



翠華集團®
TSUI WAH GROUP

Tsui Wah Holdings Limited
翠華控股有限公司

(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 : 1314

INTERIM REPORT 中期報告

2024



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This Interim Report is printed on environmentally friendly paper.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lee Yuen Hong (*Chairman*)
Mr. Lee Kun Lun Kenji (*Group Chief Executive Officer*)
Ms. Lee Yi Fang

Non-Executive Directors

Mr. Cheng Chung Fan
Mr. Wong Chi Kin

Independent Non-Executive Directors

Mr. Tang Man Tsz
Mr. Yim Kwok Man
Mr. So Chi Man*

AUTHORISED REPRESENTATIVES

Mr. Lee Yuen Hong
Mr. Kwok Siu Man

BOARD COMMITTEES

Audit Committee

Mr. So Chi Man* (*Chairman*)
Mr. Yim Kwok Man (*resigned as Chairman immediately after the conclusion of the 2024 AGM*)
Mr. Wong Chi Kin

Remuneration Committee

Mr. Tang Man Tsz (*Chairman**)
Mr. Lee Yuen Hong
Mr. So Chi Man*

Nomination Committee

Mr. Lee Yuen Hong (*Chairman*)
Mr. Tang Man Tsz
Mr. So Chi Man*

COMPANY SECRETARY

Mr. Kwok Siu Man

LEGAL ADVISERS

As to Hong Kong Laws
Mason Ching & Associates

COMPANY'S WEBSITE

www.tsuiwah.com

INDEPENDENT AUDITORS

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong)

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 1–6, 2/F, Delta House
No. 3 On Yiu Street
Sha Tin, New Territories
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 BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17/F, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited

LISTING INFORMATION

Place of Listing

Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

1314

Board Lot

2,000 shares

* Appointed immediately after the conclusion of the annual general meeting held on 23 August 2024 (the "2024 AGM")

FINANCIAL HIGHLIGHTS

	Six months ended 30 September		% Change
	2024	2023	
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	
Revenue	448,320	497,285	(9.8)%
Hong Kong (Note 1)	241,856	258,472	(6.4)%
Mainland China	195,861	231,276	(15.3)%
Others*	10,603	7,537	40.7%
EBITDA[^]	69,685	75,681	(7.9)%
Profit attributable to owners of the Company	6,423	6,747	(4.8)%
Basic earnings per share	HK0.47 cent	HK0.49 cent	(4.1)%

NUMBER OF RESTAURANTS INCLUDING JOINT VENTURES

	As at	As at	As at
	30 September 2024	31 March 2024	30 September 2023
Hong Kong (Note 1)	28	29	32
Mainland China	34	36	35
Macau (Note 2)	3	3	3
Singapore (Note 3)	4	4	3
Total:	69	72	73

* Mainly represents revenue derived from the sale of food to a joint venture of the Group.

[^] Means earnings before interest, tax, depreciation and amortisation.

Notes:

(1) Hong Kong means the Hong Kong Special Administrative Region of the People's Republic of China (the "PRC").

(2) Macau means the Macau Special Administrative Region of the PRC.

(3) Singapore means the Republic of Singapore.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of directors of Tsui Wah Holdings Limited (the **"Company"**, the **"Directors"** and the **"Board"**, respectively), I hereby present the unaudited consolidated financial statements of the Company and its subsidiaries (collectively the **"Group"**) for the six months ended 30 September 2024 (the **"Review Period"** and the **"Interim Financial Statements"**, respectively).

BUSINESS REVIEW

During the Review Period, the operating environment for the food and beverages (F&B) as well as retail sectors across Mainland China and Hong Kong remained distinctly challenging. Market sentiment continued to be subdued, with the industry experiencing profound structural transformations driven by multifaceted challenges. Key dynamics included diminished local consumption, intensified competitive landscapes, and significant shifts in consumer behaviors, particularly the growing trend of cross-border and overseas spending. Escalating operational costs — encompassing food procurement, rental, utilities, and labor expenses — further compounded the operational complexities faced by the industry players.

In response to this highly volatile market landscape, the Group's business has inevitably been impacted, with revenue for the Review Period declining by 9.8% to approximately HK\$448.3 million. Profit attributable to the Company's owners maintained at a stable level of approximately HK\$6.4 million. Demonstrating strategic resilience, we have implemented a cautious management approach, compelling a comprehensive reassessment of our strategic positioning and operational efficiency.

For the Tsui Wah brand, the Group's operations across Mainland China, Hong Kong and Macau have maintained stability, with sub-brands demonstrating steady growth. Leveraging our diversified brand portfolio, we have strategically positioned ourselves to capitalize on emerging market trends, particularly the growing demand for smaller-format restaurants and simplified catering experiences favoured by younger consumers.

A notable milestone in our expansion strategy has been the successful launch of our first overseas outlet of Ging Sun Ho King Of Bun at the beginning of October 2024 in Singapore. This international debut has been particularly promising, receiving enthusiastic reception from local customers and validating our brand's potential for overseas market penetration.

OUTLOOK

Looking ahead, with governments actively launching economic stimulus initiatives and tourism enhancement strategies, the Group maintains an optimistic yet prudent perspective on our operational landscape. We are strategically expanding our restaurant portfolio to capitalize on emerging market opportunities.

As a committed stakeholder in Hong Kong, Tsui Wah Restaurant is strategically repositioning itself by re-establishing presence in key tourist districts of Central and Tsim Sha Tsui. These revitalized locations will feature a refreshed brand aesthetic and exclusive, limited-edition products, signaling our adaptive approach to market dynamics. In a strategic expansion move, the Group will launch a Tsui Wah Restaurant within Fudan University in Shanghai, China, specifically adjacent to its EMBA building. This pioneering campus-based restaurant represents our first venture into university dining and presents a unique opportunity to introduce authentic Hong Kong cuisine to a diverse, academic audience, potentially enhancing our brand recognition and cultural culinary exchange.

Our another key expansion strategy focuses on brand and market diversification. Specifically, we are set to launch "Nijuuichi Don (廿一堂)" in a new Kowloon Bay location by the end of 2024. Furthermore, we will open our 5th Tsui Wah Restaurant in Singapore. These initiatives demonstrate our commitment to innovation, market responsiveness and sustainable growth across multiple brands and geographical markets.

CHAIRMAN'S STATEMENT

AWARDS AND RECOGNITIONS

During the Review Period, we received a number of major awards and recognitions, including

1. Global Brand Award Winners 2024 — Best Traditional Restaurant Chain Hong Kong — Tsui Wah Group;
2. Market Leadership Award 2023/2024 — Market Leadership in Greater Bay Area Fast Casual Restaurant — Tsui Wah Group;
3. 2024–2025 Quality Tourism Services Scheme — Accredited Merchant; and
4. 2024–2025 Caring Company Scheme — A certificate of 10 Years Plus Caring Company — Tsui Wah Restaurant/Tsui Wah Holdings Limited.

