independent non-executive Directors representing not less than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise.

Confirmation of Independence

Each of the independent non-executive Directors has given an annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent in accordance with the relevant requirements under the Listing Rules.

The Company recognises that Board independence is key to good corporate governance. The Company has in place effective mechanisms, including but not limited to entitling the Directors and members of the Board committees to seek independent professional advice on matters relating to the Company where appropriate at the Company's expense, to ensure independent views and input are available to the Board. These mechanisms in place are subject to annual review by the Board that underpins a strong independent Board and independent views. A private meeting between the Chairman and the independent non-executive directors without the presence of other directors takes place at least once a year.

The Company has reviewed and considered the implementation of the mechanisms in relation to the Board's independence to be effective during the period under review.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

During the year, Mr. Yeung has been the chairman, while Mr. HW Yeung has been the chief executive officer of the Company.

Chairman and chief executive officer are two key aspects of the management of a company. Chairman performs the management of the Board and chief executive officer performs the day-to-day management of the business.

CONTINUOUS PROFESSIONAL DEVELOPMENT FOR DIRECTORS

On appointment to the Board, the Directors have been provided with comprehensive induction to ensure that (i) they have a proper understanding of the business and operations of the Company; (ii) they are fully aware of the responsibilities and obligations as being a director of a listed company; and (iii) the compliance practice under the Listing Rules. Directors are kept updated on the statutory and regulatory development and changes in the business and the market so as to facilitate the discharge of their responsibilities. Continuous briefing and professional development for Directors will be arranged where necessary.

During the year ended 31 March 2025, the Directors were provided with monthly updates on the Company's performance and position to enable the Board as a whole and each Director to discharge their duties. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. During the year ended 31 March 2025, the Directors participated in the following training:

Name of Directors	**Type of continuous professional development** *(Note)*
Executive Directors	
Mr. Yeung Wai	R
Mr. Yeung Ho Wang	R
Mr. Yeung Yun Kei	R
Mr. Leung Siu Sun	R
Mr. Yeung Chun Nin	R
Independent non-executive Directors	
Mr. Ng Ngai Man Raymond *(resigned on 27 September 2024)*	A, R
Mr. Wong Wai Leung Joseph	A, R
Mr. Chan Chun Bong Junbon	A, R
Ms. Huang Li Mei	A, R

Note:

A: attending briefing sections and/or seminars relating to matters in financial, legal and corporate governance.

R: reading training materials prepared by the legal advisers to recap the corporate governance and directors' duties and responsibilities; reading newspapers, journals and updates relating to the economy and business in general.

BOARD MEETINGS

The Board met regularly in person or by means of electronic communication. It is intended that the Board should meet at least four times a year pursuant to code provision C.5.1 of the CG Code. Regular board meetings are usually scheduled in the first quarter of the year to give all directors adequate time to plan their schedules to attend. Directors receive at least 14 days' prior written notice of regular board meetings together with the meeting agenda. For other board meetings, notice is given in a reasonable time in advance.

During the year ended 31 March 2025, the Board has convened and held 5 Board meetings.

BOARD COMMITTEES

To facilitate the work of the Board, board committees have been set up with written terms of reference which clearly define the role, authority and functions of each committee. Each board committee is required to report their decisions or recommendations to the Board. Details of Directors' attendances at the board committee meetings are shown below.

The composition, role and function and summary of work done of each board committee are as follows:

Executive Committee

The Company established an executive committee (the "**Executive Committee**") on 31 December 2014 with written terms of reference. The primary duties of the Executive Committee include the approval and entering into any agreement or document or transaction on behalf of the Company as the committee may consider necessary or desirable in connection with the normal and ordinary course of business and the day-to-day management and operation of the Company. Currently, Mr. Yeung, Mr. HW Yeung, Mr. YK Yeung, Mr. Leung, and Mr. Yeung Chun Nin, all being executive Directors, are members of the Executive Committee, with Mr. Yeung being the chairman.

During the year ended 31 March 2025, the Executive Committee has convened 12 meetings.

Audit Committee

The primary duties of audit committee of the Company (the "**Audit Committee**") are to make recommendations to the Board on the appointment and removal of the external auditor, to review the financial statements and material advice in respect of financial reporting and to oversee the audit process, risk management system and internal control procedures of the Group.

The Audit Committee comprises all three independent non-executive Directors, namely, Mr. Wong Wai Leung Joseph, Mr. Chan Chun Bong Junbon and Ms. Huang Li Mei with Mr. Wong Wai Leung Joseph, being the chairman of the Audit Committee. The Audit Committee has reviewed the Group's consolidated statements for the year ended 31 March 2025. The Audit Committee was of the opinion that the preparation of such results complied with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

The terms of reference of the Audit Committee include the following corporate governance functions delegated by the Board:

1. develop and review the Company's policies and practices on corporate governance and make recommendations to the Board and report to the Board on matters;

2. review and monitor the training and continuous professional development of Directors and senior management;

3. review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

4. develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;

5. review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and

6. review and monitor the Company's compliance with the Company's whistleblowing policy.

At the Audit Committee's meeting, members of the Audit Committee had performed the above-mentioned corporate governance functions by reviewing the Company's policies and practices on corporate governance and compliance with legal and regulatory requirements.

Nomination Committee

The Company established the nomination committee (the "**Nomination Committee**") on 28 October 2014 with written terms of reference. The Nomination Committee has three members currently comprising Mr. Chan Chun Bong Junbon and Ms. Huang Li Mei, being independent non-executive Directors and Mr. Yeung, an executive Director. The Nomination Committee is chaired by Mr. Chan Chun Bong Junbon.

The Nomination Committee is mainly responsible for, without limitation, reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on matters relating to the appointment and re-election of Directors. The Committee will also periodically review the nomination policy (the "**Nomination Policy**") and the board diversity policy of the Company (the "**Board Diversity Policy**"), as appropriate, to ensure the effectiveness of these policies and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval. During the year ended 31 March 2025, the Nomination Committee has convened two meetings and had performed the above mentioned duties.

The Board Diversity Policy

During the year ended 31 March 2025, the Nomination Committee had reviewed the Board Diversity Policy and reported on the Board's composition under diversified perspectives, and had monitored the implementation of the Board Diversity Policy.

Pursuant to the Board Diversity Policy adopted by the Board, when reviewing the composition of the Board and considering the nomination of new Directors, the Nomination Committee will take into account gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service of potential candidates and also business needs of the Company.

With reference to the business needs of the Group, measurable objectives have been set for implementing the Board Diversity Policy. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on the merit and contribution that the selected candidates will bring to the Board.

During the year, the Company has achieved the following measurable objectives:

(1) at least one-third of the Board is composed of independent non-executive Directors;

(2) at least one-third of the Board are holders of a Bachelor's degree or above;

(3) at least one Director is a qualified accountant;

(4) at least one Director has relevant experience in F&B industry; and

(5) at least one Director has relevant experience in finance.

The Board currently comprises of eight Directors, one of which is female. The Board considers that the Company has achieved gender diversity at the Board level and targets to maintain, or if suitable candidates are identified further enhance, such achievement. In striving to maintain gender diversity, similar considerations are used when recruiting and selecting key management and other personnel across the Group's operations.

As at 31 March 2025, the ratio of male and female in the workforce (including the executive directors and senior management) is 36.3% and 63.7%, respectively.

As such, the Company's workforce (including the executive directors and senior management) has achieved reasonable gender diversity between males and females which aligns with the characteristics of the F&B industry. The Company would continue to take into account of diversity perspectives including gender diversity in its hiring.

Based on the review by the Nomination Committee, the Nomination Committee considers that the Company has achieved the measurable objectives set for implementing the Board Diversity Policy for the year under review. The Nomination Committee will monitor the implementation and effectiveness of the Board Diversity Policy on an annual basis.

The Nomination Policy

On 28 November 2018, the Board adopted the Nomination Policy on the recommendation of the Nomination Committee, which describes the procedure by which the Company will select candidate(s) for possible inclusion in the Board. The Board considers the Nomination Policy could strengthen the transparency and accountability of the Board and Nomination Committee and election of directors. In assessing the suitability of a proposed candidate before recommending to the Board for it to consider and make recommendations to the shareholders of the Company for election as Directors at general meetings or appoint as Directors to fill casual vacancies, the Nomination Committee will consider: (i) character and integrity of the proposed candidate; (ii) qualifications of the proposed candidate including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy; (iii) accomplishment and experience of the proposed candidate in the business from time to time conducted, engaged in or invested in by any member of the Group; (iv) commitment of the proposed candidate in respect of available time and relevant interest; (v) requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules; (vi) board diversity policy and any measurable objectives for achieving diversity on the Board; and (vii) such other perspectives appropriate to the Company's business. The Nomination Committee also ensures the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

The Nomination Committee will monitor the implementation of the Nomination Policy and report to the Board when necessary.

Remuneration Committee

The Company established the remuneration committee (the "**Remuneration Committee**") on 28 October 2014 with written terms of reference. The Remuneration Committee has three members currently comprising Mr. Wong Wai Leung Joseph and Ms. Huang Li Mei, being independent non-executive Directors and Mr. Yeung, an executive Director. The Remuneration Committee is chaired by Ms. Huang Li Mei.

The primary duties of the Remuneration Committee include (i) making recommendations to the Board on the policy and structure for all remuneration of all Directors and senior management of the Group and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) making recommendations to the Board on the remuneration package of all Directors and senior management of the Group; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

While considering the grant of share options, the Remuneration Committee had evaluated the remuneration of the grantees to comparable market peer and the value of grant to the grantees. After considering those factors, the remuneration committee recommended the proposed grant of share options to the grantees to the Board for approval to appreciate the grantees' devotion and commitment to the Company which align with the purposes of the share option scheme of the Company (the "**Share Option Scheme**").

A summary of directors' remuneration policy is set forth on page 37 of this report in the section headed "Directors' Emoluments".

During the year ended 31 March 2025, the Remuneration Committee has convened two meetings and had performed the above mentioned duties.

ATTENDANCE RECORD AT MEETINGS

The attendance record of each Director at the meetings of the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee and the 2024 annual general meeting (the "**2024 AGM**") during the year under review are set out in the following table:

Name of Directors	Number of meetings attended/Number of meetings convened Board	Audit Committee	Remuneration Committee	Nomination Committee	2024 AGM *(Note 1)*
Executive Directors					
Mr. Yeung Wai	5/5	–	2/2	2/2	1/1
Mr. Yeung Ho Wang	5/5	–	–	–	–
Mr. Yeung Yun Kei	5/5	–	–	–	–
Mr. Leung Siu Sun	5/5	–	–	–	–
Mr. Yeung Chun Nin	5/5	–	–	–	–
Non-executive Director					
Mr. Wu Kam On Keith *(resigned on 1 April 2025)*	5/5	–	–	–	1/1
Independent non-executive Directors					
Mr. Ng Ngai Man Raymond *(resigned on 27 September 2024)*	2/5	1/2	2/2	2/2	–
Mr. Wong Wai Leung Joseph	5/5	2/2	2/2	–	1/1
Mr. Chan Chun Bong Junbon	5/5	2/2	–	2/2	1/1
Ms. Huang Li Mei *(appointed on 27 September 2024)*	3/5	1/2	–	–	1/1

Note:

1. The 2024 AGM was held on 27 September 2024.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of senior management (including the executive Directors) by bands for the year ended 31 March 2025 is set out below:

Bands of remuneration	Number of individuals
Nil to HK$500,000	0
HK$500,001 to HK$1,000,000	4
HK$1,000,001 to HK$1,500,000	1
HK$1,500,001 to HK$2,000,000	1
HK$2,000,001 to HK$2,500,000	0
HK$2,500,001 to HK$3,000,000	0
	6

Further particulars in relation to Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix D2 to the Listing Rules are set out in note 13 to the consolidated financial statements.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors understand and acknowledge their responsibilities for preparing the consolidated financial statement of the Group for the year under review and of ensuring that the preparation of the consolidated financial statements of the Group is in accordance with the applicable standards and requirements.

The Directors have taken into account the cash requirements of the Group for the next twelve months from the end of the reporting period and the measures disclosed in note 2 to the consolidated financial statements, and have concluded that the Group will have sufficient working capital to meet in full its financial obligations as they fall due and accordingly the consolidated financial statements have been prepared on a going concern basis.

The statement of the external auditor of the Company regarding their reporting responsibilities on the financial statements of the Group is set forth in the Independent Auditor's Report on pages 51 to 53 of this annual report.

COMPANY SECRETARY

As the company secretary of the Company, Mr. Chan Yiu Kwong is responsible for advising the Board on corporate governance matters and ensuring that the Board policies and procedures, and the applicable laws, rules and regulations are being followed.

During the year ended 31 March 2025, Mr. Chan Yiu Kwong has taken no less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules.

EXTERNAL AUDITOR

The Group appointed Zhonghui Anda CPA Limited as the Group's principal external auditor. During the year ended 31 March 2025, the total fee paid/payable in respect of audit and non-audit services provided by Zhonghui Anda CPA Limited, and its affiliated firms is set out below:

Items of auditor's services	**Amount (HK$'000)**
Audit service	2,150
Non-audit services	
– Tax advisory and compliance	50
– Others	418
Total	2,618

The Audit Committee is responsible for making recommendations to the Board as to the appointment, re-appointment and removal of the external auditor. Such appointment, re-appointment and removal are subject to the approval by the Board and the general meetings of the Company by the shareholders of the Company. There is no disagreement between the Directors and the Audit Committee regarding the selection and appointment of the external auditors.

RISK MANAGEMENT AND INTERNAL CONTROL

The risk management and internal control system is designed to facilitate the achievement of the Group's strategies, safeguard the assets of the Group, assure the proper maintenance of accounting records, and to ensure the compliance with the relevant laws and regulations. The Board has overall responsibility for maintaining a sound and effective risk management and internal control system throughout the Group which includes a defined management structure with limits of authority, and is designed to ensure the proper application of accounting standard and the provision of reliable financial information for internal use and for publication, and to secure compliance with the relevant laws and regulations.

The controls built into the risk management system are intended to manage, not eliminate, significant risks (including environmental, social and governance risks) in the Group's business environment. Such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Group's risk management framework includes the following key elements:

– identify significant risks in the Group's operation environment and evaluate the impacts of those risks on the Group's business;

– develop necessary measures to manage those risks; and

– monitor and review the effectiveness of such measures.

During the year ended 31 March 2025, the Group does not have an internal audit function and has engaged an external consultant to conduct an assessment on the effectiveness of risk management and internal controls of the Group. In light of the size, nature and complexity of the business of the Group, the Directors are of the view that it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. The Group will continue to review the need for an internal audit function.

Results of the assessment are reported to the Audit Committee and key members of executive and senior management. Audit issues are tracked and followed up for proper implementation, with progress reported to the Audit Committee, key members of executive and senior management periodically. The risk management and internal control system of the Group is reviewed and assessed on an on-going basis by the management, and will be further reviewed and assessed on a semi-annual basis by the Audit Committee and the Board.

