



THAC Group (Holdings) Limited

一木集團（控股）有限公司

(formerly known as Classified Group (Holdings) Limited)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8232)



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2025/26
Annual Report

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This report, for which the directors (the “Directors”) of THAC Group (Holdings) Limited (formerly known as Classified Group (Holdings) 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.

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. KWOK Chun Kwan (appointed on 30 September 2025)
Mr. CHAN Benson (appointed on 30 September 2025)
Ms. HO Helen Kayee (appointed on 30 September 2025)
Mr. WONG Arnold Chi Chiu (resigned on 30 September 2025)
Mr. PONG Kin Yee BBS, JP (resigned on 30 September 2025)
Mr. LI Kai Leung (resigned on 30 September 2025)

Independent Non-executive Directors

Ms. CHAN Sheung Yu (appointed on 30 September 2025)
Mr. LAU Kelly (appointed on 30 September 2025)
Mr. WONG Ho Shing Samson (appointed on 30 September 2025)
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (resigned on 30 September 2025)
Mr. NG Chun Fai Frank (resigned on 30 September 2025)
Mr. YUE Man Yiu Matthew (resigned on 30 September 2025)
Ms. WONG Tsui Yue Lucy (resigned on 30 September 2025)

Authorised Representatives

Mr. KWOK Chun Kwan
Ms. LEUNG Yin Fai

Company Secretary

Ms. LEUNG Yin Fai (*HKICPA*)

Audit Committee

Mr. WONG Ho Shing Samson (*Chairman*) (appointed on 30 September 2025)
Ms. CHAN Sheung Yu (appointed on 30 September 2025)
Mr. LAU Kelly (appointed on 30 September 2025)
Mr. YUE Man Yiu Matthew (resigned on 30 September 2025)
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (resigned on 30 September 2025)
Mr. NG Chun Fai Frank (resigned on 30 September 2025)
Ms. WONG Tsui Yue Lucy (resigned on 30 September 2025)

Remuneration Committee

Mr. WONG Ho Shing Samson (*Chairman*) (appointed on 30 September 2025)
Ms. CHAN Sheung Yu (appointed on 30 September 2025)
Mr. LAU Kelly (appointed on 30 September 2025)
Mr. KWOK Chun Kwan (appointed on 30 September 2025)
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (resigned on 30 September 2025)
Mr. NG Chun Fai Frank (resigned on 30 September 2025)
Mr. YUE Man Yiu Matthew (resigned on 30 September 2025)
Ms. WONG Tsui Yue Lucy (resigned on 30 September 2025)

Nomination Committee

Ms. CHAN Sheung Yu (*Chairman*) (appointed on 30 September 2025)
Mr. LAU Kelly (appointed on 30 September 2025)
Mr. WONG Ho Shing Samson (appointed on 30 September 2025)
Mr. KWOK Chun Kwan (appointed on 30 September 2025)
Mr. NG Chun Fai Frank (resigned on 30 September 2025)
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (resigned on 30 September 2025)
Mr. YUE Man Yiu Matthew (resigned on 30 September 2025)
Ms. WONG Tsui Yue Lucy (resigned on 30 September 2025)

CORPORATE INFORMATION

Auditors	BDO Limited <i>Certified Public Accountants and Registered Public Interest Entity Auditor, Hong Kong</i>
Principal Bankers	Hang Seng Bank Limited
Registered Office	Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head Office, Headquarters and Principal Place of Business in Hong Kong	Flat 09, 12/F., Kwong Sang Hong Centre, 151-153 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong
Principal Share Registrar and Transfer Office	Conyers Trust Company (Cayman) Limited Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Hong Kong Share Registrar and Transfer Office	Union Registrars Limited Suites 3301-04, 33/F Two Chinachem Exchange Square 338 King's Road North Point Hong Kong
Company Website	www.classifiedgroup.com.hk
GEM Stock Code	08232

CHAIRMAN'S STATEMENT

TO OUR SHAREHOLDERS

On behalf of the board of Directors (the "Board"), I am pleased to present the annual results of THAC Group (Holdings) Limited (formerly known as Classified Group (Holdings) Limited) (the "Company") and its subsidiaries (together with the Company, the "Group") for the fifteen months ended 31 March 2026, together with the figures for the year ended 31 December 2024.

