CAFÉ DE CORAL HOLDINGS LIMITED
大家樂集團有限公司*

(Incorporated in Bermuda with limited liability)
Website: www.cafedecoral.com
(Stock Code: 341)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2025

HIGHLIGHTS

- **The Group's revenue for the year decreased by 1.4% to HK$8,568.3 million. Profit attributable to shareholders declined by 29.6% to HK$232.7 million. Excluding the fair value loss of investment properties, profit attributable to shareholders declined by 25.2%.**
- **The restaurant sector in Hong Kong and Mainland China faced a severe downturn during the year, marked by a weak economy and consumer sentiment. The adverse market conditions were compounded by outbound spending behaviour of Hong Kong residents and fierce price competition in the Mainland China market, which impacted the Group's results for the year, especially during the traditional peak seasons around festive periods and long holidays in the second half of the year.**
- **Navigating the headwinds, the Group focused on value offers, menu mix adjustment, hero product promotions, as well as membership loyalty strategies to create sales demand. Digitalisation and automation were prioritised to enhance customer experience, uplift manpower productivity and boost work efficiency, whilst optimising cost controls to protect profit.**
- **The Group's business in Mainland China demonstrated its resilience during this difficult period by maintaining stable profit margins and steady expansion of its network in the Greater Bay Area.**
- **Market conditions have experienced a fundamental shift and evolved into a new norm. The Group is enhancing its business models to adapt to fast changing consumer behaviours and fluctuating demand. We will continue to optimise our store network and consolidate our multi-brand portfolio to thrive in the new operating environment.**
- **A final dividend of HK25 cents per share is recommended (FY2023/24: HK42 cents), with a total dividend payout ratio of 99.7% for the year.**

* *For identification purposes only*

CHAIRMAN'S MESSAGE

The year under review was marked by continued economic volatility. Globally, geopolitical uncertainties continued to weigh on markets and international trade flows. These macroeconomic concerns in turn affected the regional economy, resulting in tighter budgets and more cautious consumers.

Locally, Hong Kong found itself in a state of transition as it fine-tunes its role in the global and regional economy, with changes in local consumption patterns and labour demographics. Although it may take some time to reach a new equilibrium, I am confident that the Group's management team has embraced the current situation, and has taken swift action to reposition our operations and business models for continued success.

Despite the challenges of the past year, I am pleased to report that the Group delivered revenue of HK$8,568.3 million and profit attributable to shareholders of HK$232.7 million for the year ended 31 March 2025.

Although performance was affected during the year under review, I remain confident in the Group's prospects for many reasons. Even in this uncertain global environment, our business in China has continued to grow and expand. At the same time, the diversity of our business has shielded us from many of the challenges faced by our competitors. Positive results from our Institutional Catering business, for example, made steady contributions to our bottom line; while the deep-rooted community relationships we have built over five decades continue to deliver returns in customer loyalty and goodwill.

TRANSFORMING FOR THE FUTURE

The uncertainty we have witnessed over the past year is a sign of a longer-term transformation in markets worldwide, as geopolitical forces settle into a new dynamic. These changes are not just temporary, but evidence of a longer-term, fundamental shift in the global, regional and local economy.

Although the Group's business was impacted during the year under review, our management team has accepted and embraced the current economic challenges, and is adapting the business to thrive in the new environment through constant self-improvement, accelerating the Group's transformation in line with our long-term philosophy of "keeping pace with the times".

Putting these values into practice through forward thinking and pre-emptive planning, we are updating our restaurant portfolio, recruiting fresh talent, and adopting new technology to transform the business for the future. The strength and value of the Café de Coral brand bridges both Hong Kong and the Greater Bay Area (GBA), and we will continue to grow together with the community – well positioned in one of the world's most dynamic economic regions.

Our commitment to fundamentals and integration of our Hong Kong and GBA operations is paying off – paving the way for the Group to become one of the largest catering groups in the region. After opening a record number of new stores in the GBA last year, we continued to expand and upgrade our network in Mainland China – experimenting with new store formats and layouts to maximise efficiency. Today, our network spans over 500 stores in Hong Kong, Macau and 9 key cities in Mainland China, supported by a staunchly engaged customer base and about 2 million registered Club 100 members in Hong Kong, plus over 6.6 million registered loyalty club members in Mainland China.

INVESTING IN OUR COMMUNITY

The Group's ability to thrive and grow in challenging times comes in no small part thanks to our deep-rooted relationships with the community – which has been one of our key strengths since we opened our first shop in 1969. Since then, Café de Coral's reputation as "the neighbourhood canteen" has been a source of pride and strength – and also a tangible business asset – as we have grown together with our local communities. Amongst our customers, we are known for serving local favourites and comfort food with a heartfelt smile, while delivering exceptional value to people from all walks of life.

Let me share a story that illustrates this bond. In January 2025, we closed our first shop in Foshan to move to a newer, more accessible location. Opened in 1993, this store had become a beloved fixture of the community, serving generations of families for over 30 years. As a thank you to our staff and customers for their long-term support, we held a commemorative closing ceremony at the old location, which rekindled deep emotional connections to our brand. Countless customers turned to social media to share their warm sentiments and fond memories at Café de Coral; and the event drew viral media attention – generating over 10 million exposures in local and national news outlets, including official channels such as Xinhua News Agency and China News Service. Although time marches on and shops come and go, the Group's deep emotional ties with our customers and communities are assets that span generations.

Recognising that our business and our community must grow together, we have made a point of giving back to our society – and lending a helping hand to our neighbours in their times of need. To this end, our "Bon Appetit Café" food assistance programme has provided over 700,000 meals to beneficiaries and carers in Hong Kong, understanding that a warm meal and a caring heart can make a world of difference in difficult times. This year, we worked with our newly launched soft gourmet brand "Taste Joy" to create nutritious, flavourful meals for those with special dietary needs and swallowing difficulties.

Believing that "charity begins at home," we remain committed to taking care of our people with the same compassion and generosity we extend to our family. In a recent interview aired on Phoenix Hong Kong Channel, I shared a story of how my father, the Group's Founder, set up the "Lo Tang Seong Educational Foundation" in 1997 to help our employees' children achieve their dreams of attending university. In the programme's first year, only 4 students qualified for the scholarship. This year, I am delighted to report that we granted scholarships to 209 young pupils; and to date, we have awarded over HK$40 million to more than 1,000 of our employees' children – providing brighter futures to the families that have helped our business grow over the years.

ACKNOWLEDGEMENTS

I must sincerely thank our management and staff for their hard work and perseverance during these challenging times. And as always, I would like to express my gratitude to our Board of Directors, investors, business partners and customers for their continued support.

With our new CEO and management team in place, commitment to continuous self-improvement, and our strong brand reputation in one of the world's fastest-growing markets, I hold full confidence in the Group's long-term prospects and future success.

Lo Hoi Kwong, Sunny
Chairman

Hong Kong, 16 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION AND HIGHLIGHTS

The Group's revenue for the year ended 31 March 2025 decreased by 1.4% to HK$8,568.3 million (FY2023/24: HK$8,691.4 million). Profit attributable to shareholders amounted to HK$232.7 million, a 29.6% decline as compared to that of HK$330.5 million for the year ended 31 March 2024. Excluding the fair value loss of investment properties, the Group recorded a 25.2% decline in profit attributable to shareholders for the year under review.

The restaurant sector in Hong Kong and Mainland China faced a severe downturn during the year under review, marked by depressed economic conditions and weak consumer sentiment in both regions. The adverse market conditions were compounded by outbound spending behaviour of Hong Kong residents and fierce price competition in the Mainland China market. These effects impacted the Group's revenue and profit for the year, especially during the festive Christmas and Lunar New Year periods in the second half of the year, which were traditionally the peak season for the Group's Quick Service Restaurant and Casual Dining businesses.

Taking swift action, the Group reinforced measures to strengthen robustness across its operations, focusing on value offers, menu mix adjustments and hero product promotions, as well as membership loyalty strategies to create demand and drive sales. Digitalisation and automation remained our key strategies to enhance customer experience, uplift manpower productivity and boost work efficiency, whilst optimising cost controls to protect profit.

The Group's Institutional Catering business returned to normal operating conditions with steady profit during the year under review, an example of the competitive edge provided by our diverse business portfolio amidst an unstable economy.

The Group's business in Mainland China demonstrated its resilience during this difficult period by emphasising value-for-money and promotional offers. The business outperformed the general market with stable profit margins and steady expansion of our shop network in the Greater Bay Area (GBA), which is expected to drive continued, sustainable growth in the coming years.