APPRECIATION

I would like to take this opportunity to relay my sincere gratitude to all shareholders and investors, customers, suppliers, as well as business partners for supporting the Group. I would also like to thank our management team and colleagues for their dedication and contribution to the Group's business during the Review Period.

Lee Yuen Hong

Chairman and Executive Director

Hong Kong, 22 November 2024

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Throughout the Review Period, the Group's operations in Hong Kong, Mainland China, Macau, and Singapore exhibited varying levels of performance. While Macau and Singapore continued to demonstrate consistent performance, the sluggish economy had impacted the Group's businesses in Hong Kong and Mainland China. In response, the Group has adopted strategic measures and prudent practices to mitigate the adverse effects of the economic downturn. The Group remains confident that our safety strategies will endure through this challenging economic climate.

As at 30 September 2024, a total of 69 restaurants were operated by the Group in Hong Kong, Macau, Mainland China and Singapore. During the Review Period, the Group recorded revenue of approximately HK\$448.3 million, representing a decrease of approximately 9.8% against 30 September 2023 (the "**Previous Review Period**"), with profit attributable to owners of the Company reaching approximately HK\$6.4 million.

Hong Kong

During the Review Period, the Group launched a brand rejuvenation initiative that successfully engaged the younger generation through the creation of the iconic "Tsui Wah Junior" cartoon character. In addition, the Group has pursued cross-industry collaborations, forming a strategic partnership with Hong Kong Express Airways to offer the signature pan-fried pork soup bun of Ging Sun Ho to airline passengers, effectively broadening the brand's reach. The response has been positive, leading to an extension of this collaboration with the airline. At the same time, the Group's existing outlets at the Hong Kong International Airport have benefitted from a surge in cross-border passenger traffic, reinforcing its market position and promoting Hong Kong's local cuisine to a wider audience.

The Group's brands in Hong Kong include "Tsui Wah (翠華)", "Nijuuichi Don (廿一堂)", "Homurice (揚食屋)", "Kami Toriyaki (神鳥燒)", "Ceylon (錫蘭)", "Ging Sun Ho King of Bun (堅信號上海生煎皇)" and "From Seed to Wish", etc. After a review of the Group's restaurant network, during the Review Period, the Group had closed down 2 restaurants in Hong Kong and 2 restaurants in Mainland China, while we had opened 1 restaurant in Hong Kong.

Mainland China

During the Review Period, the catering industry faced significant challenges due to the unfavourable economic environment. Factors such as downgraded consumption have intensified the price wars in the industry. At the same time, costs related to labour and ingredients have been continuously rising, impacting operating profits and increasing operational pressure. In this adverse environment, the Group has timely adjusted its response strategies: first, by optimizing products and simultaneously creating off-peak periods (morning market and tea market) to attract customers and drive foot traffic; as well as innovating business models and service methods to adapt to market changes and meet consumers' demands; secondly, by continuously optimizing online platform marketing and promotion to enhance core competitiveness in response to market fluctuations, thereby increasing new customer sources and maintaining customer loyalty through traffic and effectiveness; and finally, by enhancing operational capabilities to achieve cost reduction and efficiency improvement goals, ensuring sustained and steady development.

Given the current market situation, it is foreseeable that more challenges will arise in the future. The Group remains confident, implementing a core strategy of one flagship store in each region along with multiple Tsui Wah Express outlets. We will adhere to stable development through traditional market growth and adopt a careful approach to seize opportunities in specialized markets for new store development, continuing to pursue a steady growth with prudence.

MANAGEMENT DISCUSSION AND ANALYSIS

Others

In Singapore, the Group remains committed to its strategic partnership with Jumbo Group Limited (“**Jumbo**”), continuing to operate the Hong Kong-style Cha Chaan Teng (茶餐廳) brand “Tsui Wah” there. With Jumbo’s established presence in the local market, the Group is optimistic about furthering Tsui Wah’s reputation among Singapore’s growing population of 6 million. This collaboration remains an important pillar of our strategy to strengthen our foothold in Singapore.

Currently, the Group operates four Tsui Wah outlets across Singapore, with the latest outlet having been launched in January 2024 at Clarke Quay Central. The new location has seen a steady growth in foot traffic and sales since its opening, contributing positively to the brand’s presence. Looking ahead, we continue to actively explore opportunities for expansion, identifying key locations to further grow our footprint.

While the overall performance in Singapore remains encouraging, we are mindful of the challenges posed by rising operational expenses — particularly in the areas of manpower, rental and utilities — as well as ongoing labour shortage. Additionally, the unpredictable global economic outlook requires us to remain cautious in our approach, ensuring a sustainable growth amidst these conditions.

In Macau, the tourism industry has been continually developing and maintaining a positive trend in 2024. The increase in the number of tourists has brought more customers to the dining industry. As a well-known Hong Kong-style tea restaurant brand, Tsui Wah Restaurant has attracted a large number of visitors. This is particularly appealing to tourists who enjoy experiencing Hong Kong’s culinary culture.

With various large concerts and events held locally, along with the tourist peak season, the flow of customers has significantly increased. As tourism infrastructure continues to improve, it is expected that more domestic and international tourists will come, bringing tremendous market opportunities. We plan to further deepen our cooperation with local tourism agencies and business partners, developing products that are more aligned with Macau’s market characteristics, thereby enhancing our brand’s visibility and influence in the region to meet the growing market demand.

We hope to continue consolidating and expanding our business in Macau in the future. On one hand, we aim to continually optimize internal operations, improve service quality and product standards and efficiency, reduce costs, and enhance product competitiveness. On the other hand, we will closely monitor market dynamics and changes in consumer demand, actively innovate to adapt to Macau’s rapidly developing business environment, and ensure that we maintain a leading position in an increasingly competitive market, creating more substantial returns for the Group.

FINANCIAL REVIEW

Revenue

Revenue of the Group for the Review Period was approximately HK\$448.3 million, representing an decrease of approximately 9.8% as compared with approximately HK\$497.3 million for the Previous Review Period. The decline in the Group’s revenue was primarily due to the economic downturn in Hong Kong and Mainland China.