FINANCIAL RESULTS

For the fifteen months ended 31 March 2026, the Group's total revenue was approximately HK\$82.3 million (year ended 31 December 2024: HK\$35.7 million). Loss for the period attributable to owners of the Company was HK\$7.0 million (year ended 31 December 2024: HK\$8.3 million). The decrease in loss was mainly due to the combined effect of (i) sales of premium wines; (ii) the closure of five loss making restaurants upon expiry of their respective tenancy agreement; and (iii) the opening of two new profitable Chinese restaurants.

BUSINESS REVIEW

As at 31 March 2026, the Group is operating three restaurants under the brands of Classified, Jasmine Harbour and THAC Café in Hong Kong. There are one restaurant under "Classified", one restaurant under "Jasmine Harbour" and one restaurant under "THAC Café". The business environment of the food and beverage industry in Hong Kong remains challenging and competitive. Pressure from rising food costs, rental expenses, utilities expenses and labour costs is enduring, which further squeezes the Group's profit margin. Customers are more budget conscious and price sensitive to the amounts they spend on dining out and the revenues of our restaurants were weaker than expected. Besides, the northward movement of customers during weekend and holidays trend has adverse effect on customers' demands and consumption. The management believes the difficult situation may continue, which will adversely affect the food and beverage industry and the Group's business performance.

PROSPECTS

Looking ahead, the food and beverage industry will continue to face acute challenges and intense competition. Success is heavily dependent on dining preferences amongst our current and prospective customers and economic conditions of Hong Kong. In order to improve the overall business of the Group, we plan to: i) expand the take-away product line and diversity marketing strategies; ii) enhance and upgrade our existing restaurant facilities to attract more customers; iii) closely monitor the pricing of our suppliers of raw materials and consider to have a vertical integration of its supplies chains; and iv) open different style restaurants to diversify business risks.

The Company has adopted several strategic measures to boost revenue and reduce expenditure. These initiatives involve negotiating lower rents with landlords, securing more favourable terms with suppliers and implementing various promotional activities. We will also proactively seek potential business opportunities that will broaden our sources of income and enhance value to the shareholders of the Company ("Shareholders").

CHAIRMAN'S STATEMENT

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our valued customers, business partners, and Shareholders for their persistent support, and express my appreciation to the management team and employees for their valuable contribution to the development of the Group.

Kwok Chun Kwan

Chairman

Hong Kong, 26 June 2026

FINANCIAL HIGHLIGHTS

CONSOLIDATED RESULTS

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Revenue	82,338	35,736
Loss before taxation	(7,017)	(8,310)
Loss and total comprehensive expense for the period/year attributable to owners of the company	(7,017)	(8,310)

ASSETS AND LIABILITIES

	As at 31 March 2026 HK\$'000	As at 31 December 2024 HK\$'000
Assets		
Non-current assets	45,699	1,267
Current assets	10,585	26,075
Total assets	56,284	27,342
Liabilities		
Non-current liabilities	27,179	36
Current liabilities	26,613	17,797
Total liabilities	53,792	17,833
Total equity	2,492	9,509
Total equity and liabilities	56,284	27,342
Net current (liabilities)/assets	(16,028)	8,278
Total assets less current liabilities	29,671	9,545

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The business environment of the food and beverage industry in Hong Kong remains challenging, dynamic and competitive. Pressure from rising food costs, rental expenses, utilities expenses and labour costs is enduring, which further squeezed our profit margin. Customers are more budget conscious and price sensitive to the amounts they spend on dining out and the revenues of our restaurants were weaker than expected. The management believes the difficult situation may continue, which will adversely affect the food and beverage industry and the Group's business performance.

