

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 UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

HIGHLIGHTS

- Revenue was approximately HK\$131.5 million (six months ended 30 September 2024: approximately HK\$99.4 million), representing an increase of approximately 32.3%.
- Profit for the period was approximately HK\$9.3 million (six months ended 30 September 2024: loss approximately HK\$16.6 million), representing an increase of approximately 1.56 times.
- Earnings per share was approximately HK0.81 cents (six months ended 30 September 2024: loss per share approximately HK1.45 cents), representing an increase of approximately 1.55 times.
- The Board does not recommend the payment of any dividend for the six months ended 30 September 2025.

INTERIM 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 unaudited condensed consolidated results of the Group for the six months ended 30 September 2025, together with the comparative unaudited figures for the six months ended 30 September 2024 as set out below.

The audit committee of the Company (the “**Audit Committee**”) has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025 AND 2024

		For the six months ended 30 September	
		2025	2024
	Notes	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Revenue	3	131,475	99,417
Other income	6(a)	661	4,939
Cost of inventories consumed		(30,823)	(23,254)
Staff costs	6(b)	(49,626)	(51,740)
Property rentals and related expenses		(7,902)	(9,889)
Utilities expenses		(6,109)	(5,975)
Depreciation of property, plant and equipment		(2,358)	(2,554)
Depreciation of right-of-use assets		(10,137)	(11,831)
Other expenses	6(c)	(15,682)	(14,499)
Finance costs	4	(243)	(1,243)
Profit/(loss) before tax		9,256	(16,629)
Income tax credit	5	27	—
Profit/(loss) and total comprehensive income/(expenses) for the period attributable to owners of the Company	6	9,283	(16,629)
Earnings/(loss)/earning per share			
– Basic and diluted (HK cents)	8	0.81	(1.45)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2025 <i>Notes</i> HK\$'000 (Unaudited)	As at 31 March 2025 <i>HK\$'000</i> <i>(Audited)</i>
Non-current assets			
Property, plant and equipment	9	3,621	2,844
Right-of-use assets		21,243	9,168
Deposit placed for a life insurance policy		-	16,651
Rental deposits		1,562	1,950
		<u>26,426</u>	<u>30,613</u>
Current assets			
Inventories		678	1,253
Trade and other receivables	10	21,359	24,580
Time deposits with maturity over three months		569	80
Bank balances and cash		30,126	22,744
		<u>52,732</u>	<u>48,657</u>
Current liabilities			
Trade and other payables	11	33,674	44,973
Contract liabilities		21,588	12,165
Lease liabilities		13,050	7,039
Tax payable		-	396
		<u>56,013</u>	<u>64,573</u>
Net current liabilities		<u>3,281</u>	<u>15,916</u>
		<u>23,145</u>	<u>14,697</u>

		As at 30 September 2025 <i>HK\$'000</i> (Unaudited)	As at 31 March 2025 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
Non-current liabilities			
Lease liabilities		3,375	4,932
Other payables		-	48
Contract liabilities		1,109	167
Provision for reinstatement costs		850	850
		<u>5,334</u>	<u>5,997</u>
		<u>17,811</u>	<u>8,700</u>
Capital and reserves			
Share capital	12	11,500	11,500
Reserves		<u>6,311</u>	<u>2,800</u>
Equity attributable to owners of the Company		<u>17,811</u>	<u>8,700</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands and is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company and the principal business of its subsidiaries are operating Chinese restaurants and Cha Chaan Teng operations in Hong Kong. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 September 2025 have been prepared in accordance with the applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and presented in Hong Kong Dollars (“**HK\$**”), which is the functional currency of the Group.

As at 30 September 2025, the Group has net current liabilities of approximately HK\$3,281,000, a net assets of HK\$17,811,000 and incurred a net profit of approximately HK\$9,283,000. The condensed consolidated financial statements have been prepared on a going concern basis as the current liabilities consisted of contract liabilities from customers of approximately HK\$9,289,000, which are to be recognised as revenue upon rendering of the relevant banquet services in the coming financial periods.

The Directors consider that the Group will have sufficient working capital to finance its operations in the foreseeable future and accordingly are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2025 except as described below.

