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**TASTE • GOURMET  
GROUP LIMITED**  
嗜 • 高美集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8371)**

**THIRD QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2022**

**Financial Highlights:**

- Number of customers decreased by 5.3% to 2,219,370.
- Average spending per customer increased from HK\$212.4 to HK\$237.7.
- Revenue increased by approximately 6.0% to HK\$527.5 million.
- Profit attributable to Owners of the Company increased by approximately HK\$5.3 million or 11.8% to approximately HK\$50.1 million.

The board of directors (the “**Board**” or “**Directors**”) of the Taste • Gourmet Group Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the nine months ended 31 December 2022 (the “**Third Quarterly Results**”). This announcement contains full text of the third quarterly report of the Group for the nine months ended 31 December 2022 and the contents were prepared in accordance with the relevant disclosure requirements of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Third Quarterly Results have been reviewed by the Board and the audit committee of the Company.

This results announcement is published on the website of the Company at [www.tastegourmet.com.hk](http://www.tastegourmet.com.hk) and the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). The third quarterly report of the Group for the nine months ended 31 December 2022 will be delivered to the shareholders of the Company and will be available at the abovementioned websites in due course.

By Order of the Board  
**WONG Ngai Shan**  
*Chairman and Executive Director*

Hong Kong, 8 February 2023

As at the date of this announcement, the Board comprises:

*Executive Directors:*

WONG Ngai Shan (*Chairman*)  
CHAN Wai Chun (*Chief Executive Officer*)  
YU Man To Gerald Maximillian  
(*Chief Financial Officer and Company Secretary*)

*Independent Non-executive Directors:*

CHAN Yuen Ting  
TSANG Siu Chun  
WANG Chin Mong

*This Announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this Announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at [www.tastegourmet.com.hk](http://www.tastegourmet.com.hk).*



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2022/23

3<sup>rd</sup>

QUARTERLY REPORT





# TASTE • GOURMET GROUP LIMITED

## 嚐 • 高美集團有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8371)**

### **REPORT OF THE THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2022**

#### **CHARACTERISTICS OF “GEM” OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This Report, for which the directors (the “**Directors**”) of Taste • Gourmet Group Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this Report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Report misleading.*

The board of directors (the "**Board**") of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the nine months ended 31 December 2022.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 31 DECEMBER 2022

|  | NOTES | Three Months Ended |             | Nine Months Ended |             |
|--|-------|--------------------|-------------|-------------------|-------------|
|  |       | 31.12.2022         | 31.12.2021  | 31.12.2022        | 31.12.2021  |
|  |       | HK\$'000           | HK\$'000    | HK\$'000          | HK\$'000    |
|  |       | (unaudited)        | (unaudited) | (unaudited)       | (unaudited) |
| Revenue  | 2     | <b>192,029</b>     | 182,445     | <b>527,515</b>    | 497,617     |
| Other Income   |       | <b>1,223</b>       | 279         | <b>18,276</b>     | 1,262       |
| Other gains or losses, net                                     | 3     | <b>28</b>          | (2,671)     | <b>(113)</b>      | (3,531)     |
| Raw materials and consumables used                             |       | <b>(56,600)</b>    | (54,074)    | <b>(156,543)</b>  | (149,947)   |
| Staff costs  |       | <b>(51,736)</b>    | (49,935)    | <b>(156,152)</b>  | (137,707)   |
| Depreciation of property, plant and equipment                  |       | <b>(7,591)</b>     | (6,075)     | <b>(21,304)</b>   | (16,624)    |
| Depreciation of right-of-use assets ("ROU Assets")             |       | <b>(26,949)</b>    | (22,855)    | <b>(71,509)</b>   | (66,289)    |
| Property rental and related expenses                           |       | <b>(10,361)</b>    | (10,165)    | <b>(30,557)</b>   | (26,463)    |
| Utilities and cleaning expenses                                |       | <b>(6,103)</b>     | (5,201)     | <b>(17,636)</b>   | (14,855)    |
| Other expenses   |       | <b>(10,623)</b>    | (9,770)     | <b>(28,706)</b>   | (25,992)    |
| Finance costs  |       | <b>(2,755)</b>     | (2,420)     | <b>(7,779)</b>    | (6,937)     |
| Profit before taxation   |       | <b>20,562</b>      | 19,558      | <b>55,492</b>     | 50,534      |
| Income tax expense   | 4     | <b>(3,121)</b>     | (2,894)     | <b>(5,959)</b>    | (8,858)     |
| Profit for the period  |       | <b>17,441</b>      | 16,664      | <b>49,533</b>     | 41,676      |
| <b>Other comprehensive income:</b>                             |       |                    |             |                   |             |
| Item that may be reclassified subsequently to profit and loss: |       |                    |             |                   |             |
| Exchange difference on translation of foreign operation        |       | <b>349</b>         | 302         | <b>(1,331)</b>    | 518         |
| Total comprehensive income for the period                      |       | <b>17,790</b>      | 16,966      | <b>48,202</b>     | 42,194      |

| NOTES  | Three Months Ended |             | Nine Months Ended |             |
|--|--------------------|-------------|-------------------|-------------|
|  | 31.12.2022         | 31.12.2021  | 31.12.2022        | 31.12.2021  |
|  | HK\$'000           | HK\$'000    | HK\$'000          | HK\$'000    |
|  | (unaudited)        | (unaudited) | (unaudited)       | (unaudited) |
| Profit for the period attributable to:                     |                    |             |                   |             |
| – Owners of the Company                                    | <b>17,043</b>      | 18,346      | <b>50,120</b>     | 44,812      |
| – Non-controlling interest                                 | <b>398</b>         | (1,682)     | <b>(587)</b>      | (3,136)     |
|  | <b>17,441</b>      | 16,664      | <b>49,533</b>     | 41,676      |
| Total comprehensive income for the period attributable to: |                    |             |                   |             |
| – Owners of the Company                                    | <b>17,281</b>      | 18,527      | <b>49,350</b>     | 45,123      |
| – Non-controlling interest                                 | <b>509</b>         | (1,561)     | <b>(1,148)</b>    | (2,929)     |
|  | <b>17,790</b>      | 16,966      | <b>48,202</b>     | 42,194      |

|                      | NOTES | Three Months Ended |             | Nine Months Ended |             |
|----------------------|-------|--------------------|-------------|-------------------|-------------|
|                      |       | 31.12.2022         | 31.12.2021  | 31.12.2022        | 31.12.2021  |
|                      |       | (unaudited)        | (unaudited) | (unaudited)       | (unaudited) |
| Earnings per share   |       |                    |             |                   |             |
| – Basic (HK cents)   | 6     | <b>4.5</b>         | 4.7         | <b>13.0</b>       | 11.6        |
| – Diluted (HK cents) | 6     | <b>4.4</b>         | 4.7         | <b>13.0</b>       | 11.6        |