Through the Audit Committee, the Board has conducted a review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 March 2025, covering the material financial, operational and compliance controls, and considered the Group's risk management and internal control systems effective and adequate. The Audit Committee has also conducted a review of the adequacy of resources, qualifications, experience and training programs of the internal audit staff and accounting and financial reporting staff and considered that the staffing is adequate and the staff are competent to carry out their roles and responsibilities.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company regulates the handling and dissemination of inside information as set out in the information disclosure policy adopted by the Company to ensure inside information can be promptly identified, assessed and disseminated to the public in a timely manner in accordance with the applicable laws and regulations.

INVESTOR RELATIONS

To enhance transparency and effectively communicate with the investment community, the executive Directors and senior management of the Group actively maintain close communications with various institutional investors, financial analysts and financial media. Investors are welcome to share their views with the Board by writing to the Company at its Hong Kong head office or sending enquiries to the Company's website at www.fulumgroup.com. Investors and shareholders of the Company are welcome to review the Company's recent announcements on the Group's website at www.fulumgroup.com.

SHAREHOLDERS' RIGHTS

CONVENING AN EXTRAORDINARY GENERAL MEETING

Pursuant to article 58 of the articles of association of the Company (the "**Articles of Association**"), extraordinary general meetings of the Company may be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings (on a one vote per share basis). Such requisition shall be made in writing to the Directors or the company secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Directors for the transaction of any business or resolution specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Directors fail to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the requisitionist(s) by the Company.

SHAREHOLDERS' ENQUIRIES TO THE BOARD

To ensure effective communication between the Board and the shareholders of the Company, the Company has adopted a shareholder's communication policy (the "**Communication Policy**") on 28 October 2014. Under the Communication Policy, the annual shareholders' meetings and other shareholders' meetings of the Company are the primary forums for communication by the Company with its shareholders and for shareholder participation. The chairman of the Board in person chairs the annual general meeting to ensure Shareholders' views are communicated to the Board. Moreover, the briefing on the Company's business and the questions and answers session at the annual general meeting allow Shareholders to stay informed of the Group's strategies and goals. Information about the Company including shareholder communications shall be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.fulumgroup.com). Shareholders may at any time put enquiries to the Board. Any such questions shall be directed to the company secretary of the Company.

After the Board has reviewed the implementation and effectiveness of the Communication Policy including steps taken at the annual general meeting and the handling of queries received (if any) which were conducted during the year ended 31 March 2025, the Communication Policy was found to be effective and adequate.

PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETING

(i) To propose a person for election as a Director

Pursuant to article 85 of the Articles of Association and the "Procedures for shareholder to propose a person for election as a director of the Company" published by the Company on the Company's website, a shareholder of the Company who wishes to propose a person other than a Director for election as a Director at a general meeting should lodge a written notice at the Company's principal place of business in Hong Kong at 26/F, Capital Tower, 38 Wai Yip Street, Kowloon Bay, Hong Kong, for the attention of the company secretary of the Company.

The period for lodgement of the above notice shall be a 7-day period commencing on the day after the despatch of the notice of the general meeting appointed for such election of Director(s) and ending on the date falling 7 days after the despatch of the said notice of the general meeting. For details of the procedure, please refer to "Procedures for shareholder to recommend a person for election as a director of the Company" published by the Company on the Company's website.

(ii) Other proposals

If a shareholder of the Company wishes to make other proposals at a general meeting, he may lodge a written request, duly signed, at the Company's principal place of business at 26/F, Capital Tower, 38 Wai Yip Street, Kowloon Bay, Hong Kong marked for the attention of the company secretary of the Company.

CONTACT DETAILS

Shareholders of the Company may send their enquiries or requests as mentioned above to the following:

Address: 26/F, Capital Tower, 38 Wai Yip Street, Kowloon Bay, Hong Kong
Email: investor@fulum.com.hk

CHANGE IN CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2025, the Third Amended and Restated Articles of Association have been adopted to, amongst others, (i) conform to the current requirements of the Listing Rules which mandate the electronic dissemination of corporate communications by listed issuers to their securities holders from 31 December 2023 onwards; and (ii) incorporate certain housekeeping amendments. For further details of the amendments, please refer to the announcement and circular of the Company dated 28 June 2024 and 23 August 2024, respectively.

Save as disclosed above, there was no other significant changes in the Company's constitutional documents during the year ended 31 March 2025.

REPORT OF THE DIRECTORS

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company acts as an investment holding company. The Group is principally involved in restaurant operations in Hong Kong and Mainland China, and the production, sale and distribution of food products related to restaurant operations. The principal activities of the principal subsidiaries are set forth in note 1 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

Further discussion and analysis of the performance and position of the Group's business during the year ended 31 March 2025, using financial key indicators, as required by Schedule 5 to the Hong Kong Companies Ordinance, including a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, can be found in the Management Discussion and Analysis set out on pages 8 to 14 of this annual report. The discussion forms part of this Directors' report.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2025 and the Group's financial position at that date are set forth in the financial statements on pages 54 to 56.

The board does not recommend the payment of any dividend for the year ended 31 March 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 23 September 2025 to Friday, 26 September 2025, both days inclusive, during which period no transfer of Shares will be registered, for the purpose of ascertaining shareholders' entitlement to attend and vote at the forthcoming annual general meeting. In order to be eligible to attend and vote at the annual general meeting, all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with the Company's share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Fast East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 22 September 2025.

USE OF NET PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The net proceeds from the initial public offering and listing of Shares (the "**Listing**") on the Main Board of the Stock Exchange on 13 November 2014 (the "**Listing Date**"), after the deduction of related issuance expenses, amounted to approximately HK$431.8 million. During the period from the Listing to 31 March 2025, the net proceeds from the Listing were utilised in accordance with the proposed applications set out in the prospectus of the Company dated 4 November 2014 (the "**Prospectus**") as follows:

Intended use of the net proceeds as stated in the Prospectus	Planned use of proceeds *(Note)* *(HK$' million)*	Proceeds utilised during the year ended 31 March 2025 *(HK$' million)*	Actual use of proceeds up to 31 March 2025 *(HK$' million)*	Unutilised amount as at 31 March 2025 *(HK$' million)*
Opening of new restaurants under "Fulum (富臨)" main brand and under "Sportful (陶源)" main brand	172.7	–	172.7	–
Opening of specialty cuisine restaurants under "Concept line (概念線)"	64.8	–	64.8	–
Opening of restaurants in the PRC	86.3	–	86.3	–
Renovation and refurbishment of existing restaurants and headquarter, upgrade of our central kitchen and logistics center in Hong Kong and upgrade of our information technology systems	64.8	–	64.8	–
Acquisition of, or forming strategic alliances with, other brands or restaurants when suitable opportunities arise	21.6	13	21.6	–
General working capital	21.6	–	21.6	–
Total	431.8	13	431.8	–

Note: The planned amount of use of net proceeds has been adjusted in the same proportion and same manner as stated in the Prospectus due to the difference between the estimated net proceeds and the actual net proceeds received.

As at 31 March 2025, all of the net proceeds from the Listing (the "**Net Proceeds**") was fully utilised in accordance with the disclosed intended use of proceeds in the Prospectus.

The Group held the unutilised net proceeds in short-term deposits with licensed banks in Hong Kong as at the date of this report.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five years, as extracted from the audited consolidated financial statements, is set out on page 118 of this annual report. This summary does not form part of the audited financial statements.

SHARE CAPITAL

As at 31 March 2025, the Company had 1,300,000,000 Shares of HK$0.001 each in issue (31 March 2024: 1,300,000,000 Shares of HK$0.001 each).

Details of the share capital and the movements in share options of the Company during the year are set out in notes 29 and 31 to the financial statements, respectively.

TREASURY POLICIES AND CAPITAL STRUCTURE

The Group generally financed its operations with internally generated resources and bank borrowings. As at 31 March 2025, bank borrowings of the Group and the cash and cash equivalent held by the Group were mainly in HK$. For further information on the financial resources of the Group, please refer to the paragraph headed "Financial resources and liquidity" under the management discussion and analysis section of this report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands for which the Company shall be obliged to offer new shares on a pro-rata basis to existing shareholders.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to the shareholders of the Company by reason of their holding of the Company's securities. Intending holders and investors of the Company's Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications (including tax relief) of subscribing for, purchasing, holding, disposing of or dealing in the Shares. It is emphasised that none of the Company or its Directors or officers will accept any responsibility for any tax effect on, or liabilities of, holders of the Shares resulting from their subscription for, purchase, holding, disposal of or dealing in such Shares.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2025.

PRINCIPAL PROPERTIES

Details of the principal properties of the Group are set out below:

Hong Kong

Location	Lot number	Type	Lease term
Office on 26th Floor of Tower A, No. 38 Wai Yip Street, Kowloon, Hong Kong	1,324/61,923 equal and undivided shares of and in New Kowloon Inland Lot No. 6313	Commercial	2065
Car Parking space Nos. P70 and P71 on Basement 1 Floor, No. 38 Wai Yip Street, Kowloon, Hong Kong	8/61,923 equal and undivided shares of and in New Kowloon Inland Lot No. 6313	Car parking space	2065

As at 31 March 2025, the above properties were used as offices and car parking spaces of the Group.

RESERVES

Details of the movement in reserves of the Group and of the Company during the year are respectively set out on page 57 and note 36 of this annual report. As at 31 March 2025, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to HK$95,355,000.

DIVIDEND POLICY

The Company considers stable and sustainable returns to the shareholders of the Company to be its goal. It is the policy of the Board, in declaring or recommending a payment of dividend, to allow the shareholders to participate in the Company's profits and for the Company to retain adequate reserves of the Company for future growth. On 28 November 2018, the Board adopted a dividend policy (the "**Dividend Policy**") on the recommendation of the Audit Committee in order to promote greater dividend policy transparency. In deciding whether to recommend the payment of dividend to the shareholders, the Board will take into account (i) general business conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company; (ii) the financial condition and results of operations of the Group; (iii) the expected capital requirements and future expansion plans of the Group; (iv) future prospects of the Group; (v) statutory and regulatory restrictions; (vi) contractual restrictions on the payment of dividend by the Group to the shareholders or by the subsidiaries of the Company to the Company; (vii) taxation considerations; (viii) shareholders' interests; and (ix) other factors the Board may deem relevant. The Board may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment. Whilst the Dividend Policy reflects the Board's current views on the financial and cash-flow position of the Group, such dividend policy will continue to be reviewed from time to time and there can be no assurance that a dividend will be recommended or declared in any particular amount for any given period. The declaration of or recommendation of declaration of dividends is subject to the absolute discretion of the Board. Even if the Board decides to recommend and declare a dividend, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The payment of dividend is also subject to applicable laws and regulations and the Company's constitutional documents.

CHARITABLE CONTRIBUTIONS

During the year under review, the Group made charitable contributions totalling HK$33,000.

MAJOR CUSTOMERS AND SUPPLIERS

As a restaurant chain, the Company had a large and diversified customer base across Hong Kong and Mainland China and did not rely on any single customer during the year. Sales to the Group's five largest customers accounted for less than 30% of the total sales for the year. For the year ended 31 March 2025, the five largest suppliers and the single largest supplier of the Group accounted for approximately 29.7% (2024: 32.2%) and 16.4% (2024: 18.6%) of the total purchases of the Group, respectively.

During the year under review, none of the Directors, their respective close associates or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest suppliers.

DIRECTORS

The Directors during the year and as at the date of this annual report were as follows:

Executive Directors:

Mr. Yeung Wai *(Chairman of the Board)*
Mr. Yeung Ho Wang *(Chief Executive Officer)*
Mr. Yeung Yun Kei
Mr. Leung Siu Sun
Mr. Yeung Chun Nin

Non-executive Director

Mr. Wu Kam On Keith *(Vice Chairman of the Board) (resigned on 1 April 2025)*

Independent Non-executive Directors:

Mr. Ng Ngai Man Raymond *(resigned on 27 September 2024)*
Mr. Wong Wai Leung Joseph
Mr. Chan Chun Bong Junbon
Ms. Huang Li Mei *(appointed with effect from 27 September 2024)*

Pursuant to articles 84(1) and 84(2) of the Articles of Association, Mr. Yeung, Mr. Yeung Yun Kei and Mr. Wong will retire as Directors by rotation and, all being eligible, have offered themselves for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company which may be terminated by either party giving to the other party not less than three months' advance written notice of termination. Each of the independent non-executive Directors has been appointed to the Board pursuant to their respective letters of appointment, for an initial term of three years, renewable automatically for successive terms of one month each commencing from the next day after the expiry of the then current term of appointment, and such appointment may be terminated by either party giving to the other party not less than three months' advance written notice of termination.

All Directors are subject to retirement from office and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

None of the Directors has entered into a service contract with the Company which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' EMOLUMENTS

The emoluments payable to Directors are determined by the Board with reference to recommendations given by the Remuneration Committee to the Board taking into account the Directors' duties, responsibilities and performance and the results of the Group, such that the remuneration packages offered by the Company can be competitive, adequate (but not excessive) and in line with current market practices to attract, retain, motivate and reward the Directors and senior management, thereby having sufficient, experienced and competent manpower on the Board to achieve the Company's corporate goals and objectives. A summary of the Directors' remuneration is set out in note 13 to the financial statements.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in the execution of their duties in their offices. Such permitted indemnity provision has been in force throughout the year. The Company has arranged appropriate Directors' liability insurance coverage for the Directors of the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this annual report, no Director nor any entity connected with a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group subsisting during or at the end of the year ended 31 March 2025 to which the Company or any of the Company's subsidiaries was a party.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

ENVIRONMENT POLICIES AND PERFORMANCE

The Company recognises the importance of its role in environmental and social sustainability. During the year under review, the Group has been striving to comply with the relevant laws and regulations in connection with environmental protection, emissions and efficient use of resources such as energy, water and packaging materials.

Details on the Group's strategies, efforts and performance with respect to environmental, social and governance ("**ESG**") for the year ended 31 March 2025 are available in the Group's ESG Report, which is available on the websites of the Company and the Stock Exchange.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best knowledge, information and belief of the Board and management, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group and there was no material breach of or non-compliance with the applicable laws and regulations by the Group during the year ended 31 March 2025.

RELATIONSHIP WITH EMPLOYEES

A description of the relationship with the employees of the Group is contained in the paragraph headed "Human Resources and Remuneration Policy" under the management discussion and analysis section of this report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 31 March 2025, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or 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, were as follows:

Name of Director	The Company/ name of associated corporation	Capacity/ nature of interest	Number and class of securities *(Note 1)*	Approximate percentage of shareholding
Mr. Yeung Wai	The Company	Interest held jointly with another person; interest in a controlled corporation; beneficial owner *(Note 2)*	915,375,000 Shares (L) *(Note 3)*	70.41%
Mr. Yeung Yun Kei	The Company	Interest held jointly with another person; beneficial owner *(Note 2)*	915,375,000 Shares (L) *(Note 4)*	70.41%
Mr. Leung Siu Sun	The Company	Beneficial Owner	73,625,000 Shares (L)	5.66%
Mr. Wu Kam On Keith	The Company	Beneficial Owner *(Note 5)*	4,000,000 Shares (L)	0.31%
Mr. Yeung Ho Wang	The Company	Beneficial Owner *(Note 5)*	4,000,000 Shares (L)	0.31%
Mr. Yeung Chun Nin	The Company	Beneficial Owner *(Note 5)*	1,087,500 Shares (L)	0.1%
Mr. Ng Ngai Man Raymond	The Company	Beneficial Owner *(Note 5)*	0 Shares (L)	0%
Mr. Wong Wai Leung Joseph	The Company	Beneficial Owner *(Note 5)*	1,360,000 Shares (L)	0.1%
Mr. Chan Chun Bong Junbon	The Company	Beneficial Owner *(Note 5)*	1,360,000 Shares (L)	0.1%

Notes:

1. The letter "L" denotes the person's long position in the shares and underlying shares of the Company or the relevant associated corporation.

