

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

WELIFE TECHNOLOGY LIMITED

維力生活科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1703)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL HIGHLIGHTS

- Revenue was approximately HK\$227.6 million for the year ended 31 March 2025 (2024: approximately HK\$421.3 million), representing a decrease of approximately 46.0%.
- Loss for the year ended 31 March 2025 was approximately HK\$32.0 million, as compared to profit for the year ended 31 March 2024 of approximately HK\$28.8 million.
- Basic loss per share was approximately HK2.8 cents for the year ended 31 March 2025, as compared to basic earnings per share for the year ended 31 March 2024 of approximately HK2.5 cents.
- The Board does not recommend the payment of a final dividend for the year ended 31 March 2025.

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Welif Technology Limited (the “**Company**”, together with its subsidiaries collectively, the “**Group**”), hereby announces the consolidated results of the Group for the year ended 31 March 2025, together with comparative figures for the year ended 31 March 2024 as set out below. The audit committee of the Company (the “**Audit Committee**”) has reviewed the consolidated annual results of the Group for the year ended 31 March 2025, including accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | | Year ended 31 March | |
|---|-------|---------------------|---------------|
| | | 2025 | 2024 |
| | Notes | HK\$'000 | HK\$'000 |
| Revenue | 4 | 227,632 | 421,309 |
| Other income | 4 | 4,367 | 5,191 |
| Other gains or losses, net | 5 | 141 | 7,789 |
| Cost of inventories consumed | | (55,727) | (102,207) |
| Staff costs | 8 | (115,748) | (146,614) |
| Property rentals and related expenses | | (15,622) | (22,423) |
| Utilities expenses | | (11,389) | (21,502) |
| Depreciation of property, plant and equipment | | (4,358) | (7,808) |
| Depreciation of right-of-use assets | | (26,913) | (45,137) |
| Other expenses | | (32,062) | (52,676) |
| Finance costs | 6 | (2,224) | (6,777) |
| (Loss)/profit before tax | | (31,903) | 29,145 |
| Income tax expenses | 7 | (69) | (300) |
| (Loss)/profit for the year attributable to owners of the Company | 8 | (31,972) | 28,845 |
| <i>Item that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences arising on translation of foreign operations | | – | 131 |
| Release of exchange reserve upon disposal of subsidiaries | | (171) | – |
| (Loss)/profit and total comprehensive (expense)/income for the year | | <u>(32,143)</u> | <u>28,976</u> |
| (Loss)/profit and total comprehensive (expense)/income for the year attributable to owners of the Company | | <u>(32,143)</u> | <u>28,976</u> |
| (Loss)/earnings per share | | | |
| – Basic and diluted (<i>HK cents</i>) | 10 | <u>(2.8)</u> | <u>2.5</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | | As at 31 March | |
|---|-------|-----------------|-----------------|
| | | 2025 | 2024 |
| | Notes | HK\$'000 | HK\$'000 |
| Non-current assets | | | |
| Property, plant and equipment | | 2,844 | 9,589 |
| Right-of-use assets | | 9,168 | 36,567 |
| Deposit placed for a life insurance policy | | 16,651 | 16,414 |
| Rental deposits | | 1,950 | 17,133 |
| | | <u>30,613</u> | <u>79,703</u> |
| Current assets | | | |
| Inventories | | 1,253 | 1,040 |
| Trade and other receivables | 11 | 24,580 | 24,641 |
| Tax recoverable | | 80 | – |
| Time deposit with maturity over three months | | – | 2,000 |
| Bank balances and cash | | 22,744 | 76,289 |
| | | <u>48,657</u> | <u>103,970</u> |
| Current liabilities | | | |
| Trade and other payables | 12 | 44,973 | 45,292 |
| Contract liabilities | | 12,165 | 18,630 |
| Bank borrowings | | – | 14,448 |
| Lease liabilities | | 7,039 | 47,623 |
| Tax payable | | 396 | 300 |
| Provision for reinstatement costs | | – | 776 |
| | | <u>64,573</u> | <u>127,069</u> |
| Net current liabilities | | <u>(15,916)</u> | <u>(23,099)</u> |
| Total assets less current liabilities | | <u>14,697</u> | <u>56,604</u> |
| Non-current liabilities | | | |
| Lease liabilities | | 4,932 | 11,971 |
| Contract liabilities | | 167 | 133 |
| Other payables | | 48 | 878 |
| Provision for reinstatement costs | | 850 | 2,779 |
| | | <u>5,997</u> | <u>15,761</u> |
| Net assets | | <u>8,700</u> | <u>40,843</u> |
| Capital and reserves | | | |
| Share capital | 13 | 11,500 | 11,500 |
| Reserves | | (2,800) | 29,343 |
| Equity attributable to owners of the Company | | <u>8,700</u> | <u>40,843</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands on 7 June 2018 as an exempted company with limited liability under the laws of Cayman Islands and its shares (“**Shares**”) have been listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 15 February 2019 (the “**Listing Date**”). 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 Company is an investment holding company and its subsidiaries are principally engaged in Chinese restaurant operations and sale of food in Hong Kong.

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), which is also the functional currency of the Group.

The consolidated financial statements have been prepared based on the accounting policies which conform with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Hong Kong Companies Ordinance.