Nevertheless, the Group has implemented different measures including but not limited to closing those underperformance restaurants, minimising the staff costs, restructuring the food supplies chains, develop and diversity new brands to increase number of customers and their recognitions.

Operating in such a difficult macroeconomic environment, we need to be agile, flexible and adaptive. We will embrace changes with flexible marketing strategies and efficient operational discipline, continue to reshape our business model and make decisions necessary to enhance the profitability of the Group.

BUSINESS OVERVIEW

"Classified" restaurants are a collection of casual European cafés specializing in artisan breads, cheeses and boutique wines, and are renowned for their breakfast and all-day dining menu. Offering casual seating areas in most locations, Classified encourages neighbourhood street-level interaction. In December 2020, we have created a new modern bakery brand, "Rise by Classified", a sub-brand of "Classified". With a selection of pastries, a dine-in area for comfort food, an exhaustive list of beverages, and a collection of locally sourced retail products, "Rise by Classified" focuses on providing a local dining experience that can be enjoyed in the restaurant or at home. "Classified" is the Group's flagship brand. During the fifteen months ended 31 March 2026, we have closed three "Classified" restaurants and two "Rise by Classified" restaurants due to the expiry of tenancy agreement. the Group recorded a net revenue of approximately HK\$48.7 million (year ended 31 December 2024: HK\$35.7 million).

During the period, the Group strategically expanded its Chinese restaurant business by introducing two new brands to enrich its culinary portfolio. "Jasmine Harbour" specializes in authentic Cantonese cuisine, offering a comprehensive menu of wok-fried dishes, fresh seafood, Siu Mei, and banquet sets. Currently operating one branch. Concurrently, "THAC Café", a Hong Kong-style café brand under the Group, seamlessly blends Chinese and Western culinary cultures to serve a wide array of comfort food, Siu Mei, classic tea sets, and signature all-day set meals tailored to diverse budgets through its one existing branch. Offering both dine-in and takeaway options, both brands effectively cater to the daily dining needs of their respective communities, thereby further strengthening the Group's market presence in the dining segment. During the fifteen months ended 31 March 2026, Chinese restaurant recorded revenue of approximately HK\$33.6 million (year ended 31 December 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PROSPECTS

The food and beverage industry in Hong Kong has always been a challenging industry with intense competition and high operating costs, such as rising rental expenses, food costs and labour costs. The Group's success is therefore heavily dependent on the dining concepts and economic conditions of Hong Kong.

The Group's key risk exposures and uncertainties are summarised as follows:

- (1) business risks relating to customers' changing dining pattern and preferences, including refraining from dining out;
- (2) the Group may fail to find commercially attractive locations for new restaurants and/or renew existing leases on commercially acceptable terms, and the aforesaid potential failure would have a material adverse effect on the Group's business and future development;
- (3) the operation of the Group may be affected by the price of the food ingredients, including the price of the imported food ingredients which will be affected by the fluctuating exchange rate;
- (4) there may be labour shortage in the future and competition for qualified individuals in the food and beverage industry may be intense.

Further details on the risks and uncertainties faced by the Group are set out in the section headed "Risk Factors" of the prospectus of the Company dated 30 June 2016 (the Prospectus").

To manage the Group's risks and to improve the Group's overall business performance, we intend to:

- (1) expand the take-away product line and increase marketing efforts and sales stimulating measures;
- (2) enhance and upgrade our existing restaurant facilities to attract more customers;
- (3) closely monitor the pricing of our suppliers of raw materials and consider to have a vertical integration of its supplies chains; and
- (4) open different style restaurants to diversify business risks.

We believe our ongoing enhancement plans will improve our market share while we will continue to refine our business strategy to cope with the continuing challenges. We will also proactively seek potential business opportunities that will broaden our sources of revenue and enhance value to the Shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the fifteen months ended 31 March 2026, the Group's total audited turnover was approximately HK\$82.3 million (year ended 31 December 2024: approximately HK\$35.7 million). The increase in revenue for the fifteen month ended 31 March 2026 was mainly due to the net effect of two new-opening Chinese restaurants, although several "Classified" restaurants were closed upon expiry of their tenancy agreements and sales of premium wines of approximately HK\$18.9 million.