2. Mr. Yeung Wai and Mr. Yeung Yun Kei, being our executive Directors, and Mr. Yeung Yun Chuen are siblings, associates of each other under the Listing Rules and are deemed to be persons acting in concert under The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong. As such, each of Mr. Yeung Wai, Mr. Yeung Yun Chuen and Mr. Yeung Yun Kei is deemed to be interested in all the shares of the Company (the "**Shares**") in which the others are interested.

3. In respect of the 915,375,000 Shares, 272,025,000 Shares were held by Mr. Yeung Yun Chuen, 184,275,000 Shares were held by Mr. Yeung Yun Kei, 452,075,000 Shares were held by China Sage International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Yeung Wai, and 7,000,000 Shares are underlying shares of the same number of options granted to Mr. Yeung Wai on 18 August 2021 under the Share Option Scheme.

4. In respect of the 915,375,000 Shares, 272,025,000 Shares were held by Mr. Yeung Yun Chuen, 184,275,000 Shares were held by Mr. Yeung Yun Kei, 452,075,000 Shares were held by China Sage International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Yeung Wai, and 7,000,000 Shares are underlying shares of the same number of options granted to Mr. Yeung Yun Kei on 18 August 2021 under the Share Option Scheme.

5. The relevant Directors were granted options to subscribe for such number of Shares under the Share Option Scheme. Details of the Directors' Interests in Share options are set out in the paragraph headed "Share Option Scheme" in the annual report.

Save as disclosed above, as at 31 March 2025, none of the Directors or chief executive had any interest or short position in the Shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register that was required to be kept pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2025, the interests or short positions of the persons, other than Directors or chief executive of the Company, in the Shares and underlying shares of the Company, as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO, were as follows:

Name of shareholder	Capacity/nature of interest	Number and class of securities *(Note 1)*	Approximate percentage of shareholding in the Company
Ms. Lam Man Ki, Elane	Interest of spouse *(Note 2)*	915,375,000 Shares (L)	70.41%
Mr. Yeung Yun Chuen	Interest held jointly with another person; beneficial owner *(Note 3)*	915,375,000 Shares (L) *(Note 4)*	70.41%
Ms. Yung Yuk Ling	Interest of spouse *(Note 5)*	915,375,000 Shares (L)	70.41%
Ms. Hui Lin Na	Interest of spouse *(Note 6)*	915,375,000 Shares (L)	70.41%
China Sage International Limited	Beneficial owner *(Note 7)*	452,075,000 Shares (L)	34.78%
Ms. Leung Siu Kuen	Interest of spouse *(Note 8)*	73,625,000 Shares (L)	5.66%

Notes:

1. The letter "L" denotes the person or entity's long position in the Shares and underlying shares of the Company.

2. Ms. Lam Man Ki, Elane was deemed to be interested in all the Shares in which Mr. Yeung Wai, her spouse, was interested by virtue of the SFO.

3. For details of the capacity/nature of interest of Mr. Yeung Yun Chuen, please refer to note 2 of the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION" above.

4. In respect of the 915,375,000 Shares, 272,025,000 Shares were held by Mr. Yeung Yun Chuen, 184,275,000 Shares were held by Mr. Yeung Yun Kei, 452,075,000 Shares were held by China Sage International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is beneficially owned by Mr. Yeung Wai, and 7,000,000 Shares are underlying shares of the same number of options granted to Mr. Yeung Yun Chuen on 18 August 2021 under the Share Option Scheme.

5. Ms. Yung Yuk Ling was deemed to be interested in all the Shares in which Mr. Yeung Yun Chuen, her spouse, was interested by virtue of the SFO.

6. Ms. Hui Lin Na was deemed to be interested in all the Shares in which Mr. Yeung Yun Kei, her spouse, was interested by virtue of the SFO.

7. These Shares were held by China Sage International Limited. The entire issued shares of China Sage International Limited are owned by Mr. Yeung Wai.

8. Ms. Leung Siu Kuen was deemed to be interested in all the Shares in which Mr. Leung Siu Sun, her spouse, was interested by virtue of the SFO.

Save as disclosed above, as at 31 March 2025, no person, other than the Directors and chief executive of the Company, had registered an interest or short position in the shares or underlying shares of the Company that was recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SHARE OPTION SCHEME

The Share Option Scheme was adopted by the Company on 28 October 2014 and became effective on 13 November 2014, and, unless otherwise cancelled or amended, will remain in force for 10 years from the effective date. Accordingly, the Share Option Scheme will expire on 12 November 2024.

(1) Purpose

The Company has adopted the Share Option Scheme for the purpose of motivating eligible participants to optimise their future contributions to the Group and to reward them for the past contributions and to attract and retain or otherwise maintain ongoing relationships with such eligible participants whose contributions are or will be beneficial to the performance, growth or success of the Group.

(2) Participants

Eligible participants of the Share Option Scheme include the Directors, including independent non-executive Directors, other employees of the Group and any consultants, business or joint venture partners, franchisees, contractors, agents, representatives or service providers of any member of the Group.

(3) Amount payable on application or acceptance of options, time of acceptance, exercise, and vesting period of options granted under the Share Option Scheme

The offer of a grant of share options may be accepted upon payment of a nominal consideration of HK$1 in total by the grantee within the period specified in the letter containing the offer of the grant of the share options. The period within which the Shares under the share options must be taken up and the minimum period, if any, for which a share option must be held before it can be exercised, will be determined by the Board in accordance with the Share Option Scheme.

(4) Subscription price for Shares

Pursuant to the Share Option Scheme, the Directors may invite participants to take up share options at a price determined by the Board but in any event shall not be less than the highest of (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the offer date; and (iii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date.

(5) The maximum number of Shares available for issue

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other schemes by the Company shall not, in aggregate, exceed 10% of the issued share capital of the Company as at the Listing Date (i.e. 130,000,000 Shares) unless shareholders' approval has been obtained. The total number of Shares available for issue under the Share Option Scheme as at 31 March 2025 was nil as the Share Option Scheme expired on 12 November 2024.

(6) The maximum entitlement of each participant

The maximum number of Shares issuable to each eligible participant under the Share Option Scheme within any 12-month period is limited to 1% of the Shares in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in advance in a general meeting.

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial shareholder of the Company or an independent non-executive Director, or to any of their associates, in excess of 0.1% of the Shares in issue at any time or with an aggregate value (based on the closing price of the Shares at the date of grant) in excess of HK$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

(7) The duration of the Share Option Scheme

The 2014 Share Option Scheme expired on 12 November 2024. Upon its expiry, no further options were granted but the outstanding options granted before expiration shall continue to be valid and exercisable in accordance with the terms on which they were granted, the provisions of the 2014 Share Option Scheme and the Listing Rules.

During the year ended 31 March 2025, no share options were granted. No share options were exercised and no shares were issued during the year. The total number of options available for grant under the Share Option Scheme was 9,912,500 Shares as at 1 April 2024 and nil as at 31 March 2025.

Particulars of the movement of options granted under the Share Option Scheme during the year ended 31 March 2025 are as follows:

Directors

Name	Capacity	Date of Grant	Exercise Price	Outstanding as at 1 April 2024	Granted during the period	Lapsed during the period	Outstanding as at 31 March 2025
Mr. Yeung Wai	Beneficial Owner	18 August 2021	HK$0.2056	7,000,000	–	–	7,000,000
Mr. Yeung Yun Kei	Beneficial Owner	18 August 2021	HK$0.2056	7,000,000	–	–	7,000,000
Mr. Leung Siu Sun	Beneficial Owner	18 August 2021	HK$0.2056	7,000,000	–	–	7,000,000
Mr. Wu Kam On Keith	Beneficial Owner	18 August 2021	HK$0.2056	4,000,000	–	–	4,000,000
Mr. Yeung Ho Wang	Beneficial Owner	18 August 2021	HK$0.2056	4,000,000	–	–	4,000,000
Mr. Yeung Chun Nin	Beneficial Owner	30 November 2022	HK$0.216	1,087,500	–	–	1,087,500
Ex-Director (Note 4)	Beneficial Owner	18 August 2021	HK$0.2056	7,000,000	–	–	7,000,000
Mr. Ng Ngai Man Raymond	Beneficial Owner	18 August 2021	HK$0.2056	1,360,000	–	1,360,000	0
Mr. Wong Wai Leung Joseph	Beneficial Owner	18 August 2021	HK$0.2056	1,360,000	–	–	1,360,000
Mr. Chan Chun Bong Junbon	Beneficial Owner	18 August 2021	HK$0.2056	1,360,000	–	–	1,360,000

Employees

Date of Grant	Capacity	Exercise Price	Outstanding as at 1 April 2024	Granted during the period	Lapsed during the period	Outstanding as at 31 March 2025
18 August 2021	Beneficial Owner	HK$0.2056	40,127,500	–	5,850,000	34,277,500
22 March 2023	Beneficial Owner	HK$0.228	15,000,000	–	–	15,000,000

Notes:

1. As for the share options granted on 18 August 2021 (the "**2021 Date of Grant**"), the closing price of the shares quoted on the Stock Exchange immediately before the business day on which the options were granted i.e. 17 August 2021 was HK$0.205. The options are exercisable in 3 tranches of 33%, 33% and 34%, respectively, at any time after the expiration of 24, 36 and 48 months, respectively, from the 2021 Date of Grant.

2. As for the share options granted on 30 November 2022 (the "**2022 Date of Grant**"), the closing price of the shares quoted on the Stock Exchange immediately before the business day on which the options were granted i.e. 29 November 2022 was HK$0.203. The options are exercisable in 3 tranches of 33%, 33% and 34%, respectively, at any time after the expiration of 12, 24 and 36 months, respectively, from the 2022 Date of Grant.

3. As for the share options granted on 22 March 2023 (the "**2023 Date of Grant**"), the closing price of the shares quoted on the Stock Exchange immediately before the business day on which the options were granted i.e. 21 March 2023 was HK$0.19. The options are exercisable in 3 tranches of 33%, 33% and 34%, respectively, at any time after the expiration of 12, 24 and 36 months, respectively, from the 2023 Date of Grant.

4. Mr. Yeung Yun Chuen retired as an Executive Director with effect from 30 June 2022. In accordance with the Share Option Scheme, share options of 7,000,000 granted to him remain effective until the end of the exercise period.

5. If as a result of the exercise of the share options, the public float as required under the Listing Rules cannot be maintained, then the share options may only be exercised by the grantees to the extent allowable under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") so that after exercise of such share options, the public float requirements will not be violated.

6. Share options of 5,850,000 (Employees) and 1,360,000 (Directors), totaling 7,210,000 lapsed during the year ended 31 March 2025.

Further details of the Share Option Scheme are set out in note 31 to the financial statements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period under review were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement which enable the Directors to acquire such rights in any other body corporate.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, there was no contract of significance (i) in relation to the Group's business; or (ii) for provision of services to the Company or any of its subsidiaries between the Company or any of its subsidiaries and the controlling shareholders of the Company or any of their respective subsidiaries during the year ended 31 March 2025.

CONTINUING CONNECTED TRANSACTIONS

During the year under review, the Group continued to transact the following continuing connected transactions which fell within the ambit of Chapter 14A of the Listing Rules:

The 2023 Connected Tenancy Framework Agreement

On 9 December 2022, the Company has entered into a tenancy framework agreement (the "**2023 Connected Tenancy Framework Agreement**") with Mr. Yeung (an executive Director, the chairman and one of the Controlling Shareholders), Mr. YC Yeung (one of the Controlling Shareholders), Mr. YK Yeung (an executive Director and one of the Controlling Shareholders), Mr. Yeung Chun Nin (an executive Director and the son of Mr. YC Yeung) and Mr. Leung (an executive Director) (collectively, the "**Connected Parties**"), pursuant to which, the parties agreed that relevant members of the Group and the various entities controlled by the Connected Parties and/or their associates, being the landlords of the leases contemplated under the 2023 Connected Tenancy Framework Agreement ("**Connected Landlord Entities**") shall enter into connected tenancy agreements to (a) renew the existing connected leases that are subsisting as at the date of the 2023 Connected Tenancy Framework Agreement, where applicable; (b) enter into the new connected leases that are ascertainable at the date of the 2023 Connected Tenancy Framework Agreement; and (c) enter into connected leases from time to time with a term not passing beyond the expiry date of the 2023 Connected Tenancy Framework Agreement, on normal commercial terms based on prevailing market rentals. The 2023 Connected Tenancy Framework Agreement has a term of three years commencing from 1 April 2023 to 31 March 2026 (both days inclusive).

Apart from the monthly rent payable to the Connected Landlord Entities, the relevant member of the Group shall also be responsible for paying, among others, such service and management charges as may from time to time be payable in respect of the Premises or by the owner or occupier of them under the deed of mutual covenant (the "**Service Charges**"). In particular, the monthly payment of Service Charges to the landlord of one of the premises also constitutes a continuing connected transaction for the Company.

Upon signing the 2023 Connected Tenancy Framework Agreement, the total value of right-of-use assets relating to the leases entered into by the Group for 36 premises for the year ending 31 March 2024, 31 March 2025 and 31 March 2026 is HK$320,545,000, nil and nil respectively. The aggregate annual Service Charges for one of the Premises for the year ending 31 March 2024, 31 March 2025 and 31 March 2026 is HK$2,852,000, HK$2,852,000 and HK$2,852,000 respectively.

Given that (i) Mr. Yeung, Mr. YK Yeung, Mr. CN Yeung and Mr. Leung, being the executive Directors, are connected persons of the Company; (ii) Mr. YC Yeung, being one of the Controlling Shareholders, is a connected person of the Company; and (iii) the Connected Landlord Entities are associates of connected persons of the Company and are therefore connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules, the 2023 Connected Tenancy Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

For further details of the 2023 Connected Tenancy Framework Agreement, please refer to the announcements of the Company dated 9 December 2022 and 15 February 2023 and circular of the Company dated 20 February 2023.

The Master Purchase Agreement

On 14 August 2024, the Company has entered into a Master Purchase Agreement (the "**Master Purchase Agreement**") with Sam Yeung Tai, pursuant to which, Sam Yeung Tai as the supplier agreed to sell, and the Group as purchaser agreed to purchase the Goods (including but not limited to seafoods, other food materials and products) in accordance with the terms of the Master Purchase Agreement. The Master Purchase Agreement has a term of three years commencing from 14 August 2024 to 31 March 2027 (both dates inclusive).

The total value for the prices to be payable by the Group to Sam Yeung Tai relating to the transactions under the Master Purchase Agreement for the year ending 31 March 2025, 31 March 2026 and 31 March 2027 is HK$5,000,000, HK$5,000,000 and HK$5,000,000 respectively.

The total amount paid by the Group to Sam Yeung Tai relating to the transactions under the Master Purchase Agreement is HK$1,702,000 for the year ended 31 March 2025.