The Group incurred a net loss of approximately HK\$31,972,000 during the year ended 31 March 2025 and, as of the date, the Group’s current liabilities exceeded its current assets by approximately HK\$15,916,000 (2024: HK\$23,099,000).

The directors of the Company have reviewed the Group’s cash flow projections prepared by the management. The cash flow projections cover a period of twelve months from date of approval for issue of these consolidated financial statements. They are of the opinion that, taking into account the plans and measures as stated below, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from date of approval for issue of these consolidated financial statements. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above results, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent upon the success of the Group’s future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due such that the Group can meet its future working capital and financing requirements. Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

1. Financial support from a shareholder

Mr. Lo Chor Cheong Colin, a shareholder of the Company, has currently and continuously provide funding to the Company so as to enable it to meet its liabilities when they fall due. In addition, Mr. Lo will not demand for any repayment from the Group within twelve months from date of the consolidated financial statements.

2. Cost control

The Group is taking measures to tighten cost control with an aim to attain cash flow from operations.

3. Additional financing arrangement

The management is currently soliciting other financing arrangements and fund-raising alternatives to further support the funding needs of the Group.

Should the Group be unable to continue to operate as a going concern, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

On 17 May 2024, Mr. Tam Kar Wai and Mr. Hu Zhi Xiong (“**Previous Directors**”) resigned as Executive Director and Non-executive Director, respectively.

Following the resignation of the Previous Directors, the executive directors of the Company (the “**Existing Directors**”) were unable to locate certain books, records, and corresponding supporting documents of certain subsidiaries, namely, Eternal Grand Developments Limited, Eternal Grand (Hong Kong) Limited, Wui Fung Limited, 珠海橫琴好味道餐飲管理有限公司, 廣州市度小月餐飲管理有限公司, 廣州市度小月餐飲管理有限公司深圳機場分店 (collectively referred to as the “**Eternal Grand Group**”), Global Gourmet Catering Services Management Limited, and Global Gourmet Catering Services Management (H.K.) Limited (collectively referred to as the “**Global Gourmet Group**”) (the “**Lost Records**”), and certain supporting documents of the books of account of the Company (the “**Lost Supporting**”).

The Eternal Grand Group and Global Gourmet Group’s financial position as at 31 March 2023 are used for preparing the Group’s consolidated financial statements for the years ended 31 March 2024 and 2025 as these are the latest financial information available to the Existing Directors.

Mr. Yeung Ka Ho was appointed as Executive Director on 22 May 2024 and resigned on 29 November 2024. Mr. Chu Pui Him and Mr. Leung Yin Cheuk were appointed as Executive Directors on 29 November 2024. During the management transition, they successfully handed over the Company’s books and records since 22 May 2024. The Existing Directors have been gathered all relevant information by their best effort to prepare the financial statements for the year ended 31 March 2025.

The Existing Directors attempted to contact the Previous Directors, who were responsible for maintaining proper books and records for the Group. As of the approval date of these consolidated financial statements, they were unable to contact any of the Previous Directors to locate the Lost Records and Lost Supporting.

2. APPLICATION OF AMENDMENTS TO HKFRSs

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the current period for the preparation of the 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 Arrangement |

The application of the amendments to HKFRS in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs issued but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

| | |
|--|--|
| Amendments to HKFRS 9 and HKFRS 7 | Amendments to the Classification and Measurement of Financial Instrument ³ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹ |
| Amendments to HKFRS Accounting Standards | Annual improvements to HKFRS Accounting Standards – Volume 11 ³ |
| Amendments to HKAS 21 | Lack of Exchangeability ² |
| Amendments to HKFRS 18 | Presentation and Disclosure in Financial Statements ⁴ |

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company (“**Directors**”) anticipate that the application of all New HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. SEGMENT INFORMATION

The Group's revenue represents amounts received and receivable from the provision of catering services and sales of goods, net of discount. Information reported to the executive directors of the Group, being the chief operating decision makers, for the purpose of resources allocation and assessment of performance 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.

All of the Group's operations are located in Hong Kong. The Group's revenue from external customers and all of its non-current assets are located in Hong Kong based on geographical location of assets.

No revenue from individual external customers contributed over 10% of the total revenue of the Group for both years.

4. REVENUE AND OTHER INCOME

| | Year ended 31 March | |
|---|---------------------|----------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| Revenue | | |
| Chinese restaurant operations (<i>Note (a)</i>) | 226,631 | 419,730 |
| Sales of food (<i>Note (a)</i>) | 1,001 | 1,579 |
| | <u>227,632</u> | <u>421,309</u> |

| | Year ended 31 March | |
|---|---------------------|--------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| Other income | | |
| Government grants (<i>Note (b)</i>) | 90 | 454 |
| Forfeiture of deposits received (<i>Note (a)</i>) | 537 | 741 |
| Sponsorship income received from utility companies | 991 | 1,097 |
| Exchange gain | 1 | 1 |
| Advertising income | 140 | 164 |
| Sundry income | 775 | 370 |
| Imputed interest income on rental deposits | 445 | 253 |
| Interest income from deposit placed for a life insurance policy | 546 | 533 |
| Bank interest income | 842 | 1,578 |
| | <u>4,367</u> | <u>5,191</u> |

Notes:

- (a) Revenue derived from Chinese restaurant operations, sales of food and forfeiture of deposits received are from contracts with customers and recognised at a point in time.
- (b) During the year ended 31 March 2025, the Group recognised the subsidies of approximately HK\$90,000 (2024: HK\$454,000) related to SME Export Marketing Fund provided by the Government of the Hong Kong Special Administrative Region under the Anti-Epidemic Fund.