Changes in the market conditions of Hong Kong's and Mainland China's restaurant sectors are evidence of a fundamental shift into a new normal. Proactively addressing this situation, the Group is reinventing and adjusting its business models for the new operating environment, focusing on efficiency, flexibility and agility to quickly adapt to fast changing consumer behaviours and fluctuating demand. The Group will also continue to consolidate its multi-brand portfolio, as well as optimise its store network by exploring new shop formats and opportunities in high-potential locations while consolidating underperforming shops.

Through integration of our well-established business platforms in Hong Kong and across the GBA, as well as the broad diversity of our business portfolio which caters to a wide range of customers and needs, we are confident in our ability to weather the current storm and thrive as the market continues to evolve.

Having grown together with our customers for generations, the Group has developed deep, caring relationships with the communities in which we operate. Addressing aging demographics in Hong Kong, the Group introduced specially-crafted softer-consistency meals branded "Taste Joy" (食得樂輕嚥料理) during the year, helping individuals with chewing and swallowing difficulties to rediscover the joy of eating. We are the first fast food chain to serve soft consistency food at our dine-in restaurants, offering classic Hong Kong flavours such as "Soy Sauce Chicken" and "Peking Style Pork Ribs" that meet IDDSI (International Dysphagia Diet Standardisation Initiative) Levels 4 and 6 catering to elderly diners.

Against the backdrop of a challenging market, the Group continued to earn recognition from the industry and the wider business community. We were named a "Diamond Enterprise" in GS1 Hong Kong's Quality Food Scheme Plus 2024, and recognised by the Hong Kong Institute of Marketing as one of the "55 Years Golden Jubilee Hong Kong Power Brands 2023/2024". The Group was named a "2024 Quality Service Retailer of the Year" by the Hong Kong Retail Management Association, and was also recognised at the Standard Chartered Corporate Achievement Awards. Our efforts in ESG (Environmental, Social and Governance) were acknowledged at the ESG Commendation Awards hosted by Sing Tao News Corporation and The Hong Kong Polytechnic University. And in Mainland China, we were named one of "Hurun China Top 100 Restaurant Brands 2024" by Hurun, as well as one of "Guangdong's Time-honoured Brands" by the Department of Commerce of Guangdong Province.

RESULTS OVERVIEW

Revenue

For the year ended 31 March 2025, the Group recorded revenue of HK$8,568.3 million, a 1.4% decrease as compared to HK$8,691.4 million in FY2023/24. Revenue by business division is set out below:

	FY2024/25	FY2023/24	**Change**
	HK$'m	*HK$'m*	**%**
Hong Kong			
Quick Service Restaurants	**5,121.3**	5,138.1	**(0.3)**
Casual Dining	**823.2**	879.2	**(6.4)**
Institutional Catering	**999.6**	1,019.6	**(2.0)**
Others*	**129.0**	139.2	**(7.4)**
Subtotal	**7,073.1**	7,176.1	**(1.4)**
Mainland China	**1,495.2**	1,515.3	**(1.3)**
Group	**8,568.3**	8,691.4	**(1.4)**

** Mainly represents income from food processing and distribution and rental income*

Gross Profit Margin

Gross profit margin decreased to 10.4% during the year (FY2023/24: 11.4%), primarily due to the decline in sales amidst the weak economy and consumer sentiment, compounded by outbound spending behavior of Hong Kong residents and fierce price competition in Mainland China.

Administrative Expenses
Administrative expenses decreased by 1.7% to HK$494.5 million (FY2023/24: HK$503.2 million).

Key Costs
The breakdown of major expenses is set out below:

	FY2024/25		FY2023/24	
	HK$'m	***% of revenue***	*HK$'m*	*% of revenue*
Cost of raw materials and packing	**2,329.0**	**27.2**	2,384.6	27.4
Staff cost	**2,946.1**	**34.4**	2,914.7	33.5
Rental costs*	**988.5**	**11.5**	959.3	11.0

** Includes rental related depreciation in right-of-use assets, finance cost of lease liabilities, rental costs of short-term lease and low-value leases, as well as turnover rent and gain on modification and termination of leases*

Other Income and Other Losses, Net
Other income and other losses, net increased by HK$40.0 million, mainly due to the increase in impairment loss of right-of-use assets and property, plant and equipment totalling HK$25.5 million and increase in fair value loss on investment properties by HK$6.3 million.

Income Tax Expense
Income tax expense decreased by 42.6% to HK$32.3 million (FY2023/24: HK$56.3 million).

Profit Attributable to Equity Holders
The Group's profit attributable to equity holders decreased by 29.6% to HK$232.7 million for the year ended 31 March 2025 (FY2023/24: HK$330.5 million), primarily due to a severe downturn in the restaurant business and weak consumer sentiment in both Hong Kong and Mainland China.

	FY2024/25	FY2023/24	**Change**
	HK$'m	*HK$'m*	***%***
Profit Attributable to Equity Holders	**232.7**	330.5	**(29.6)**
If excluding:			
Fair value loss on investment properties	**38.2**	31.9	
	270.9	362.4	**(25.2)**

Segment Results
Hong Kong segment results decreased by 15.2% to HK$525.1 million in FY2024/25 (FY2023/24: HK$618.9 million) and Mainland China segment results decreased 9.4% to HK$162.6 million (FY2023/24: HK$179.4 million) during the year.

Basic Earnings Per Share
The Group's basic earnings per share decreased by 28.1% to HK41 cents for the year ended 31 March 2025 (FY2023/24: HK57 cents).

Dividend

The Board has recommended the payment of a final dividend of HK25 cents per share to shareholders for the year ended 31 March 2025 (FY2023/24: HK42 cents). Together with the interim dividend of HK15 cents per share paid during the year, the dividend payout ratio for the year is 99.7%.

BUSINESS REVIEW

As of 31 March 2025, the Group had a network of 381 stores in Hong Kong (31 March 2024: 380) and 185 stores in Mainland China (31 March 2024: 171).

Hong Kong Retail Operations

Quick Service Restaurants (QSR)

Revenue from the QSR division decreased by 0.3% to HK$5,121.3 million during FY2024/25 (FY2023/24: HK$5,138.1 million). **Café de Coral** fast food and **Super Super Congee & Noodles** recorded same store sales decline of 3% and 2%, respectively. The business operated 224 total shops at 31 March 2025 (31 March 2024: 219).

As mentioned in the Group's interim results announcement, the unexpectedly slow economy in Q1 initially caught the business off guard. Taking swift measures to address the situation, the QSR business launched super value meals, brand-building campaigns, and above-the-line advertising campaigns.

Café de Coral fast food gained popularity and patrons from price-sensitive customer segments with our value-focused "天天超值慳 Gi 選" campaign. The business adopted a value strategy to drive additional breakfast and lunch traffic, and strengthened its branding in baked rice with a campaign highlighting new dishes such as Japanese-style baked chicken and eel rice (日式焗鰻魚雞扒飯), appealing to local tastes with high-perceived-value surf and turf (大魚大肉) offerings. Strengthening the value proposition at dinner time, we launched high value takeaway dishes including our HK$30 BBQ pork promotion and HK$99 two-person winter melon combo meals. These initiatives invigorated demand, and mitigated economic challenges in Q2.

However, the external environment worsened in the second half of the financial year – and especially during the traditional peak festive (Christmas and Chinese New Year) season with long holidays in Q3 and Q4 – as outbound spending and outbound tourism continued to batter Hong Kong's economy. The Group's QSR business model, with its emphasis on volume and scale, was deeply impacted by this trend – which particularly affected stores in northern districts.

Navigating the headwinds, the Group focused on value offers, menu mix adjustments, hero product promotions, as well as membership loyalty strategies to drive sales and create demand.

Providing exceptional value-for-money, **Café de Coral** fast food launched a curry soft shell crab promotion in Q3 to drive lunch and dinner sales. As the only fast food restaurant offering this premium ingredient, the promotion created market noise and consumer demand, which uplifted sales in the challenging second half of the year.

Leveraging our 2 million-strong loyalty club membership base to drive sales, we launched a Club 100 coupon promotion in Q3, aimed at maximising visitor frequency and per-visit spending. Catering to the vibrant silver economy, we launched a new membership segment – senior Club 100 membership – for JoyYou card holders. Focused promotions including HK$1 milk tea and HK$28 tea sets, as well as a special collaboration with the JoyYou festival, helped to boost significant growth in the senior Club 100 membership segment. From Q4 onwards, we introduced targeted promotions utilising our Customer Data Platform to further drive sales with tailored offers.

The Group also enhanced the online-to-offline customer journey by leveraging our eatCDC.com platform to drive online sales with special offers and cash coupons. Further efforts in digitalisation and automation have fuelled the continued rollout of ordering kiosks in shops, as well as revamped mobile ordering and a new e-wallet functionality in the Club 100 app.