Total loss attributable to owners of the Company was approximately HK\$7.0 million for the fifteen months ended 31 March 2026 (year ended 31 December 2024: approximately HK\$8.3 million). The decrease in our loss attributable to owners of the Company was mainly due to the combined effect of (i) the closure of five loss making restaurants upon expiry of their respective tenancy agreement; and (ii) the opening of the new profitable Chinese restaurants.

FOREIGN CURRENCY EXPOSURE

Most transactions of the Group are denominated in Hong Kong dollars and the Group is not exposed to significant foreign exchange risks.

CAPITAL COMMITMENTS

As at 31 March 2026, the Group did not have any material capital commitments.

CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 31 March 2026, the Group did not have any mortgage or charge over its assets.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS

There were no significant investments held, material acquisition or disposals of subsidiaries and affiliated companies during the fifteen months ended 31 March 2026 and there is no plan for material investments or capital assets as at the date of this Annual Report.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. KWOK Chun Kwan, aged 37, is the Company's Chairman and the Executive Director of the Company. Mr. Kwok joined the Group on 30 September 2025. Mr. Kwok obtained a hospitality management diploma with Honors in American Hotel & Lodging Educational Institute in 2008. Mr. Kwok possesses strong strategic vision and extensive experience in business management, with over 15 years in Hong Kong's food and beverage industry. Since 2025, Mr. Kwok has been serving as the vice chairperson of the board of directors of Yan Oi Tong.

Mr. CHAN Benson, aged 37, was appointed as an Executive Director on 30 September 2025 and is primarily responsible for the Group's business development. Mr. Chan obtained a bachelor's degree from the University of California, Irvine in 2009. He has approximately 8 years of experience in the food and beverage industry in Hong Kong.

Ms. HO Helen Kayee, aged 36, was appointed as an Executive Director on 30 September 2025. Ms. Ho obtained a hospitality management diploma with Honors in American Hotel & Lodging Educational Institute in 2012. She has approximately 8 years of experience in the food and beverage industry in Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WONG Ho Shing Samson, aged 41, was appointed as an Independent Non-executive Director on 30 September 2025. Mr. Wong has extensive experience in financial markets and business management. Mr. Wong obtained a Bachelor of Business (Management) from RMIT University, Melbourne in 2010, a Master of Public Administration from the University of Management and Technology, and a Doctor of Business Administration from Apollos University in 2020.

Mr. Wong was admitted as a Fellow of the Institute of Public Accountants on 2 September 2020 (with fellow advancement certified on 12 October 2020) and was awarded the Fellow Certified Management Accountant (FCMA) designation by The Institute of Certified Management Accountants in July 2020. He has also been admitted as an international affiliate of the Hong Kong Institute of Certified Public Accountants since March 2021.

Mr. Wong has served in management positions at various multinational and local enterprises, overseeing departments including human resources, administration, finance, legal, and operations. His industry experience spans finance, food and beverage, real estate development and property management, e-commerce and big data, as well as beauty and health medicine. In 2017, Mr. Wong was awarded an Honorary Fellowship by the Hong Kong Institution of Building and Services Engineers. Mr. Wong is also a certified expert in cross-border labor relations in the Guangdong-Hong Kong-Macao Greater Bay Area. In addition, Mr. Wong serves as a member of the Chongqing Municipal Committee of the Chinese People's Political Consultative Conference and as a Hong Kong-Macao affairs adviser, the Chairman of the Greater Bay Area Human Resources and Management Association, and the Subcommittee Chairman of the Eastern District Fire Services Committee of the Government of the Hong Kong Special Administrative Region, contributing policy advice to the Mainland and HKSAR governments.