Cost of inventories sold

The cost of inventories sold for the Review Period was approximately HK\$115.6 million, representing a decrease of approximately 11.8% as compared with approximately HK\$131.0 million for the Previous Review Period. The cost of inventories sold accounted for approximately 25.8% of the Group’s revenue for the Review Period (the Previous Review Period: approximately 26.4%). The decrease in ratio of cost of inventories sold in proportion to the Group’s revenue was mainly attributable to the effectiveness of the Group’s strategies in controlling and reviewing the prices of food materials applied since the Previous Review Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit

The Group's gross profit (equivalent to revenue minus the cost of inventories sold) for the Review Period was approximately HK\$332.7 million, representing a decrease of 9.1% compared with approximately HK\$366.2 million for the Previous Review Period. The decrease was primarily due to the economic downturn in Hong Kong and Mainland China.

Staff costs

The Group's staff costs for the Review Period were approximately HK\$152.6 million, representing a decrease of approximately 5.9% as compared with approximately HK\$162.1 million for the Previous Review Period. The cost reduction was due to the adoption of a more prudent management and control over employee-related expenses.

Depreciation and amortisation

During the Review Period, (1) depreciation and amortisation were approximately HK\$22.2 million, equivalent to approximately 5.0% of the Group's revenue (the Previous Review Period: approximately HK\$21.7 million, equivalent to 4.4% to the Group's revenue); and (2) depreciation of right-of-use assets was approximately HK\$41.3 million, equivalent to 9.2% of the Group's revenue (the Previous Review Period: approximately HK\$48.3 million, equivalent to 9.7% to the Group's revenue). The decrease in the combined expenses of depreciation and amortisation and depreciation of right-of-use assets to the Group's revenue was mainly due to the decrease in the number of restaurants, as well as the impairment loss recognised for the year ended 31 March 2024, which had reduced the net book value of the property, plant and equipment and right-of-use assets.

Other operating expenses

Other operating expenses for the Review Period decreased by approximately 30.3% as compared with those of the Previous Review Period, from approximately HK\$89.8 million for the Previous Review Period to approximately HK\$62.6 million for the Review Period, which represented approximately 14.0% of the Group's revenue for the Review Period. The decrease was mainly attributable to the reduction of impairment of right-of-use assets and property, plant and equipment.

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Other operating expenses included:		
Tools and consumables	10,665	12,077
Logistic and transportation	6,740	8,034
Repair and maintenance	4,595	5,979
Staff welfare	7,689	7,051
Sanitation	4,478	5,140
Foreign exchange differences, net	(77)	570
Impairment of property, plant and equipment	3,722	13,214
Impairment of right-of-use assets	8,832	23,366
Other operating related expenses	15,977	14,404
	62,621	89,835

MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

Finance costs amounted to HK\$4.8 million for the Review Period, representing a decrease of HK\$0.4 million from the Previous Review Period.

Share of profit from joint ventures

There was share of profit from joint ventures amounting to approximately HK\$17.5 million for the Review Period, as compared with that of approximately HK\$19.8 million for the Previous Review Period.

Profit for the Review Period

The Group's profit attributable to owners of the Company amounted to approximately HK\$6.4 million for the Review Period, as compared with HK\$6.7 million in the Previous Review Period.

Liquidity, financial resources and capital structure

The Group financed its business principally with internally generated cash flows and the proceeds received from the initial public offering of the Company's shares (the "**Shares**") in issue for listing on the Main Board of the Stock Exchange on 26 November 2012. Taking into account the financial resources available to the Group, including internally generated funds and available banking facilities, the Group has sufficient working capital to meet its present requirements.

As at 30 September 2024, the Group had cash and cash equivalents amounting to approximately HK\$169.5 million, representing a decrease of approximately HK\$65.5 million from approximately HK\$235.0 million as at 31 March 2024. Most of the Group's bank deposits and cash were denominated in Hong Kong dollars and Renminbi.

As at 30 September 2024, the Group's total current assets and current liabilities were approximately HK\$252.4 million (31 March 2024: approximately HK\$309.9 million) and approximately HK\$219.0 million (31 March 2024: approximately HK\$242.5 million), respectively, while the current ratio calculated by dividing the total current assets over the total current liabilities was approximately 1.2 times (31 March 2024: approximately 1.3 times).

As at 30 September 2024, the Group had no interest-bearing bank borrowings and hence, the gearing ratio was 0% (the Previous Review Period: 0%).

Material acquisitions and disposals

The Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Review Period.

Significant investments and plans for material investments or capital assets

Save as disclosed elsewhere in the Interim Financial Statements, the Group did not have any significant investments or any other plans for material investments or capital assets as at 30 September 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign currency risk

The Group's sales and purchases for the Review Period were mostly denominated in Hong Kong dollars and Renminbi. The Renminbi is not a freely convertible currency. Future exchange rates of the Renminbi could vary significantly from the current or historical exchange rates as a result of capital controls that could be imposed by the PRC government. The exchange rates may also be affected by economic developments and political changes both domestically and internationally, and the demand and supply of the Renminbi. The appreciation or depreciation of the Renminbi against Hong Kong dollars may have an impact on the Group's results. The Group will continue to take proactive measures and closely monitor its exposure to any currency movements. The Group has currently not implemented any foreign currency hedging policy. The management will consider hedging against significant foreign exchange exposure should the need arise.

Contingent liabilities

As at 30 September 2024, the Group had contingent liabilities of approximately HK\$1.7 million (31 March 2024: approximately HK\$2.9 million) in respect of bank guarantees given in favour of the landlords in lieu of rental deposits.

Charge on assets

There was no charge on the Group's assets as at 30 September 2024.

Human resources and remuneration policy

As at 30 September 2024, the Group employed approximately 1,619 (30 September 2023: approximately 1,700) employees. The Group's staff costs decreased by approximately 5.8% from approximately HK\$162.1 million for the Previous Review Period to approximately HK\$152.6 million for the Review Period.

Remuneration packages are generally determined by reference to market norms, individual qualifications, relevant experience and performance as well as the Group's results. The Company adopted a share award scheme on 9 August 2018 (the "**Share Award Scheme**") for the purpose of, amongst others, providing incentives and helping the Group in retaining its existing employees. The Group periodically reviews the remuneration of its employees. Since the expiry of its share option scheme on 25 November 2022, the Company has not adopted any share option scheme.

During the Review Period, the Group had provided comprehensive training programmes and development initiatives pertaining to operational and occupational safety as well as customer services for relevant employees in order to enhance the quality of services expected from customer-facing staff and ensure the effective implementation of the Group's business ethos.