Given that Sam Yeung Tai is directly owned as to 50% by Profit Abundance Limited, which is in turn owned as to 41%, 31%, 21% and 7% respectively by Mr. Yeung Wai, Mr. Yeung Yun Chuen, Mr. Yeung Yun Kei and Mr. Leung Siu Sun. Mr. Yeung Wai, Mr. Yeung Yun Chuen and Mr. Yeung Yun Kei are siblings and they are the controlling shareholders of the Company in control of approximately 70.41% shareholding of the Company. Mr. Yeung Wai and Mr. Yeung Yun Kei are executive Directors. Mr. Leung Siu Sun is also an executive Director and owns approximately 5.66% shareholding of the Company. Mr. Yeung Wai, Mr. Yeung Yun Chuen, Mr. Yeung Yun Kei and Mr. Leung Siu Sun are thus connected persons of the Company. By virtue of their shareholding in Sam Yeung Tai (held through Profit Abundance), Sam Yeung Tai is an associate of connected persons of the Company and is therefore a connected person of the Company pursuant to Rule 14A.07 of the Listing Rules, the Master Purchase Agreement and the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

For further details of the Master Purchase Agreement, please refer to the announcements of the Company dated 14 August 2024 and 13 September 2024.

The independent non-executive Directors had reviewed and confirmed that the above continuing connected transactions under the 2023 Connected Tenancy Framework Agreement and the Master Purchase Agreement were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties conducted in accordance with the terms of the respective agreements; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Zhonghui Anda CPA Limited, the Company's external auditor, was engaged to report on the Group's continuing connected transactions during the year ended 31 March 2025, in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Zhonghui Anda CPA Limited issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions during the year under review by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, the related party transactions disclosed in note 35 to the financial statements are either exempted or non-exempted continuing connected transactions or connected transactions which have complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

ANNUAL OFFER ARRANGEMENTS AND RIGHT OF FIRST REFUSAL

BACKGROUND

As stated in the Prospectus, the controlling shareholders of the Company (the "**Controlling Shareholders**") had interests in, or control of, five mid-to-high end restaurants located in Guangdong Province of the PRC under the brand of "Sportful Garden (陶源)" which were not included in the Group (the "**Excluded PRC Restaurants**"). The Excluded PRC Restaurants were indirectly held by Mr. Yeung and Sportful Garden Restaurant Limited ("**SGRL**"), a company indirectly held as to 41%, 31%, 21% and 7% by Mr. Yeung, Mr. YC Yeung, Mr. YK Yeung and Mr. Leung, respectively. As at 31 March 2025, the remaining Excluded PRC Restaurant which was located in Shenzhen ("**Shenzhen Sportful Garden**") has been discontinued since 11 August 2024. As a result, all five Excluded PRC Restaurants had been discontinued.

On 28 October 2014, Mr. Yeung, SGRL and the Company have entered into an option deed (the "**Deed of Annual Offer and ROFR**"), pursuant to which Mr. Yeung and SGRL agreed to offer, on an exclusive basis, an option to the Company to, at its sole and absolute discretion, acquire (i) all or part of their respective interests in the holding companies of the Excluded PRC Restaurants; and/or (ii) certain trademarks in the PRC containing the Chinese character "陶源" and English letters "Sportful Garden" (the "**PRC Sportful Garden Trademarks**") or any one of them, once in each financial year upon the Listing. Under the Deed of Annual Offer and ROFR, Mr. Yeung and SGRL will make the annual offer in each financial year by giving a written notice of offer (the "**Annual Offer Notice**") to the Company.

Under the Deed of Annual Offer and ROFR, Mr. Yeung and SGRL have further granted to the Company a right of first refusal, pursuant to which, in the event that Mr. Yeung and/or SGRL receive an offer from any independent third party to purchase, or contemplate to dispose of to any independent third party, the whole or any part of their respective interests in any of the Excluded PRC Restaurants and/or any of the PRC Sportful Garden Trademarks (the "**Third Party Disposal**"), the Company shall have the right to acquire the relevant Excluded PRC Restaurant(s) and/or the relevant PRC Sportful Garden Trademark(s) at the average appraised value under the valuation reports to be conducted by two independent valuers, who shall be appointed by the independent non-executive Directors.

DECISION MADE DURING THE YEAR UNDER REVIEW

The independent non-executive Directors, on behalf of the Company, had unanimously declined the annual offer under the Annual Offer Notice for the year ended 31 March 2025 given by Mr. Yeung and SGRL after evaluating the financial and operational performance of Shenzhen Sportful Garden for the financial year ended 31 December 2024 with the following reasons:

Considering that the only remaining Excluded PRC Restaurant which was located in Shenzhen Sportful Garden has been discontinued since 11 August 2024, the annual offer under the Annual Offer Notice for the year ended 31 March 2025 no longer exists. For the time being, all future investments of the Group are expected to focus on the catering market business in Hong Kong.

Mr. Yeung and SGRL further confirmed in the Annual Offer Notice for the year ended 31 March 2025 that there was no Third Party Disposal during the year under review.

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at 31 March 2025, Mr. Yeung, Mr. YK Yeung and Mr. Leung, each being an executive Director, and Mr. YC Yeung, being a controlling shareholder and the associate of Mr. Yeung and Mr. YK Yeung, had interested in Shenzhen Sportful Garden, details of which are set out in the paragraph headed "Annual offer arrangements and right of first refusal" in this report of the Directors. As at 31 March 2025, the Group did not operate any restaurants targeting mid-to-high end market in the PRC. As such, the business of the Group and that of Shenzhen Sportful Garden are clearly delineated. In view of such business delineation and the terms of the Deed of Annual Offer and ROFR, the Group is capable of carrying on its business independently of, and at arm's length from the competing business of the Directors.

Save as disclosed above as at 31 March 2025, none of the Directors or any of their respective associates has engaged in any business that competes or may compete with the business of the Group, or has any other conflicts of interest with the Group.

DEED OF NON-COMPETITION

The Company has received the written confirmations from the Controlling Shareholders (namely Mr. Yeung, China Sage International Limited, Mr. YK Yeung and Mr. YC Yeung) in respect of their compliance with the provisions of the deed of non-competition ("**the Deed of Non-competition**"), entered into between the Controlling Shareholders and the Company during the year under review.

The independent non-executive Directors had reviewed the Controlling Shareholders' compliance with the Deed of Non-competition.

STATUS UPDATE AS TO THE 34 BUILDING ORDERS

Reference is made to the 34 unreleased building orders registered against our leased premises in the section headed "Business – Building orders and fire safety directions registered against our leased premises" in the Prospectus. Among those 34 unreleased building orders, 17 of them were no longer the leased premises of the Group as at the date of this report, 3 of them were released, 12 of them have been completed with rectification works and are subject to the release of the building orders while the remaining building orders are still being followed up, including those that we are unable to obtain co-operation from the relevant landlord(s) or incorporated owners to carry out the relevant rectification works.

EVENT AFTER REPORTING PERIOD

The Board is not aware of any material event affecting the Group since the end of the reporting period and up to the date of this report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of the issued Shares (i.e. at least 25% of the issued Shares has been held in public hands) as required under the Listing Rules during the year ended 31 March 2025 and up to the date of this report.

AUDITOR

The consolidated financial statements of the Group for the financial year ended 31 March 2025 have been audited by ZHONGHUI ANDA CPA Limited, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

There was no change of the auditors of the Company during the past three years.

FOR AND ON BEHALF OF THE BOARD

Yeung Wai
Chairman

Hong Kong
27 June 2025

中汇
ZHONGHUI

TO THE SHAREHOLDERS OF FULUM GROUP HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Fulum Group Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 54 to 117, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

BASIS FOR OPINION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss of approximately HK$66,372,000 for the year end 31 March 2025 and, as of that date, had net current liabilities of HK$457,281,000 as at 31 March 2025. This condition indicates a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Property, plant and equipment and right-of-use assets

Refer to Note 16 and 18 to the consolidated financial statements

The Group tested the amount of property, plant and equipment and right-of-use assets for impairment. This impairment test is significant to our audit because the balance of property, plant and equipment and right-of-use assets of HK$168,840,000 and HK$465,288,000 respectively as at 31 March 2025 is material to the consolidated financial statements. In addition, the Group's estimation involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

– Assessing the identification of the related cash generating units;

– Assessing the arithmetical accuracy of the valuation model;

– Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates);

– Obtaining the external valuation reports and discussion with the external valuer to discuss and challenge the discount rate valuation process, methodologies used and market evidence to support significant judgments and assumptions applied in the valuation model;

– Checking input data to supporting evidence.

We consider that the Group's impairment test of property, plant and equipment and right-of-use assets is supported by the available evidence.

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

http://www.hkicpa.org.hk/en/Standards-setting/Standards/Our-views/auditre

This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Tse Kit Yan
Audit Engagement Director
Practising Certificate Number P08158
Hong Kong, 27 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Revenue	7	**1,702,059**	1,841,212
Other income and gains, net	9	**13,283**	21,778
Cost of inventories sold		**(471,695)**	(505,280)
Staff costs		**(609,200)**	(637,612)
Property rentals and related expenses		**(47,616)**	(63,751)
Depreciation of right-of-use assets		**(276,510)**	(271,608)
Depreciation of property, plant and equipment		**(66,051)**	(58,203)
Fuel and utility expenses		**(93,479)**	(96,886)
Other expenses		**(187,755)**	(180,732)
Share of loss in a joint venture		**(654)**	(4,194)
(Losses from)/reversal of impairment/write-off of non-financial assets		**(12,832)**	273
Losses from impairment/write-off of financial assets		**(1,189)**	(1,058)
Gain on disposal of subsidiaries	32	**18,792**	–
Finance costs	10	**(25,331)**	(31,936)
(Loss)/profit before tax		**(58,178)**	12,003
Income tax (expense)/credit	11	**(8,194)**	38,571
(Loss)/profit for the year	12	**(66,372)**	50,574
Other comprehensive income/(expense):			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**(146)**	(279)
Exchange differences reclassified to profit or loss on disposal of subsidiaries		**1,498**	–
		1,352	(279)
Total comprehensive (expense)/income for the year		**(65,020)**	50,295
(Loss)/profit for the year attributable to:			
Owners of the Company		**(66,371)**	50,584
Non-controlling interests		**(1)**	(10)
		(66,372)	50,574
Total comprehensive (expense)/income for the year attributable to:			
Owners of the Company		**(65,019)**	50,305
Non-controlling interests		**(1)**	(10)
		(65,020)	50,295
(Loss)/earnings per share			
– Basic and diluted (HK$ cent)	15	**(5.11)**	3.89

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Property, plant and equipment	16	**168,840**	183,315
Right-of-use assets	18	**465,288**	666,942
Deposits and other receivables	21	**56,422**	52,837
Deferred tax assets	28	**33,944**	41,855
		724,494	944,949
Current assets			
Inventories	19	**68,825**	76,448
Trade receivables	20	**40,770**	16,877
Prepayments, deposits and other receivables	21	**92,915**	104,585
Amount due from a joint venture	17	**12,080**	9,811
Tax recoverable		**–**	5
Cash and cash equivalents	22	**74,639**	121,790
		289,229	329,516
Current liabilities			
Trade payables	23	**87,017**	54,452
Other payables, accruals and deferred income	24	**140,203**	129,470
Interest-bearing bank borrowings	25	**249,054**	281,353
Lease liabilities	26	**258,442**	261,727
Provision	27	**5,136**	3,341
Tax payable		**6,658**	6,466
		746,510	736,809
Net current liabilities		**(457,281)**	(407,293)
TOTAL ASSETS LESS CURRENT LIABILITIES		**267,213**	537,656

	Notes	2025 HK$'000	2024 HK$'000
Non-current liabilities			
Accruals and deferred income	24	**1,518**	1,482
Lease liabilities	26	**136,417**	335,577
Provision	27	**4,139**	7,184
		142,074	344,243
NET ASSETS		**125,139**	193,413
Capital and reserves			
Share capital	29	**1,300**	1,300
Reserves	30	**126,420**	194,693
Equity attributable to owners of the Company		**127,720**	195,993
Non-controlling interests		**(2,581)**	(2,580)
TOTAL EQUITY		**125,139**	193,413

The consolidated financial statements on pages 54 to 117 were approved and authorised for issue by the board of directors on 27 June 2025 and are signed on its behalf by:

YEUNG WAI
Director

YEUNG YUN KEI
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company									
	Issued capital HK$'000	Share premium account HK$'000	Other reserves HK$'000 (Note 30)	Merger reserves HK$'000 (Note 30)	Share options reserve HK$'000 (Note 30)	Exchange fluctuation reserve HK$'000	Accumulated losses HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2023	1,300	540,140	(2,011)	31,073	4,990	(2,872)	(424,769)	147,851	(2,570)	145,281
Profit/(loss) for the year	–	–	–	–	–	–	50,584	50,584	(10)	50,574
Other comprehensive expense for the year	–	–	–	–	–	(279)	–	(279)	–	(279)
Total comprehensive income/(expense) for the year	–	–	–	–	–	(279)	50,584	50,305	(10)	50,295
Share-based payments	–	–	–	–	1,737	–	–	1,737	–	1,737
2023 special dividend (note 14)	–	–	–	–	–	–	(3,900)	(3,900)	–	(3,900)
At 31 March 2024	1,300	540,140	(2,011)	31,073	6,727	(3,151)	(378,085)	195,993	(2,580)	193,413
At 1 April 2024	**1,300**	**540,140**	**(2,011)**	**31,073**	**6,727**	**(3,151)**	**(378,085)**	**195,993**	**(2,580)**	**193,413**
Loss for the year	**–**	**–**	**–**	**–**	**–**	**–**	**(66,371)**	**(66,371)**	**(1)**	**(66,372)**
Other comprehensive expense for the year:										
Exchange differences on translation of foreign operations	**–**	**–**	**–**	**–**	**–**	**(146)**	**–**	**(146)**	**–**	**(146)**
Exchange differences reclassified to profit or loss on disposal of subsidiaries (note 32)	**–**	**–**	**–**	**–**	**–**	**1,498**	**–**	**1,498**	**–**	**1,498**
Total comprehensive income/(loss) for the year	**–**	**–**	**–**	**–**	**–**	**1,352**	**(66,371)**	**(65,019)**	**(1)**	**(65,020)**
Share-based payments	**–**	**–**	**–**	**–**	**646**	**–**	**–**	**646**	**–**	**646**
2024 final dividend (note 14)	**–**	**–**	**–**	**–**	**–**	**–**	**(3,900)**	**(3,900)**	**–**	**(3,900)**
At 31 March 2025	**1,300**	**540,140**	**(2,011)**	**31,073**	**7,373**	**(1,799)**	**(448,356)**	**127,720**	**(2,581)**	**125,139**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
Cash flows from operating activities		
(Loss)/profit before tax	**(58,178)**	12,003
Adjustments for:		
Interest income	**(114)**	(361)
Overprovision of reinstatement liabilities	**(1,250)**	(2,035)
Gain on lease termination	**(6,889)**	(7,897)
Gain on disposal of subsidiaries	**(18,792)**	–
Share of loss in a joint venture	**654**	4,194
Finance costs	**25,331**	31,936
Impairment of trade receivables and other receivables	**1,189**	1,058
Losses from/(Reversal of) impairment of property, plant and equipment	**3,111**	(273)
Loss on disposal of property, plant and equipment	**4,989**	–
Impairment of right-of-use assets	**9,721**	–
Share-based payments	**646**	1,737
Depreciation of property, plant and equipment	**66,051**	58,203
Depreciation of right-of-use assets	**276,510**	271,608
Operating cash flows before movements in working capital	**302,979**	370,173
Change in inventories	**7,184**	4,655
Change in trade receivables	**(27,285)**	(6,858)
Change in prepayments, deposits and other receivables	**3,748**	(15,829)
Change in trade payables	**40,885**	(9,511)
Change in other payables, accruals and deferred income	**14,536**	16,863
Change in provision	**–**	1,484
Cash generated from operations	**342,047**	360,977
Interest received	**114**	361
Income tax (paid)/refunded	**(86)**	1,475
Net cash generated from operating activities	**342,075**	362,813

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
Cash flows from investing activities		
Purchases of items of property, plant and equipment	**(61,200)**	(65,592)
Investment in a joint venture	**(654)**	(4,194)
Disposal of subsidiaries	**(1,127)**	–
Advance to joint venture	**(2,269)**	(4,870)
Net cash used in investing activities	**(65,250)**	(74,656)
Cash flows from financing activities		
Repayment of bank loans	**(26,211)**	(27,573)
Principal portion of lease payments	**(268,709)**	(275,246)
Interest paid	**(25,331)**	(31,936)
Dividend paid	**(3,900)**	(3,900)
Net cash used in financing activities	**(324,151)**	(338,655)
Net decrease in cash and cash equivalents	**(47,326)**	(50,498)
Cash and cash equivalents at the beginning of the year	**121,790**	169,757
Effect of foreign exchange rate changes	**175**	2,531
Cash and cash equivalents at the end of the year	**74,639**	121,790
Analysis of cash and cash equivalents		
Bank and cash balances	**74,639**	121,790

1. GENERAL INFORMATION

Fulum Group Holdings Limited is an exempted company with limited liability incorporated in the Cayman Islands on 24 February 2014. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at 26/F, Capital Tower, 38 Wai Yip Street, Kowloon Bay, Hong Kong.