DIRECTORS AND SENIOR MANAGEMENT

Ms. CHAN Sheung Yu, aged 39 was appointed as an Independent Non-executive Director on 30 September 2025. Ms. Chan obtained a Master's degree in Marketing Management from Aston University in the United Kingdom in 2010, and she was awarded a Bachelor's degree in Business Administration and Mathematics in 2008. In terms of professional qualifications, Ms. Chan has passed the Certified Anti-Money Laundering Specialist (CAMS) examination administered by the Association of Certified Anti-Money Laundering Specialists (ACAMS). She also holds the Certified ESG Analyst (CESGA) credential awarded by the CFA Institute and is a Certified ESG Planner (CEP®) recognized in Hong Kong.

Ms. Chan, has over 10 years of experience in auditing and financial fields. Ms. Chan has been serving as an independent non-executive director of Prosperity Group International Limited (a company listed on the Stock Exchange with stock code: 1421) since December 2024, GBA Group Limited (a company listed on the Stock Exchange with stock code: 261) since July 2023 and GME Group Holdings Limited (a company listed on the GEM of the Stock Exchange with stock code: 8188) since May 2026. And previously served as an Independent Non-Executive Director for WS-SK Target Group Limited (a company listed on the Stock Exchange with stock code: 8427) from December 2024 to August 2025 and DreamEast Group Limited (a company previously listed on the Stock Exchange with stock code: 593) from January 2024 to October 2025.

Ms. Chan is currently the Chief Financial Officer of Kindness and Welfare Chairty Limited since March 2023. Prior to her current role, Ms. Chan worked at Harvest Holdings Company from March 2017 to August 2019, where she held the position of Business Development Manager. She also worked at Nanyang Commercial Bank from July 2014 to March 2017, where she served as an internal auditor before leaving the company. Ms. Chan currently serves as an Audit Services Consultant for the Hong Kong Audit Management Institute. She has previously held positions as a member of the Lung Tong Area Committee under the Home Affairs Department of the HKSAR Government, and as a member of the Advisory Panel on Television and Radio Broadcasting for the Communications Authority (OFCA) of Hong Kong.

Mr. LAU Kelly, aged 47, was appointed as an Independent Non-executive Director on 30 September 2025. Mr. Lau has worked with the Hong Kong Police Force for twelve years between December 1998 and July 2010, receiving commendations from Secretary of Civil Service and Secretary of Home Affairs for highly rated performances during his tenure. Mr. Lau mainly worked at the Police Headquarters in Public Relations strategies and Criminal Investigations. Mr. Lau has been trained as a detective specializing in the fields of commercial crime and financial investigations.

Subsequently, Mr. Lau worked with Easy Finance Limited as principal consultant between May 2011 and October 2015, responsible for all regulatory and legal compliances. Mr. Lau was also a chief executive officer and executive director, compliance officer and authorized representative for HMVOD Limited, a company listed on the GEM of the Stock Exchange (stock code: 8103) between December 2015 and December 2020.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Lau is currently an independent non-executive director for Pinestone Capital Limited, a company listed on the Main Board of the Stock Exchange (stock code: 804) from September 2022. Mr. Lau is also an advisor to EYT3, a private company proactively in the field of cyber security detection and response, AML investigation and data-analytics from October 2022. Mr. Lau is also an advisor to the financial services team at Forvis Mazars in Hong Kong from June 2024. Forvis Mazars is a global professional services network across 100 countries providing audit & assurance, tax, advisory and consulting services across the globe. Mr. Lau also serves as the honorary president of the Hong Kong Police Force Junior Police Call (Eastern District), and also serves as a committee member of the Eastern District Road Safety Campaign Committee.

COMPANY SECRETARY

Ms. LEUNG Yin Fai, aged 61, was appointed as the Company's company secretary on 14 November 2018. Ms Leung is a director of K E Corporate Services Limited (a company secretarial services provider), a fellow member of the Association of Chartered Certified Accountants, a fellow member of CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants. Ms. Leung also holds a Master's degree in Commerce from the University of New South Wales, Australia.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board and the senior management (the “Management”) of the Company is committed to achieving high standards of corporate governance by focusing on principles of integrity, accountability, transparency, independence, responsibility and fairness. The Company has, throughout the fifteen months ended 31 March 2026, applied the principles set out in the Corporate Governance Code (the “Code”) as set out in Appendix C1 to the GEM Listing Rules and complied with all code provisions set out in Part 2 of the Code, save for certain deviations as specified with reasons below.