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2025 and 2024 and expected timing of recognising revenue are as follows:

| | Chinese restaurant operations | |
|--|-------------------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Within one year | 54,788 | 73,842 |
| More than one year but not exceeding two years | 1,028 | 1,289 |
| | <u>55,816</u> | <u>75,131</u> |

All sales of food are for period of one year or less or are billed based on time incurred. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. OTHER GAINS OR LOSSES, NET

| | Year ended 31 March | |
|--|---------------------|------------------|
| | 2025 HK\$'000 | 2024 HK\$'000 |
| Impairment loss on right-of-use assets | (446) | – |
| Impairment loss on property, plant and equipment | (352) | (320) |
| Gain on disposal of property, plant and equipment | 65 | – |
| Loss on written off of property, plant and equipment | (596) | (560) |
| Gain on lease remeasurement | – | 8,669 |
| Gain on disposal of subsidiaries | 1,470 | – |
| | <u>141</u> | <u>7,789</u> |

6. FINANCE COSTS

| | Year ended 31 March | |
|---|---------------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Interest on lease liabilities | 1,392 | 5,436 |
| Interest on bank borrowings | 725 | 1,297 |
| Unwinding of discounting on provision for reinstatement costs | 107 | 44 |
| | <u>2,224</u> | <u>6,777</u> |

7. INCOME TAX EXPENSES

| | Year ended 31 March | |
|--------------------------------|---------------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Current income tax – Hong Kong | | |
| Current year provision | 110 | 300 |
| Over-provision in prior years | (41) | – |
| | <u>69</u> | <u>300</u> |

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. For the year of assessment 2023/24 and 2024/25, a two-tiered profits tax rates was introduced of which one subsidiary of the Group can elect 8.25% tax rate for its first assessable profits of HK\$2,000,000.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

8. (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging/(crediting):

| | Year ended 31 March | |
|--|---------------------|----------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| Directors' remuneration | <u>703</u> | <u>1,048</u> |
| Other staff cost (excluding Directors' remuneration): | | |
| Salaries, allowances and other benefits | 113,058 | 142,348 |
| Provision of/(reversal of provision of) long service payment | 12 | (23) |
| Provision of unutilised annual leave | 3 | 119 |
| Retirement benefit scheme contributions | <u>1,972</u> | <u>3,122</u> |
| | <u>115,045</u> | <u>145,566</u> |
| Total staff costs | <u>115,748</u> | <u>146,614</u> |
| Depreciation of right-of-use-assets | 26,913 | 45,137 |
| Depreciation of property, plant and equipment | 4,358 | 7,808 |
| Cost of inventories consumed | 55,727 | 102,207 |
| Donations | 2,140 | 468 |
| Auditors' remuneration | 960 | 1,220 |
| Premium and handling charges on a life insurance policy | <u>310</u> | <u>298</u> |

9. DIVIDENDS

No dividend was paid or proposed by the Company during the years ended 31 March 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

10. (LOSS)/EARNINGS PER SHARE

The calculation of (loss)/earnings per share attributable to the owners of the Company is based on the following data:

| | Year ended 31 March | |
|--|---------------------|------------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| (Loss)/profit for the year attributable to owners of the Company | <u>(31,972)</u> | <u>28,845</u> |
| | '000 | '000 |
| Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share | <u>1,150,000</u> | <u>1,150,000</u> |

Diluted (loss)/earnings per share is the same as basic (loss)/earnings per share as there were no dilutive potential ordinary shares outstanding during both years.

11. TRADE RECEIVABLES

The Group's sales are mainly conducted in cash or by credit cards of which the settlement period is normally within 3 days from the transaction date. The credit period granted by the Group to its corporate customers ranges from 0 to 30 days.

The following is an ageing analysis of the trade receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

| | As at 31 March | |
|----------------|-----------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Within 30 days | <u>1,251</u> | <u>2,602</u> |

These balances are mainly due from financial institutions in relation to the payment settled by credit cards and corporate customers and there is no recent history of default.

No loss allowance of trade receivables was recognised as at 31 March 2025 and 2024.

12. TRADE PAYABLES

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

| | As at 31 March | |
|----------------|-----------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Within 30 days | <u>3,454</u> | <u>6,666</u> |

Payment terms granted by suppliers are generally within 50 days from date of purchases.

13. SHARE CAPITAL

| | Number of shares '000 | Share capital HK\$'000 |
|--|-----------------------------|---------------------------|
| Ordinary shares of HK\$0.01 each | | |
| Authorised: | | |
| At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025 | <u>5,000,000</u> | <u>50,000</u> |
| Issued and fully paid: | | |
| At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025 | <u>1,150,000</u> | <u>11,500</u> |

14. LITIGATIONS

The Company received a petition dated 27 October 2023 (the “**Petition**”) from Mr. Wang Lin under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32, Laws of Hong Kong) (“**CWUMPO**”), filed in the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) under Companies Winding-up Proceedings No. 478 of 2023. The Petition claimed that the Company may be wound up by the High Court on the grounds that it is unable to pay its debts.