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE NINE MONTHS ENDED 31 DECEMBER 2022

|  | Attributable to Owners of the Company |               |                 |               |                      |                            |                        |                     |                  |           |         | Non-controlling interest | Total   |
|--|---------------------------------------|---------------|-----------------|---------------|----------------------|----------------------------|------------------------|---------------------|------------------|-----------|---------|--------------------------|---------|
|  | Share capital                         | Share premium | Special reserve | Other reserve | Share option reserve | Capital redemption reserve | Treasury share reserve | Translation reserve | Retained profits | Sub-total |         |                          |         |
|  | HKS'000                               | HKS'000       | HKS'000         | HKS'000       | HKS'000              | HKS'000                    | HKS'000                | HKS'000             | HKS'000          | HKS'000   | HKS'000 | HKS'000                  | HKS'000 |
| At 31 March 2022 (audited)                           | 38,693                                | 13,946        | (300)           | 313           | 741                  | 2,027                      | -                      | 927                 | 91,287           | 147,634   | 7,306   | 154,940                  |         |
| Profit for the period                                | -                                     | -             | -               | -             | -                    | -                          | -                      | -                   | 50,120           | 50,120    | (587)   | 49,533                   |         |
| Other comprehensive income for the period            | -                                     | -             | -               | -             | -                    | -                          | -                      | (770)               | -                | (770)     | (561)   | (1,331)                  |         |
| Profit and total comprehensive income for the period | -                                     | -             | -               | -             | -                    | -                          | -                      | (770)               | 50,120           | 49,350    | (1,148) | 48,202                   |         |
| Shares repurchased                                   | (845)                                 | (8,358)       | -               | -             | -                    | 845                        | -                      | -                   | (845)            | (9,203)   | -       | (9,203)                  |         |
| Recognition of equity settled share-based payment    | -                                     | -             | -               | -             | 148                  | -                          | -                      | -                   | -                | 148       | -       | 148                      |         |
| Lapsed of share options                              | -                                     | -             | -               | -             | (50)                 | -                          | -                      | -                   | 50               | -         | -       | -                        |         |
| Dividend recognised as distribution                  | -                                     | -             | -               | -             | -                    | -                          | -                      | -                   | (33,644)         | (33,644)  | -       | (33,644)                 |         |
| At 31 December 2022 (unaudited)                      | 37,848                                | 5,588         | (300)           | 313           | 839                  | 2,872                      | -                      | 157                 | 106,968          | 154,285   | 6,158   | 160,443                  |         |

|  | Attributable to Owners of the Company |               |                 |               |                      |                            |                        |                     |                  |           |         | Non-controlling interest | Total |
|--|---------------------------------------|---------------|-----------------|---------------|----------------------|----------------------------|------------------------|---------------------|------------------|-----------|---------|--------------------------|-------|
|  | Share capital                         | Share premium | Special reserve | Other reserve | Share option reserve | Capital redemption reserve | Treasury share reserve | Translation reserve | Retained profits | Sub-total |         |                          |       |
|  | HKS'000                               | HKS'000       | HKS'000         | HKS'000       | HKS'000              | HKS'000                    | HKS'000                | HKS'000             | HKS'000          | HKS'000   | HKS'000 | HKS'000                  |       |
| At 31 March 2021 (audited)                           | 38,693                                | 13,946        | (300)           | 313           | 695                  | 2,027                      | -                      | 532                 | 95,773           | 151,679   | 6,444   | 158,123                  |       |
| Profit for the period                                | -                                     | -             | -               | -             | -                    | -                          | -                      | -                   | 44,812           | 44,812    | (3,136) | 41,676                   |       |
| Other comprehensive income for the period            | -                                     | -             | -               | -             | -                    | -                          | -                      | 311                 | -                | 311       | 207     | 518                      |       |
| Profit and total comprehensive income for the period | -                                     | -             | -               | -             | -                    | -                          | -                      | 311                 | 44,812           | 45,123    | (2,929) | 42,194                   |       |
| Capital contribution from non-controlling interests  | -                                     | -             | -               | -             | -                    | -                          | -                      | -                   | -                | -         | 4,892   | 4,892                    |       |
| Dividend recognised as distribution                  | -                                     | -             | -               | -             | -                    | -                          | -                      | -                   | (30,954)         | (30,954)  | -       | (30,954)                 |       |
| Recognition of equity settled share-based payment    | -                                     | -             | -               | -             | 62                   | -                          | -                      | -                   | -                | 62        | -       | 62                       |       |
| At 31 December 2021 (unaudited)                      | 38,693                                | 13,946        | (300)           | 313           | 757                  | 2,027                      | -                      | 843                 | 109,631          | 165,910   | 8,407   | 174,317                  |       |

### Notes:

- i. The special reserve represents the differences between the nominal amount of the share capital issued by the Company pursuant to the Group Reorganisation and the issued share capital of BWHK Limited when the Company became the holding company of the Group upon completion of the group reorganisation on 23 June 2017.
- ii. Other reserve represents the aggregate amount of:
  - (1) the differences between the considerations received and the proportionate share of the carrying amount of the net assets attributable to the relevant interest upon the deemed disposal of partial interest in subsidiaries during the year ended 31 March 2016; and
  - (2) the difference between the consideration paid and the proportionate share of the carrying amount of the net assets attributable to the relevant interests upon the deemed acquisition of additional interest in a subsidiary during the year ended 31 March 2017.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 31 DECEMBER 2022

## 1. GENERAL INFORMATION, BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company ("**Shares**") have been listed on GEM since 17 January 2018. Its parent is IKEAB Limited ("**IKEAB**"), a private company incorporated in the British Virgin Islands ("**BVI**"). The address of its registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business is located at Unit B, 24/F Crawford Tower, 99-101 Jervois Street, Sheung Wan, Hong Kong. Its ultimate controlling parties are Mr. Wong Ngai Shan ("**Mr. Wong**") and Ms. Chan Wai Chun ("**Ms. Chan**") who are also the executive Directors.