THE BOARD OF DIRECTORS

The Board is the core of the corporate governance structure of the Company. It is responsible for giving guidance to and reviewing the efficiency of the Management. The Board is fully aware of its prime responsibilities to the Company and its duties to protect and enhance long-term shareholders' value.

To provide effective supervision of and proper guidance to the Management, the Board is required to consider and approve decisions in relation to the Company's long-term strategy, annual business plan and financial budget, major acquisition and disposal, dividend policy, appointment of Directors, remuneration policy, risk management and internal control.

COMPOSITION

Details of the composition of the Directors during the fifteen months ended 31 March 2026 and up to the date of this report by category are as follows:

Executive Directors

Mr. KWOK Chun Kwan (*Chairman*) (appointed on 30 September 2025)

Mr. CHAN Benson (appointed on 30 September 2025)

Ms. HO Helen Kayee (appointed on 30 September 2025)

Mr. WONG Arnold Chi Chiu (*Chairman*) (resigned on 30 September 2025)

Mr. PONG Kin Yee BBS, JP (resigned on 30 September 2025)

Mr. LI Kai Leung (resigned on 30 September 2025)

Independent non-executive Directors

Mr. WONG Ho Shing Samson (appointed on 30 September 2025)

Ms. CHAN Sheung Yu (appointed on 30 September 2025)

Mr. LAU Kelly (appointed on 30 September 2025)

Dr. CHAN Kin Keung Eugene SBS, BBS, JP (resigned on 30 September 2025)

Mr. NG Chun Fai Frank (resigned on 30 September 2025)

Mr. YUE Man Yiu Matthew (resigned on 30 September 2025)

Ms. WONG Tsui Yue Lucy (resigned on 30 September 2025)

CORPORATE GOVERNANCE REPORT

All Directors have appropriate professional qualification or substantive experience and industry knowledge. The Board as a whole has achieved an appropriate balance of skills and experience. The Directors' biographies are set out under the section headed "Directors and Senior Management" of this annual report ("Annual Report").

The current composition of the Board is in accordance with the requirement of Rules 5.05 and 5.05A of the GEM Listing Rules. There are three independent non-executive Directors and one of them (namely Mr. WONG Ho Shing Samson) has the appropriate accounting professional qualifications and accounting and financial management expertise. More than one-third of the members of the Board are independent non-executive Directors, which brings a fairly strong independence element in its composition.

CHAIRMAN AND CHIEF EXECUTIVE

According to paragraph C.2.1 of Part 2 of the Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. During the fifteen months ended 31 March 2026, Mr. WONG Arnold Chi Chiu, was the chairman of the Company until 30 September 2025. After that, Mr KWOK Chun Kwan is the chairman of the Company. The day-to-day operations of the Group were delegated to the other executive Directors and the Management responsible for different aspects of the business.

Accordingly, the Company has deviated from paragraph C.2.1 of Part 2 of the Code as it had no post of chief executive. Nevertheless, the Board considers that, in light of the size and nature of the Company's business, the absence of such post has not impaired the management of the Group. Decisions of the Company are made collectively by executive Directors who execute strategies set by the Board. Senior management responsible for the day-to-day operations of the Group also reports back to the Board on a regular basis. Nonetheless, the Board will review this structure from time to time and consider the segregation of the two roles at an appropriate time.

DIVERSITY

The Board has adopted a board diversity policy with effect from 3 January 2019 which sets out the approach to achieve diversity on the Board.

Selection of candidates will be based on a range of factors, including diversity in age, gender, education and cultural background, ethnicity, professional expertise, industry experience, skills, knowledge, length of service and independence. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. For further details, please refer to the board diversity policy published on the Company's website.