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards (“HKFRSs”) issued by the HKICPA which are effective for the Group’s financial year beginning 1 April 2025:

Amendments to HKAS 21 and
HKFRS 1

Lack of Exchangeability

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

3. REVENUE AND SEGMENT INFORMATION

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue		
Chinese restaurant and Cha Chaan Teng operations	<u>131,475</u>	<u>99,417</u>

Note: Revenue derived from Chinese restaurant and Cha Chaan Teng operations is from contract with customers and recognised at a point in time.

The transaction price allocated to the performance obligation that is unsatisfied, has not been disclosed, as substantially all of the Group’s contracts have a duration of one year or less.

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 maker, 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 customer contributed over 10% of total revenue of the Group for the six months ended 30 September 2025 and 2024.

4. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest on lease liabilities	243	400
Interest on bank borrowings	-	1,039
Unwinding of discounting on provision for reinstatement costs	-	(196)
	<u>243</u>	<u>1,243</u>

5. INCOME TAX CREDIT

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Current income tax – Hong Kong:		
Current period provision	27	–
Deferred tax	-	–
	<u>27</u>	<u>–</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. For the year of assessments 2024/23 and 2023/22, 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.

6. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging (crediting):

(a) Other income

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Government subsidy (Note)	-	90
Forfeiture of deposits received	352	186
Sponsorship income received from utility companies	271	881
Sundry income	28	2,889
Imputed interest income on non-current rental deposits	-	404
Bank interest income	3	409
Advertising income	-	80
	<u>654</u>	<u>4,939</u>

Note: The amount primarily represents a cash subsidy of HK\$90,000 for the six months ended 30 September 2024 (six months ended 30 September 2025: HK\$Nil) granted by The Government of the Hong Kong Special Administrative Region under the Anti-Epidemic Fund for relieving financial burdens of the businesses.

(b) Staff costs

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Directors' remuneration	<u>489</u>	<u>259</u>
Salaries, allowances and other benefits (excluding Directors' remuneration)	48,047	50,425
Reversal of long service payment	-	215
Provision (reversal) of unutilised annual leave	(90)	(165)
Contributions to retirement benefits scheme (excluding Directors' remuneration)	<u>1,180</u>	<u>1,006</u>
	<u>49,137</u>	<u>51,481</u>
	<u>49,626</u>	<u>51,740</u>

(c) Other expenses

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cleaning fee	2709	3,362
Handling charge	-	200
Legal and professional fees	4672	2,868
Insurances	686	923
Repairs and maintenance	2266	1,234
Advertising and promotion	679	1,469
Consumables	596	1,726
Bank charges	757	1,407
Auditor's remuneration	-	301
Others	3317	1,009
	<u>15,682</u>	<u>14,499</u>

7. DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 September 2025 (30 September 2024: Nil).

8. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit/(loss) for the period attributable to owners of the Company	<u>9,283</u>	<u>(16,629)</u>
	'000	'000
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>1,150,000</u>	<u>1,150,000</u>
Basic earnings/(loss) per share (HK cents)	<u>0.81</u>	<u>(1.45)</u>

Diluted loss per share is the same as basic loss per share as there were no dilutive potential ordinary shares outstanding during the both periods.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired property, plant and equipment amounting to approximately HK\$892,000 (six months ended 30 September 2024: HK\$Nil).

Certain restaurants were making loss during the period due to the economic downturn. As a result, the management recognised impairment loss of approximately HK\$Nil (six months ended 30 September 2024: HK\$402,000) for certain property, plant and equipment during the six months ended 30 September 2025.

10. TRADE AND OTHER RECEIVABLES

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Trade receivables	386	1,251

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

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 made as at 30 September 2025 and 31 March 2025.

11. TRADE AND OTHER PAYABLES

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Trade payables	1,577	3,454

Payment terms granted by suppliers are generally within 50 days from the relevant purchases are made. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time-frame.

12. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
As at 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	<u>5,000,000</u>	<u>50,000</u>
Issued and fully paid:		
As at 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	<u>1,150,000</u>	<u>11,500</u>

All new shares rank pari passu with the existing shares in all respects.

13. CAPITAL COMMITMENT

At 30 September 2025, the Group had capital commitment of approximately HK\$Nil (31 March 2025: nil) in relation to the acquisition of plant and equipment and related assets for operation of new restaurants.