The Company is an investment holding company and the principal activities of its subsidiaries are operating restaurants in Hong Kong.

The Historical Financial Information is presented in Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Company and its subsidiaries and all values are rounded to the nearest thousands (HK\$'000) except when otherwise indicated.

The unaudited condensed consolidated financial statements for the nine months ended 31 December 2022 have been prepared in accordance with the accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards ("**HKFRS**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure provisions of Chapter 18 of the GEM Listing Rules.

Other than changes in accounting policies resulting from application of new HKFRSs, the accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the nine months ended 31 December 2022 are consistent with those followed in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2022.

The unaudited condensed consolidated financial statements for the nine months ended 31 December 2022 have been prepared on the historical cost basis.

The condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company.



## Application of new and amendments to HKFRSs

In the current period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2022 for the preparation of the Group's condensed consolidated financial statements:

|                       |  |
|-----------------------|--|
| Amendments to HKFRS 3 | Reference to the Conceptual Framework                        |
| Amendments to HKAS 16 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to HKAS 37 | Onerous Contracts – Cost of Fulfilling a Contract            |
| Amendments to HKFRSs  | Annual Improvements to HKFRSs 2018-2020                      |

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amount reported and/or disclosures.

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

## 2. REVENUE

Revenue represents amounts received and receivable from restaurant operations, net of discounts, during the period.

## 3. TAXATION

Taxation represents Hong Kong Profits Tax calculated at 16.5% of the estimated assessable profit for the relevant periods.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25%.

## 4. DIVIDENDS

The Board has resolved not to recommend the payment of an interim dividend for the nine months ended 31 December 2022.

## 5. EARNINGS PER SHARE

The basic earnings per share is calculated based on the profit attributable to the owners of the Company and the weighted average number of ordinary shares for the relevant periods.

|   | Three months ended        |                           | Nine months ended         |                           |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
|   | 31.12.2022<br>(unaudited) | 31.12.2021<br>(unaudited) | 31.12.2022<br>(unaudited) | 31.12.2021<br>(unaudited) |
| <b>Earnings</b>   |                           |                           |                           |                           |
| Earnings for the period attributable to owners of the Company for the purpose of basic earnings and diluted earnings per share (HK\$'000) | <b>17,043</b>             | 18,346                    | <b>50,120</b>             | 44,812                    |
| <b>Number of ordinary Shares</b>  |                           |                           |                           |                           |
| Weighted average number of ordinary shares for the purpose of basic earnings per share ('000)   | <b>382,244</b>            | 386,932                   | <b>385,364</b>            | 386,932                   |
| Effect of potential dilutive ordinary shares:   |                           |                           |                           |                           |
| Share options   | <b>1,189</b>              | 167                       | <b>832</b>                | 1,027                     |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share ('000)   | <b>383,433</b>            | 387,099                   | <b>386,196</b>            | 387,959                   |



## BUSINESS REVIEW

During the nine months ended 31 December 2022 (“**FY2023 Q3**”), the Group opened six new restaurants: (1) Sankinn Taiwanese Hotpot at the Grand Plaza in Mongkok in July 2022; (2) QUE Japanese Café at the Citygate in Tung Chung in September 2022; (3) QUE Japanese Café at the Elements in Tsim Sha Tsui in December 2022; (4) Khao San at the Megabox in December 2022; (5) Sankinn Taiwanese Hotpot at the Nina Mall in Tsuen Wan in December 2022; and (6) QUE Japanese Café at the New Town Plaza in Shatin in December 2022. Our Nabe Urawa restaurant at the Raffles City Changning in Shanghai was closed in April 2022 as the footfall traffic was significantly lower than expectation. In addition, our Parkview restaurant at the Metroplaza in Kwai Fong and our La’Taste restaurant at the Olympian City were closed in September 2022 as the demand for restaurant staff is much greater than the supply resulting in a shortage of staff in our restaurants. We have therefore decided not to renew the leases of the Metroplaza Parkview and Olympian City La’Taste as we can transfer the staff to the more efficient restaurants or to new restaurants that will be more efficient in order to generate more revenue/profit per staff employed.

Two of our restaurants, Dab Pa at the Elements and Dab Pa at the TMT Plaza were closed for renovation and reopened in August and November 2022, respectively.

The number of restaurants as at 31 March 2022, 31 December 2022 and as at the date of this report are as follows:

| <b>By Brands</b>                   | <b>31.03.2022</b> | <b>30.06.2022</b> | <b>30.09.2022</b> | <b>31.12.2022</b> | <b>Date of Report</b> |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|
| <b>Hong Kong</b>                   |                   |                   |                   |                   |                       |
| Nabe Urawa                         | 9                 | 9                 | 9                 | 9                 | 9                     |
| Dab-Pa/Siu Siu Cuen                | 6                 | 6                 | 6                 | 6                 | 6                     |
| QUE                                | –                 | –                 | 1                 | 3                 | 3                     |
| Rakuraku Ramen                     | 3                 | 3                 | 3                 | 3                 | 3                     |
| Sankinn                            | 1                 | 1                 | 2                 | 3                 | 3                     |
| Yakiniku Guu                       | 3                 | 3                 | 3                 | 3                 | 3                     |
| La'taste                           | 3                 | 3                 | 2                 | 2                 | 2                     |
| Takano Ramen                       | 2                 | 2                 | 2                 | 2                 | 2                     |
| Khao San                           | –                 | –                 | –                 | 1                 | 1                     |
| Moments Together                   | 1                 | 1                 | 1                 | 1                 | 1                     |
| Parkview                           | 2                 | 2                 | 1                 | 1                 | 1                     |
| Tirpse                             | 1                 | 1                 | 1                 | 1                 | 1                     |
| Urawa                              | 1                 | 1                 | 1                 | 1                 | 1                     |
| Wasyokuya Yamaichi                 | 1                 | 1                 | 1                 | 1                 | 1                     |
| Xianghui*                          | 1                 | 1                 | 1                 | 1                 | 1                     |
| <b>Hong Kong Total</b>             | <b>34</b>         | <b>34</b>         | <b>34</b>         | <b>38</b>         | <b>38</b>             |
| <b>Shanghai</b>                    |                   |                   |                   |                   |                       |
| Moments Together (Shi Li Xianghui) | 2                 | 2                 | 2                 | 2                 | 2                     |
| Same Same                          | 1                 | 1                 | 1                 | 1                 | 1                     |
| Nabe Urawa                         | 1                 | –                 | –                 | –                 | –                     |
| <b>Shanghai Total</b>              | <b>4</b>          | <b>3</b>          | <b>3</b>          | <b>3</b>          | <b>3</b>              |
| <b>Total</b>                       | <b>38</b>         | <b>37</b>         | <b>37</b>         | <b>41</b>         | <b>41</b>             |

| <b>By Cuisine/Type</b> | <b>31.03.2022</b> | <b>30.06.2022</b> | <b>30.09.2022</b> | <b>31.12.2022</b> | <b>Date of Report</b> |
|------------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|
| Japanese               | 20                | 19                | 19                | 19                | 19                    |
| Chinese                | 11                | 11                | 12                | 13                | 13                    |
| Southeast Asian        | 4                 | 4                 | 3                 | 4                 | 4                     |
| Western                | 3                 | 3                 | 3                 | 5                 | 5                     |
| <b>Total</b>           | <b>38</b>         | <b>37</b>         | <b>37</b>         | <b>41</b>         | <b>41</b>             |

| <b>Movement during each period</b> | <b>Full Year<br/>31.03.2022</b> | <b>Three<br/>Months<br/>30.06.2022</b> | <b>Three<br/>Months<br/>30.09.2022</b> | <b>Three<br/>Months<br/>31.12.2022</b> | <b>FY2023<br/>Cumulative</b> |
|------------------------------------|---------------------------------|--|--|--|------------------------------|
| At the Beginning of the Period     | 33                              | 38                                     | 37                                     | 37                                     | 38                           |
| New Restaurants                    | 10                              | -                                      | 2                                      | 4                                      | 6                            |
| Closed Restaurants                 | (5)                             | (1)                                    | (2)                                    | -                                      | (3)                          |
| <b>At the End of the Period</b>    | <b>38</b>                       | <b>37</b>                              | <b>37</b>                              | <b>41</b>                              | <b>41</b>                    |

\* Xiang Hui is 40% owned by the Group and is equity accounted for in the financial statements of the Group.

Confirmed leases for the opening of new restaurants are as follows:

| <b>Restaurant</b> | <b>Location</b>            | <b>Mall Operator</b>  | <b>Lease Expiry Date</b> | <b>Option to Renew (Yrs)</b> | <b>Expected Commencement Date</b> |
|-------------------|----------------------------|-----------------------|--------------------------|------------------------------|-----------------------------------|
| Siu Siu Cuen      | K11 Artmall, Tsim Sha Tsui | New World Development | 12.02.2026               | 3                            | Q2 2023                           |
| Nabe Urawa        | The Wai, Tai Wai           | MTR Corp              | 28.02.2026               | 3                            | Q2 2023                           |
| Takano Ramen      | Yoho Mall, Yuen Long       | SHK Properties        | 05.06.2027               | None                         | Q3 2023                           |

For details of these leases, please refer to the announcements issued by the Company dated 4 May 2022, 12 December 2022 and 19 December 2022.

## Significant Investments, Material Acquisitions or Disposals

There were no other significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during FY2023 Q3.

## Restaurant Operations

During FY2023 Q3, a total of 2,219,370 customers patronized our restaurants (excluding Xiang Hui as it is equity accounted for in the consolidated financial statements of the Group), a decrease of 123,209 customers or 5.3% when compared to the nine months ended 31 December 2021 ("FY2022 Q3"). The decrease in the number of customers was a direct result of the no dine-in after 6 p.m. policy enforced by the Hong Kong Government until 20 April 2022. The average spending per customer increased from HK\$212.4 to HK\$237.7 for FY2023 Q3 compared to the same period in 2021. The key operating information by cuisine are summarized as follows:

|                                   | Nine Months Ended   |                       |                                   |                           |  |                                      |                     |                       |                                   |                           |  |                                      |
|-----------------------------------|---------------------|-----------------------|-----------------------------------|---------------------------|--|--------------------------------------|---------------------|-----------------------|-----------------------------------|---------------------------|--|--------------------------------------|
|                                   | 31.12.2022          |                       |                                   |                           |  |                                      | 31.12.2021          |                       |                                   |                           |  |                                      |
|                                   | Revenue<br>HK\$'000 | Number<br>of<br>Seats | Average<br>Daily<br>Sales<br>HK\$ | Number<br>of<br>Customers | Average<br>Spending<br>per<br>Customer<br>HK\$ | Daily<br>Seating<br>Turnover<br>Rate | Revenue<br>HK\$'000 | Number<br>of<br>Seats | Average<br>Daily<br>Sales<br>HK\$ | Number<br>of<br>Customers | Average<br>Spending<br>per<br>Customer<br>HK\$ | Daily<br>Seating<br>Turnover<br>Rate |
| Vietnamese/<br>Southeast<br>Asian | 26,869              | 453                   | 135,936                           | 208,092                   | 129.1  | 2.3                                  | 34,380              | 592                   | 162,836                           | 294,956                   | 116.6  | 2.4                                  |
| Japanese                          | 265,479             | 1,998                 | 967,293                           | 1,087,179                 | 244.2  | 2.0                                  | 265,235             | 2,024                 | 1,046,197                         | 1,178,474                 | 225.1  | 2.3                                  |
| - Nabe Urawa/<br>Yakiniku Gyuu    | 189,878             | 1,498                 | 692,378                           | 662,881                   | 286.4  | 1.6                                  | 197,655             | 1,524                 | 761,089                           | 779,184                   | 253.7  | 2.0                                  |
| - Ramen                           | 50,388              | 265                   | 183,231                           | 331,753                   | 151.9  | 4.6                                  | 39,721              | 265                   | 183,324                           | 302,428                   | 131.3  | 5.3                                  |
| - Others                          | 25,213              | 235                   | 91,684                            | 92,545                    | 272.4  | 1.4                                  | 27,859              | 235                   | 101,784                           | 96,862                    | 287.6  | 1.5                                  |
| Chinese                           | 169,558             | 1,243                 | 759,668                           | 639,379                   | 265.2  | 2.3                                  | 124,069             | 909                   | 551,980                           | 506,163                   | 245.1  | 2.5                                  |
| Western                           | 64,667              | 649                   | 491,755                           | 284,720                   | 227.1  | 3.3                                  | 70,570              | 413                   | 265,266                           | 320,547                   | 220.2  | 2.9                                  |
|                                   | 526,573             | 4,343                 | 2,354,652                         | 2,219,370                 | 237.3  | 2.3                                  | 494,254             | 3,938                 | 2,026,279                         | 2,300,140                 | 214.9  | 2.4                                  |
| Dessert                           | -                   | -                     | -                                 | -                         | -  | -                                    | 1,142               | 31                    | 24,830                            | 13,663                    | 83.6   | 9.6                                  |
| Kiosks                            | -                   | -                     | -                                 | -                         | -  | -                                    | 1,241               | 16                    | 5,828                             | 28,776                    | 43.1   | 8.4                                  |
| Others                            | 942                 | -                     | -                                 | -                         | -  | -                                    | 980                 | -                     | -                                 | -                         | -  | -                                    |
|                                   | 527,515             | 4,343                 | 2,354,652                         | 2,219,370                 | 237.7  | 2.3                                  | 497,617             | 3,985                 | 2,056,937                         | 2,342,579                 | 212.4  | 2.4                                  |

## Impact of COVID-19 on the Number of Customers

Currently, with the exception of the compulsory mask mandate, Hong Kong has basically removed all social distancing measures on 29 December 2022.

## FINANCIAL REVIEW

### Revenue

For FY2023 Q3, the Group recorded revenue of HK\$527,515,000, representing an increase of 6.0% when compared to FY2022 Q3.

We derive our revenue from the sales of food and beverages at our restaurants in Hong Kong. The following tables sets forth the breakdown of our revenue by cuisine and the number of restaurants in operations by cuisine during the relevant periods.

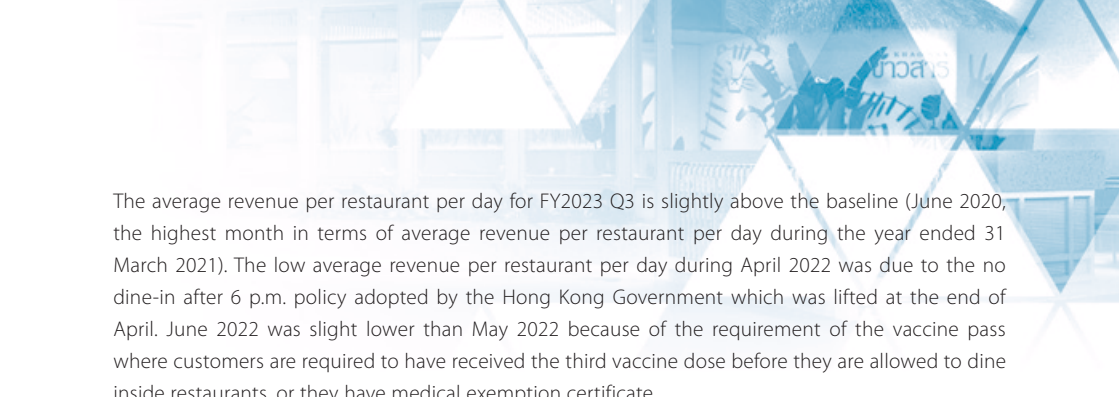
|                            | Nine months ended       |                 |                         |                 | Changes     |
|----------------------------|-------------------------|-----------------|-------------------------|-----------------|-------------|
|                            | 31.12.2022              |                 | 31.12.2021              |                 |             |
|                            | HK\$'000<br>(unaudited) | % of<br>Revenue | HK\$'000<br>(unaudited) | % of<br>Revenue |             |
| Vietnamese/Southeast Asian | 26,869                  | 5.1%            | 34,380                  | 6.9%            | (21.8%)     |
| Japanese                   | 265,479                 | 50.3%           | 265,235                 | 53.3%           | 0.1%        |
| Chinese                    | 169,558                 | 32.1%           | 124,069                 | 24.9%           | 36.7%       |
| Western                    | 64,667                  | 12.3%           | 70,570                  | 14.2%           | (8.4%)      |
| Dessert                    | –                       | 0.0%            | 1,142                   | 0.2%            | (100.0%)    |
| Kiosks                     | –                       | 0.0%            | 1,241                   | 0.2%            | (100.0%)    |
| Others                     | 942                     | 0.2%            | 980                     | 0.2%            | (3.9%)      |
| <b>Total revenue</b>       | <b>527,515</b>          | <b>100.0%</b>   | <b>497,617</b>          | <b>100.0%</b>   | <b>6.0%</b> |

When compared to FY2022 Q3, the increase in revenue is attributable to those restaurants opened during FY2022 having a full nine months of operations. The increase in revenue was affected by the no dine-in after 6 p.m. policy enforced by the Hong Kong Government for most of April 2022.