The Petition was filed against the Company for allegedly failing to repay its overdue bond under a bond certificate purportedly issued by the Company in the principal amount of HK\$5,150,000 and accrued interest of approximately HK\$77,000. This amount was allegedly due for payment on 17 August 2023 and owed by the Company to Mr. Wang Lin (“**Claim 1**”).

In April 2024, the Company received a legal letter from Mr. Law Yuen Him, claiming that the Company failed to repay its overdue bond under a bond certificate issued by the Company in the principal amount of HK\$5,205,000 and accrued interest of approximately HK\$469,000 and filed to Court as a supporting creditor of the case. This amount was allegedly due for payment on 30 November 2023 and owed by the Company to Mr. Law Yuen Him (“**Claim 2**”).

In June 2024, the Company received a legal letter from Mrs. Zhao Li, claiming that the Company failed to repay its overdue bond under a bond certificate issued by the Company in the principal amount of HK\$2,360,000 and accrued interest of approximately HK\$31,000 and filed to Court as a supporting creditor of the case. This amount was allegedly due for payment on 27 August 2023 and owed by the Company to Mrs. Zhao Li (“**Claim 3**”).

Claims 1 to 3 are collectively referred to as the “Bonds”.

In June 2024, the Company received a legal letter from JAN Financial Press Limited and Ogier and filed to Court as a supporting creditor of the case, claiming that the Company failed to settle their professional fee billed of HK\$280,000 and USD 4,142 respectively.

In order to dismiss the winding-up petition, a settlement has been reached between the Company and the petitioner regarding the Petition, totaling approximately HK\$13,804,000 (the “**Settlement**”), which was accounted as litigation loss in consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2024. Following the Settlement, a consent summons for the dismissal of the Petition was executed and filed with the High Court of Hong Kong on 10 July 2024. The High Court of Hong Kong ordered the Petition to be dismissed on 22 July 2024.

Despite that the settlement was made to the counterparties, the Existing Directors are uncertain about the existence of the Bonds. The Company is seeking legal advice and taking procedures to confirm the validity of the Bonds. For more details, please refer to the Company’s announcement dated 8 August 2024.

15. CONTINGENT LIABILITIES

On 8 July 2022, the Company has entered into a Business Development Consultancy Agreement (the “**Consultancy Agreement**”) with Jasons Holdings (Shenzhen) Company Limited (杰晟思控股(深圳)有限公司) (“**Jasons**”), pursuant to which Jasons will be remunerated in the manner to be agreed between the Company and Jasons.

On 14 July 2023, in relation to the remuneration for the Consultancy Agreement, the Company entered into a remuneration agreement with Jasons (the “**Remuneration Agreement**”), pursuant to which the consultancy fee (i.e. HK\$9,400,000) (the “**Consultancy Fee**”) to Jasons shall be settled by way of allotment and issue of 45,000,000 shares (“**Consideration Shares**”) at the issue price of HK\$0.227 for each Consideration Share. The application to issue the Consideration Share had subsequently be withdrawn by the Company on 17 November 2023.

On 28 June 2024, the lawyer of Jasons has issued a petition to wind up the Company, on the basis of the alleged failure by the Company to repay its debts amount of HK\$9,400,000. The winding up hearing of which shall take place on 16 April 2025.

On 10 March 2025, the Company received a winding up petition filed by Jasons against the Company under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in the High Court of Hong Kong, on the basis of the alleged failure by the Company to repay its debts amount of RMB9,400,000. The Petition was scheduled to be heard on 16 April 2025. Subsequently, the hearing is adjourned to 11 June 2025.

As per the opinion from the Company’s lawyer, given the factual dispute as to the authenticity of the Remuneration Agreement and the services provided by Jasons, it is unlikely for Jasons to be able to wind up the Company without first clarifying the factual issues. Therefore, the management of the Company considered that the Consultancy Fee should not be recognised in the consolidated financial statements for the years ended 31 March 2024 and 2025 at this stage.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is a Hong Kong and People's Republic of China (“PRC”) based full-service restaurant entity specializing in Cantonese dining and banquet services, particularly wedding banquets. In the fiscal year ending 31 March 2025, the traditional Chinese restaurant industry in Hong Kong faced a notable decline. This downturn stemmed from two key factors: the growing preference of Hong Kong residents to dine in mainland China, where traditional restaurants provide more comprehensive services at competitive prices, and the younger generation's shift toward affordable, quick-service dining options such as fast-food chains or delivery platforms—a trend amplified by post-COVID-19 behavioral changes. Additionally, the expansion of cross-border transportation infrastructure further encouraged Hong Kong residents to spend in mainland China. Amid these shifts in consumer preferences, the Group's restaurant business experienced an inevitable contraction. For the fiscal year ending on 31 March 2025, turnover restrained by approximately HK\$193.7 million, marking a 46.0% decrease from around HK\$421.3 million in the previous year to approximately HK\$227.6 million.