We have continued efforts to enhance manpower productivity and operational efficiency, and to streamline and simplify inter-departmental processes and communications through digitalisation and automation. The Group will continue to balance cost lines while driving sales to protect margins. We have been aggressively negotiating with landlords to secure favourable shop lease renewal terms, and are focusing on revamping our business model to optimise our store portfolio in terms of store size, rental costs, sales and profit – as well as consolidating underperforming stores.

In recognition of our efforts, **Café de Coral** fast food won the "Best CRM Campaign" and "Best Video Campaign" awards, and was named a Top 10 Finalist in the O+O Retail category at the "Digital Ex Awards 2024" held by Metro Finance FM104. We also won a "Digital Brand Award 2024" from Metro INFO Live, a "Best Engagement Strategy" award at the Spark Awards 2025, as well as an "Excellence in Viral Marketing" award from MARKETING-INTERACTIVE. **Café de Coral** fast food's Cityplaza outlet also received a "Three Leaf Rating" from Swire Properties' Green Leaf Initiative.

Super Super Congee & Noodles was also affected by the unfavourable market conditions during the year. To drive foot traffic, the business adjusted its product mix, promoting value-for-money products such as Hainan chicken and claypot rice. Focusing on core menu items throughout the year, we enhanced the congee category mix to drive margin growth and also featured hero products with premium ingredients through initiatives such as a successful claypot rice promotion in the winter months. The "Claypot Rice with Abalone Thousand-Person Challenge" event held during the year received a World Record Certificate from the World Record Association. At the same time, seasonal and festive lines were upgraded, and more online platforms were developed to drive additional sales.

To rejuvenate the brand, **Super Super Congee & Noodles** expanded into new districts, launching new strategies and communications to drive brand awareness and refresh brand vitality to attract more customers in younger age groups. Customers were effectively engaged through various in-store activities including a chicken mascot tour, wonton lucky draw campaign, claypot rice man performances, red packet premiums and other events.

Café de Coral fast food opened 4 new stores during the year, ending the year with 174 stores (31 March 2024: 172). **Super Super Congee & Noodles** opened 6 new stores, operating 50 stores at the end of the financial year (31 March 2024: 47). At present, 5 new QSR shops are in the pipeline.

Casual Dining

The Casual Dining business was particularly impacted by the adverse economy and outbound spending shift, as consumers became more price sensitive. Revenue decreased by 6.4% during the year to HK$823.2 million (FY2023/24: HK$879.2 million).

The business focused efforts on brand building campaigns and dedicated itself to creating better value for customers by offering creative products and services. More emphasis has been put on margin improvement across all brands through reengineering menus, improving menu offerings, streamlining workflow and enhancing productivity.

Oliver's Super Sandwiches collaborated with nutrition consultant/chef/health influencer Hilda Leung to introduce a healthy, low-carb "EAT to FIT" menu. This promotion enhanced the brand's healthy image and brought new customers to the brand, drawing positive responses from in-store customers and on social media. During the year, we continued this collaboration to introduce low-carb Winter and Spring menus, leveraging a comprehensive below-the-line marketing strategy, social media and CRM marketing push to attract new customers and drive repeat purchases.

Shanghai Lao Lao continued efforts to introduce a diverse range of seasonal menus featuring themed products throughout the year – showcasing the brand's craftsmanship while focusing on customer satisfaction. The brand also partnered with different food-delivery platforms (e.g. FoodPanda) to drive sales, and embarked on a multi-channel advertising campaign leveraging street posters, tram shelters, MTR digital posters, television commercials and in-app push notifications to enhance its presence in the competitive food delivery sector.

The business will cautiously continue to develop promising brands, while consolidating underperforming brands. The Casual Dining division operated 57 shops at the end of the financial year (31 March 2024: 62). **Mixian Sense** opened 2 new shops, and together with **Shanghai Lao Lao** the two brands operated 18 and 12 stores, respectively, as of 31 March 2025 (31 March 2024: 18 and 12, respectively). **The Spaghetti House** operated 6 shops at the end of the year (31 March 2024: 7), while **Oliver's Super Sandwiches** operated 18 stores at the financial year end (31 March 2024: 20).

Institutional Catering

The Institutional Catering business saw a return to normal operating conditions with stable performance during the year under review, leveraging its market leadership position as a preferred strategic partner to build scale. Revenue decreased by 2.0% to HK$999.6 million (FY2023/24: HK$1,019.6 million).

Asia Pacific Catering successfully renewed major contracts, while applying a strategic renewal process to rationalise underperforming branches. It also continued to extend its business in the educational and hospital sectors, introducing new products to drive customer traffic and repeat visits. The business will continue to explore new opportunities to improve its revenue base and margin performance. **Asia Pacific Catering** ended the year with 100 operating units (31 March 2024: 99).

Offering new menus with a greater variety of premium ingredients, **Luncheon Star** improved contract renewals during the year under review. In addition to maintaining its core student meal operations, it is actively exploring new business opportunities aimed at parents, teachers and other customers with special dietary requirements.

Mainland China Operations

Revenue from Mainland China operations decreased by 1.3% to HK$1,495.2 million (FY2023/24: HK$1,515.3 million). Revenue from the South China fast food business slightly increased by 0.4% to RMB1,357.9 million, with same store sales decline of 8%.

The economy in Mainland China remained sluggish with subdued consumer sentiment. The catering sector in particular was marked by fierce competition, including aggressive price-cutting tactics. Working proactively to address the situation, the Group leveraged its strong brand positioning, focusing on essential daily needs and deep-rooted connections with local communities to fine-tune its business models. As a result, the Group's Mainland China business outperformed the market, maintaining healthy profit margins and steady network expansion in the GBA.

The business continued to focus on prudent expansion and optimisation of our store network. During the year, we opened 21 new stores – focusing on expansion into untapped trade areas, as well as adjusting store formats and business models to enhance market penetration. As of 31 March 2025, the Group operated 185 stores in Mainland China (31 March 2024: 171), with 16 new stores in the pipeline.

Investing in product innovation to drive sales, the Group launched various new product lines throughout the year, including its highly popular Unagi (eel) Rice – and enhanced hero products such as its "Signature Baked Rice" and "Signature Curry" series, which significantly enhanced customer appeal and the brand's innovative image. To reinforce our value-for-money proposition, we implemented a series of strategies such as maintaining consistent, value-oriented prices, offering discounted upgrades within set meals, and providing premium ingredients at affordable prices. We also introduced new value-focused lines, including "Happy Work Meals" and "Low-Carb Balanced Meals". Together, these initiatives effectively attracted new and price-sensitive customers, broadened the price spectrum of our offerings, and enhanced the breadth and appeal of our menu portfolio.

The Group's successful "Good Morning, Café de Coral「一早大家樂」" campaign promoted nutritious, health-oriented meals to effectively spur growth of the breakfast segment. In addition, Kids' meals, launched in partnership with internationally-loved characters such as Ultraman and Peppa Pig, continued to strengthen the brand's presence and reputation in the family dining segment.

Our strategic focus and digital transformation continued to drive sales, enhance efficiency and improve productivity. Launched in 2022, our Mainland China membership programme has over 6.6 million registered members today, and contributes a significant amount of revenue from an active membership base. Combined with other omni-channel membership programmes (including UnionPay, Dianping and Douyin), we have amassed over 9.8 million followers – enabling the Group to employ sustained marketing programmes that directly target our customers.

The “Enjoy Happiness at Café de Coral「美味・樂聚就係要大家樂！」” campaign continued to reinforce the Group’s brand positioning in Mainland China. The campaign achieved over 300 million exposures on Douyin over the past two years, marking a major milestone in brand visibility and influence. This year, we launched adult-targeted strategic collaborations with popular characters including Transformers and Doraemon, which helped to rejuvenate the brand and deepen penetration into the youth and family customer segments. In recognition of our efforts, the Group’s “Transformers x Signature Baked Rice” campaign won a “Gold Award for Brand Innovation” at the “2024 Golden Glad Awards”.

Leveraging collaborations with popular athletes and artists, the Group partnered with Olympic gymnastics champion Liu Xuan to launch the “Be the Champion of your Own Life「做自己生活的冠軍」” brand campaign, which won a Bronze Award at the 8th “DMAA International Digital Marketing Awards”. A strategic partnership campaign with Hong Kong pop group Twins to promote our Signature Curry range delivered significant growth. The campaign also won a Bronze award at the “TBI Outstanding Brand Innovation Awards”.

Other industry recognition included being named as one of the “Top 100 Guangdong Catering Companies 2023” and “Top 20 Brands of Fast Food Chain 2023” by the Guangdong Catering Service Association, as well as one of the “Top 100 Brands of Guangdong Chain Operation 2023” by the Guangdong Chain Operation Association. The Group was named one of the “Top 100 Catering Companies in China” by the China Cuisine Association, and also received a “2024 Golden Flag Award”.