The Company is an investment holding company and the Company's subsidiaries are principally engaged in restaurant operations in Hong Kong and the People's Republic of China (the "**PRC**" or "**Mainland China**"). The shares of the Company (the "**Shares**") have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 13 November 2014 (the "**Listing Date**") (the "**Listing**").

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

2. GOING CONCERN BASIS

The Group incurred a loss of approximately HK$66,372,000 for the year ended 31 March 2025 and, as of that date, the Group had net current liabilities of approximately HK$457,281,000. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial liabilities as and when they fall due given that (i) the controlling shareholder has agreed to provide adequate funds for the Group to meet its liabilities as they fall due; (ii) the Group is negotiating with financial institutions for extending repayment schedule; and (iii) the Group is actively implementing cost-control measures to improve operating cash flows and its financial position and the directors of the Company believe that the performance of the Group will be significantly improved in the forthcoming year.

Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on the going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements, to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") that are relevant to its operations and effective for its accounting year beginning on 1 April 2024. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (the "**HKFRS**"); Hong Kong Accounting Standards (the "**HKAS**"); and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRS Accounting Standards that have been issued but are not yet effective. The application of these new HKFRS Accounting Standards will not have material impact on the consolidated financial statements of the Group.

4. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA, and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as explained in the accounting policies set out below.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 5 to the consolidated financial statements.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Consolidation *(continued)*

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Relevant activities are activities that significantly affect the returns of the arrangement. When assessing joint control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has joint control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Joint arrangements *(continued)*

In relation to its interest in a joint operation, the Group recognises in its consolidated financial statements, its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly, in accordance with the HKFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses.

Investment in a joint venture is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the joint venture in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of a joint venture's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of a joint venture that results in a loss of joint control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that joint venture and (ii) the Group's share of the net assets of that joint venture plus any remaining goodwill relating to that joint venture and any related accumulated foreign currency translation reserve. If an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the **"functional currency"**). The consolidated financial statements are presented in HK$, which is the Company's presentation currency and functional currency.

(b) *Transactions and balances in each entity's financial statements*

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(c) *Translation on consolidation*

The results and financial position of all the group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

– Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

– Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised in the translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their costs less their residual values over the estimated useful lives or annual rate on a straight-line basis. The principal annual rates are as follows:

Buildings	2.3%
Leasehold improvements	Over the shorter of the lease terms and the range of 14.3% to 16.7%
Furniture, fixtures and equipment	20%
Computer equipment	30%
Air conditioning	20%
Kitchen equipment	30%
Motor vehicles	30%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

Leasehold land	44 years
Buildings	2 to 12 years
Motor vehicles	3 to 5 years

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

The Group as lessee *(continued)*
Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US$5,000.

The Group as lessor
Operating leases
Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss (the **"Financial assets at FVTPL"**). Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified under the following categories:

– Financial assets at amortised cost;

– Financial assets at FVTPL

(i) Financial assets at amortised cost

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

– the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

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

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

(ii) Financial assets at FVTPL

Financial assets are classified under this category if they do not meet the conditions to be measured at amortised cost and the conditions of debt instruments at FVTOCI unless the Group designates an equity investment that is not held for trading as at fair value through other comprehensive income on initial recognition.

Financial assets at FVTPL are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument (**"lifetime expected credit losses"**) for trade receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRS Accounting Standards. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Borrowings and long-term loan note are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings and long-term loan note are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

– the customer simultaneously receives and consumes the benefits provided by the Group's performance;

– the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

– the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Revenue from contracts with customers *(continued)*

(i) Restaurant operations
Revenue from restaurant operations is recognised at the point in time when control of the asset is transferred to the customer being the point in time when the customer purchases the goods at the restaurants.

The Group's loyalty programme allows customers to accumulate points that can be redeemed for products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed and any adjustments to the contract liability balance are charged against revenue.

(ii) Sale of food and other operating items
Revenue from the sale of food and other operating items are recognised at the point in time when control of the asset is transferred to the customer, generally being the point in time when the customer purchases the goods at shops or upon delivery of the goods.

(iii) Sales from food court operation services
Sales from food court operation services, which is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

(iv) Rental income from food court operations
Fixed rental income from the sub-lease of food courts, which is recognised on a straight-line basis over the lease term, and the variable portion of the rental income, which is computed based on a percentage of the food court tenant's gross sales recognised when such sales are earned.

Other revenue

Interest income is recognised using the effective interest method.

Sponsorship income is recognised when there is reasonable assurance that the sponsorship income will be received and all attaching conditions will be complied with. Where the sponsorship income relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Licensing income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Employee benefits

(a) *Employee leave entitlements*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the at the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) *Pension obligations*

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged in profit or loss represents contributions payable by the Group to the funds.

(c) *Termination benefits*

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees.

Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share- based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants relating to the purchase of assets are recorded as deferred income and recognised in profit or loss on a straight-line basis over the useful lives of the related assets.

Taxation

Income tax represents the sum of the current tax and deferred tax.

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Taxation *(continued)*

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Segment reporting

Operating segments and the amounts of each segment item reported in the financial statements are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources and assessing the performance of the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of productions processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Related parties

A related party is a person or entity that is related to the Group.

(a) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Related parties *(continued)*

(b) An entity is related to the Group (reporting entity) if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except inventories, tax recoverable, deferred tax assets and receivables, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Impairment of assets *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Going concern

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon (i) the controlling shareholder has agreed to provide adequate funds for the Group to meet its liabilities as they fall due; (ii) the Group is negotiating with financial institutions for extending repayment schedule and (iii) the Group is actively implementing cost-control measures to improve operating cash flows and its financial position and the directors of the Company believe that the performance of the Group will be significantly improved in the forthcoming year. Details are explained in note 2 to consolidated financial statements.

Key sources of estimation uncertainty

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

(a) Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is determined with reference to the present value of estimated future cash flows. Where the future cash flows are less than expected or there are unfavourable events and change in facts and circumstance which result in revision of future estimate cash flows, a material impairment loss may arise.

(b) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(c) Provision of expected credit losses for trade and other receivables

The Group uses provision matrix to calculate expected credit losses for certain trade and other receivables. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES *(continued)*

Key sources of estimation uncertainty *(continued)*

(d) Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (**"IBR"**) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities which is HK$. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings with floating interest rates. The Group's policy is to obtain the most favourable interest rates available for its borrowings.

For Hong Kong dollar floating-rate borrowings, assuming that the amount of liability outstanding at the end of the reporting period was outstanding for the whole year with all other variables held constant, a 50 basis point increase/decrease in interest rates at 31 March 2025 would have decreased/increased the Group's profit before tax by HK$1,245,000 (2024: decreased/increased the Group's profit before tax by HK$1,407,000).

6. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group is arising from the amount of each class of financial assets as disclosed in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group recognises an allowance for expected credit losses (**"ECLs"**) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

6. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Credit risk *(continued)*

General approach *(continued)*

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1	Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
Stage 2	Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
Stage 3	Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March. The amounts presented are gross carrying amounts for financial assets.

6. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Credit risk *(continued)*

Maximum exposure and year-end staging *(continued)*

As at 31 March 2025

	12-month ECLs	Lifetime ECLs		Simplified	
	Stage 1	Stage 2	Stage 3	approach	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Trade receivables*	–	–	–	55,723	55,723
Amount due from a joint venture	12,080	–	–	–	12,080
Financial assets included in prepayments, deposits and other receivables					
– Normal**	138,249	–	–	–	138,249
– Doubtful**	–	6,808	–	–	6,808
Cash and cash equivalents					
– Not past due	74,639	–	–	–	74,639
	224,968	6,808	–	55,723	287,499

As at 31 March 2024

	12-month ECLs	Lifetime ECLs		Simplified	
	Stage 1	Stage 2	Stage 3	approach	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Trade receivables*	–	–	–	30,641	30,641
Amount due from a joint venture	9,811	–	–	–	9,811
Financial assets included in prepayments, deposits and other receivables					
– Normal**	151,672	–	–	–	151,672
– Doubtful**	–	6,808	–	–	6,808
Cash and cash equivalents					
– Not past due	121,790	–	–	–	121,790
	283,273	6,808	–	30,641	320,722

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 20 to the consolidated financial statements.

** The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

6. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Credit risk *(continued)*

Maximum exposure and year-end staging *(continued)*

The Group has a certain concentration of credit risk as certain of the Group's trade receivables were due from the Group's largest debtor and the five largest debtors as detailed below.

	2025 %	2024 %
Largest debtor	**8**	11
Five largest debtors	**23**	35

(d) Liquidity risk

In order to manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity analysis, based on undiscounted cash flows, of the Group's financial liabilities is as follows:

31 March 2025	Less than 1 year HK$'000	Between 1 to 5 years HK$'000	Over 5 years HK$'000	Total HK$'000	Carrying amount HK$'000
Trade payables	**87,017**	**–**	**–**	**87,017**	**87,017**
Financial liabilities included in other payables, accruals and deferred income	**125,215**	**1,518**	**–**	**126,733**	**126,733**
Interest-bearing bank borrowings*	**249,054**	**–**	**–**	**249,054**	**249,054**
Lease liabilities	**263,718**	**142,466**	**–**	**406,184**	**394,859**
	725,004	**143,984**	**–**	**868,988**	**857,663**

6. FINANCIAL RISK MANAGEMENT *(continued)*

(d) Liquidity risk *(continued)*

	Less than 1 year HK$'000	Between 1 to 5 years HK$'000	Over 5 years HK$'000	Total HK$'000	Carrying amount HK$'000
31 March 2024					
Trade payables	54,452	–	–	54,452	54,452
Financial liabilities included in other payables, accruals and deferred income	117,418	1,482	–	118,900	118,900
Interest-bearing bank borrowings*	281,353	–	–	281,353	281,353
Lease liabilities	275,117	338,929	6,614	620,660	597,304
	728,340	340,411	6,614	1,075,365	1,052,009

* Included in interest-bearing bank borrowings are bank loans of HK$249,054,000 (2024: HK$281,353,000) containing a repayment on demand clause giving the lender the unconditional right to call the loan at any time and therefore, for the purpose of the above maturity profile, these amounts are classified as "on demand".

Notwithstanding the above repayment on demand clause, the directors of the Company do not believe that the bank loans will be called in their entirety within 12 months, and they consider that the bank loans will be repaid in accordance with the maturity dates as set out in the bank loan agreements. This evaluation was made considering: the bank loans are fully guaranteed by the Government of the Hong Kong Special Administrative Region, and the fact that the Group has made all previously scheduled repayments on time. In accordance with the terms of the bank loans, their maturity terms at 31 March 2025 are HK$49,305,000 (2024: HK$49,933,000) repayable within one year; HK$88,347,000 (2024: HK$35,363,000) repayable in the second year; HK$75,063,000 (2024: HK$101,257,000) repayable in the third to fifth years, inclusive; and HK$36,339,000 (2024: HK$94,800,000) repayable over five years.

6. FINANCIAL RISK MANAGEMENT *(continued)*

(e) Categories of financial instruments

	2025 HK$'000	2024 HK$'000
Financial assets:		
Financial assets at amortised cost (including cash and cash equivalents)	**265,738**	300,150
Financial liabilities:		
Financial liabilities at amortised cost	**857,663**	1,052,009

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities at amortised cost as reflected in the consolidated statement of financial position approximate their respective fair values.

7. REVENUE

An analysis of revenue is as follows:

	2025 HK$'000	2024 HK$'000
Restaurant operations	**1,597,788**	1,739,460
Sale of food and other operating items	**42,446**	51,480
Sales from food court operations	**17,233**	11,954
Revenue from contracts with customers	**1,657,467**	1,802,894
Rental income from food court operations	**44,592**	38,318
	1,702,059	1,841,212

Disaggregation of revenue from contracts with customers:

	2025 HK$'000	2024 HK$'000
Geographical markets		
Hong Kong	**1,652,366**	1,753,542
PRC	**49,693**	87,670
	1,702,059	1,841,212

7. REVENUE *(continued)*

Disaggregation of revenue from contracts with customers: *(continued)*

	2025 HK$'000	2024 HK$'000
Information about timing of revenue recognition		
At a point in time	**1,640,234**	1,790,940
Over time	**17,233**	11,954
	1,657,467	1,802,894
Rental income from food court operations	**44,592**	38,318
	1,702,059	1,841,212

Information about the Group's performance obligations is summarised below:

Restaurant operations

The performance obligation is satisfied when the customer obtains control of the promised goods, being the point in time when the customer purchases the goods at the restaurants. Payment of the transaction price is due immediately at the point when the customer purchases the goods.

Sale of food and other operating items

The performance obligation is satisfied when the customer obtains control of the promised goods, being the point in time when the customer purchases the goods at the shops or upon delivery of the goods. Payment is generally due at the point when the customer purchases the goods at shops or within 30 to 60 days from delivery.

Food court operations

Fixed rental income from the sub-lease of food courts, which is recognised on a straight-line basis over the lease term, and the variable portion of the rental income, which is computed based on a percentage of the food court tenant's gross sales recognised when such sales are earned.

Income from food court operation services, which is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

8. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker (the "**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors.

The Group is principally engaged in restaurant operations in Hong Kong and Mainland China. Information reported to the Group's management for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Information about geographical areas

The following tables present certain non-current asset information, by geographical areas.