The following table sets out the movement of the number of restaurants we operated during the financial years indicated:

| | Year ended 31 March | |
|--|---------------------|------|
| | 2025 | 2024 |
| Number of traditional Chinese restaurants at the beginning of the year | 6 | 9 |
| Number of newly acquired Eastern and Western restaurants during the year | 2 | — |
| Number of closed traditional Chinese restaurants during the year | 2 | (3) |
| Number of total restaurants at the end of the year | 6 | 6 |

In response to evolving consumer preferences, the Group introduced two new Eastern and Western concept restaurants in March 2025. These venues emphasize cost-effective and efficient service models, modernized dining experiences, and streamlined operations designed to appeal to younger demographics, improve table turnover efficiency, and accelerate cash flow cycles. The Company anticipates these initiatives to drive incremental revenue growth and support broader market expansion. Further openings of similar concept restaurants are under consideration by late 2025. Concurrently, the Group will conduct a strategic assessment of its core operations across regional markets to refine sustainable growth strategies. This includes identifying cross-industry investment opportunities and diversifying geographical footprints to bolster long-term resilience. To strengthen its position in the Hong Kong and PRC full-service banquet sector, the Group will explore innovative business frameworks, such as strategic collaborations with third-party restaurant operators, to enhance competitive differentiation and market penetration.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by 46.0% from approximately HK\$421.3 million for the year ended 31 March 2024 to approximately HK\$227.6 million for the year ended 31 March 2025. Such decrease in revenue was mainly due to the growing preference of Hong Kong residents to dine in mainland and the younger generations shift toward affordable quick-service dining options, which led to a decrease in the number of customers and banquet services provided by the Group.

Cost of food and beverages

The Group's cost of food and beverages decreased by approximately 45.5%, from approximately HK\$102.2 million for the year ended 31 March 2024 to approximately HK\$55.7 million for the year ended 31 March 2025. The decrease was in line with the decrease in revenue during the year ended 31 March 2025. The cost of food and beverages as a percentage of revenue increased from 24.3% for the year ended 31 March 2024 to approximately 24.5% for the year ended 31 March 2025 as the revenue decreased in accordance with the shift of consumer preference during the year.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately 46.1% from approximately HK\$319.1 million for the year ended 31 March 2024 to approximately HK\$171.9 million for the year ended 31 March 2025. The decrease was in line with the decrease in revenue during the year ended 31 March 2025. The gross profit margin decreased from 75.7% for the year ended 31 March 2024 to 75.5% for the year ended 31 March 2025 mainly due to the decrease in revenue as a result of change in consumer preference.

Other gains and losses, net

The Group's net other gains and losses decreased by approximately 98.2% from approximately HK\$7.8 million for the year ended 31 March 2024 to HK\$0.1 million for the year ended 31 March 2025. The decrease was mainly due to the gain on lease remeasurement of none and the decrease of the impairment loss on right-of-use assets.

Staff costs

The Group's staff costs decreased by approximately 21.0%, from approximately HK\$146.6 million for the year ended 31 March 2024 to approximately HK\$115.7 million for the year ended 31 March 2025. Such decrease was mainly due to decrease in headcount and employing less part-time employee for restaurants operations and banquet services as a result of the shift of consumption preference. The staff costs as a percentage of revenue increased from approximately 34.8% for the year ended 31 March 2024 to approximately 50.8% for the year ended 31 March 2025 mainly due to decrease in revenue.

Property rentals and related expenses

The Group's property rentals and related expenses decreased by approximately 30.3%, from approximately HK\$22.4 million for the year ended 31 March 2024 to approximately HK\$15.6 million for the year ended 31 March 2025 mainly attributable to the decrease in demand for property rental upon the increase in willingness of Hong Kong local residents, to spend on north during the year ended 31 March 2025 when compared to last year.

Depreciation

The Group's depreciation of property, plant and equipment decreased to approximately HK\$4.4 million for the year ended 31 March 2025 as compared to HK\$7.8 million for the year ended 31 March 2024 mainly due to the decrease in the total number of restaurants in operation during the year ended 31 March 2025 when compared to last year.

The Group's depreciation of right-of-use assets decreased to approximately HK\$26.9 million for the year ended 31 March 2025 from HK\$45.1 million for the year ended 31 March 2024 mainly due to the decrease in the total number of restaurants in operation during the year ended 31 March 2024 when compared to last year.

Finance costs

Finance costs decreased to HK\$2.2 million for the year ended 31 March 2025 as compared to HK\$6.8 million for the year ended 31 March 2024 due to (a) the decrease in lease liabilities during the year; and (b) the decrease in the total number of restaurants in operation during the year ended 31 March 2025 when compared to last year.

Profit/(loss) for the year

The profit for the year decreased by approximately HK\$60.8 million, from profit of HK\$29.0 million for the year ended 31 March 2024 to a loss for the year of approximately HK\$32.0 million for the year ended 31 March 2025 mainly due to the combined effect of the factors discussed above.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's objectives in managing capital are to safeguard its ability to continue as a going concern.

The capital structure of the Group consists of net debts, which includes bank borrowings, net of bank balances and cash and equity attributable to owners of the Group, comprising issued share capital and reserves.

The Directors review the capital structure of the Group periodically and may take different measures, including the payment of dividends, the issue of new shares and raising of new debt or the redemption of existing debt.

The Group's liquidity requirements primarily relate to the working capital needs (mainly for procurement of food and beverages from suppliers, staff costs, property rents and various operating expenses), providing catering and banquet services and working capital needs for loss making period, and the principal source of funds is mainly from working capital generated internally from the Group's operation, bank borrowings and the net proceeds received from the Listing.