PROSPECTS AND OUTLOOK

Customer satisfaction

In the face of multiple challenges, the Group has maintained vigilance, examining ways to best adapt to market dynamics. The Group will continue to implement its core strategy of prioritising its customers' dining experience by maintaining stringent food safety and diversifying the menu to suit seasonal changes in order to attract a broader base of customers whilst ensuring that its signature dishes will continue to be served at the highest quality. The Group has always endeavoured to provide high-quality food for its customers in a comfortable and hygienic Cha Chaan Teng environment. Furthermore, we trust that the Group will strive to build customer satisfaction by diversifying the Group's business under new brand names.

MANAGEMENT DISCUSSION AND ANALYSIS

Corporate social responsibility

The Group is committed to adhering to its core corporate values and social responsibilities. The Group has been strongly encouraging all its employees to participate in charitable activities organised by and associated with the Group such as the Hong Kong Community Chest's fundraising activities. The Group has also promoted environmental protection initiatives, bolstered its green procurement and energy saving policies, and provided customers with friendly reminders to reduce food waste. The Group continues to take a proactive role in giving back to the community.

Outlook

Looking ahead, the respective governments of Mainland China, Hong Kong, Macau and Singapore are taking steps to implement a range of promotional strategies aimed at boosting local consumption and drawing in more tourists. The Group is optimistic that these initiatives will have a positive impact on its operations. To capitalize on this opportunity, the Group is strategically planning to expand its retail network.

APPRECIATION

The Board would like to express its sincere gratitude to the Group's management and all its staff for their continuous support and contribution. What is more, the Board would also like to take this opportunity to thank all the Shareholders and the Group's investors, customers, suppliers, business partners and associates for their loyal support and long-standing faith in the prospects of the Group.

USE OF NET PROCEEDS

The net proceeds from the Listing (the "**Net Proceeds**") were approximately HK\$794.4 million (after deducting the underwriting fees and all related expenses).

The use of the Net Proceeds up to 30 September 2024 was approximately as follows:

Use of Net Proceeds	Percentage of Net Proceeds	Net Proceeds (in HK\$ million)	Aggregate amount	Amount utilised	Amount
			utilised as at 1 April 2024 (in HK\$ million)	during Review Period (in HK\$ million)	remaining as at 30 September 2024 (in HK\$ million)
Opening new restaurants and delivery centres and launch of catering service in Hong Kong	20%	158.9	(158.9)	-	-
Opening new restaurants in Mainland China	35%	278.0	(278.0)	-	-
Construction of new central kitchen in Hong Kong	10%	79.4	(79.4)	-	-
Construction of new central kitchens in Shanghai and Southern China	20%	158.9	(108.3)	-	50.6
Upgrading information technology systems	5%	39.8	(39.8)	-	-
Additional working capital and other general corporate purposes	10%	79.4	(79.4)	-	-
Total	100%	794.4	(743.8)	-	50.6

MANAGEMENT DISCUSSION AND ANALYSIS

The unused Net Proceeds of HK\$50.6 million (the **"Unused Proceeds"**) were mainly intended to be applied to construction of new central kitchens in Shanghai and Southern China (the **"Unmaterialized Plan"**). However, given the unfavourable factors and impact of the pandemic, the Directors were of the view that it was relatively not a good timing for taking further steps in pursuing the Unmaterialized Plan. As the Group has a total of 27 restaurants in the Southern China and their business performance has been stable since the subsiding of the pandemic, it is the Board's view that establishment of a new central kitchen in the area is appropriate and the Company is in the course of seeking an appropriate location in Southern China as its new central kitchen (the **"SC Kitchen"**). It is expected that the location of the SC Kitchen will be determined soon and that approximately HK\$30 million out of the Unused Proceeds will be utilized by the fourth quarter of 2025 when the SC Kitchen is in full operation, while the remaining balance of HK\$20.6 million will be reserved for, if materialized, its new central kitchen in Shanghai (the **"Shanghai Kitchen"**). Given the fact that only a small portion of the Group's restaurants in Mainland China is located in Shanghai or its vicinity at this moment, the Board considers that there is no urgency for the Company to establish the Shanghai Kitchen. By the year ending 31 March 2025, the Board will further assess as to whether it is still in the interest of the Group to establish the Shanghai Kitchen. If it is determined by the Board that it would be in the interest of the Group and the Shareholders to reallocate the portion of the Unused Proceeds intended to be used for the Shanghai Kitchen, the Company will inform the Shareholders by making a further announcement.

INTERIM DIVIDEND

The Board has resolved to declare the payment of an interim dividend of HK1.0 cent per Share in respect of the Review Period (the **"Interim Dividend"**) (the Previous Review Period: HK1.0 cent) to the Shareholders whose names will appear on the register of members of the Company (the **"Register"**) at the close of business on Thursday, 19 December, 2024. It is expected that the Interim Dividend will be paid in cash on or about Tuesday, 31 December 2024.

CLOSURE OF REGISTER

For the purpose of the Interim Dividend, the Register will be closed from Monday, 16 December 2024 to Thursday, 19 December 2024 (both days inclusive), during which period no transfer of the Shares will be registered. In order to qualify for the Interim Dividend, non-registered Shareholders must lodge all properly completed and stamped transfer forms accompanied by the relevant share certificates with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 13 December 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

	Notes	Six months ended 30 September	
		2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
REVENUE	4	448,320	497,285
Other income and other gains		8,047	16,046
Cost of inventories sold		(115,602)	(131,041)
Staff costs		(152,641)	(162,055)
Depreciation and amortisation		(22,160)	(21,728)
Depreciation of right-of-use assets		(41,315)	(48,344)
Property rentals and related expenses		(29,069)	(24,943)
Fuel and utility expenses		(19,516)	(22,919)
Selling and distribution expenses		(22,415)	(22,559)
Other operating expenses		(62,621)	(89,835)
Finance costs		(4,752)	(5,150)
Share of profit of joint ventures		17,522	19,781
PROFIT BEFORE TAX	5	3,798	4,538
Income tax expense	6	(791)	(1,719)
PROFIT/(LOSS) FOR THE PERIOD		3,007	2,819
Attributable to:			
Owners of the Company		6,423	6,747
Non-controlling interests		(3,416)	(3,928)
		3,007	2,819
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	8	HK0.47 cent	HK0.49 cent