	2025 **HK$'000**	2024 HK$'000
Hong Kong	**583,864**	798,309
PRC	**50,264**	51,948
	634,128	850,257

The non-current asset information above is based on the locations of the assets and excludes financial assets and deferred tax assets.

Information about major customers

During the year ended 31 March 2025 and 2024, none of the Group's individual customer contributed more than 10% to the total revenue of the Group.

9. OTHER INCOME AND GAINS, NET

	2025 HK$'000	2024 HK$'000
Interest income	**114**	361
Licensing income	**476**	444
Sponsorship income	**2,157**	3,135
Forfeiture of rental deposits	**–**	2,352
Gain on lease termination	**6,889**	7,897
Overprovision of reinstatement liabilities	**1,250**	2,035
Others	**2,397**	5,554
	13,283	21,778

10. FINANCE COSTS

	2025 HK$'000	2024 HK$'000
Interest on bank loans	**11,476**	13,032
Interest on lease liabilities	**13,855**	18,904
	25,331	31,936

11. INCOME TAX EXPENSE/(CREDIT)

	2025 HK$'000	2024 HK$'000
Hong Kong Profits Tax:		
– Current tax	**283**	289
PRC Enterprise Income Tax ("**EIT**"):		
– Current tax	**–**	126
Deferred tax (note 28):	**7,911**	(38,986)
	8,194	(38,571)

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2024: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Taxes on profits assessable in Mainland China have been calculated at the rate of 25% (2024: 25%) during the year.

The taxation charge/(credit) for the year can be reconciled to the (loss)/profit before tax per consolidated statement of profit or loss and other comprehensive income as follows:

	2025 HK$'000	2024 HK$'000
(Loss)/profit before tax	**(58,178)**	12,003
Tax at the applicable income tax rate of 16.5% (2024: 16.5%)	**(9,599)**	1,980
Tax effect of income not taxable and expenses not deductible for tax purposes	**1,610**	(1,392)
Tax effect of tax losses not recognised	**11,606**	132
Reversal of tax losses previously recognised	**7,911**	–
Utilisation of tax losses previously not recognised	**(3,334)**	(1,315)
Recognition of tax losses previously not recognised	**–**	(37,671)
Difference in tax rates applied for specific provinces in Mainland China	**–**	(305)
	8,194	(38,571)

12. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after charging/(crediting) the following:

	2025 HK$'000	2024 HK$'000
Auditor's remuneration	**2,150**	2,150
Cost of inventories sold	**471,695**	505,280
Expenses related to short-term leases	**7,123**	6,373
Expenses related to variable lease payments not included in lease liabilities	**4,184**	5,745
Gain on disposal of subsidiaries	**18,792**	–
Loss on disposal of property, plant and equipment	**(4,989)**	–
Losses from/(reversal of) impairment of items of property, plant and equipment	**3,111**	(273)
Impairment of right-of-use assets	**9,721**	–
Impairment of trade receivables and other receivables	**1,189**	1,058
Salaries, bonuses and other allowances	**589,079**	615,812
Retirement benefit scheme contributions (defined contribution schemes)	**19,475**	20,063
Share-based payments	**646**	1,737
Total staff costs	**609,200**	637,612

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

For the year ended 31 March 2025		Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Retirement benefit scheme contributions HK$'000	Share-based payments HK$'000	Total HK$'000
Executive Directors						
Mr. Yeung Wai		–	1,200	18	80	1,298
Mr. Yeung Ho Wang		–	1,510	18	50	1,578
Mr. Yeung Yun Kei		–	960	18	80	1,058
Mr. Leung Siu Sun		–	960	18	80	1,058
Mr. Yeung Chun Nin		–	910	18	24	952
Non-executive Director						
Mr. Wu Kam On Keith	(i)	–	960	18	50	1,028
Independent Non-Executive Directors						
Mr. Wong Wai Leung Joseph		240	–	–	15	255
Mr. Chan Chun Bong Junbon		240	–	–	15	255
Mr. Ng Ngai Man Raymond	(ii)	118	–	–	10	128
Ms. Huang Li Mei	(iii)	123	–	–	15	138
Total		721	6,500	108	419	7,748

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS *(continued)*

For the year ended 31 March 2024		Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Retirement benefit scheme contributions HK$'000	Share-based payments HK$'000	Total HK$'000
Executive Directors						
Mr. Yeung Wai		–	1,200	18	160	1,378
Mr. Yeung Ho Wang		–	1,560	18	91	1,669
Mr. Yeung Yun Kei		–	960	18	160	1,138
Mr. Leung Siu Sun		–	960	18	160	1,138
Mr. Yeung Chun Nin		–	910	18	–	928
Non-executive Director						
Mr. Wu Kam On Keith	(i)	–	960	18	91	1,069
Independent Non-Executive Directors						
Mr. Wong Wai Leung Joseph		240	–	–	31	271
Mr. Chan Chun Bong Junbon		240	–	–	31	271
Mr. Ng Ngai Man Raymond	(ii)	240	–	–	31	271
Total		720	6,550	108	755	8,133

Notes:
(i) Resigned as a non-executive director on 31 March 2025.
(ii) Resigned as an independent non-executive director on 27 September 2024.
(iii) Appointed as an independent non-executive director on 27 September 2024.

The five highest paid employees during the year included four (2024: four) directors. Details of the remuneration for the year of the remaining one (2024: one) non-director highest paid employee are as follows:

	2025 HK$'000	2024 HK$'000
Basic salaries and allowances	**1,495**	1,495
Retirement benefits scheme contributions	**18**	18
Share-based payments	**8**	26
	1,521	1,539

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS *(continued)*

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees	
	2025	2024
HK$1,500,001 to HK$2,000,000	**1**	1

During the year ended 31 March 2025, 10 (2024: 9) directors of the Company have not waived emoluments (2024: HK$Nil).

14. DIVIDENDS

The Board has resolved not to propose a final dividend for the year ended 31 March 2025.

The proposed final dividend of HK$0.3 cents per share, totalling approximately HK$3,900,000, for the year of 2024 was paid on 21 October 2024.

A special dividend of HK$0.3 cents per share, totalling approximately HK$3,900,000, was declared and paid to the shareholders of the Company who appears on the register of members as at 9 October 2023. The dividend was paid on 19 October 2023.

15. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share

The calculation of basic loss (2024: earnings) per share attributable to owners of the Company is based on the loss (2024: profit) for the year attributable to owners of the Company of approximately HK$66,371,000 (2024: profit for the year attributable to owners of the company at approximately HK$50,584,000) and the weighted average number of ordinary shares of 1,300,000,000 (2024: 1,300,000,000) in issue during the year.

Diluted (loss)/earnings per share

Diluted loss per share are the same as basic loss per share for the year ended 31 March 2025 as the effects of all potential ordinary shares are anti-dilutive.

The calculation of diluted earnings per share attributable to owners of the Company is based on the profit for the year ended 31 March 2024 attributable to owners of the Company of approximately HK$50,584,000 and the weighted average number of ordinary shares of 1,300,646,172, being the weighted average number of ordinary shares of 1,300,000,000 in issue during the year ended 31 March 2024 used in the basic earnings per share calculation plus the weighted average number of ordinary shares of 646,172 assumed to have been issued at no consideration on the deemed exercise of the share options outstanding at the end of the reporting period.

16. PROPERTY, PLANT AND EQUIPMENT

	Buildings HK$'000	Leasehold improvements HK$'000	Furniture, fixtures and equipment HK$'000	Computer equipment HK$'000	Air conditioning HK$'000	Kitchen equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
31 March 2025								
At 1 April 2024:								
Cost	38,920	526,015	140,589	38,920	59,473	51,010	5,972	860,899
Accumulated depreciation and impairment	(2,774)	(422,417)	(114,822)	(30,390)	(54,434)	(47,054)	(5,693)	(677,584)
Net carrying amount	36,146	103,598	25,767	8,530	5,039	3,956	279	183,315
At 1 April 2024, net of accumulated depreciation and impairment	36,146	103,598	25,767	8,530	5,039	3,956	279	183,315
Additions	–	41,523	10,743	7,118	1,193	623	–	61,200
Disposal	–	(3,230)	(1,035)	(204)	(502)	(18)	–	(4,989)
Disposal of subsidiaries (Note 32)	–	(484)	(57)	–	(604)	(58)	–	(1,203)
Depreciation provided during the year	(876)	(49,226)	(9,162)	(4,374)	(1,525)	(609)	(279)	(66,051)
Impairment	(634)	(1,670)	(473)	(199)	(65)	(70)	–	(3,111)
Exchange realignment	–	(128)	(37)	(46)	(87)	(23)	–	(321)
At 31 March 2025, net of accumulated depreciation and impairment	34,636	90,383	25,746	10,825	3,449	3,801	–	168,840
At 31 March 2025:								
Cost	38,920	563,482	149,129	45,648	59,597	51,599	5,972	914,347
Accumulated depreciation and impairment	(4,284)	(473,099)	(123,383)	(34,823)	(56,148)	(47,798)	(5,972)	(745,507)
Net carrying amount	34,636	90,383	25,746	10,825	3,449	3,801	–	168,840
31 March 2024								
At 1 April 2023:								
Cost	38,920	476,600	132,432	31,992	59,119	50,272	5,972	795,307
Accumulated depreciation and impairment	(1,898)	(381,158)	(105,529)	(27,384)	(52,704)	(45,662)	(5,233)	(619,568)
Net carrying amount	37,022	95,442	26,903	4,608	6,415	4,610	739	175,739
At 1 April 2023, net of accumulated depreciation and impairment	37,022	95,442	26,903	4,608	6,415	4,610	739	175,739
Additions	–	49,415	8,157	6,928	354	738	–	65,592
Depreciation provided during the year	(876)	(41,482)	(9,281)	(3,004)	(1,720)	(1,388)	(452)	(58,203)
Impairment	–	273	–	–	–	–	–	273
Exchange realignment	–	(50)	(12)	(2)	(10)	(4)	(8)	(86)
At 31 March 2024, net of accumulated depreciation and impairment	36,146	103,598	25,767	8,530	5,039	3,956	279	183,315
At 31 March 2024:								
Cost	38,920	526,015	140,589	38,920	59,473	51,010	5,972	860,899
Accumulated depreciation and impairment	(2,774)	(422,417)	(114,822)	(30,390)	(54,434)	(47,054)	(5,693)	(677,584)
Net carrying amount	36,146	103,598	25,767	8,530	5,039	3,956	279	183,315

16. PROPERTY, PLANT AND EQUIPMENT *(continued)*

For the purpose of impairment testing of property, plant and equipment and right-of-use assets, the Group regards each individual restaurant as a separately identifiable cash-generating unit ("**CGU**") and carried out impairment assessment for the restaurants which have indicator of impairment.

As at 31 March 2025, the Group's management identified certain loss making restaurants which indicated that impairment may exist and estimated the corresponding recoverable amount of their property, plant and equipment and right-of-use assets. Based on the assessment performed by the Group's management, impairment of HK$3,111,000 and HK$9,721,000 were recognised to write down the carrying amounts of these items of property, plant and equipments and right of-use-assets, respectively to their recoverable amounts as at 31 March 2025.

As at 31 March 2024, the Group's management identified certain profit making restaurants which indicated that impairment may no longer exist and estimated the corresponding recoverable amount of their property, plant and equipment and right-of-use assets. Based on the assessment performed by the Group's management, a reversal of impairment of HK$273,000 were recognised immediately in profit or loss as at 31 March 2024.

The recoverable amount of a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from a cash-generating unit, which is estimated by using cash flow projections based on financial budgets approved by senior management covering a five-year period (the "**5-Year Projection**").

The key assumptions used in value in use of the relevant CGUs include budgeted revenue and the discount rate. Revenue from restaurant operations is estimated based on the business trend in the industry of restaurant operation, historical performance, market conditions and economic outlook. The average revenue growth rate used by each CGU is ranging from 1% to 8% (2024: 3% to 20%). The pre-tax discount rate applied is 14.2% (2024: 14.2%).

As at 31 March 2025, the Group's buildings with a net carrying amount of HK$34,636,000 (2024: HK$36,146,000) were pledged to secure the banking facilities granted to the Group (note 25).

17. AMOUNT DUE FROM A JOINT VENTURE

Amount due from a joint venture is unsecured, interest-free and have no fixed repayment terms.

18. RIGHT-OF-USE ASSETS

	2025 HK$'000	2024 HK$'000
At 31 March:		
Right-of-use assets		
– Leasehold land	**127,974**	129,555
– Buildings	**337,314**	537,387
– Motor vehicles	**–**	–
	465,288	666,942
Lease commitments of short-term leases	**1,118**	11,444
The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:		
– Less than 1 year	**263,718**	275,117
– Between 1 and 5 years	**142,466**	338,929
– Over 5 years	**–**	6,614
	406,184	620,660
Year ended 31 March:		
Depreciation of right-of-use assets		
– Leasehold land	**3,133**	3,103
– Buildings	**273,377**	268,353
– Motor vehicles	**–**	152
	276,510	271,608
Lease interests	**13,855**	18,904
Expenses related to short-term leases	**7,123**	6,373
Expenses related to variable lease payments not included in lease liabilities	**4,184**	5,745
Total cash outflow for leases	**293,871**	306,268
Additions to right-of-use assets	**158,096**	539,337
Decrease due to disposal of a subsidiaries (Note 32)	**39,134**	–
Impairment	**9,721**	–

18. RIGHT-OF-USE ASSETS *(continued)*

At 31 March 2025, certain of the Group's right-of-use assets with an aggregate carrying amount of HK$127,974,000 (2024: HK$129,555,000) were pledged to secure the banking facilities granted to the Group, further details of which are included in note 25 to the consolidated financial statements.

For details of impairment, please refer to note 16 to the consolidates financial statements.

19. INVENTORIES

	2025 HK$'000	2024 HK$'000
Food and beverages	**64,732**	72,314
Other operating items for restaurant operations	**4,093**	4,134
	68,825	76,448

20. TRADE RECEIVABLES

	2025 HK$'000	2024 HK$'000
Credit card receivables	**8,328**	3,520
Others	**47,395**	27,121
	55,723	30,641
Impairment	**(14,953)**	(13,764)
	40,770	16,877

The Group's trading terms with its customers are mainly on cash and credit card settlement while trading terms for sale of food are on credit with credit periods ranging from 30 to 60 days (2024: 30 to 60 days). The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancement over its trade receivable balances. Trade receivables are non-interest-bearing.