As at 31 March 2025, the Group's cash and cash equivalents (including time deposits with maturity over three months) were approximately HK\$22.7 million (2024: HK\$76.3 million). As at 31 March 2025, the Group's total current assets and current liabilities were approximately HK\$48.7 million (2024: HK\$104.0 million) and approximately HK\$64.6 million (2024: HK\$127.1 million), while the current ratio of the Group was approximately 0.8 times (2024: approximately 0.8 times). During the year, approximately HK\$1.4 million were incurred for acquiring property, plant and equipment for renovating existing restaurants (2024: HK\$2.2 million) and approximately HK\$14.4 million were used for repayment of bank borrowings (2024: HK\$22.9 million). Excluding the current lease liabilities, the net current liability was HK\$9.0 million (2024: HK\$24.5 million) and the current ratio as at 31 March 2025 was 0.9 times (2024: 1.3 times).

As at 31 March 2025, the Group's total borrowings amounted to approximately HK\$0 million (2024: HK\$14.4 million). The borrowings were denominated in Hong Kong dollars and repayable on demand which carried floating interest rate of 1-month HIBOR plus 1% per annum.

The gearing ratio is calculated based on the interest-bearing debts divided by total equity attributable to owners of the Company as at 31 March 2025 and multiplied by 100%. During the fiscal year 2025, the Company made full repayment of bank borrowing additionally, as at 31 March 2024, the Group's gearing ratio was 35.4%. The Directors, taking into account the nature and scale of operations, capital structure of the Group and the necessity for maintaining sufficient financial resources to support the operations, considered that the gearing ratio as at 31 March 2025 was reasonable.

CAPITAL EXPENDITURE

The capital expenditure during the year under review was primarily related to expenditures on additions and renovation of property, plant and equipment for the Group's new restaurants and maintenance of existing restaurants.

FOREIGN EXCHANGE EXPOSURE

Most of the transactions of the Group are denominated in Hong Kong dollar and the Group is not exposed to any significant foreign exchange exposure.

CONTINGENT LIABILITIES

On 8 July 2022, the Company has entered into a Business Development Consultancy Agreement (the “**Consultancy Agreement**”) with Jasons Holdings (Shenzhen) Company Limited (杰晟思控股(深圳)有限公司) (“**Jasons**”), pursuant to which Jasons will be remunerated in the manner to be agreed between the Company and Jasons.

On 14 July 2023, in relation to the remuneration for the Consultancy Agreement, the Company entered into a remuneration agreement with Jasons (the “**Remuneration Agreement**”), pursuant to which the consultancy fee (i.e. HK\$9,400,000) (the “**Consultancy Fee**”) to Jasons shall be settled by way of allotment and issue of 45,000,000 shares (“**Consideration Shares**”) at the issue price of HK\$0.227 for each Consideration Share. The application to issue the Consideration Share had subsequently be withdrawn by the Company on 17 November 2023.

On 28 June 2024, the lawyer of Jasons has issued a petition to wind up the Company, on the basis of the alleged failure by the Company to repay its debts amount of HK\$9,400,000. The winding up hearing of which shall take place on 16 April 2025.

On 10 March 2025, the Company received a winding up petition filed by Jasons against the Company under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in the High Court of Hong Kong, on the basis of the alleged failure by the Company to repay its debts amount of RMB9,400,000. The Petition was scheduled to be heard on 16 April 2025. Subsequently, the hearing is adjourned to 11 June 2025.

As per the opinion from the Company's lawyer, given the factual dispute as to the authenticity of the Remuneration Agreement and the services provided by Jasons, it is unlikely for Jasons to be able to wind up the Company without first clarifying the factual issues. Therefore, the management of the Company considered that the Consultancy Fee should not be recognised in the consolidated financial statements for the years ended 31 March 2024 and 2025 at this stage.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 March 2025, the Group had approximately 220 employees (2024: 261 employees).

The Group offers competitive wages and other benefits to our restaurant employees, and makes salary adjustments in response to the local labour market conditions. Our staff costs primarily consisted of salaries, allowances, and other benefits, contributions to retirement benefits scheme and Directors' emoluments.

SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to the resolution passed on 25 January 2019 to give the eligible persons (as mentioned in the following paragraph) an opportunity to have a personal stake in our Company and help motivate them to optimise their future performance and efficiency to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, and additionally in the case of executives, to enable our Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

Eligible participants of the share option scheme include (a) any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of our Group, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of our Group; (b) a director or proposed director (including an independent non-executive director) of any member of our Group; (c) a direct or indirect shareholder of any member of our Group; (d) a supplier of goods or services to any member of our Group; (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of our Group; (f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of our Group; (g) an associate of any of the persons referred to in paragraphs (a) to (c) above; and (h) any person involved in the business affairs of the Company whom our Board determines to be appropriate to participate in the share option scheme.

No share options has been granted since the effective date of the share option scheme and there are no outstanding share options as at 31 March 2025.

CHARGES ON GROUP'S ASSETS

As at 31 March 2024, the deposit placed for a life insurance policy amounting to approximately HK\$16.4 million was pledged to secure the Group's bank borrowings. The bank borrowings has fully repaid to the bank during the year ended 31 March 2025.

SIGNIFICANT INVESTMENTS

As at 31 March 2025, the Group did not hold any significant investments.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year under review, the Group had no material acquisition or disposal of subsidiaries, associates or joint ventures.

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed above, no significant events affecting the Company and its subsidiaries occurred since 1 April 2025 and up to the date of this announcement.