The notes on pages 19 to 26 form part of these Interim Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
PROFIT FOR THE PERIOD	3,007	2,819
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	3,099	(14,251)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	6,106	(11,432)
Attributable to:		
Owners of the Company	9,522	(7,504)
Non-controlling interests	(3,416)	(3,928)
	6,106	(11,432)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	<i>Notes</i>	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	141,398	157,879
Investment properties		92,181	91,214
Right-of-use assets	9	191,748	198,560
Intangible assets		1,947	2,158
Investments in joint ventures		93,355	75,853
Prepayments and deposits paid in advance for purchases of property, plant and equipment and intangible assets		10,414	819
Non-current deposits and other receivables		57,145	53,939
Total non-current assets		588,188	580,422
CURRENT ASSETS			
Inventories		9,951	9,214
Trade receivables	10	4,027	2,636
Prepayments, deposits and other receivables		66,316	60,335
Tax recoverable		124	204
Restricted cash		2,500	2,500
Cash and cash equivalents		169,528	235,013
Total current assets		252,446	309,902
CURRENT LIABILITIES			
Trade payables	11	30,272	37,107
Other payables and accruals		90,874	94,586
Lease liabilities		84,042	97,127
Tax payable		13,774	13,663
Total current liabilities		218,962	242,483
NET CURRENT ASSETS		33,484	67,419
TOTAL ASSETS LESS CURRENT LIABILITIES		621,672	647,841

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

		As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
	<i>Notes</i>		
NON-CURRENT ASSETS			
Other payable and accruals		12,931	12,816
Lease liabilities		152,419	147,455
Deferred tax liabilities		2,224	2,256
Total non-current liabilities		167,574	162,527
Net assets		454,098	485,314
EQUITY			
Equity attributable to owners of the Company			
Issued capital	12	14,112	14,112
Reserves		465,369	493,169
		479,481	507,281
Non-controlling interests		(25,383)	(21,967)
Total equity		454,098	485,314

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 September 2024

	Attributable to owners of the Company										
	Issued capital (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Share based compensation reserve (Unaudited) HK\$'000	Shares held for the			Exchange fluctuation reserve (Unaudited) HK\$'000	Accumulated losses (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Non-controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
				Share Award Scheme	Statutory reserve	Merger reserve					
				(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000					
At 1 April 2024	14,112	855,973	(2,186)	(27,864)	22,678	(7,329)	(45,272)	(302,831)	507,281	(21,967)	485,314
Profit for the period	-	-	-	-	-	-	-	6,423	6,423	(3,416)	3,007
Other comprehensive income for the period:											
Exchange differences on translation of foreign operations	-	-	-	-	-	-	3,099	-	3,099	-	3,099
Total comprehensive income for the period	-	-	-	-	-	-	3,099	6,423	9,522	(3,416)	6,016
Dividend paid	-	-	-	-	-	-	-	(33,914)	(33,914)	-	(33,914)
Shares purchased under Share Award Scheme	-	-	-	(3,895)	-	-	-	-	(3,895)	-	(3,895)
Vesting of shares under Share Award Scheme	-	-	(2,628)	2,628	-	-	-	-	-	-	-
Share based compensation benefit	-	-	487	-	-	-	-	-	487	-	487
At 30 September 2024	14,112	855,973*	(4,327)*	(29,131)*	22,678*	(7,329)*	(42,173)*	(330,322)*	479,481	(25,383)	454,098
At 1 April 2023	14,112	855,973	(850)	(29,835)	22,678	(7,329)	(31,126)	(273,613)	550,010	(15,850)	534,160
Profit for the period	-	-	-	-	-	-	-	6,747	6,747	(3,928)	2,819
Other comprehensive income for the period:											
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(14,251)	-	(14,251)	-	(14,251)
Total comprehensive income for the period	-	-	-	-	-	-	(14,251)	6,747	(7,504)	(3,928)	(11,432)
Dividend paid	-	-	-	-	-	-	-	(54,620)	(54,620)	-	(54,620)
Vesting of shares under Share Award Scheme	-	-	(1,971)	1,971	-	-	-	-	-	-	-
Share based compensation benefit	-	-	635	-	-	-	-	-	635	-	635
At 30 September 2023	14,112	855,973*	(2,186)*	(27,864)*	22,678*	(7,329)*	(45,377)*	(321,486)*	488,521	(19,778)	468,743

* These reserve accounts comprise the consolidated reserves of HK\$465,370,000 (30 September 2023: HK\$474,409,000) in the consolidated statement of financial position as at 30 September 2024.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 September 2024

	Six-month period ended	
	30 September 2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	29,968	87,446
Interest received	2,340	4,078
Interest paid	(6)	–
Hong Kong tax paid	(315)	–
PRC tax paid	(541)	–
Hong Kong profits tax refund	86	–
PRC profits tax refund	–	–
Net cash flows from operating activities	31,532	91,524
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of items of property, plant and equipment	(2,721)	(17,427)
Decrease in non-pledged time deposit	–	100,000
Net cash flows from investing activities	(2,721)	82,573
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease payments	(56,350)	(71,180)
Interest element of lease payments	(4,746)	(5,150)
Dividends paid	(33,914)	(54,620)
Net cash flows used in financing activities	(95,010)	(130,950)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(66,199)	43,147
Cash and cash equivalents at beginning of the period	235,013	186,395
Effect of foreign exchange rate changes, net	714	(3,499)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	169,528	226,043
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	169,528	226,043
	169,528	226,043

NOTES TO INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 29 May 2012 as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the Review Period, the Company acted as an investment holding company and its subsidiaries were principally engaged in the provision of food catering services through restaurants and bakery shops in Hong Kong, Mainland China, Macau and Singapore.

2. BASIS OF PREPARATION

The Interim Financial Statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). They have been prepared under the historical cost convention. These Interim Financial Statements are presented in Hong Kong dollars ("**HK\$**") and all values are rounded to the nearest thousand except when otherwise stated.

The preparation of the Interim Financial Statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, as well as income and expenses on a year to date basis. Actual results may differ from these estimates.

The Interim Financial Statements have been prepared in accordance with the same accounting policies adopted in the Group's audited annual consolidated financial statements for the year ended 31 March 2024 (the "**2024 Annual Financial Statements**"), except for the accounting policy changes that are expected to be reflected in the annual financial statements for the year ending 31 March 2025.

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the 2024 Annual Financial Statements, except as disclosed below.

Changes in accounting policies and disclosures

In the current interim period, the Group has applied the following amendments to the Hong Kong Financial Reporting Standards (the "**HKFRSs**") issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on 1 April 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

NOTES TO INTERIM FINANCIAL STATEMENTS

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of food catering services through restaurants and bakery shops. Information reported to the Group's management for the purpose of resources 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.

Geographical information

The following tables present revenue from external customers for the Review Period and certain non-current assets information as at 30 September 2024 by geographical area.

(a) Revenue from external customers

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Hong Kong	241,856	258,472
Mainland China	195,861	231,276
Others*	10,603	7,537
	448,320	497,285

The revenue information above is based on the locations of the customers.

As no revenue derived from sales to a single customer of the Group has accounted for 10% or more of the Group's total revenue during both periods, no information about major customers is presented.