FINANCIAL REVIEW

Financial Position

The Group’s financial position remained healthy during the year under review. As of 31 March 2025, the Group had cash of approximately HK$1,054 million, with HK$813 million in available banking facilities. The Group’s current ratio as of the same date was 0.8 (31 March 2024: 0.9) and the cash ratio was 0.6 (31 March 2024: 0.7). The Group had borrowings of HK$305 million (31 March 2024: HK$385 million) and a gearing ratio of nil (ratio of total borrowing less cash and cash equivalents to total equity) (31 March 2024: nil).

Capital Expenditure and Commitment

During the year under review, the Group’s capital expenditure (excluding right-of-use assets) was HK$294 million (FY2023/24: HK$318 million). As at 31 March 2025, the Group’s outstanding capital commitments were HK$395 million (31 March 2024: HK$516 million).

Contingent Liabilities

As of 31 March 2025, the Company provided guarantees of approximately HK$1,281 million (31 March 2024: HK$1,920 million) to financial institutions in connection with banking facilities granted to its subsidiaries. The Group had no charge on assets as of 31 March 2025 (31 March 2024: nil).

Financial Risk Management

With regard to foreign exchange fluctuations, the Group earned revenue and incurred costs and expenses mainly denominated in Hong Kong Dollars, while those of our Mainland China businesses were in Renminbi. Foreign currency exposure did not pose a significant risk for the Group, but we will remain vigilant and closely monitor our exposure to movements in relevant currencies.

HUMAN RESOURCES

As of 31 March 2025, the Group had a workforce of 18,970 employees (31 March 2024: 19,569).

Committed to its core value of People-Oriented focus, the Group consistently drives ongoing communication to foster an open and inclusive workplace. Following the successful leadership transition of our CEO, internal communication activities were held across the organisation from April 2024 to ensure consistent delivery of the new CEO's messages and boost engagement. This included a series of 12 interactive engagement sessions, such as a townhall, CEO breakfast meeting, one-on-one sessions with the CEO, and a China immersion tour – attended by 800 staff from Hong Kong and Mainland China, covering regional and branch management across all business segments.

We focus on succession planning with a well-established, systematic selection and promotion mechanism, along with tailored development programmes supporting leadership and strategic growth. Extensive training is provided to staff to cultivate future leaders, enhance workforce competitiveness and to differentiate the Group as an employer of choice. Qualifications Framework accredited training on shift and store management is provided to potential branch managers; while tailored mindset and management training – such as project management and collaboration, Luncheon Star Culture Day, and our 100-Day project on quality and service for Casual Dining teams – is provided to regional and branch managers. Training on important topics including AI transformation, anti-deception, IT security, anti-bribery and corruption are offered to appropriate staff to boost awareness and knowledge.

The Group reviews internal equity and market benchmarking on pay level regularly. Remuneration at all staff levels is based on individual experience, qualifications, duties and responsibilities. Qualified employees are entitled to participate in profit-sharing bonus and performance incentive plans, and Long-Term Incentive schemes to reward staff for their contributions and achievements.

A journey of process improvement and technology adaptation is continuously improving organisational efficiency and staff work experience. Internal processes are challenged and streamlined, while workflows have been digitalised, especially between branches and head office. Meanwhile, smart office and HR systems are continuously being upgraded and improved.

Our staff fun club, powered by volunteer members across different levels from all business units and departments, continues to organise leisure activities, wellness workshops and lively social events – all designed to enhance engagement and nurture the well-being of our staff members.

The Group is committed to supporting the development of employees' families through the "Lo Tang Seong Educational Foundation", which has provided scholarships to nearly 1,000 employees' children over 26 years, awarding over HK$40 million in total. This year alone, over 200 children received support from the Foundation, demonstrating our commitment to fostering educational opportunities and empowering the next generation.

Acknowledging the contributions of our long-serving employees, we present "Give Me Five" Long Service Awards to employees who have completed five or more years of service. This year, over 1,530 employees across Hong Kong and Mainland China received this award, with over 370 having served for 15 years or more. This year, five employees were honoured for providing 40 years of service.

Faced with structural shrinkage of the labour force in Hong Kong, the Group has continued to focus on resourcing, with effective mechanisms to support recruitment such as promotions at job fairs, forming partnerships with NGOs and internally promoting staff referrals through our bonus scheme. To facilitate early talent acquisition, the Group has also collaborated with tertiary institutions to organise summer internships and student placement programmes.

The Group has been recognised with a number of awards for our efforts to build a positive, safe and diverse workplace that fosters personal and professional growth. 2024/25 marked the sixth year we received a “Happy Company Label” from the Promoting Happiness Index Foundation and the Chinese Manufacturers’ Association of Hong Kong, the fourth year we were recognised at the “Best HR Awards 2024” organised by CTgoodjobs – with a Gold award for “Best Diversity, Equity & Inclusion Strategy” and a Grand award for “Best Employee Health & Safety Programme”; and the “Employer of Choice Award 2024” organised by JobMarket. We were also awarded the “Good Employer Charter 2024” by the Labour Department of the Hong Kong SAR Government.

SUSTAINABILITY

The Group remains strongly committed to ESG (Environmental, Social and Governance) initiatives as a core component of our strategy and operations. We have been a constituent of the Hang Seng Corporate Sustainability Benchmark Index for ten consecutive years with an “AA” rating. During the year under review, the Group received the “Outstanding ESG Corporate Award” from HK01, was recognised for the “Best ESG Report” at the TVB ESG Awards, and was also honoured at the “ESG Green Development & Carbon Neutrality Awards 2024” organised by am730.

Now in its third year, the Group’s “Bon Appetit Café” CSR programme has expanded its scope and mission. Collaborating with the Group’s newly-launched “Taste Joy” soft gourmet brand, the programme has extended support to include individuals with chewing and swallowing difficulties. “Taste Joy” provides nutritious and flavourful gourmet meals with a softer consistency, professionally crafted to meet IDDSI (International Dysphagia Diet Standardisation Initiative) Level 4 and Level 6 standards, as well as Guideline of Care Food Standards promoted by The Hong Kong Council of Social Service. During the year, “Bon Appetit Café” distributed soft gourmet meal coupons to reach more people in need, continuing our commitment to community care.

To celebrate the Lunar New Year with the community, we partnered with the Hong Kong Society for the Aged (SAGE) to host a “Chinese New Year Poon Choi Fest” at one of our **Café de Coral** fast food restaurants in Tsuen Wan. Virtually connecting SAGE’s 23 service units – including nursing homes, day care centres, elderly centres and integrated home care services – we brought together 1,600 seniors and caregivers for a Lunar New Year celebration, treating them to a newly launched soft Poon Choi meal created by Taste Joy.

In Mainland China, the Group partnered with community welfare organisations to launch a food assistance programme, inviting underprivileged children and their families to enjoy meals at Café de Coral, as well as complimentary kids’ meal toys. This was commended as a “List of CSR World Innovation 2024「2024 年 CSR 環球創新榜優秀案例」” by CSRWorld.

During the year under review, the Group extended its climate risk management efforts by collecting Scope 3 greenhouse gas emissions data, enabling us to better understand our contributions to decarbonisation. We also hosted Sustainability Training Workshops for our Board of Directors and management teams in Hong Kong and China to foster our culture of sustainability, enrich knowledge on the latest ESG trends, update our materiality matrix and plan for future initiatives.

Full details of our sustainability programmes can be found in the Group's Sustainability Report 2024/25.

OUTLOOK

The global and regional economies are expected to remain volatile, and changing market conditions in the regions where we operate warrant the need for transformation to adapt and thrive in tomorrow's economy.

Hong Kong's economy is shifting to a new norm, experiencing structural changes as it continues to integrate with the GBA. Acknowledging that sales volumes will be more volatile in the coming future, the Group is re-rigging its operations with more flexible business models better suited to managing fluctuating demand. Greater emphasis will be placed on driving consumer demand and optimising our store network, while consolidating the strength of the Group's multi-brand portfolio.

Putting customer experience first, we will continue to focus on providing exceptional value while committing our highest priority to food quality and service, driving hero products, and enhancing digital interfaces to appeal to consumers from all walks of life. We will continue to engage and attract new target segments with menu creation into new categories, and exciting, value-focused promotions – while reaching out to our strong base of loyalty club members for their continued support. Priority will also be given to optimising the Group's network portfolio in terms of store sizes and locations, while consolidating underperforming shops.