Save as disclosed above, the Group has no significant events took place after the end of the period.

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 at least 25% of the issued Shares from the Listing Date to the date of this announcement.

USE OF NET PROCEEDS

The net proceeds from the Listing (after deducting underwriting fees and the listing expenses to be borne by the Group) (the “**Net Proceeds**”) was approximately HK\$92,734,000. Up to 31 March 2024, the Company has utilised approximately HK\$87.7 million of the Net Proceeds for the purposes as set out in the Prospectus, representing approximately 94.6% of the Net Proceeds.

An analysis of the utilisation of the Net Proceeds as at 31 March 2025 is set out below:

| Use of Net Proceeds | Allocation of Net Proceeds according to the Prospectus | | Revised allocation of unused Net Proceeds on 3 March 2021 | Revised allocation of unused Net Proceeds on 18 October 2022 | Amount utilized as at 31 March 2025 | Unused Net Proceeds | Estimated timeline for utilization of the unused Net Proceeds |
|--|---|--------|--|---|--|------------------------|--|
| | | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| Opening restaurants <i>(Note)</i> | 76.1% | 70,557 | 22,655 | 5,000 | – | 5,000 | 30 November 2025 |
| Renovation of existing restaurants | 14.1% | 13,063 | – | – | – | – | |
| Promoting brands | 5.0% | 4,633 | 1,843 | – | – | – | |
| Additional working capital, strategic investment and other general corporate purposes | 4.8% | 4,481 | 30,000 | 17,655 | (17,655) | – | |
| | 100.0% | 92,734 | 54,498 | 22,655 | (17,655) | 5,000 | |

Note: The Board proposed to allocate approximately HK\$5 million to open new restaurants catering different other cuisines with the objective of accommodating the changes of the catering and dining industry which, in turn, would allow the Company to capture new customers.

The unused Net Proceeds are placed into authorised financial institutions and/or licenced banks in Hong Kong. As at the date of this announcement, there was no change of the business plan from that disclosed in the prospectus of the Company dated 31 January 2019.

DIVIDENDS

Having assessed the cash flows and working capital required in view of the current challenging business environment and low-season in the first-half of the financial year of the Group, the Board does not recommend the payment of a final dividend for the financial year ended 31 March 2025 (2024: Nil).

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules as its own code of corporate governance.

For the year ended 31 March 2025, to the best of the knowledge of the Board, the Company was in compliance with the relevant code provisions set out in the CG Code, except for the deviations explained below.

| Code provision | Reasons for the non-compliance and improvement actions took or to be taken |
|-----------------------|---|
| C.1.8 | As the Company intends to solicit a suitable insurer at reasonable commercial terms and conditions, therefore has not arranged appropriate insurance cover in respect of legal action against its Directors for the year ended 31 March 2025. |
| C.2.1 | The Company has not appointed a chief executive officer as role and functions of chief executive officer have been performed by all the executive Directors collectively. The Board believes that this arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives effectively and efficiently in response to the changing environment. The Board will continuously assess whether any changes are necessary. |

Details of the Company's corporate governance practices are set out in the corporate governance report which will be included in the Company's annual report for the year ended 31 March 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions of the Directors. Having made specific enquiry with the Directors, all Directors have confirmed that they have complied with the required standard as set out in the Model Code for the year ended 31 March 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2024.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Board has established the Audit Committee which comprises four independent non-executive Directors, namely, Mr. Char Shik Ngor Stephen, Mr. Wong Che Sang, Ms. Zhao Ming and Ms. Yin Shilu. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process, to develop and review the Group's policies and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee, together with the Board, has reviewed the consolidated annual results of the Group for the year ended 31 March 2025.

SCOPE OF WORK OF THE COMPANY’ S AUDITOR IN RESPECT OF THIS ANNOUNCEMENT

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the announcement have been agreed by the Company’s auditor, HLB Hodgson Impey Cheng Limited (the “**Auditor**”), to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Auditor on this announcement.

EXTRACT OF THE INDEPENDENT AUDITORS’ REPORT

The following is an extract of the draft independent auditors’ report on the Company’s consolidated financial statements for the year ended 31 March 2025.

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the “Basis for Disclaimer of Opinion” section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and as to whether they have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

As disclosed in note 3 to the consolidated financial statements, the executive directors of the Company (the “**Existing Directors**”) were unable to locate: a) certain books and records and the corresponding supporting documents of certain subsidiaries, namely, the Eternal Grand Developments Limited and its subsidiaries (collectively referred to as the “**Eternal Grand Group**”) and Global Gourmet Catering Services Management Limited and its subsidiary (collectively referred to as the “**Global Gourmet Group**”) (the “**Lost Records**”) and b) certain supporting documents of the books of account of the Company (the “**Lost Supporting**”).