20. TRADE RECEIVABLES *(continued)*

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 HK$'000	2024 HK$'000
Within 1 month	**24,643**	12,899
1 to 3 months	**12,942**	3,620
3 to 12 months	**3,185**	358
	40,770	16,877

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 HK$'000	2024 HK$'000
At beginning of year	**13,764**	12,914
Impairment losses	**1,189**	850
At end of year	**14,953**	13,764

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

During the year, the expected loss rates for trade receivables with certain customers that were credit impaired were assessed specifically by management. For trade receivables that are past due over three months but not credit impaired, management has not observed objective evidence of financial difficulties of the debtors and has been taking credit risk mitigating measures. Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

20. TRADE RECEIVABLES *(continued)*

As at 31 March 2025

	Credit impaired receivables HK$'000	Current HK$'000	Past due: 1 to 3 months HK$'000	Past due: 3 to 12 months HK$'000	Past due: Over 12 months HK$'000	Total HK$'000
Expected credit loss rate	**100%**	**1.40%**	**4.08%**	**8.29%**	**N/A**	**26.83%**
Gross carrying amount (HK$'000)	**13,764**	**24,993**	**13,493**	**3,473**	**–**	**55,723**
Expected credit losses (HK$'000)	**13,764**	**350**	**551**	**288**	**–**	**14,953**

As at 31 March 2024

	Credit impaired receivables HK$'000	Current HK$'000	Past due: 1 to 3 months HK$'000	Past due: 3 to 12 months HK$'000	Past due: Over 12 months HK$'000	Total HK$'000
Expected credit loss rate	100%	4.90%	10.66%	16.94%	100.00%	44.92%
Gross carrying amount (HK$'000)	12,195	13,563	4,052	431	400	30,641
Expected credit losses (HK$'000)	12,195	664	432	73	400	13,764

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 HK$'000	2024 HK$'000
Prepayments	**9,389**	4,047
Deposits	**116,865**	119,828
Rental deposits paid to related companies*	**19,287**	17,257
Deposits for purchases of items of property, plant and equipment	**1,699**	1,703
Other receivables	**8,905**	21,395
	156,145	164,230
Impairment - other receivables	**(6,808)**	(6,808)
	149,337	157,422
Analysed into:		
Non-current portion	**56,422**	52,837
Current portion	**92,915**	104,585
	149,337	157,422

* These related companies were under common control of Mr. Yeung Wai, Mr. Yeung Yun Chuen and Mr. Yeung Yun Kei (the "**Controlling Shareholders**") and/or their family members. In the opinion of the directors of the Company, these deposits arose from ordinary course of business.

The movements in the loss allowance for impairment of other receivables are as follows:

	2025 HK'000	2024 HK'000
At beginning of year	**6,808**	6,600
Impairment losses	–	208
At end of year	**6,808**	6,808

22. CASH AND CASH EQUIVALENTS

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to HK$3,843,000 (2024: HK$11,927,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

23. TRADE PAYABLES

The trade payables are non-interest-bearing and generally have payment terms of 45 to 90 days (2024: 45 to 90 days). An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 **HK$'000**	2024 HK$'000
Within 1 month	**66,783**	50,431
1 to 3 months	**13,365**	3,208
3 to 12 months	**5,847**	809
Over 12 months	**1,022**	4
	87,017	54,452

24. OTHER PAYABLES, ACCRUALS AND DEFERRED INCOME

	Note	2025 HK$'000	2024 HK$'000
Other payables		**65,532**	60,718
Accruals		**61,201**	58,182
Contract liabilities	(a)	**13,625**	12,048
Deferred other income		**1,363**	4
		141,721	130,952
Analysed into:			
Non-current portion		**1,518**	1,482
Current portion		**140,203**	129,470
		141,721	130,952

(a) Details of contract liabilities are as follows:

	31 March 2025 HK$'000	31 March 2024 HK$'000	1 April 2023 HK$'000
Restaurant operations	**13,625**	12,048	18,676

Revenue recognised in the year that was included in contract liabilities at beginning of year

	2025 HK$'000	2024 HK$'000
	12,048	18,676

Transaction prices allocated to performance obligations unsatisfied at end of year and expected to be recognised as revenue in:

	2025 HK$'000	2024 HK$'000
2025	**–**	12,048
2026	**13,625**	–

25. INTEREST-BEARING BANK BORROWINGS

	2025 HK$'000	2024 HK$'000
Bank borrowings	**249,054**	281,353
Secured	**73,738**	76,714
Unsecured	**175,316**	204,639
	249,054	281,353
Analysed into:		
Within one year or on demand	**249,054**	281,353

Notes:

For the purpose of the above analysis, the Group's unsecured bank loans in the amount of HK$175,316,000 (2024: HK$204,639,000) containing a repayment on demand clause are included within current interest-bearing bank borrowings and analysed into bank loans repayable within one year or on demand.

Based on the maturity terms of the bank borrowings, the amounts repayable in respect of the bank borrowings are: HK$49,305,000 (2024: HK$49,933,000) repayable within one year; HK$88,347,000 (2024: HK$35,363,000) repayable in the second year; HK$75,063,000 (2024: HK$101,257,000) repayable in the third to fifth years, inclusive; and HK$36,339,000 (2024: HK$94,800,000) repayable over five years.

All borrowings are in Hong Kong dollars. The Group's bank loans of HK$73,738,000 (2024: HK$76,714,000) as at 31 March 2025 are secured by mortgages over the Group's own-occupied properties situated in Hong Kong, which had an aggregate carrying value at the end of the reporting period of HK$162,610,000 (2024: HK$165,701,000). The Group's unsecured bank loans of HK$175,316,000 (2024: HK$204,639,000) as at 31 March 2025 are fully guaranteed by the Government of the Hong Kong Special Administrative Region.

The effective interest rates as follows:

	2025	2024
Unsecured	**Prime rate-2.25%**	Prime rate-2.25%
Secured	**1-month HIBOR+1.45%**	1-month HIBOR+1.45%

26. LEASE LIABILITIES

	Lease payments		Present value of lease payments	
	2025	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000
Within one year	**263,718**	275,117	**258,442**	261,727
In the two to fifth years, inclusive	**142,466**	338,929	**136,417**	329,908
After five years	**–**	6,614	**–**	5,669
	406,184	620,660	**394,859**	597,304
Less: Future finance charges	**(11,326)**	(23,356)	**N/A**	N/A
Present value of lease liabilities	**394,858**	597,304		
Less: Amount due for settlement within 12 months (shown under current liabilities)			**(258,442)**	(261,727)
Amount due for settlement after 12 months			**136,417**	335,577

At 31 March 2025, the incremental borrowing rate ranging from 2.75% to 4.15% (2024: from 2.75% to 4.15%). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

27. PROVISION

	2025 HK$'000	2024 HK$'000
At the beginning of year	**10,525**	11,076
Additional provision	**930**	1,484
Reversal of unutilised amounts	**(2,180)**	(2,035)
At the end of year	**9,275**	10,525
Analysed into:		
Non-current portion	**4,139**	7,184
Current portion	**5,136**	3,341
	9,275	10,525

The provision represents management's best estimate of the Group's liabilities of the costs of dismantling and removing the leasehold improvements and restoring the sites on which they are located.

28. DEFERRED TAX

	Depreciation allowance in excess of related depreciation HK$'000	Tax losses HK$'000	Total HK$'000
At 1 April 2023	(1,315)	4,184	2,869
Credit to profit or loss	1,315	37,671	38,986
At 31 March 2024 and 1 April 2024	–	41,855	41,855
Credit to profit or loss	–	(7,911)	(7,911)
At 31 March 2025	–	33,944	33,944

At 31 March 2025, the Group had estimated tax losses arising in Hong Kong of approximately HK$608,758,000 (2024: HK$619,685,000), subject to the agreement by the Hong Kong Inland Revenue Department, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. At 31 March 2025, the Group also had estimated tax losses arising in Mainland China of HK$14,605,000 (2024: HK$22,553,000) that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose. At 31 March 2025, a deferred tax asset has been recognised in respect of approximately HK$205,721,000 (2024: HK$253,667,000) of such losses. No deferred tax asset has been recognised in respect of the remaining approximately HK$417,642,000 (2024: HK$388,571,000) due to the unpredictability of future profit streams.

28. DEFERRED TAX *(continued)*

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprise established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 March 2025, no deferred tax liabilities has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the Company's directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. No temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised in both years.

29. SHARE CAPITAL

	Number of shares	**Amount equivalent to share capital**
		HK$'000
Authorised:		
Shares of the Company with nominal value of HK$0.001 each		
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	2,000,000,000	2,000
Issued and fully paid:		
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	1,300,000,000	1,300

Capital risk management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, return capital to the shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 2024.

30. RESERVES

Other reserve

Other reserve represents (i) the gain on deemed disposal of an interest in a subsidiary amounting to approximately HK$8,000; and (ii) the difference between the acquisition of additional equity interests from the then non-controlling shareholders and the consideration paid.

Merger reserve

The merger reserve represents reserves arising from a reorganisation of the Company in connection with the Listing.

Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note to the consolidated financial statements. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

31. SHARE OPTION SCHEMES

The Company operates a share option scheme (the **"Schemes"**) for the purpose of motivating eligible participants to optimise their future contributions to the Group and to reward them for the past contributions and to attract and retain or otherwise maintain ongoing relationships with such eligible participants whose contributions are or will be beneficial to the performance, growth or success of the Group.

Eligible participants of the Schemes include the Company's directors, including independent non-executive directors, other employees of the Group and any consultants, business or joint venture partners, franchisees, contractors, agents, representatives or service providers of any member of the Group. The share option scheme became effective on 13 November 2014, and, unless otherwise cancelled or amended, will remain in force for 10 years, from the respective effective dates.

The maximum number of shares in respect of which options may be granted under the Schemes and any other schemes by the Company shall not, in aggregate, exceed 10% of the issued share capital of the Company as at the listing date unless shareholders' approval has been obtained.

The maximum number of shares issuable under the share options to each eligible participant in the Schemes within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in advance in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associate, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Shares at the date of grant) in excess of HK$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

31. SHARE OPTION SCHEMES *(continued)*

The offer of a grant of share options may be accepted upon payment of a nominal consideration of HK$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and may commence from the date of the offer of the share options and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry dates of the Schemes, if earlier.

All holders of 2022 Option granted under the Scheme may only exercise their options in the following manner:

Maximum percentage of options exercisable	Vesting period
33% of options	at any time after the expiration of 24 months from the date of grant
Additional 33% of options	at any time after the expiration of 36 months from the date of grant
Additional 34% of options	at any time after the expiration of 48 months from the date of grant

All holders of 2023 Option A and 2023 Option B granted under the Scheme may only exercise their options in the following manner:

Maximum percentage of options exercisable	Vesting period
33% of options	at any time after the expiration of 12 months from the date of grant
Additional 33% of options	at any time after the expiration of 24 months from the date of grant
Additional 34% of options	at any time after the expiration of 36 months from the date of grant

At 31 March 2025, the total number of shares in respect of which options under the Scheme had been granted and remained outstanding was 89,085,000, representing 7% of the shares of the Company in issue at that date. The options outstanding at the end of year have a weight average remaining contractual life is approximately 1.48 years.

No option was exercised during the year ended 31 March 2025 and 2024.

31. SHARE OPTION SCHEMES *(continued)*

The fair value of the share options was determined at the date of grant using the Binomial option pricing model (the "Binomial Model") with the following inputs and based on the respective vesting period of the share options:

	2022 Option	2023 Option A	2023 Option B
Stock price as at grant date	HK$0.205	HK$0.216	HK$0.228
Exercise price	HK$0.2056	HK$0.216	HK$0.228
Expected volatility	49.09%	56.83%	58.39%
Expected life of options	5 years	4 years	4 years
Risk free rate	0.8%	3.912%	3.087%
Expected dividend yield	0%	0%	0%

The Binomial Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Expected volatility was determined by using the historical volatility of the Company's share prices over the previous four years. Changes in variables and assumptions may result in changes in the fair value of the options.

The total estimated fair value of the 2023 Option A and 2023 Option B granted on that date were approximately HK$110,000 and HK$1,540,000 respectively.

The Group recognised share-based payments expense of approximately HK$646,000 during the year ended 31 March 2025 (2024: HK$1,737,000) in relation to the share options granted by the Company and net off with share options forfeited before the vesting period.

31. SHARE OPTION SCHEMES *(continued)*

The following tables disclose the movements in the Company's number of share options during the years ended 31 March 2025 and 2024:

2025

Name of grantee	Batch of Option	Date of grant	Exercisable period	Exercisable price	Outstanding as at 1 April 2024	Granted during the year	Lapsed during the year	Outstanding as at 31 March 2025
Executive Director								
Mr. Yeung Wai	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Wai	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Wai	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Mr. Yeung Yun Kei	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Yun Kei	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Yun Kei	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Mr. Leung Siu Sun	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Leung Siu Sun	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Leung Siu Sun	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Mr. Wu Kam On Keith	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Wu Kam On Keith	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Wu Kam On Keith	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	1,360,000	–	–	1,360,000
Mr. Yeung Ho Wang	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Yeung Ho Wang	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Yeung Ho Wang	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	1,360,000	–	–	1,360,000
Mr. Yeung Chun Nin	2023 Option A	30.11.2022	30.11.2023-29.11.2026	HK$0.216	358,875	–	–	358,875
Mr. Yeung Chun Nin	2023 Option A	30.11.2022	30.11.2024-29.11.2026	HK$0.216	358,875	–	–	358,875
Mr. Yeung Chun Nin	2023 Option A	30.11.2022	30.11.2025-29.11.2026	HK$0.216	369,750	–	–	369,750
Ex-Director (Note 1)	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Ex-Director (Note 1)	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Ex-Director (Note 1)	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Independent non-executive Director								
Mr. Ng Ngai Man Raymond	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	448,800	–	(448,800)	–
Mr. Ng Ngai Man Raymond	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	448,800	–	(448,800)	–
Mr. Ng Ngai Man Raymond	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	462,400	–	(462,400)	–
Mr. Wong Wai Leung Joseph	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Wong Wai Leung Joseph	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Wong Wai Leung Joseph	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	462,400	–	–	462,400
Mr. Chan Chun Bong Junbon	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Chan Chun Bong Junbon	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Chan Chun Bong Junbon	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	462,400	–	–	462,400
Employees	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	13,242,075	–	(1,930,500)	11,311,575
Employees	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	13,242,075	–	(1,930,500)	11,311,575
Employees	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	13,643,350	–	(1,989,000)	11,654,350
Employees	2023 Option B	22.3.2023	22.3.2024-21.3.2027	HK$0.228	4,950,000	–	–	4,950,000
Employees	2023 Option B	22.3.2023	22.3.2025-21.3.2027	HK$0.228	4,950,000	–	–	4,950,000
Employees	2023 Option B	22.3.2023	22.3.2026-21.3.2027	HK$0.228	5,100,000	–	–	5,100,000
					96,295,000	–	(7,210,000)	89,085,000
Exercisable at the end of the year								58,796,100
Weighted average exercise price								HK$0.2095

31. SHARE OPTION SCHEMES *(continued)*

2024

Name of grantee	Batch of Option	Date of grant	Exercisable period	Exercisable price	Outstanding as at 1 April 2023	Granted during the year	Lapsed during the year	Outstanding as at 31 March 2024
Executive Director								
Mr. Yeung Wai	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Wai	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Wai	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Mr. Yeung Yun Kei	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Yun Kei	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Yeung Yun Kei	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Mr. Leung Siu Sun	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Leung Siu Sun	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Mr. Leung Siu Sun	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Mr. Wu Kam On Keith	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Wu Kam On Keith	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Wu Kam On Keith	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	1,360,000	–	–	1,360,000
Mr. Yeung Ho Wang	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Yeung Ho Wang	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	1,320,000	–	–	1,320,000
Mr. Yeung Ho Wang	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	1,360,000	–	–	1,360,000
Mr. Yeung Chun Nin	2023 Option A	30.11.2022	30.11.2023-29.11.2026	HK$0.216	358,875	–	–	358,875
Mr. Yeung Chun Nin	2023 Option A	30.11.2022	30.11.2024-29.11.2026	HK$0.216	358,875	–	–	358,875
Mr. Yeung Chun Nin	2023 Option A	30.11.2022	30.11.2025-29.11.2026	HK$0.216	369,750	–	–	369,750
Ex-Director (Note 1)	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Ex-Director (Note 1)	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	2,310,000	–	–	2,310,000
Ex-Director (Note 1)	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	2,380,000	–	–	2,380,000
Independent non-executive Director								
Mr. Ng Ngai Man Raymond	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Ng Ngai Man Raymond	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Ng Ngai Man Raymond	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	462,400	–	–	462,400
Mr. Wong Wai Leung Joseph	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Wong Wai Leung Joseph	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Wong Wai Leung Joseph	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	462,400	–	–	462,400
Mr. Chan Chun Bong Junbon	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Chan Chun Bong Junbon	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	448,800	–	–	448,800
Mr. Chan Chun Bong Junbon	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	462,400	–	–	462,400
Employees	2022 Option	18.8.2021	18.8.2023-17.8.2026	HK$0.2056	16,187,325	–	(2,945,250)	13,242,075
Employees	2022 Option	18.8.2021	18.8.2024-17.8.2026	HK$0.2056	16,187,325	–	(2,945,250)	13,242,075
Employees	2022 Option	18.8.2021	18.8.2025-17.8.2026	HK$0.2056	16,677,850	–	(3,034,500)	13,643,350
Employees	2023 Option B	22.3.2023	22.3.2024-21.3.2027	HK$0.228	4,950,000	–	–	4,950,000
Employees	2023 Option B	22.3.2023	22.3.2025-21.3.2027	HK$0.228	4,950,000	–	–	4,950,000
Employees	2023 Option B	22.3.2023	22.3.2026-21.3.2027	HK$0.228	5,100,000	–	–	5,100,000
					105,220,000	–	(8,925,000)	96,295,000
Exercisable at the end of the year								31,777,350
Weighted average exercise price								HK$0.2092

Note 1: Mr. Yeung Yun Chuen retired as an executive Director with effect from 30 June 2022. In accordance with the share option scheme, share options of 7,000,000 granted to him remain effective until the end of the exercise period.