While focusing on the basic fundamentals of food quality, service and cleanliness, the Group is also maintaining its ongoing efforts to control costs, enhance manpower productivity and introduce new technology and automation. At the same time, continuous initiatives to digitalise our operations and internal processes will reap further gains in efficiency, helping to protect margins in the new market environment.

Fierce competition in the restaurant sector continues to impact the Mainland China market, which has also been affected by global economic turbulence and uncertainty. However, with the Group's focus on providing high-value basic necessities, as well as our focus on building community relationships and disciplined network expansion, we are confident in moving forward based on these established, proven strategies for success. Further opportunities lie ahead in the form of shared food factories and combined strategic sourcing for our Hong Kong and Mainland China operations, and the Group expects to derive additional benefits as our operations continue to grow in the GBA.

While the operating environment is transforming into a new normal, the Group is confident in leveraging its market leadership position and reputation for value in a market for daily essential needs. With the breadth and diversity of the Group's business portfolio across the GBA, as well as our continuous focus on constant improvement, we remain positive in our ability to adapt the business to not only survive – but thrive – as the market settles into its new economic rhythm.

RESULTS

The audited consolidated results of Café de Coral Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 March 2025, together with comparative figures for the previous year, are as follows:

CONSOLIDATED INCOME STATEMENT
- BY FUNCTION OF EXPENSE
FOR THE YEAR ENDED 31 MARCH 2025

	Note	**2025** ***HK$'000***	2024 *HK$'000*
Revenue	*6*	**8,568,317**	8,691,449
Cost of sales	*8*	**(7,675,662)**	(7,702,163)
Gross profit		**892,655**	989,286
Other income and other (losses)/gains, net	*7*	**(73,276)**	(33,257)
Administrative expenses	*8*	**(494,493)**	(503,213)
Operating profit		**324,886**	452,816
Finance income	*9*	**46,652**	45,304
Finance costs	*9*	**(104,115)**	(108,592)
Profit before income tax		**267,423**	389,528
Income tax expense	*10*	**(32,312)**	(56,313)
Profit for the year		**235,111**	333,215
Profit attributable to:			
Equity holders of the Company		**232,744**	330,454
Non-controlling interests		**2,367**	2,761
		235,111	333,215
		HK$	*HK$*
Earnings per share for profit attributable to the equity holders of the Company			
Basic	*11(a)*	**0.41**	0.57
Diluted	*11(b)*	**0.40**	0.57
		HK$'000	*HK$'000*
Dividends	*12*	**232,002**	333,852

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	2025 *HK$'000*	2024 *HK$'000*
Profit for the year	**235,111**	333,215
Other comprehensive loss:		
Items that may be reclassified to profit or loss:		
Exchange differences arising from translation of foreign subsidiaries	**(5,690)**	(22,223)
Items that will not be reclassified to profit or loss:		
Revaluation surplus of property, plant and equipment and right-of-use assets prior to transferring to investment properties	**-**	35,971
Remeasurement of retirement benefit liabilities and provision for long service payments	**8,901**	(2,509)
Fair value loss on financial assets at fair value through other comprehensive income	**(35,720)**	(12,247)
Total comprehensive income for the year	**202,602**	332,207
Total comprehensive income for the year attributable to:		
– Equity holders of the Company	**200,235**	329,446
– Non-controlling interests	**2,367**	2,761
	202,602	332,207

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	As at 31 March 2025 HK$'000	As at 31 March 2024 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**1,464,996**	1,552,675
Right-of-use assets		**2,159,044**	2,366,096
Investment properties		**402,100**	440,300
Intangible assets		**1,104**	1,116
Deferred income tax assets		**99,021**	66,214
Financial assets at fair value through other comprehensive income		**38,787**	74,499
Retirement benefit assets		**7,293**	4,208
Non-current prepayments and deposits		**307,271**	301,550
		4,479,616	4,806,658
Current assets			
Inventories		**220,637**	230,288
Trade and other receivables	*13*	**124,515**	152,510
Prepayments and deposits	*13*	**84,648**	62,808
Current income tax recoverable		**17,181**	712
Cash and cash equivalents		**1,053,633**	1,260,948
		1,500,614	1,707,266
Total assets		**5,980,230**	6,513,924
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**58,000**	58,570
Share premium		**575,643**	621,122
Shares held for share award scheme		**(72,000)**	(73,722)
Other reserves		**525,033**	547,402
Retained earnings			
- Proposed dividends		**145,001**	245,996
- Others		**1,500,609**	1,500,480
		2,732,286	2,899,848
Non-controlling interests		**12,450**	10,665
Total equity		**2,744,736**	2,910,513

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	As at 31 March 2025 HK$'000	As at 31 March 2024 HK$'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**48,957**	32,860
Provision for long service payments		**63,722**	68,398
Lease liabilities		**1,093,324**	1,289,060
Long-term borrowings		**225,000**	305,000
		1,431,003	1,695,318
Current liabilities			
Trade payables	*14*	**204,567**	210,767
Other creditors and accrued liabilities		**764,916**	804,370
Current income tax liabilities		**19,022**	38,889
Lease liabilities		**735,986**	774,067
Current portion of long-term borrowings		**80,000**	80,000
		1,804,491	1,908,093
Total liabilities		**3,235,494**	3,603,411
Total equity and liabilities		**5,980,230**	6,513,924
Net current liabilities		**(303,877)**	(200,827)
Total assets less current liabilities		**4,175,739**	4,605,831

Notes:

1 GENERAL INFORMATION

Café de Coral Holdings Limited (the "Company") was incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda with limited liability on 1 October 1990. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in operation of quick service restaurants, casual dining chains, institutional catering as well as food processing and distribution business in Hong Kong and Mainland China.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

These consolidated financial statements are presented in Hong Kong dollars (HK$), unless otherwise stated, and have been approved for issue by the Board of Directors on 16 June 2025.

2 BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through other comprehensive income ("FVOCI") and defined benefit scheme plan assets, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The Group's management regularly monitors current and expected liquidity requirements to ensure that sufficient reserves of cash and adequate amount of banking facilities are available to meet the Group's liquidity requirements in the short and long term. As at 31 March 2025, the Group's current liabilities exceeded its current assets by HK$303,877,000 (2024: HK$200,827,000). This net current liabilities position was mainly attributable to the recognition of lease liabilities of HK$735,986,000 (2024: HK$774,067,000) in current liabilities and HK$1,093,324,000 (2024: HK$1,289,060,000) in non-current liabilities, while the associated right-of-use assets of HK$2,159,044,000 (2024: HK$2,366,096,000) were recognised in non-current assets in accordance with HKFRS 16 "Leases". Management believes that there is no significant liquidity risk in view of the available bank facilities and cash and cash equivalents held. In addition, the directors regularly review the liquidity position of the Group to ensure all covenants with banks are compiled with at all times. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements have been prepared on a going concern basis.

3 ACCOUNTING POLICIES

3.1 New and amended HKFRSs adopted by the Group

The Group has applied the following new and amended HKFRSs for its annual reporting period commencing on 1 April 2024:

- Amendments to HKAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to HKAS 1 "Non-current Liabilities with Covenants"
- Amendments to HKFRS 16 "Lease Liability in a Sale and Leaseback"
- Revised Hong Kong Interpretation 5 "Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause"
- Amendments to HKAS 7 and HKFRS 7 "Supplier Finance Arrangements"

The adoption listed above did not have any impact on the amount recognised in prior periods and are not expected to significantly affect the current or future periods.

3.2 New and amended HKFRSs not yet adopted by the Group

Certain new standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 March 2025 reporting period and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	1 January 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKAS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

3 ACCOUNTING POLICIES (Continued)

3.2 New and amended HKFRSs not yet adopted by the Group (Continued)

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The Group has commenced an assessment of the impact of these new and amended standards and interpretation, but is yet in a position to state whether they would have significant impacts on its results of operations and financial position.

4 FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

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

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no hedging activities are undertaken by the management.

(a) Foreign exchange risk

The Group mainly operates in Hong Kong and Mainland China and is exposed to foreign exchange risk from various currency exposures, primarily with respect to Chinese Renminbi ("RMB").

Management has a policy to require group companies to manage their foreign exchange risks against their respective functional currencies. It mainly includes managing the exposures arisen from sales and purchases made by relevant group companies in currencies other than their own functional currencies. The Group also manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposure. The Group has not used any hedging arrangement to hedge its foreign exchange risk exposure.

Certain bank balances of companies of the Group in Hong Kong are denominated in US dollars. As HK$ is pegged to US dollar, the foreign exchange risk is considered as minimal. Except the aforesaid, the assets and liabilities of each company within the Group are mainly denominated in the respective company's functional currency, the directors are of the opinion that the Group's volatility of its profits against changes in exchange rates of foreign currencies would not be significant.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(b) Interest rate risk

The Group has no significant interest-bearing assets except for bank deposits and bank borrowings, the income and operating cash flows of which are substantially independent of changes in market interest rates.