### Impact of COVID-19 on Revenue

|  | FY2020    | FY2021    | FY2022    | Baseline  | FY2023     |          |           |           |             |                |              |               | FY2023 Q3     |      |
|--|-----------|-----------|-----------|-----------|------------|----------|-----------|-----------|-------------|----------------|--------------|---------------|---------------|------|
|  | Full Year | Full Year | Full Year | June 2020 | April 2022 | May 2022 | June 2022 | July 2022 | August 2022 | September 2022 | October 2022 | November 2022 | December 2022 |      |
| Average revenue per restaurant per day | 90%       | 68%       | 92%       | 100%      | 77%        | 108%     | 102%      | 108%      | 115%        | 106%           | 110%         | 102%          | 124%          | 106% |





The average revenue per restaurant per day for FY2023 Q3 is slightly above the baseline (June 2020, the highest month in terms of average revenue per restaurant per day during the year ended 31 March 2021). The low average revenue per restaurant per day during April 2022 was due to the no dine-in after 6 p.m. policy adopted by the Hong Kong Government which was lifted at the end of April. June 2022 was slight lower than May 2022 because of the requirement of the vaccine pass where customers are required to have received the third vaccine dose before they are allowed to dine inside restaurants, or they have medical exemption certificate.

### **Subsidies from the Hong Kong Government**

Approximately HK\$1.7 million relating to the Anti-epidemic Fund and approximately HK\$15.0 million relating to the 2022 Employment Support Scheme for the month of May, June and July 2022 was recorded during FY2023 Q3. Approximately HK\$9.9 million was booked for the months of May and June 2022 under the 2022 Employment Support Scheme during the nine months ended 31 December 2022, however due to an initial dispute in the number of staff, approximately HK\$0.7 million was deducted from the May 2022 subsidies by the Hong Kong Government which was subsequently agreed and reversed by the Hong Kong Government. As at the date of this report, we have received all payments in relation to the Employment Support Scheme. The 2022 Employment Support Scheme was for the months of May, June and July 2022. No subsidies was recorded during FY2022 Q3.

### **Rental Concessions**

During FY2023 Q3, we received approximately HK\$2.6 million in rental concessions from our landlords which has been set-off against depreciation of Right-of-Use Assets. During FY2022 Q3, we received approximately HK\$0.9 million.

## Major Cost Components

|   | Nine months ended       |                 |                         |                 | Changes |
|---|-------------------------|-----------------|-------------------------|-----------------|---------|
|   | 31.12.2022              |                 | 31.12.2021              |                 |         |
|   | HK\$'000<br>(unaudited) | % of<br>Revenue | HK\$'000<br>(unaudited) | % of<br>Revenue |         |
| Raw materials and consumables used            | <b>156,543</b>          | <b>29.7%</b>    | 149,947                 | 30.1%           | 4.4%    |
| Staff costs                                   | <b>156,152</b>          | <b>29.6%</b>    | 137,707                 | 27.7%           | 15.6%   |
| Depreciation of property, plant and equipment | <b>21,304</b>           | <b>4.0%</b>     | 16,624                  | 3.3%            | 28.2%   |
| Depreciation of ROU Assets                    | <b>71,509</b>           | <b>13.6%</b>    | 66,289                  | 13.3%           | 7.9%    |
| Property rental and related expenses          | <b>30,557</b>           | <b>5.8%</b>     | 26,463                  | 5.3%            | 15.5%   |
| Utilities and cleaning expenses               | <b>17,636</b>           | <b>3.3%</b>     | 14,855                  | 3.0%            | 18.7%   |
| Other expenses                                | <b>28,706</b>           | <b>5.4%</b>     | 25,992                  | 5.2%            | 10.4%   |
| Finance Costs                                 | <b>7,779</b>            | <b>1.5%</b>     | 6,937                   | 1.4%            | 12.1%   |

**Raw materials and consumables used** increased by approximately 4.4% during FY2023 Q3 when compared to FY2022 Q3 which is in line with the increase in revenue. As a percentage of revenue, raw materials and consumables remained stable at 29.7% when compared to the 30.1% recorded in FY2022 Q3.

**Staff costs** increased by approximately 15.6% during FY2023 Q3 when compared to FY2022 Q3 is mainly due to the increase in the number of restaurants during FY2022 having a full nine months of operations and new restaurants opened during FY2023 Q3. As a percentage of revenue staff costs increased from 27.7% to 29.6% when compared to FY2022 Q3. Although no pay leaves were taken by our staff during the month of April 2022, headcount was not reduced due to the subsidy from the 2022 Employment Support Scheme which has been accounted for under other income. If the subsidy is set-off against staff costs, staff costs as a percentage of revenue would be reduced to 26.8%.

**Property rental and related expenses** increased by approximately 15.5% when compared to FY2022 Q3. The increase is primarily due to more restaurants were in operation during FY2022 Q3. As a percentage of revenue, property rental and related expenses increased from 5.3% to 5.8% is primarily due to the lower revenue in April from the no dine-in after 6 p.m. policy enforced by the Hong Kong Government and four new restaurants opened in December 2022 where there was no corresponding revenue during their respective renovation periods. Property rental and related expenses only include expenses such as turnover rents, building management fees and rates, which are mostly fixed expenses in nature.

**Depreciation of property, plant and equipment and Depreciation of ROU Assets** increased by approximately 28.2% and increased by approximately 7.9%, respectively when compared to FY2022 Q3, which is primarily due to more restaurants were in operation during FY2022 Q3.

As a percentage of revenue, depreciation of property, plant and equipment and depreciation of ROU Assets increased from 3.3% to 4.0% and increased slightly from 13.3% to 13.6%, respectively. The increase in both depreciation of property, plant and equipment as a percentage of revenue and depreciation of ROU Assets as a percentage of revenue is primarily due to the lower revenue in April from the no dine-in after 6 p.m. policy enforced by the Hong Kong Government.