The Nomination Committee has reviewed the structure, size, composition and diversity of the Board and confirmed that the Company has maintained a balanced composition with a strong independent element on the Board. The Directors collectively possess diversified experience in management and broad industry experience. INEDs possess professional knowledge in accounting and finance, ESG matters, risk management, legal compliance and business management, respectively. The Board has ensured that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices. The Board is of the view that the board diversity policy of the Company can ensure there will be a pipeline of potential successors to the Board to achieve gender diversity. Further details of the Directors are set out in the section headed "Directors and Senior Management" in this Annual Report.

As at 31 March 2026, the ratio of male and female in the Company's workforce (including the Directors and senior management) is 46% and 54%, respectively, representing a male-to-female ratio of 1:1.2. As such, the Company's workforce has achieved gender diversity between males and females.

CORPORATE GOVERNANCE REPORT

INDEPENDENT NON-EXECUTIVE DIRECTORS (“INEDs”)

The INEDs serve an important function of advising the Management on strategy development and ensuring that the Board maintains high standards in financial and other mandatory reporting as well as providing adequate checks and balances for safeguarding the interests of the Shareholders and the Company as a whole.

The INEDs are experienced professionals with expertise in respective areas of accounting, finance, industry knowledge and expertise. With their professional knowledge and experience, the INEDs advise the Company on its operation and management; provide independent opinion on the Company's connected transactions; and participate in the Company's various committees including Audit Committee, Remuneration Committee and Nomination Committee.

The Nomination Committee have assessed the independence of the candidates who were appointed as INEDs as well as the INEDs who are to be re-elected with reference to the independence guidelines set out at Rule 5.09 of the GEM Listing Rules to ensure that they can exercise independent judgement and fulfil their roles as INEDs. The Board adopted the view of the Nomination Committee and accordingly confirmed that all INEDs are independent.

The INEDs shall not have any financial or family relationships with any other Directors, Management, substantial shareholders or controlling shareholder of the Company. Fees to INEDs are in the form of cash payment. None of the INEDs receives equity-based remuneration with performance-related elements.

All of the Directors including both the executive Directors and the INEDs are appointed for a specific term. Each of the INEDs has entered into a letter of appointment with the Company for a period of one year subject to the rotation requirement and shall continue thereafter unless terminated by either party giving at least one month's notice in writing. In accordance with the Company's articles of association and, at each annual general meeting (“AGM”) of the Company, the Directors will retire from office by rotation but will be eligible for re-election.

During the fifteen months ended 31 March 2026, the chairman of the Board held a meeting with the INEDs without the presence of the other Directors, in which the INEDs could share their views and raise any issues in the absence of other Directors and the Management.

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, the Company confirms that all of the Directors complied with such required standard of dealings and its code of conduct regarding directors' securities transactions during the fifteen months ended 31 March 2026 and up to the date of this Annual Report.

CORPORATE GOVERNANCE REPORT

NON-COMPETITION UNDERTAKINGS BY CONTROLLING SHAREHOLDERS

In accordance with the non-competition undertakings set out in the deed of non-competition dated 14 June 2016 (“Deed of Non-competition”) executed by the then controlling Shareholders (the “Controlling Shareholders”, comprising Wiltshire Global Limited (disposed of interest on 21 July 2025), Peyton Global Limited (disposed of interest on 21 July 2025), Easy Fame Investments Limited (disposed of interest on 8 April 2020), Mr. Wong Arnold Chi Chiu (“Mr. Wong”) (resigned as director on 30 September 2025), Mr. Pong Kin Yee (“Mr. Pong”) (resigned as director on 30 September 2025) and Mr. Lo Yeung Kit Alan (“Mr. Lo”) (resigned as director on 29 April 2020) in favour of the Company (for itself and as trustee for each of its subsidiaries), save and except for certain exceptional circumstances, the Controlling Shareholders have undertaken to the Company that they shall not carry on any business which is in competition with any business that is similar to or in competition directly or indirectly with or is likely to be in competition with any business currently and from time to time engaged by the Group in Hong Kong and any other country or jurisdiction to which the Group carries on business or grants franchise from time to time. The principal terms of the Deed of Non-competition are set out in the section headed “Relationship with Controlling Shareholders” of the Prospectus.