Interest rate risk mainly arises from bank deposits and bank borrowings at variable interest rates which are subject to cash flow interest rate risk.

As at 31 March 2025, if interest rates had been increased/decreased by 0.5% with all other variables held constant, the Group's profit for the year would have been decreased/increased by HK$1,273,000 (2024: HK$1,607,000) and increased/decreased by HK$1,139,000 (2024: HK$2,493,000) respectively, as a result of the changes in the interest expenses on bank borrowings and interest income on bank deposits.

(c) Price risk

The Group is exposed to securities price risk because investments held by the Group are classified on the consolidated statement of financial position as financial assets at FVOCI. The Group has not mitigated its price risk arising from these financial assets.

For the Group's financial assets that are publicly traded, the fair value is determined with reference to quoted market prices. For the Group's financial assets that are not publicly traded, the Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the reporting date.

As at 31 March 2025, if the price of the listed equity securities (financial assets at FVOCI) had increased/decreased by 10% with all other variables being held constant, the Group's FVOCI investment reserve would have increased/decreased by HK$3,879,000 (2024: HK$7,450,000).

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(d) Credit risk

(i) Risk management

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, deposits with bank and financial institutions, as well as credit exposures to customers and debtors, including trade and other receivables.

Credit risk is managed on a group basis. Majority of the Group's bank balances and deposits are placed in banks and financial institutions which are independently rated with investment grade credit rating (Moody's: Baa3 or above; Standard & Poor's: BBB- or above; Fitch: BBB- or above). Management does not expect any losses from non-performance by these banks and financial institutions as they have no default history in the past. Therefore, expected credit loss rate of cash at bank is assessed to be nominal and no provision was made as at 31 March 2025 and 31 March 2024.

The credit quality of the landlords is assessed based on the financial position of the landlords as well as past experience of the Group in dealing with the respective landlords. The Group has policies in place to ensure rental deposits are placed to landlords with appropriate credit histories and credit terms are granted to reliable debtors. The Group's historical experience in collection of deposits and other receivables falls within the recorded allowance and the directors are of the opinion that expected credit loss rate of these balances is nominal and no provision was made as at 31 March 2025 and 31 March 2024.

There is no concentration of credit risk as the Group's bank balances and deposits are deposited in over ten financial institutions with investment grade credit ratings, and the Group has a large number of counterparties for rental deposits, trade and other receivables. Management does not expect any losses from non-performance by these financial institutions and counterparties.

(ii) Impairment of financial assets

The Group has three main types of financial assets that are subject to the expected credit loss model:

(1) Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, as all financial institutions are rated with investment grade credit rating, the identified impairment loss was immaterial.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(d) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

(2) Trade receivables

Trade receivables of the Group are subject to the expected credit loss model. The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on the nature of customer accounts, shared credit risk characteristics and the days past due.

The expected loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the common credit risk characteristics. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the GDP and the fixed investment growth rate of Hong Kong and Mainland China to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On the basis, expected loss rate of trade receivables is assessed to be close to zero, as at 31 March 2025 and 31 March 2024. In respect of trade receivables, the loss allowance as at 31 March 2025 and 31 March 2024 was determined as follows:

31 March 2025	**0 – 30 days** *HK$'000*	**31 – 60 days** *HK$'000*	**61 – 90 days** *HK$'000*	**91 – 365 days** *HK$'000*	**Over 365 days** *HK$'000*	**Total** *HK$'000*
Gross carrying amount						
– Trade receivables	**41,645**	**9,491**	**3,483**	**3,321**	**237**	**58,177**
Loss allowance	**-**	**-**	**-**	**(49)**	**(237)**	**(286)**

31 March 2024	0 – 30 days *HK$'000*	31 – 60 days *HK$'000*	61 – 90 days *HK$'000*	91 – 365 days *HK$'000*	Over 365 days *HK$'000*	Total *HK$'000*
Gross carrying amount						
– Trade receivables	68,980	12,262	4,217	3,971	83	89,513
Loss allowance	-	-	-	-	(83)	(83)

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(d) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

(2) Trade receivables (Continued)

A credit-impaired financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due or it becomes probable the counterparty will enter bankruptcy. A default on a financial asset is when the counterparty fails to make contractual payments within 120 days of when they fall due. Trade and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(3) Other financial assets measured at amortised costs (including deposits and other receivables)

Other financial assets at amortised costs include the deposits and other receivables excluding prepayments. The credit quality of other financial assets at amortised costs has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. Other financial assets at amortised costs are considered to be low credit risk where they have a low risk of default and the counterparties have strong capacities to meet their contractual cashflow obligations in the near term. Management compares the risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition and considers that their credit risks have not increased significantly since initial recognition. Management is of the opinion that the risk of default by these counterparties is not significant and does not expect any losses from non-performance by the counterparties. Therefore, expected credit loss rate of the other financial assets at amortised costs is assessed to be nominal and no provision was made as at 31 March 2025 and 31 March 2024.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(e) Liquidity risk

Prudent liquidity risk management, after considering the expected market conditions, implies maintaining sufficient cash and the availability of funding through an adequate amount of available credit facilities. The Group continues to maintain a healthy net cash position by keeping credit lines available and to maintain flexibility in future funding. As at 31 March 2025, the Group had total banking facilities amounting to HK$1,280,660,000 (2024: HK$1,627,459,000) of which HK$467,642,000 were utilised (2024: HK$546,783,000). As at 31 March 2025, the Group had available unutilised banking facilities of HK$813,018,000 (2024: HK$1,080,676,000).

The Group's primary cash requirements are payments for trade payables, other creditors and accrued liabilities and operating expenses. The Group mainly finances its working capital requirements through internal resources and borrowings from financial institutions.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

	Within one year or on demand	Between one and two years	Between two and five years	More than five years	Total undiscounted cash flows
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2025					
Trade payables	**204,567**	**-**	**-**	**-**	**204,567**
Other creditors and accrued liabilities (excluding non-financial liabilities)	**515,411**	**-**	**-**	**-**	**515,411**
Lease liabilities	**799,639**	**510,691**	**589,399**	**68,458**	**1,968,187**
Bank borrowings	**92,432**	**230,610**	**-**	**-**	**323,042**
	1,612,049	**741,301**	**589,399**	**68,458**	**3,011,207**

	Within one year or on demand	Between one and two years	Between two and five years	More than five years	Total undiscounted cash flows
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2024					
Trade payables	210,767	-	-	-	210,767
Other creditors and accrued liabilities (excluding non-financial liabilities)	570,915	-	-	-	570,915
Lease liabilities	843,009	601,660	710,840	55,758	2,211,267
Bank borrowings	87,007	85,349	226,987	-	399,343
	1,711,698	687,009	937,827	55,758	3,392,292

4 FINANCIAL RISK MANAGEMENT (Continued)

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

During the year ended 31 March 2025, the Group monitor capital on basis of gearing ratio, which is calculated based on total borrowings less cash and cash equivalents divided by total equity.

As at 31 March 2025 and 31 March 2024, as the Group is in a net cash position of HK$748,633,000 and HK$875,948,000 respectively, management considers that the Group's capital risk is minimal.

4.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The difference levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial assets that are measured at fair value at 31 March 2025:

	Level 1 *HK$'000*	Total *HK$'000*
Assets		
Financial assets at fair value through other comprehensive income		
– Listed equity investments *	**38,787**	**38,787**

The following table presents the Group's financial assets that are measured at fair value at 31 March 2024:

	Level 1 *HK$'000*	Total *HK$'000*
Assets		
Financial assets at fair value through other comprehensive income		
– Listed equity investments *	74,499	74,499

* Amount mainly represented the equity investment in Tao Heung Holdings Limited.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.3 Fair value estimation (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying values less loss allowance of trade and other receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. There were no transfers between level 1, 2 and 3 during the year.

5 SEGMENT INFORMATION

The Group is principally engaged in the operation of quick service restaurants, casual dining chains, institutional catering, as well as food processing and distribution business.

The Chief Executive Officer of the Group reviews the Group's internal reporting in order to allocate resources amongst different segments, and assesses the business principally from a geographical perspective, including Hong Kong and Mainland China. Segment results as presented below represent operating profit excluding fair value changes on investment properties, depreciation and amortization (excluding depreciation for right-of-use assets – properties), reversal of impairment loss of property, plant and equipment, impairment loss of property, plant and equipment and right-of-use assets; and including finance cost of lease liabilities.