* "Others" mainly represents revenue derived from the sale of food to a joint venture of the Group.

(b) Non-current assets

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
	Hong Kong	157,430
Mainland China	280,258	281,601
Others	93,355	75,853
	531,043	526,483

The non-current assets information above is based on the locations of the assets and excludes non-current deposits and other receivables and deferred tax assets.

NOTES TO INTERIM FINANCIAL STATEMENTS

4. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Revenue		
Income from restaurant operations transferred at a point in time under HKFRS 15	436,436	487,263
Sales of food transferred at a point in time under HKFRS 15	11,884	10,022
	448,320	497,285

Performance obligation

The performance obligation of revenue from restaurant operations is satisfied upon completion of the service.

The performance obligation from sales of food is satisfied upon delivery of the food and payment is generally due from delivery to 60 days from delivery.

NOTES TO INTERIM FINANCIAL STATEMENTS

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Cost of inventories sold	115,602	131,041
Depreciation of items of property, plant and equipment	20,286	19,807
Depreciation of right-of-use assets	41,315	48,344
Depreciation of investment properties	1,560	1,560
Amortisation of intangible assets	314	361
Impairment of property, plant and equipment	3,722	13,214
Impairment of right-of-use assets	8,832	23,366
Foreign exchange differences, net	(77)	570
Employee benefit expenses (including Directors' and chief executive's remuneration):		
Wages and salaries	139,428	148,664
Retirement benefit scheme contributions	13,213	13,391
	152,641	162,055
Government subsidies (included in other income and other gains) (Note)	(449)	(177)
COVID-19-related rent concessions received	-	(737)

Note:

For the Review Period, these HK\$449,000 represented the subsidies granted by the PRC government.

For the Previous Review Period, these HK\$177,000 represented the funding granted by the Hong Kong Government under the Technology Voucher Programme. There were no unfulfilled conditions or other contingencies attaching to the subsidies and the Government grant that had been recognised by the Group.

NOTES TO INTERIM FINANCIAL STATEMENTS

6. INCOME TAX EXPENSE

The Company was incorporated in the Cayman Islands. It is tax exempted as no business was carried out in the Cayman Islands under the tax laws of the Cayman Islands during both periods.

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying group entity established in Hong Kong will be taxed at 8.25% (2023: 8.25%), and profits above that amount will be subject to the tax rate of 16.5% (2023: 16.5%). The profits of the group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at 16.5% (2023: 16.5%).

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the locations in which the Group operates.

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Current — Elsewhere		
Charge for the period	825	1,753
Deferred tax	(34)	(34)
Total tax charge for the period	791	1,719

7. INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK\$1.0 cent per share to the shareholders of the Company (the "Shareholders") for the Review Period (the Previous Review Period: HK\$1.0 cent). This dividend is not reflected as a dividend payable in the Interim Financial Statements, but will be reflected as an appropriation of reserves for the year ending 31 March 2025.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount for the Review Period is based on the profit for the period of approximately HK\$6,423,000 (the Previous Review Period: approximately HK\$6,747,000) attributable to ordinary equity holders of the Company and the weighted average number of 1,411,226,450 ordinary shares of the Company for the Review Period (the Previous Review Period: 1,411,226,450 ordinary shares of the Company) in issue deducting the weighted average number of shares held under the Share Award Scheme of 46,683,000 ordinary shares (the Previous Review Period: 44,221,000 ordinary shares of the Company).

The Group had no potentially dilutive ordinary shares in issue during both periods. Accordingly, diluted earnings per share for both periods was the same as the basic earnings per share.

NOTES TO INTERIM FINANCIAL STATEMENTS

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the Review Period, the Group acquired property, plant and equipment of HK\$2,721,000 (the Previous Review Period: HK\$17,427,000). No write-off of items of property, plant and equipment was recognised.

10. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting periods, based on the invoice date, is as follows:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Less than one month	1,218	1,624
One to two months	1,374	219
Over two months to three months	129	500
Over three months	1,306	293
	4,027	2,636

The Group's trading terms with its customers are mainly on cash, credit card and electronic settlement, except for well-established corporate customers, for which the credit term is generally 60 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by the Group's senior management. The Group does not hold any collateral or other credit enhancement over its trade receivable balances. Trade receivables are non-interest-bearing. They are stated net of loss allowance.

Included in the Group's trade receivables are amounts due from the Group's joint-ventures of HK\$1,672,000 as at 30 September 2024 (31 March 2024: HK\$1,308,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

11. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting periods, based on the invoice date, is as follows:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Less than one month	21,772	18,979
One to two months	7,742	17,256
Over two months	758	872
	30,272	37,107

The trade payables are non-interest-bearing and generally have payment terms of 45 days.

NOTES TO INTERIM FINANCIAL STATEMENTS

12. ISSUED CAPITAL

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Authorised:		
10,000,000,000 ordinary shares of HK\$0.01 each	100,000	100,000
Issued and fully paid:		
1,411,226,450 ordinary shares of HK\$0.01 each	14,112	14,112

13. COMMITMENTS

The Group had the following capital commitments at the end of the reporting periods:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Contracted, but not provided for:		
Leasehold improvements	7,327	7,406
	7,327	7,406

14. RELATED PARTY TRANSACTIONS

- (i) In addition to the transactions detailed elsewhere in the Interim Financial Statements, the Group had the following material transactions with related parties during the periods:

	<i>Notes</i>	Six months ended 30 September 2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Sale of food to joint ventures	<i>(a)</i>	10,239	7,472
Laundry service fee paid and payable to a related party	<i>(b)</i>	205	200

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

Notes:

- (a) The selling prices of food sold to joint ventures were mutually agreed between the parties, which approximated the market rates.
- (b) The related party is controlled by a close family member of certain Directors. The service fee was mutually agreed between the parties, which approximately the market rate.

NOTES TO INTERIM FINANCIAL STATEMENTS

14. RELATED PARTY TRANSACTIONS *(Continued)*

- (ii) Compensation of key management personnel of the Group, including the remuneration of the Directors and the chief executive, is as follows:

	Six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Short term employee benefits	6,033	4,020
Post-employment benefits	73	70
	6,106	4,090

15. FINANCIAL INSTRUMENTS BY CATEGORY

As at 30 September 2024 and 31 March 2024, all the financial assets and liabilities of the Group were at amortised cost.

The carrying amounts of the Group's financial assets and liabilities carried at amortised cost were not materially different from the fair values as at 30 September 2024 and 31 March 2024.

16. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the Interim Financial Statements were as follows:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
	Bank guarantees in favour of landlords in lieu of rental deposits (unsecured)	1,705
	1,705	2,871

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE AWARD SCHEME

The Company has adopted the Share Award Scheme to recognise and motivate the contribution of the eligible participants, to provide incentives and assist the Company in retaining its existing participants and inducing high-calibre personnel and to provide them with a direct economic interest or incentives in attaining the long-term business objectives of the Company. The Share Award Scheme was adopted by the Board on 9 August 2018 (the “**Adoption Date**”) and shall be valid until the business day immediately prior to the 10th anniversary of the Adoption Date.

In August 2022, the Board resolved to grant to and vest in each of Mr. Wong Chi Kin (“**Mr. James Wong**”), Mr. Goh Choo Hwee (“**Mr. Jeff Goh**”), Mr. Tang Man Tsz (“**Mr. Duncan Tang**”) and Mr. Yim Kwok Man (“**Mr. Freeman Yim**”) 750,000 awarded Shares (with a total of 1,750,000 other awarded Shares to be vested in two years) at nil consideration from the Shares held by the trustee appointed by the Company for the administration of the Share Award Scheme (the “**Trustee**”). The above first-named individual is a non-executive Director (the “**NED**”) and all the other individuals are/were independent non-executive Directors (the “**INEDs**”). On 30 September 2024, 1,000,000 awarded Shares were vested in the above NED and each of the INEDs. Save for the said awarded Shares, no other issued Shares purchased has been awarded under the Share Award Scheme since the Adoption Date.

Set out below are the details of the awarded Shares granted under the Share Award Scheme during the Review Period:

Changes in number of awarded Shares during the Review Period											
Grantees	Date of grant	No. of Shares granted	Vesting period	Not yet vested as at 1 April 2024	Granted	Vested	Lapsed	Cancelled	Not yet vested as at 30 September 2024	Weighted average	
										Closing price of the Shares immediately before the date of grant	Closing price of the Shares immediately before the dates of grant
Mr. James Wong	28 September 2022	2,500,000	Notes	1,000,000	-	1,000,000	-	-	-	HK\$0.184	N/A
Mr. Jeff Goh	ditto	2,500,000	Notes	1,000,000	-	1,000,000	-	-	-	HK\$0.184	N/A
Mr. Duncan Tang	ditto	2,500,000	Notes	1,000,000	-	1,000,000	-	-	-	HK\$0.184	N/A
Mr. Freeman Yim	ditto	2,500,000	Notes	1,000,000	-	1,000,000	-	-	-	HK\$0.184	N/A

- (1) There was no vesting period for the first batch of 750,000 Shares granted to each of the grantees;
- (2) The second batch of 750,000 Shares was vested to each of the grantees on 29 September 2023 (i.e. upon the 1st anniversary of the date of grant) and the closing price of each of such Shares immediately before the vesting date was HK\$0.182;
- (3) The last batch of 1,000,000 Shares was vested to each of the grantees on 30 September 2024 (i.e. upon the 2nd anniversary of the date of grant) and the closing price of each of such Shares immediately before the vesting date was HK\$0.220;
- (4) All such Shares as vested in the grantees were purchased by the Trustee on the Stock Exchange;
- (5) No consideration was required to be given by each of the grantees for the awarded Shares; and
- (6) Mr. Jeff Goh retired as an INED immediately after the conclusion of the Company’s annual general meeting held on 23 August 2024 (the “**2024 AGM**”).

As at the date of this report, 79,048,000 Shares are held by the Trustee for the benefit of the eligible participants for the purpose of the Share Award Scheme. All such Shares as held by the Trustees were purchased by the Trustee on the Stock Exchange and will not be regarded as being in public hands.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE OPTION SCHEME

The Company adopted a share option scheme on 5 November 2012, which expired on 25 November 2022. The Company had not granted any share options under the share option scheme since its adoption.

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

As at 30 September 2024, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO"), which were required: (a) to be 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 which he/she was taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"), were as follows:

Interest in the Shares

Name of Directors	Nature of interest	Number of issued Shares held	Approximate percentage of shareholding ⁽²⁾
Mr. Lee	Interest in a controlled corporation ⁽¹⁾	770,092,000 (L)	54.57%
Mr. Lee Kun Lun Kenji	Beneficial interest	136,000 (L)	0.01%
Mr. James Wong	Beneficial interest	2,500,000 (L)	0.18%
Mr. Duncan Tang	Beneficial interest	2,500,000 (L)	0.18%
Mr. Freeman Yim	Beneficial interest	2,500,000 (L)	0.18%

(L) denotes long position

Notes:

(1) The 770,092,000 Shares were held by Cui Fa Limited ("Cui Fa"). As at 30 September 2024, Cui Fa was held as to approximately 49.90%, 36.12% and 13.98% by Mr. Lee, the Chairman and an executive Director, Mr. Ho Ting Chi and Mr. Cheung Yu To, respectively. Mr. Lee was deemed to be interested in all the Shares held by Cui Fa under the SFO.

(2) These percentages are calculated on the basis of 1,411,226,450 Shares in issue as at 30 September 2024.

Interest in the shares of Cui Fa — the immediate and ultimate holding company of the Company

Name of Director	Nature of interest	Number of issued ordinary shares of Cui Fa held	Approximate percentage
Mr. Lee	Beneficial interest	499,000	49.90%

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS *(Continued)*

Save as disclosed above, as at 30 September 2024, none of the Directors and chief executive of the Company or their respective associates (as defined in the Listing Rules) had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be 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 which he/she was taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

At no time during the Review Period was the Company or any of its subsidiaries a party to any arrangements which enabled the Directors and the chief executive of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate; and none of the Directors, or their respective spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or had exercised any such right during the Review Period.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2024, so far as the Directors or chief executive of the Company are aware, the following corporation and persons other than a Director or the chief executive of the Company had an interest or a short position in the Shares and underlying Shares, which were required (a) to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or (b) pursuant to Section 336 of the SFO, to be entered in the register referred to therein:

Name of Shareholders	Nature of interest	Number of issued Shares held	Approximate percentage of shareholding ⁽⁸⁾
Ms. Chan Choi Fung ⁽¹⁾	Interest of spouse	770,092,000 (L)	54.57%
Mr. Ho Ting Chi ⁽²⁾	Interests held jointly with other persons; and interest in a controlled corporation	878,956,000 (L)	62.28%
Mr. Cheung Yu To ⁽²⁾	Interests held jointly with other persons; and interest in a controlled corporation	878,956,000 (L)	62.28%
Mr. Cheung Yue Pui ⁽²⁾	Interests held jointly with other persons; and interest in a controlled corporation	878,956,000 (L)	62.28%
Mr. Cheung Wai Keung (deceased) ⁽²⁾	Interests held jointly with other persons; and interest in a controlled corporation	878,956,000 (L)	62.28%
Ms. Woo Chun Li ⁽³⁾	Interest of spouse	878,956,000 (L)	62.28%
Ms. Tai Ngan Har Talia ⁽⁴⁾	Interest of spouse	878,956,000 (L)	62.28%
Ms. Lam Hiu Man ⁽⁵⁾	Interest of spouse	878,956,000 (L)	62.28%
Ms. Lui Ning ⁽⁶⁾	Interest of spouse	878,956,000 (L)	62.28%
Cui Fa ⁽⁷⁾	Beneficial owner	770,092,000 (L)	54.57%