**Other expenses** include items such as advertising expenses, credit card charges, delivery fees, entertainment expenses, insurance, printing and stationery, medical expenses and repairs and maintenance. Other expenses amounted to approximately HK\$28,706,000 representing an increase of approximately 10.4% when compared to FY2022 Q3. As a percentage of revenue, other expenses remained stable at approximately 5.4%.

## **Net Profit and Profit Attributable to Owners of the Company**

### **(1) Unadjusted**

For the nine months ended 31 December 2022, net profit and profit attributable to owners of the Company amounted to approximately HK\$49,533,000 and HK\$50,120,000, respectively. Net profit increased by approximately HK\$7,857,000 or 18.9% and net profit attributable to owners of the Company increased by approximately HK\$5,308,000 or 11.8% .

### **(2) Government Subsidies Deducted**

Adjusted for the impact of the Anti-epidemic subsidies from the Hong Kong Government received during FY2023 Q3, net profit decreased by approximately HK\$8,754,000 or 21.0% and net profit attributable to owners of the Company decreased by approximately HK\$11,303,000 or 25.2%.

The increases are the result of the cumulative effect of the above factors.



## **Financial Resources and Position**

As at 31 December 2022, the Group did not have any bank borrowings.

Cash and cash equivalents amounted to HK\$113.7 million as at 31 December 2022 which are mostly denominated in Hong Kong Dollars. Although the Group has entered into the JV Agreement which will be subject to the exchange rate exposure of the Renminbi, the Group's main businesses are still conducted in Hong Kong, therefore the Group does not expect to be exposed to any material foreign exchange risks in the next twelve months.

As at 31 December 2022, the Group was in a net cash position (net debt divided by equity attributable to owners of the Company plus net debt).

## **Contingent Liabilities**

As at 31 December 2022, the Group did not have any significant contingent liabilities.

## **Capital Commitments**

As at 31 December 2022, the Group did not have outstanding capital commitments.

## **Future Prospects**

With the exception of the compulsory mask mandate still in place, basically all social distancing measures have been removed and with the Hong Kong border now opened, we believe our business will continue to improve. We will continue to improve of the quality of our food together with the highest standard of services. Value-for-money is the key to our success, customers need to feel that they are getting their money's worth by providing a dining experience that matches their expectation, it is therefore imperative for us to deliver this philosophy during these difficult times.

As for our expansion, in addition to committed four new leases thus far and we will continue to discuss with shopping mall landlords for new potential locations in Hong Kong and in the PRC.

## OTHER INFORMATION

### Directors' and Chief Executive's Interests and Short positions in the Shares, Underlying Shares and Debentures of the Company or Any Associated Corporation

As at 31 December 2022, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

#### Long Positions in Shares

| Name of Directors                | Capacity/Nature of interest                               | Interest in Shares | Interest in underlying Shares pursuant to share options | Aggregate Interests | Approximate Percentage of Shareholding |
|----------------------------------|---|--------------------|---|---------------------|--|
| Mr. Wong                         | Interest in controlled corporation and interest of spouse | 260,302,000        | –   | 260,302,000         | 68.776%                                |
| Ms. Chan                         | Interest in controlled corporation and interest of spouse | 260,302,000        | –   | 260,302,000         | 68.776%                                |
| Mr. Yu Man To Gerald Maximillian | Beneficial owner  | 76,000             | 950,000   | 1,026,000           | 0.271%                                 |
| Mr. Tsang Siu Chun               | Beneficial owner  | 20,000             | –   | 20,000              | 0.005%                                 |

Notes:

1. IKEAB Limited is owned by Mr. Wong as to 70% and Ms. Chan as to 30%. As such Mr. Wong and Ms. Chan are deemed to be interested in the shares of the Company owned by IKEAB Limited by virtue of the SFO.
2. Elite China Enterprise Limited ("Elite China") is owned by Mr. Wong as to 50% and Ms. Chan as to 50%. As such Mr. Wong and Ms. Chan are deemed to be interested in 9,984,000 shares of the Company held by Elite China as at 31 December 2022 by virtue of the SFO.
3. Mr. Wong is the spouse of Ms. Chan.

Save as disclosed above, as at 31 December 2022, none of the Directors and chief executive of the Company has any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.48 to 5.67 of the GEM Listing Rules.

### Directors' Rights to Acquire Shares or Debentures of the Company and Associated Corporation

Pursuant to the Company's share option scheme adopted by the Shareholders on 20 December 2017 (the "SOS"), the Company has granted certain Directors of the Company options to subscribe for shares of the Company, details of which as at 31 December 2022 were as follows:

| Name of Directors                | Date of Grant    | Exercise Period                      | Exercise Price (HK\$) | Number of Shares Subject to Outstanding Share Options as at 01.04.2022 | Number of Shares Subject to Outstanding Share Options as at 30.09.2022 | Approximate Percentage of Shareholding |
|----------------------------------|------------------|--------------------------------------|-----------------------|--|--|--|
| Mr. Yu Man To Gerald Maximillian | 29 June 2018     | 29 June 2019 to 28 June 2028         | 0.92                  | 105,000  | 105,000  | 0.028%                                 |
|                                  | 29 June 2018     | 29 June 2020 to 28 June 2028         | 0.92                  | 105,000  | 105,000  | 0.028%                                 |
|                                  | 29 June 2018     | 29 June 2021 to 28 June 2028         | 0.92                  | 140,000  | 140,000  | 0.037%                                 |
|                                  | 9 August 2019    | 9 August 2020 to 8 August 2029       | 0.85                  | 90,000   | 90,000   | 0.024%                                 |
|                                  | 9 August 2019    | 9 August 2021 to 8 August 2029       | 0.85                  | 90,000   | 90,000   | 0.024%                                 |
|                                  | 9 August 2019    | 9 August 2022 to 8 August 2029       | 0.85                  | 120,000  | 120,000  | 0.032%                                 |
|                                  | 16 December 2021 | 16 December 2022 to 15 December 2031 | 0.90                  | 90,000   | 90,000   | 0.024%                                 |
|                                  | 16 December 2021 | 16 December 2023 to 15 December 2031 | 0.90                  | 90,000   | 90,000   | 0.024%                                 |
|                                  | 16 December 2021 | 16 December 2024 to 15 December 2031 | 0.90                  | 120,000  | 120,000  | 0.032%                                 |

Notes:

1. The vesting period of the share options is from the date of grant until the commencement of the exercise period.
2. These share options represent personal interest held by the Directors as beneficial owners.
3. The outstanding share options as at 1 April 2022 were included in the employees category as disclosed in the Company's annual report for the year ended 31 March 2022.