5 SEGMENT INFORMATION (Continued)

Segment information of the Group for the current year and comparative figures are as follows:

	Hong Kong *HK$'000*	Mainland China *HK$'000*	Group *HK$'000*
Year ended 31 March 2025			
Total segment revenue	**7,079,885**	**1,601,184**	**8,681,069**
Inter-segment revenue *(Note i)*	**(6,794)**	**(105,958)**	**(112,752)**
Revenue (from external revenue) *(Note ii)*	**7,073,091**	**1,495,226**	**8,568,317**
Represented by timing of revenue recognition:			
- At a point in time	**7,042,220**	**1,495,203**	**8,537,423**
- Over time	**30,871**	**23**	**30,894**
	7,073,091	**1,495,226**	**8,568,317**
Segment results *(Note iii)*	**525,090**	**162,567**	**687,657**
Depreciation and amortisation (excluding depreciation of right-of-use assets – properties)	**(303,057)**	**(75,416)**	**(378,473)**
Fair value loss on investment properties	**(38,200)**	**-**	**(38,200)**
Reversal of impairment loss of right-of-use assets	**1,920**	**-**	**1,920**
Impairment loss of property, plant and equipment	**(8,771)**	**(2,811)**	**(11,582)**
Impairment loss of right-of-use assets	**(22,458)**	**-**	**(22,458)**
Finance income	**44,369**	**2,283**	**46,652**
Finance cost on bank borrowings	**(18,093)**	**-**	**(18,093)**
Income tax expense	**(22,073)**	**(10,239)**	**(32,312)**

	Hong Kong *HK$'000*	Mainland China *HK$'000*	Group *HK$'000*
Year ended 31 March 2024			
Total segment revenue	7,181,814	1,625,812	8,807,626
Inter-segment revenue *(Note i)*	(5,746)	(110,431)	(116,177)
Revenue (from external revenue) *(Note ii)*	7,176,068	1,515,381	8,691,449
Represented by timing of revenue recognition:			
- At a point in time	7,143,692	1,515,373	8,659,065
- Over time	32,376	8	32,384
	7,176,068	1,515,381	8,691,449
Segment results *(Note iii)*	618,894	179,421	798,315
Depreciation and amortisation (excluding depreciation of right-of-use assets – properties)	(314,809)	(79,381)	(394,190)
Fair value loss on investment properties	(31,900)	-	(31,900)
Reversal of impairment loss of property, plant and equipment	4,320	-	4,320
Impairment loss of property, plant and equipment	(6,223)	-	(6,223)
Impairment loss of right-of-use assets	(2,290)	-	(2,290)
Finance income	43,486	1,818	45,304
Finance cost on bank borrowings	(23,808)	-	(23,808)
Income tax expense	(31,879)	(24,434)	(56,313)

5 SEGMENT INFORMATION (Continued)

(i) Inter-segment transactions were entered into in the normal course of business.

(ii) The Group has a large number of customers. For the years ended 31 March 2025 and 2024, no revenue was derived from transactions with a single external customer representing 10% or more of the Group's total revenue.

(iii) Information of segment results

(a) The following items are included in the measure of segment results reviewed by the Chief Executive Officer of the Group:

	Hong Kong *HK$'000*	**Mainland China** *HK$'000*	**Group** *HK$'000*
Year ended 31 March 2025			
Depreciation – right-of-use assets – properties	**694,983**	**116,279**	**811,262**
Finance cost of lease liabilities	**65,706**	**20,316**	**86,022**
Year ended 31 March 2024			
Depreciation – right-of-use assets – properties	694,302	111,274	805,576
Finance cost of lease liabilities	64,966	19,818	84,784

(b) Reconciliation of total segment results to total profit before income tax is as follows:

	2025 *HK$'000*	2024 *HK$'000*
Segment results	**687,657**	798,315
Depreciation and amortisation (excluding depreciation of right-of-use assets – properties)	**(378,473)**	(394,190)
Fair value loss on investment properties	**(38,200)**	(31,900)
Reversal of impairment loss of right-of-use assets	**1,920**	-
Reversal of impairment loss of property, plant and equipment	**-**	4,320
Impairment loss of property, plant and equipment	**(11,582)**	(6,223)
Impairment loss of right-of-use assets	**(22,458)**	(2,290)
Finance income	**46,652**	45,304
Finance cost on bank borrowings	**(18,093)**	(23,808)
Profit before income tax	**267,423**	389,528

5 SEGMENT INFORMATION (Continued)

	Hong Kong *HK$'000*	Mainland China *HK$'000*	Group *HK$'000*
As at 31 March 2025			
Segment assets	**4,716,035**	**1,109,206**	**5,825,241**
Year ended 31 March 2025			
Segment assets include:			
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**796,152**	**207,314**	**1,003,466**
As at 31 March 2024			
Segment assets	5,231,695	1,140,804	6,372,499
Year ended 31 March 2024			
Segment assets include:			
Additions to non-current assets (other than financial instruments and deferred income tax assets)	670,187	271,151	941,338

As at 31 March 2025, the Group's non-current assets (other than financial instruments and deferred income tax assets) that are located in Hong Kong and the Mainland China amounted to HK$3,544,509,000 (2024: HK$3,861,999,000) and HK$797,299,000 (2024: HK$803,946,000) respectively.

Reconciliation of total segment assets to total assets is provided as follows:

	As at 31 March 2025 *HK$'000*	As at 31 March 2024 *HK$'000*
Total segment assets	**5,825,241**	6,372,499
Deferred income tax assets	**99,021**	66,214
Financial assets at fair value through other comprehensive income	**38,787**	74,499
Current income tax recoverable	**17,181**	712
Total assets	**5,980,230**	6,513,924

6 REVENUE

	2025	2024
	HK$'000	*HK$'000*
Sales of food and beverages	**8,479,060**	8,603,538
Rental income	**25,560**	26,815
Management and service fee income	**5,334**	5,569
Sundry income	**58,363**	55,527
	8,568,317	8,691,449

7 OTHER INCOME AND OTHER (LOSSES)/GAINS, NET

	2025	2024
	HK$'000	*HK$'000*
Dividend income from listed equity investments	**3,062**	6,123
Fair value loss on investment properties	**(38,200)**	(31,900)
Loss on disposal of property, plant and equipment, net	**(8,240)**	(4,608)
Reversal of impairment loss of right-of-use assets	**1,920**	-
Reversal of impairment loss of property, plant and equipment	**-**	4,320
Impairment loss of property, plant and equipment	**(11,582)**	(6,223)
Impairment loss of right-of-use assets	**(22,458)**	(2,290)
Government subsidies	**2,222**	1,321
	(73,276)	(33,257)

8 EXPENSES BY NATURE

Expenses included in cost of sales and administrative expenses are analysed as follows:

	2025	2024
	HK$'000	*HK$'000*
Cost of raw materials and packing	**2,329,045**	2,384,637
Amortisation of intangible assets	**12**	37
Depreciation		
- property, plant and equipment	**357,810**	373,452
- leasehold land and land use rights classified as right-of-use assets	**20,651**	20,701
- right-of-use assets — properties	**811,262**	805,576
Expenses relating to leases of		
- short-term leases	**39,055**	37,302
- variable lease payments not included lease liabilities	**59,517**	60,442
Gain on modification and termination of leases *	**(7,383)**	(28,758)
Exchange losses, net	**1,438**	4,339
Employee benefit expenses (excluding share-based compensation expenses)	**2,907,663**	2,877,765
Share-based compensation expenses	**38,482**	36,900
Auditor's remuneration		
- audit services	**3,257**	3,701
- non-audit services	**1,669**	1,904
Electricity, water and gas	**438,620**	437,718
Advertising	**83,041**	94,834
Provision of loss allowance on trade receivables (Note 13)	**203**	7
Sanitation	**130,659**	128,440
Repairs and maintenance	**146,725**	136,066
Building management fee, air conditioning and rates	**246,313**	235,698
Delivery expense	**90,023**	111,666
Insurance	**29,073**	37,968
Other expenses	**443,020**	444,981
	8,170,155	8,205,376
Representing:		
Cost of sales	**7,675,662**	7,702,163
Administrative expenses	**494,493**	503,213
	8,170,155	8,205,376

* During the year ended 31 March 2025, the Group recognised gain of HK$7,383,000 (2024: HK$28,758,000) as a result of lease modifications, including changes of lease terms, changes of lease payments or the assessment of options to extend the leases, where applicable.