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 and Cha Chaan Teng operations. During the six months ended 30 September 2025, conditions in Hong Kong's traditional Chinese restaurant sector showed some moderation compared to the fiscal year ended 31 March 2025, though structural challenges persisted. The market downturn primarily 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 during the year ended 31 March 2025, with turnover decreasing by approximately HK\$193.7 million from approximately HK\$421.3 million in the previous year to approximately HK\$227.6 million, representing a decrease of 46.0%. However, during the six months ended 30 September 2025, through the introduction of new concept restaurants and adaptation to market changes, the Group's revenue recovered to approximately HK\$131.5 million, representing an increase of approximately 33.6% compared to approximately HK\$98.4 million for the six months ended 30 September 2024, showing preliminary signs of recovery.

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

	For the six months ended 30 September 2025	For the year ended 31 March 2025
Number of restaurants at the beginning of the period/year	6	6
Number of newly acquired restaurant during the period/year	3	2
Number of closed restaurants during the period/year	(3)	(2)
Number of restaurants at the end of the year	6	6

Due to the slow economic recovery in Hong Kong and the PRC, our group experienced a minor decline during the reporting period. Nevertheless, we anticipate a gradual recovery in the Chinese restaurant markets in the following year, driven by an increasing trend in wedding bookings and the upcoming special festivals in the latter half of the year, such as Christmas and Chinese New Year.

To prepare for this anticipated growth, the Group plans to conduct a comprehensive evaluation of its current core business operations across various geographical regions. This assessment aims to formulate a sustainable business plan and strategy for future expansion. Our focus will involve exploring potential business opportunities and

investments in diverse sectors and locations to enhance the Group's long-term growth prospects. Additionally, we will explore various business models, including partnerships with third-party restaurant operators, to strengthen the Group's competitiveness in the full-service restaurant banquet market in both Hong Kong and the PRC.

In response to evolving consumer preferences, the Group introduced two new Cha Chaan Teng 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 for the six months ended 30 September 2025 was approximately HK\$131.5 million, representing an increase of approximately 32.3% compared to the revenue of approximately HK\$99.4 million for the six months ended 30 September 2024. This improvement was primarily attributable to the contribution from gradual recovery of Chinese restaurant and new Cha Chaan Teng operation.

Other income

The Group's other income was HK\$0.7 million for the six months ended 30 September 2025, representing a significant decrease of approximately 86.8% compared to HK\$4.9 million for the six months ended 30 September 2024. This substantial decline was mainly due to the absence of several income sources that were present in the prior period, including government subsidies and imputed interest income on rental deposit, reflecting a notable reduction in various non-operational income streams compared to the previous year.

Cost of food and beverages

The Group's cost of food and beverages increased by approximately 32.6%, from approximately HK\$23.3 million for the six months ended 30 September 2024 to approximately HK\$30.8 million for the six months ended 30 September 2025, which was generally in line with the increase in revenue. The cost of food and beverages as a percentage of revenue remained relatively stable at 23.4% (six months ended 30 September 2024: 23.4%), indicating consistent cost management efficiency despite the growth in business scale.

Staff costs

The Group's staff costs were HK\$49.6 million for the six months ended 30 September 2025, representing a decrease of approximately 4.1% compared to HK\$51.7 million for the six months ended 30 September 2024. This reduction was primarily due to improved operational efficiency and organizational optimization. It is worth noting that staff costs as a percentage of revenue improved to 37.7% in 2025 from 52.0% in 2024, reflecting more effective staff cost control while achieving revenue growth.

Profit for the period

The Group recorded a profit of HK\$9.3 million for the six months ended 30 September 2025, representing an improvement compared to the loss of HK\$16.6 million for the six months ended 30 September 2024. This positive turnaround was primarily driven by the 33.6% growth in revenue, combined with effective cost control measures that reduced staff costs and property rentals while maintaining stable food cost ratios. The successful implementation of new restaurant concepts and operational efficiencies contributed to this notable recovery from the loss position in the prior corresponding period.

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 periodically review the capital structure of the Group and may take different measures, including adjusting the distribution of dividends to the shareholders, to issuing new shares or selling assets to reduce debt for maintaining the capital structure.

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. The principal source of funding is mainly from working capital generated internally from the Group's operation, bank borrowings and the net proceeds received from the Listing.