(L) denotes long position

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES *(Continued)*

Notes:

- (1) Ms. Chan Choi Fung is the wife of Mr. Lee, the Chairman and an executive Director. Under the SFO, Ms. Chan Choi Fung is taken to be interested in the same number of Shares in which Mr. Lee is interested and is deemed to be interested.
- (2) Pursuant to a deed of confirmation dated 5 November 2012 entered into among Mr. Lee, the Chairman and an executive Director, Mr. Ho Ting Chi, Mr. Cheung Yue Pui, Mr. Cheung Yu To and the late Mr. Cheung Wai Keung (all the latter four individuals being former Directors) (the "**Deed of Confirmation**"), Mr. Lee, Mr. Ho Ting Chi, Mr. Cheung Yue Pui, Mr. Cheung Yu To and the late Mr. Cheung Wai Keung had agreed to jointly control their respective interests in the Company and decisions as to the business and operations of the Group shall be made in accordance with the unanimous consent of all of them. Each of Mr. Lee, Mr. Ho Ting Chi, Mr. Cheung Yue Pui, Mr. Cheung Yu To and the late Mr. Cheung Wai Keung shall exercise their respective voting rights in the Company in the same way. Hence, each of Mr. Lee, Mr. Ho Ting Chi, Mr. Cheung Yue Pui, Mr. Cheung Yu To and the late Mr. Cheung Wai Keung was deemed to be interested in all the Shares held and deemed to be held by them in aggregate by virtue of the SFO.

However, on 25 November 2021, by filing a disclosure of interest form with the Stock Exchange, Mr. Lee declared that he was no longer deemed to be interested in the same parcel of Shares in which Mr. Ho Ting Chi, Mr. Cheung Yue Pui, Mr. Cheung Yu To and the late Mr. Cheung Wai Keung were interested under the Deed of Confirmation.
- (3) Ms. Woo Chun Li is the widow of the late Mr. Cheung Wai Keung. To the best knowledge of the Company, the late Mr. Cheung Wai Keung has sold 65,408,000 Shares beneficially held by a corporation controlled by him, namely Ample Favour Limited.
- (4) Ms. Tai Ngan Har Talia is the wife of Mr. Ho Ting Chi.
- (5) Ms. Lam Hiu Man is the wife of Mr. Cheung Yue Pui. To the best knowledge of the Company, Mr. Cheung Yue Pui has sold 43,456,000 Shares beneficially held by a corporation controlled by him, namely Victor Leap Limited.
- (6) Ms. Lui Ning is the wife of Mr. Cheung Yu To.
- (7) As at 30 September 2024, Cui Fa was held as to approximately 49.90%, 36.12% and 13.98% by Mr. Lee, the Chairman and an executive Director, Mr. Ho Ting Chi and Mr. Cheung Yu To, respectively.
- (8) These percentages are calculated on the basis of 1,411,226,450 Shares in issue as at 30 September 2024.

Save as disclosed above, as at 30 September 2024, so far as is known to the Directors or chief executive of the Company, there was no corporation/person other than a Director or the chief executive of the Company having an interest or a short position in the Shares and underlying Shares, which would be required to be disclosed to the Company pursuant to Part XV of the SFO or which were required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS'/CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in note 14 to the Interim Financial Statements above, there were no transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries or associates was a party and in which any Director or controlling Shareholder (as defined in the Listing Rules) had a material interest, whether directly or indirectly, subsisted at the end of the Review Period or at any time during the Review Period.

MANAGEMENT CONTRACTS

No contracts, other than a contract of service with any Director or any person in the full-time employment of the Company, 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 Review Period.

CHANGE IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of the Directors since the date of the Company's 2024 Annual Report is set out below:

Immediately after the conclusion of the 2024 AGM,

- (1) Mr. Jeff Goh retired as an INED and ceased to act as the chairman of the remuneration committee and a member of each of the nomination committee and the audit committee;
- (2) Mr. So Chi Man ("**Mr. Freeman So**") was appointed as an INED and the chairman of the audit committee and a member of each of the remuneration committee and the nomination committee; and
- (3) Mr. Freeman Yim resigned as the chairman, but remains as a member, of the audit committee.

CORPORATE GOVERNANCE

The Company had adopted the principles and complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules (the "**CG Code**") for the Review Period. The Company will continue to review and enhance its corporate governance practices to ensure strict compliance with the CG Code from time to time.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct governing the Directors' securities transactions in the listed securities of the Company.

Following the specific enquiries made to the Directors by the Company, all of them confirmed that they had fully complied with the standards as set out in the Model Code for the Review Period.

AUDIT COMMITTEE

The Interim Financial Statements have not been audited nor reviewed by the independent auditors of the Company. The Audit Committee has reviewed the accounting principles and practices adopted by the Group as well as certain of its internal control matters and has also reviewed and confirmed the Interim Financial Statements. The existing members of the Audit Committee comprise Mr. Freeman So and Mr. Freeman Yim, both INEDs, and Mr. James Wong, a NED. Mr. Freeman So is the chairman of the Audit Committee.

CORPORATE GOVERNANCE AND OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Review Period, the trustee of the Share Award Scheme, pursuant to the terms of the trust deed of the aforesaid scheme, purchased on the Stock Exchange a total of 16,922,000 Shares with a total consideration of approximately HKD3.89 million equivalent.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Review Period.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of these Interim Financial Statements, the Company has maintained a sufficient public float of the issued Shares (i.e. at least 25% of the issued Shares being held by the public) as required under the Listing Rules.

SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

No material events have occurred after the end of the Review Period and up to the date of this Interim Report.

PUBLICATION OF THE INTERIM REPORT

This Interim Report containing all the information required by the Listing Rules (including the Interim Financial Statements) are published on the respective websites of the Company (www.tsuiwah.com) and the Stock Exchange (www.hkexnews.hk).

By order of the Board
Tsui Wah Holdings Limited
Lee Yuen Hong
Chairman and Executive Director

Hong Kong, 22 November 2024



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