9 FINANCE INCOME AND FINANCE COSTS

	2025	2024
	HK$'000	*HK$'000*
Finance income	**46,652**	45,304
Finance cost of lease liabilities	**(86,022)**	(84,784)
Finance cost on bank borrowings	**(18,093)**	(23,808)
Finance costs	**(104,115)**	(108,592)
Finance costs, net	**(57,463)**	(63,288)

10 INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until year 2035. Hong Kong profits tax has been provided for at the rate of 8.25% (2024: 8.25%) on the estimated assessable profits up to HK$2,000,000 (2024: HK$2,000,000) and 16.5% (2024: 16.5%) on any part of estimated assessable profit over HK$2,000,000 (2024: HK$2,000,000) for the year ended 31 March 2025.

Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged to the consolidated income statement represents:

	2025	2024
	HK$'000	*HK$'000*
Current income tax:		
- Hong Kong profits tax	**32,675**	38,921
- Mainland China taxation	**15,106**	19,052
Deferred income tax relating to the origination and reversal of temporary differences	**(16,761)**	(3,076)
Under-provision in prior years	**1,292**	1,416
	32,312	56,313

10 INCOME TAX EXPENSE (Continued)

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

	2025	2024
	HK$'000	*HK$'000*
Profit before income tax	**267,423**	389,528
Calculated at a taxation rate of 16.5% (2024: 16.5%)	**44,124**	64,272
Effect of different taxation rates in other territories	**3,244**	2,473
Income not subject to taxation	**(15,746)**	(17,623)
Expenses not deductible for taxation purposes	**12,368**	22,511
Recognition/utilisation of previously unrecognised temporary difference/tax losses	**(27,396)**	(25,029)
Tax losses not recognised	**15,180**	8,467
Under-provision in prior years	**1,292**	1,416
Others	**(754)**	(174)
Taxation charge	**32,312**	56,313

11 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company for share award schemes.

	2025	2024
Profit attributable to equity holders of the Company *(HK$'000)*	**232,744**	330,454
Weighted average number of ordinary shares in issue *('000)*	**574,594**	580,716
Basic earnings per share	**HK$0.41**	HK$0.57

11 EARNINGS PER SHARE (Continued)

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue during the year (excluding the ordinary shares purchased by the Company under the share award schemes) with the weighted average number of ordinary shares deemed to be issued assuming the dilutive impact on the share options and shares under the share award schemes.

	2025	2024
Profit attributable to equity holders of the Company *(HK$'000)*	**232,744**	330,454
Weighted average number of ordinary shares in issue *('000)*	**574,594**	580,716
Adjustment for share award schemes *('000)*	**2,946**	965
	577,540	581,681
Diluted earnings per share	**HK$0.40**	HK$0.57

12 DIVIDENDS

	2025 *HK$'000*	2024 *HK$'000*
Interim dividend paid: HK15 cents (2024: HK15 cents) per ordinary share	**87,001**	87,856
Final dividend, proposed, of HK25 cents (2024: HK42 cents) per ordinary share	**145,001**	245,996
	232,002	333,852

A final dividend of HK25 cents (FY2023/24: HK42 cents) per ordinary share in respect of the year ended 31 March 2025 was proposed. Such final dividend is subject to approval by the shareholders at the upcoming annual general meeting. These financial statements do not reflect this dividend payable.

13 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2025	2024
	HK$'000	*HK$'000*
Trade receivables	**58,177**	89,513
Less: Loss allowance	**(286)**	(83)
Trade receivables – net (Note a)	**57,891**	89,430
Other receivables (Note b)	**66,624**	63,080
	124,515	152,510
Prepayments	**84,171**	62,363
Deposits	**477**	445
	209,163	215,318

(a) The Group's sales to customers are mainly on a cash basis. The Group also grants a credit period between 30 to 90 days to certain customers for the provision of the Group's institutional catering services, sales of merchandise for the Group's food manufacturing business and its franchisees.

(b) Other receivables primarily comprise value-added tax recoverable and receivable from a security logistic company.

The ageing analysis of trade receivables is as follows:

	2025	2024
	HK$'000	*HK$'000*
0 – 30 days	**41,645**	68,980
31 – 60 days	**9,491**	12,262
61 – 90 days	**3,483**	4,217
91 – 365 days	**3,321**	3,971
Over 365 days	**237**	83
	58,177	89,513

14 TRADE PAYABLES

The ageing analysis of trade payables is as follows:

	2025	2024
	HK$'000	*HK$'000*
0 – 30 days	**201,839**	206,387
31 – 60 days	**2,216**	3,188
61 – 90 days	**318**	1,071
Over 90 days	**194**	121
	204,567	210,767

15 COMMITMENTS

As at 31 March 2025, the Group had the following capital commitments:

	2025	2024
	HK$'000	*HK$'000*
Acquisition of property, plant and equipment		
Authorised and contracted for	**25,104**	37,136
Authorised but not contracted for	**369,729**	478,916
	394,833	516,052

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK25 cents per share for the year ended 31 March 2025 (FY2023/24: HK42 cents). The proposed final dividend is subject to approval by the shareholders of the Company at the annual general meeting ("AGM") to be held on 19 August 2025. Upon shareholders' approval, the proposed dividend will be paid on 4 September 2025 to shareholders whose names appear on the Register of Members of the Company on 26 August 2025.

Together with the interim dividend of HK15 cents per share (FY2023/24: HK15 cents), the total dividend for the year ended 31 March 2025 will amount to HK40 cents per share (FY2023/24: HK57 cents).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determination of eligibility to attend and vote at the AGM (or at any adjournment or postponement thereof), and entitlement to the final dividend, the Register of Members of the Company will be closed as set out below:

(i) For determining eligibility to attend and vote at the AGM:

- Latest time to lodge transfer documents	4:30 pm on 13 August 2025 (Wednesday)
- Period of closure of the Register of Members	14 August 2025 (Thursday) to 19 August 2025 (Tuesday) (both dates inclusive)
- Record date	19 August 2025 (Tuesday)
- AGM	19 August 2025 (Tuesday)

(ii) For determining entitlement to the final dividend:

- Latest time to lodge transfer documents	4:30 pm on 25 August 2025 (Monday)
- Period of closure of the Register of Members	26 August 2025 (Tuesday)
- Record date	26 August 2025 (Tuesday)
- Payment of dividend	4 September 2025 (Thursday)

During the above closure periods, no transfer of shares of the Company will be registered. To be eligible to attend and vote at the AGM (or at any adjournment or postponement thereof), and/or to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than the relevant latest time set out above.

CORPORATE GOVERNANCE

The Board and management aspire to a high standard of corporate governance and constantly strive for a responsible and value-driven management focusing on safeguarding and enhancing interest and value of shareholders of the Company as well as the long-term sustainability of the Group.

The Group's corporate governance framework and practices adhere to the principles of the Corporate Governance Code (the "CG Code") set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). For the year ended 31 March 2025, the Company complied with all code provisions as set out in the CG Code and adopted the recommended best practices of the CG Code insofar as they are relevant and practicable.

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 2025.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company is set up by the Board with specific terms for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal control. It currently comprises three independent non-executive directors and two non-executive directors of the Company. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 March 2025 with management and the Company's auditor, PricewaterhouseCoopers ("PwC").

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in this results announcement have been agreed by PwC to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PwC 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 PwC on this results announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 March 2025, the Company repurchased a total of 5,700,000 shares of the Company on the Hong Kong Stock Exchange with an aggregate consideration of approximately HK$45.9 million (excluding expenses). All of the repurchased shares were subsequently cancelled. The Board considered the repurchases a good opportunity to enhance the earnings per share and rate of return on capital and were therefore in the interests of the Company and its shareholders as a whole. Details of the repurchases are as follows:

Month of buy-backs	Number of shares bought back	Price per share Highest	Price per share Lowest	Aggregate price paid (excluding expenses)
		HK$	*HK$*	*HK$*
June 2024	1,100,000	8.09	7.95	8,829,780
July 2024	4,600,000	8.22	7.99	37,100,220
	5,700,000			**45,930,000**

The trustee of the Company's 2023 Share Award Scheme also purchased a total of 3,812,959 shares of the Company on the Hong Kong Stock Exchange at a total consideration of about HK$32.2 million to satisfy the award of shares to selected participants pursuant to the terms of the rules and trust deed of the scheme.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed the Company's listed securities during the year ended 31 March 2025.

By order of the Board
Lo Hoi Kwong, Sunny
Chairman

Hong Kong, 16 June 2025

As at the date of this announcement, the Board comprises Mr Lo Hoi Kwong, Sunny (Chairman), Ms Lo Pik Ling, Anita, Mr Chan Yue Kwong, Michael and Mr Hui Tung Wah, Samuel as non-executive directors; Mr Kwok Lam Kwong, Larry, Mr Au Siu Cheung, Albert, Ms Fang Suk Kwan, Katherine and Mr Lee Sai Yin, Patrick as independent non-executive directors; and Mr Lo Tak Shing, Peter and Mr Lo Ming Shing, Ian as executive directors.