Other than the SOS mentioned below, at no time during the period was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the Directors nor the chief executive of the Company, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

### **Interests and Short Position of Substantial Shareholders' and Other Person in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations**

As at 31 December 2022, the interests and short positions of substantial shareholders and other persons (other than a Director or chief executive of the Company) in the shares and underlying shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

#### **Long Positions in Shares**

| <b>Name of Substantial Shareholder</b> | <b>Capacity/Nature of interest</b>                        | <b>Number of Shares Held</b> | <b>Approximate Percentage of Shareholding</b> |
|--|---|------------------------------|---|
| Mr. Wong                               | Interest in controlled corporation and interest of spouse | 260,302,000                  | 68.776%                                       |
| Ms. Chan                               | Interest in controlled corporation and interest of spouse | 260,302,000                  | 68.776%                                       |
| IKEAB Limited                          | Beneficial owner  | 250,318,000                  | 66.138%                                       |

Notes:

1. IKEAB Limited is owned by Mr. Wong as to 70% and Ms. Chan as to 30%. As such Mr. Wong and Ms. Chan are deemed to be interested in the shares of the Company owned by IKEAB Limited by virtue of the SFO.
2. Elite China is owned by Mr. Wong as to 50% and Ms. Chan as to 50%. As such Mr. Wong and Ms. Chan are deemed to be interested in 9,984,000 shares of the Company held by Elite China as at 31 December 2022 by virtue of the SFO.
3. Mr. Wong is the spouse of Ms. Chan.



Save as disclosed above, as at 31 December 2022, the Directors are not aware of any interests and short positions owned by any parties (other than a Director) in the shares and underlying shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO.

### Purchase, Sale or Redemption of Listed Securities

From 28 September 2022 to 11 October 2022 (the “Purchase Period”), we purchased from the market a total of 8,450,000 Shares which were subsequently cancelled on 10 November 2022. We believe that the current trading price of the Shares does not reflect the intrinsic value and that the share repurchase reflects the Company’s confidence in its long-term business prospects and would ultimately benefit the Company and create value for Shareholders.

Particulars of the Shares repurchased on the Stock Exchange during the Purchase Period are as follow:

| Date of Repurchase | Number<br>of Shares<br>Repurchased by<br>the Company | Price per Share |        | Consideration<br><br>HK\$ |
|--------------------|--|-----------------|--------|---------------------------|
|                    |  | Highest         | Lowest |                           |
|                    |  | HK\$            | HK\$   |                           |
| 28 September 2022  | 136,000  | 1.07            | 1.07   | 145,520                   |
| 30 September 2022  | 208,000  | 1.08            | 1.08   | 224,640                   |
| 03 October 2022    | 1,200,000  | 1.08            | 1.08   | 1,296,000                 |
| 05 October 2022    | 2,952,000  | 1.08            | 1.08   | 3,188,160                 |
| 06 October 2022    | 76,000   | 1.08            | 1.08   | 82,080                    |
| 07 October 2022    | 1,220,000  | 1.09            | 1.09   | 1,329,800                 |
| 10 October 2022    | 2,236,000  | 1.09            | 1.09   | 2,437,240                 |
| 11 October 2022    | 428,000  | 1.09            | 1.09   | 466,520                   |
| <b>Total</b>       | <b>8,456,000</b>                                     |                 |        | <b>9,169,960</b>          |

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the nine months ended 31 December 2022 and up to the date of this report.

### Corporate Governance

During the nine months ended 31 December 2022, the Company had complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules.

### **Competing Interests**

As at 31 December 2022, none of the Directors or substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) has engaged in any business that competes or may compete with the business of the Group or have any other conflict of interests with the Group.

### **Directors' Securities Transactions**

The Company has adopted written guidelines regarding directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules. All directors have confirmed, following specific enquiries by the Company, that they have complied with the required standard of dealings during the nine months ended 31 December 2022.

### **Audit Committee**

The Company has an audit committee (the "**Audit Committee**") which was established in accordance with the requirements of the GEM Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal control procedures. As at the date of this report, the Audit Committee comprises Mr. Wang Chin Mong (Chairman of the Audit Committee), Mr. Tsang Siu Chun and Ms. Chan Yuen Ting, all of whom are independent non-executive Directors.

An Audit Committee meeting was held on 8 February 2023 to review the unaudited condensed consolidated quarterly financial statements of the Group for nine months ended 31 December 2022 and is of the opinion that such financials complied with the applicable accounting standards, legal and disclosure requirements applicable to the Group.



## Appreciation

On behalf of the Board, I would like to take this opportunity to express my gratitude to all the staff and management team for their contribution during the period. I would also like to express my appreciation to the continuous support of our shareholders and investors.

By Order of the Board

**WONG Ngai Shan**

*Chairman and Executive Director*

Hong Kong, 8 February 2023

As at the date of this report, the Board comprises:

*Executive Directors:*

WONG Ngai Shan (*Chairman*)

CHAN Wai Chun (*Chief Executive Officer*)

YU Man To Gerald Maximilian

*(Chief Financial Officer and Company Secretary)*

*Independent Non-executive Directors:*

CHAN Yuen Ting

TSANG Siu Chun

WANG Chin Mong