The Existing Directors advised that, as of the date of approval of these consolidated financial statements, despite their repetitive attempts to contact the previous directors, who were responsible to maintain proper books and records for the Group (the “**Previous Directors**”), the Existing Directors were unable to reach any of the Previous Directors to locate the Lost Records and the Lost Supporting. As a result, the Existing Directors were unable to provide complete and adequate accounting books and records and supporting documents for us to perform our audit in relation to the Company, Eternal Grand Group and Global Gourmet Group. We were therefore unable to obtain sufficient appropriate audit evidence to ascertain the following:

(i) **The potential impacts on the consolidated financial statements of the Group arising from the Lost Supporting**

a. The potential impacts of the Lost Supporting on the financial statements of the Company

We were unable to ascertain as to the occurrence, accuracy, completeness, cutoff, classification and presentation of the transactions of the Company have been presented in its statement of profit or loss and other comprehensive income and the valuation, existence and completeness of the related items have been presented in its statement of financial position in accordance with HKFRSs. Since the financial statements of the Company form part of the consolidated financial statements of the Group, the inability to perform sufficient audit procedures on the Lost Supporting results in the same limitation on our audit of the consolidated financial statements of the Group.

b. The potential impacts of the Lost Supporting on a business development consultancy agreement

As disclosed in Note 37, on 10 March 2025, the Company received a winding up petition filed by an independent third party (the “**Service Provider**”) against the Company, pursuant to a business development consultancy agreement entered into between the Company and the Service Provider with a contract amount of RMB9,400,000 during the year ended 31 March 2024 (the “**Consultancy Fee**”). The Existing Directors have appointed a legal counsel to handle the ongoing legal proceeding and seeking evidence for the services rendered by the Service Provider and the validity of the agreement and concluded that the Consultancy Fee should not be recognised in the consolidated financial statements for the years ended 31 March 2024 and 31 March 2025 of the Group.

However, due to the lack of sufficient appropriate audit evidence arising from the Lost Supporting to ascertain the nature and details of the Consultancy Fee, we were unable to carry out audit procedures necessary to obtain sufficient appropriate audit evidence to ascertain the occurrence, accuracy, completeness, cutoff, classification and presentation of the transactions on how and whether the Consultancy Fee should be recognised by the Group in accordance with HKFRSs.

c. The potential impacts of the Lost Supporting on debts claimed by petitioners

As disclosed in Note 36, the directors of the Company received a petition dated 27 October 2023 (the “**Petition**”) from certain creditors (the “**Petitioners**”) filed in the High Court of the Hong Kong Special Administrative Region, which claimed that the Company may be wound up by the High Court on the grounds that it was unable to pay its debts due to the Petitioners of HK\$13,604,000 (the “**Debts**”). A settlement was reached on 10 July 2024 between the Company and the Petitioners. Based on the result of the settlement, the directors of the Company recognised a litigation loss and provision of approximately HK\$13,804,000 (the “**Litigation**”), in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2024 and the consolidated statement of financial position as at 31 March 2024 of the Group, respectively.

Due to the unavailability of sufficient appropriate audit evidence to audit the financial information of the Company arising from the Lost Supporting, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the validity, commercial substance, legitimacy, occurrence, completeness, accuracy and classification of the Litigation. Our audit opinion on the consolidated financial statements for the year ended 31 March 2024 was modified accordingly. Our opinion on the current year’s financial statements is also modified because of the possible effect of this matter on the comparability of the current year’s figures and the corresponding figures.

(ii) The financial impact to the Group’s consolidated financial statements due to the Lost Records

As disclosed in Note 34, on 16 September 2024 and 28 August 2024 (the “**Disposal Dates**”), the Group disposed the Eternal Grand Group and the Global Gourmet Group to an independent third party respectively, which resulted in a gain on disposal of subsidiaries of approximately HK\$2,193,000 recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2025 (the “**Gain on Disposal**”).

Due to the unavailability of the books and records and sufficient appropriate audit evidence arising from the Lost Records to audit the financial information of the Eternal Grand Group and Global Gourmet Group as mentioned above, we were unable to carry out audit procedures and obtain sufficient appropriate audit evidence necessary to satisfy ourselves as to the completeness, existence and valuation of the carrying amounts of the assets and liabilities of the Eternal Grand Group and the Global Gourmet Group as at the Disposal Dates and the occurrence, accuracy, completeness, cutoff, classification and presentation of the transactions of the Eternal Grand Group and Global Gourmet Group for the period from 1 April 2024 to the Disposal Dates. Since the carrying amounts of the assets and liabilities of the Eternal Grand Group and the Global Gourmet Group affect the determination of the Gain on Disposal, we were also unable to determine whether adjustments to the Gain on Disposal might be necessary to be made in the consolidated profit or loss and other comprehensive income for the year ended 31 March 2025.

Any adjustments found to be required may have consequential significant effects on the elements in the consolidated financial statements for the year ended 31 March 2025 and the comparative figures for the preceding year and hence on the assets and liabilities of the Eternal Grand Group and the Global Gourmet Group as at the Disposal Dates and 31 March 2024 and the profit or loss and other comprehensive income of the Eternal Grand Group and the Global Gourmet Group for the years ended 31 March 2024 and 2025.

There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the matters as set out in items (i) and (ii) above. As a result of these matters, we were unable to determine whether any adjustments might have been found to be necessary in respect of the items as set out above, and the elements making up the consolidated profit or loss and other comprehensive income, the consolidated statement of financial position, and the related disclosures in the consolidated financial statements.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.welifetechnology.com). The annual report for the year ended 31 March 2025 will be dispatched to the shareholders of the Company and will be published on the respective websites of the Stock Exchange and the Company in compliance with the Listing Rules in due course.

CONTINUED SUSPENSION OF TRADING

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

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

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

Hong Kong, 27 May 2025

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