As at 30 September 2025, the Group's cash and cash equivalents were approximately HK\$30.1 million (31 March 2025: HK\$22.7 million), representing an increase of 32.6%. The Group's total current assets were HK\$52.7 million (31 March 2025: HK\$48.7 million), The current ratio improved to 0.9 times (31 March 2025: 0.8 times).

The Group maintained no outstanding borrowings as at both 30 September 2025 and 31 March 2025, having fully repaid all bank borrowings during the year ended 31 March 2025. The Directors consider the current debt-free position and improved liquidity to be appropriate for supporting the Group's operational requirements and strategic development.

CAPITAL EXPENDITURE

The capital expenditure during the period under review primarily related to expenditures on additions and renovation of property, plant and equipment for the Group's new restaurants in Hong Kong, acquisition of restaurants in Guangzhou and Shenzhen 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 has 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 Shares had subsequently be withdrawn by the Company on 17 November 2023.

The Lawyers of Jasons has issued a petition to wind up the Company, the winding up hearing of which shall take place on 16 April 2025. The Company has engaged legal counsel and will defend itself in court. As per the Company’s lawyer understanding, 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 concluded that the Consultancy Fee should not be recognised in the consolidated financial statements for the year ended 31 March 2025.

Save as disclosed above, the Group has no other significant contingent liabilities.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 September 2025, the Group had approximately 210 employees (as at 31 March 2025: 220 employees).

The Group offers competitive wages and other benefits to its restaurant employees, and carries out salary adjustments in response to the local labour market conditions. The 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 30 September 2025.

CHARGES ON GROUP'S ASSETS

As at 30 September 2025 and 31 March 2025, there are no charges on group's assets.

SIGNIFICANT INVESTMENTS

As at 30 September 2025, the Group did not hold any significant investments.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 September 2025, the Group had no material acquisition or disposal of subsidiaries, associates or joint ventures.

EVENTS AFTER THE REPORTING PERIOD

The events after reporting period entered by the Group are as follows:

Acquisition of Cha Chaan Teng

On 1 November 2025, the Group has acquired 90% equity interest of a Cha Chaan Teng restaurant located in Tuen Mun through the Group's wholly owned subsidiary, which subsequently became a subsidiary of the Group. Company believes that Cha Chaan Teng business has demonstrated revenue potential and is expected to become a sustainably profitable component of the Company's business portfolio over time. The Group will proactively adjust its business strategies and will continue to seek for ideal restaurants or locations to expand the restaurant business.

Litigations

Saved as disclosed above, no significant events affecting the Company occurred since 1 October 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 for the six months ended 30 September 2025 and up to the date of this announcement.

USE OF NET PROCEEDS FROM LISTING

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 30 September 2025, 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.

Use of Net Proceeds	Allocation of Net Proceeds according to the Prospectus		Revised allocation of unused Net Proceeds on 31 March 2021	Revised allocation of unused Net Proceeds on 18 October 2022	Amount utilized as at 31 March 2023	Unused Net Proceeds	Estimated timeline for utilization of the unused Net Proceeds
			HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	
Opening restaurants (Note)	76.1%	70,557	22,655	5,000	–	5,000	31 March 2026
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 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 those disclosed in the Prospectus.

DIVIDENDS

The Board does not recommend payment of an interim dividend for the six months period ended 30 September 2025 (six months period ended 30 September 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.

During the six months ended 30 September 2025, the Company has complied with all the code provisions of the CG Code, except the followings:

- 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 Period ended 30 September 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.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (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 six months ended 30 September 2025.

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 six months ended 30 September 2025.

AUDIT COMMITTEE

The Board has established an Audit Committee which comprises three independent non-executive Directors, namely Ms. Yin Shilu, Mr. Wong Che Sang and Ms. Zhao Ming. 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 our Group, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board.

The Audit Committee, together with management, has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2025.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.palace-rest.com.hk). The interim report 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 due course.

APPRECIATION

The Board would like to express its sincere thanks to the management team and all staff of the Group for their dedication and contribution. The Board also takes this opportunity to show gratitude to our shareholders, customers, business partners and professional parties for their support to the Group throughout the six months ended 30 September 2025.

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

Hong Kong, 30 November 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. Wong Che Sang, Ms Zhao Ming and Ms. Yin Shilu.