32. DISPOSAL OF SUBSIDIARIES

(a) During the year ended 31 March 2025, the Group disposed of its entire interests in Korea Catering Concept Limited to an independent third party for an aggregate consideration of HK$1.

Net liabilities at the date of disposal were as follows:

	HK$'000
Property, plant and equipment	**115**
Right-of-use assets	**30,564**
Trade receivables	**746**
Prepayments, deposits and other receivables	**5,805**
Cash and cash equivalents	**19**
Trade payables	**(7,050)**
Other payables, accruals and deferred income	**(2,183)**
Interest-bearing bank borrowings	**(6,088)**
Lease liabilities	**(35,231)**
Net liabilities disposed of:	**(13,303)**
Gain on disposal of subsidiaries	**13,303**
Total consideration	**–**
Net cash outflow arising on disposal:	
Cash consideration received	**–**
Cash and cash equivalents disposed of	**(19)**
	(19)

32. DISPOSAL OF SUBSIDIARIES *(continued)*

(b) During the year ended 31 March 2025, the Group disposed of its entire interests in 珠海中域富臨餐飲管理有限公司 to an independent third party for an aggregate consideration of HK$4,400,000.

	HK$'000
Property, plant and equipment	**1,088**
Right-of-use assets	**8,570**
Deposits	**733**
Inventories	**439**
Trade receivables	**1,457**
Prepayments, deposits and other receivables	**2,199**
Cash and cash equivalents	**1,108**
Trade payables	**(1,270)**
Other payables, accruals and deferred income	**(1,498)**
Lease liabilities	**(15,327)**
Tax payables	**(86)**
Net liabilities disposed of:	**(2,587)**
Exchange fluctuation reserve	**1,498**
Gain on disposal of subsidiaries	**5,489**
Total consideration in other receivables	**4,400**
Net cash outflow arising on disposal:	
Cash consideration received	**–**
Cash and cash equivalents disposed of	**(1,108)**
	(1,108)

33. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

	2025 HK$'000	2024 HK$'000
Property, plant and equipment		
– Contracted but not provided for	**253**	3,768

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Bank borrowings HK$'000	Lease liabilities HK$'000	Total HK$'000
At 1 April 2023	308,926	340,535	649,461
Financing cash flows	(40,605)	(294,150)	(334,755)
Non-cash changes			
– Addition	–	539,337	539,337
– Lease modifications and termination	–	(8,964)	(8,964)
– Finance charges	13,032	18,904	31,936
– Exchange realignment	–	1,642	1,642
At 31 March 2024 and 1 April 2024	**281,353**	**597,304**	**878,657**
Financing cash flows	**(37,687)**	**(282,564)**	**(320,251)**
Non-cash changes			
– Addition	**–**	**158,096**	**158,096**
– Lease modifications and termination	**–**	**(41,274)**	**(41,274)**
– Finance charges	**11,476**	**13,855**	**25,331**
– Disposal of subsidiaries	**(6,088)**	**(50,558)**	**(56,646)**
At 31 March 2025	**249,054**	**394,859**	**643,913**

35. RELATED PARTY TRANSACTIONS

(a) Related party transactions

In addition to the transactions and balances detailed elsewhere in these consolidated financial statements, the Group had the following material transactions with related parties during the year:

	2025 HK$'000	2024 HK$'000
Purchase of foods	**1,702**	2,615

These related companies were controlled by the Controlling Shareholders and/or their family members.

As at 31 March 2025, the right-of-use assets related to the restaurants leased from these related companies amounted to HK$92,223,000 (2024: HK$205,860,000) and lease liabilities of HK$82,771,000 (2024: HK$208,921,000) are due to these related companies of the Group. Depreciation and impairment of right-of-use assets related to these restaurants amounted to HK$98,522,000 (2024: HK$51,271,000) and interest on lease liabilities to these related companies of the Group amounted to HK$4,238,000 (2024: HK$3,219,000) during the year ended 31 March 2025.

The transactions were conducted on terms and conditions mutually agreed between the relevant parties. The directors are of the opinion that those related party transactions were conducted in the ordinary course of business of the Group.

(b) Details of the remuneration of directors and other members of key management during the year are set out in note 13.

36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2025 HK$'000	2024 HK$'000
Current assets		
Due from subsidiaries	**121,649**	126,001
Due from joint venture	**–**	–
Cash and cash equivalents	**187**	691
	121,836	126,692
Current liabilities		
Other payables and accruals	**2,325**	2,325
Due to subsidiaries	**15,483**	15,499
	17,808	17,824
Net assets	**104,028**	108,868
Capital and reserves		
Share capital	**1,300**	1,300
Reserves	**102,728**	107,568
Total equity	**104,028**	108,868

	Share premium HK$'000	Share options reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2023	540,140	4,990	(432,217)	112,913
Total comprehensive loss for the year	–	–	(3,182)	(3,182)
Share-based payments	–	1,737	–	1,737
2023 special dividend (note 14)	–	–	(3,900)	(3,900)
At 31 March 2024 and 1 April 2024	**540,140**	**6,727**	**(439,299)**	**107,568**
Total comprehensive loss for the year	**–**	**–**	**(1,586)**	**(1,586)**
Share-based payments	**–**	**646**	**–**	**646**
2024 final dividend (note 14)	**–**	**–**	**(3,900)**	**(3,900)**
At 31 March 2025	**540,140**	**7,373**	**(444,785)**	**102,728**

37. LEASE COMMITMENT

The Group as a lessor

The Group subleases its leased buildings in Hong Kong under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

	2025 HK$'000	2024 HK$'000
Within one year	**36,195**	11,444
After one year but within two years	**17,164**	2,811
After two year but within three years	**7,905**	–
	61,264	14,255

38. CONTINGENT LIABILITIES

At the end of each of the reporting period, contingent liabilities not provided for in the consolidated financial statements were as follows:

	2025 HK$'000	2024 HK$'000
Bank guarantees given in lieu of rental and utility deposits	**17,647**	19,635

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Name	**Place/Country of incorporation/ registration and principal place of operation and business**	**Issued ordinary/ registered share capital**	**Percentage of equity attributable to the Company** 2025	2024	**Principal activities**
Directly held:					
Chung Sing Holding Limited	Hong Kong	HK$1	100%	100%	Investment holding
Indirectly held:					
Best Food Development Limited	Hong Kong	HK$1	100%	100%	Supermarket operation
Central Crest Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Central Champion Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Central Group (Hong Kong) Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Central Green International Limited	Hong Kong	HK$1	100%	100%	Restaurant and food court operation
Central King Development Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Central Loyal Limited	Hong Kong	HK$1	100%	100%	Restaurant operation

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY *(continued)*

Name	Place/Country of incorporation/ registration and principal place of operation and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company 2025	2024	Principal activities
Central Ocean Catering Limited	Hong Kong	HK$300,000	100%	100%	Restaurant operation
Central Place Catering Limited	Hong Kong	HK$1	100%	100%	Food court operation
Central South Catering Limited	Hong Kong	HK$500,000	100%	100%	Restaurant operation
Centralink International Development Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Centro (Asia) Limited	Hong Kong	HK$500,000	100%	100%	Restaurant and supermarket operation
Century High Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Base Development Limited	Hong Kong	HK$10,000	100%	100%	Restaurant operation
China Beauty Enterprises Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Easy Investment Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
China Elegant Industrial Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Enviro Enterprises Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Excellent International Limited	Hong Kong	HK$1,000,000	100%	100%	Restaurant operation
China Extreme Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Forward Development Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Harvest (Hong Kong) Limited	Hong Kong	HK$1	100%	100%	Restaurant and supermarket operation
China Kings Development Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Order Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Professional Asia Limited	Hong Kong	HK$1	100%	100%	Restaurant and supermarket operation
China Start Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Show Industrial Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
China Weal (HK) Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Dragon Rich Food Company Limited#	Hong Kong	HK$8,000	–	100%	Restaurant operation
Food International Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Fulum Food (International) Limited	Hong Kong	HK$1	100%	100%	Sales and distribution of food products
Full King Credit Limited	Hong Kong	HK$100,000	100%	100%	Money lender
Fulum Management Limited	Hong Kong	HK$1	100%	100%	Management
Fulum Shopping Network Company Limited	Hong Kong	HK$38,000	100%	100%	Restaurant operation
Glory Food Services Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Gold China Enterprise Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Grander Creation Limited	Hong Kong	HK$2,000,000	100%	100%	Food court operation
Korean Catering Concepts Limited#	Hong Kong	HK$1	–	100%	Restaurant operation
Luck China International Trading Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Middle East Development Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Mid Well Investments Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Needful Catering Concept Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
New Central Hong Kong Development Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
New Central Industrial Limited	Hong Kong	HK$80,000	100%	100%	Restaurant operation

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY *(continued)*

Name	Place/Country of incorporation/ registration and principal place of operation and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company 2025	2024	Principal activities
Park Sun Property Agency Limited	Hong Kong	HK$10,000	100%	100%	Restaurant operation
Right Proceed Limited	Hong Kong	HK$1	100%	100%	Property holding
Sino Copper Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Sino Emotion Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Sino Excellence Catering Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Sino Forest Limited	Hong Kong	HK$1	100%	100%	Owner of trademarks
Sino Favour (Hong Kong) Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Sino Mountain Trading Limited	Hong Kong	HK$1	100%	100%	Trading of kitchen utensils & other operation items
Sino Rank Limited	Hong Kong	HK$1	100%	100%	Processing, sale and distribution of food products
Sino Scene development Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Sino Target Investments Limited	Hong Kong	HK$100	100%	100%	Restaurant operation
Sino Well Properties Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Sportful Garden Food International Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
Talent Beverage Marketplace Limited	Hong Kong	HK$1	100%	100%	Restaurant operation
廣州加盈餐飲管理有限公司*	PRC	HK$23,000,000	100%	100%	Restaurant operation
珠海中域富臨餐飲管理有限公司#	PRC	HK$15,000,000	–	100%	Restaurant operation
福建中浩富臨餐飲管理有限公司*	PRC	HK$15,000,000	100%	100%	Restaurant operation
中花食品進出口貿易(深圳)有限公司*	PRC	HK$1,000,000	100%	100%	Sales and distribution of food products
惠州富臨食品有限公司*	PRC	HK$50,000,000	100%	100%	Processing, sale and distribution of food products

* These companies are registered as wholly-foreign-owned enterprises established under PRC law.
\# These companies were disposal during the year.

The above table lists the subsidiaries of the Group which, in the opinion of the Company's directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Company's directors, result in particulars of excessive length.

40. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 27 June 2025.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements of the Company is set out below.

	Year ended 31 March				
	2025 HK$'000	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
RESULTS					
REVENUE	**1,702,059**	1,841,212	1,641,488	1,450,074	1,172,682
Cost of inventories sold	**(471,695)**	(505,280)	(491,469)	(514,641)	(385,932)
	1,230,364	1,335,932	1,150,019	935,433	786,750
Other income and gains, net	**13,283**	21,778	82,696	112,050	170,527
Staff costs	**(609,200)**	(637,612)	(549,327)	(479,727)	(388,778)
Property rentals and related expenses	**(47,616)**	(63,751)	(77,407)	(60,233)	(68,959)
Depreciation of right-of-use assets	**(276,510)**	(271,608)	(230,405)	(229,467)	(265,659)
Depreciation of property, plant and equipment	**(66,051)**	(58,203)	(59,165)	(61,780)	(61,234)
Fuel and utility expenses	**(93,479)**	(96,886)	(84,112)	(87,991)	(85,825)
Other expenses	**(187,755)**	(180,732)	(180,482)	(141,493)	(126,180)
Share of loss in a joint venture	**(654)**	(4,194)	(1,000)	(3)	–
(Losses from)/reversal of impairment/ write off of non-financial assets	**(12,832)**	273	(7,315)	(14,049)	(52,254)
Losses from impairment/write off of financial assets	**(1,189)**	(1,058)	(719)	(506)	(4,222)
Gain on disposal of subsidiaries	**18,792**	–	–	–	–
Finance costs	**(25,331)**	(31,936)	(20,829)	(20,669)	(26,071)
(LOSS)/PROFIT BEFORE TAX	**(58,178)**	12,003	21,954	(48,435)	(121,905)
Income tax (expense)/credit	**(8,194)**	38,571	(825)	(734)	(287)
(LOSS)/PROFIT FOR THE YEAR	**(66,372)**	50,574	21,129	(49,169)	(122,192)
Attributable to:					
Owners of the Company	**(66,371)**	50,584	21,138	(49,169)	(122,192)
Non-controlling interests	**(1)**	(10)	(9)	–	–
	(66,372)	50,574	21,129	(49,169)	(122,192)

ASSETS AND LIABILITIES

	As at 31 March				
	2025 HK$'000	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
TOTAL ASSETS	**1,013,723**	1,274,465	991,230	995,949	1,206,087
TOTAL LIABILITIES	**888,584**	1,081,052	845,949	874,262	1,037,995
NON-CONTROLLING INTERESTS	**(2,581)**	(2,580)	(2,570)	–	–
TOTAL EQUITY	**125,139**	193,413	145,281	121,687	168,092

Fulum Group Holdings Limited
富臨集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
Stock Code 股份代號 1443

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