Following Mr. Lo disposed his entire shareholding interests in the Company on 8 April 2020, Mr. Wong and Mr. Pong became the remaining covenanters. On 21 July 2025, both Mr. Wong and Mr. Pong disposed their entire shareholding interests in the Company and ceased to be interested in 30% or more of the issued Shares individually or collectively and to be regarded as controlling shareholders. Therefore, the deed of non-competition dated 14 June 2016 made between inter alia, Mr. Lo, Mr. Wong and Mr. Pong has ceased to have effect from 21 July 2025 according to its terms.

DELEGATION BY THE BOARD

The Board reserves its decisions on all major matters of the Company, including the approval and monitoring of major policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

The day-to-day management, administration and operation of the Company are delegated to certain executive Directors and the Management. The delegated functions and work tasks are reviewed from time to time. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned officers. The INEDs bring a wide range of business and financial expertise, experiences and independent judgement to the Board.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE DUTIES

The Board recognises that corporate governance should be the collective responsibility of the Directors and their corporate governance duties include:

- (a) to develop, review and implement the Company's policy and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of the Directors and Management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- (e) to review the Company's compliance with the Code and disclosure in the Corporate Governance Report;
- (f) to review and monitor the Company's compliance with the Company's whistleblowing policy; and
- (g) to develop, review and monitor the implementation of the Shareholders' communication policy to ensure its effectiveness, and make recommendation to the Board where appropriate to enhance Shareholders' relationship with the Company.

During the fifteen months ended 31 March 2026, the above corporate governance duties have been duly performed and executed by the Board and the Board has reviewed the Company's compliance with the Code.

INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT OF DIRECTORS

Each newly appointed Director shall receive formal, comprehensive and tailored induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of directors' responsibilities and obligations under the GEM Listing Rules and relevant statutory requirements.

During the fifteen months ended 31 March 2026, the Company appointed each of Mr. KWOK Chun Kwan, Mr. CHAN Benson, Ms. HO Helen Kayee as an executive Director and each of Mr. WONG Ho Shing Samson, Ms. CHAN Sheung Yu and Mr. LAU Kelly as an independent non-executive Director on 30 September 2025. All executive Directors and independent non-executive Directors had obtained the legal advice as referred to in Rule 5.02D of the GEM Listing Rules on 26 August 2025 and 30 September 2025 respectively. All of the Directors have confirmed they understood their obligations as a director of a listed issuer.

The Directors will be continuously updated on the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Directors are also encouraged to participate in continuous professional development ("CPD") to develop and refresh their knowledge and skills. The company secretary of the Company updates Directors on the latest development regarding the GEM Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

CORPORATE GOVERNANCE REPORT

According to the information provided by the Directors, up to the date of this report, all Directors have fulfilled the mandatory CPD requirements under Rule 5.02F of the GEM Listing Rules by participating in CPD by attending training courses or reading relevant materials on the topics prescribed under Rule 5.02G of GEM Listing Rules.

The nature of CPD programmes include training courses organised by Company, seminar materials, e-training introduced by the Stock Exchange and updates relating to the latest development of the GEM Listing Rules and other applicable regulatory requirements.

BOARD MEETINGS

The Board meets regularly, and at least four times a year, in person or by means of electronic communication. The Chairman also meets with the INEDs at least once a year without the presence of the executive Directors. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For all other Board and committee meetings, reasonable notice is generally given. All notices, agendas, schedules and the relevant information of each Board and committee meeting are generally made available to Directors or committee members in advance. The Board and each Director also have separate and independent access to the Management whenever necessary.

The company secretary of the Company is responsible for taking and/or keeping minutes of all Board meetings and various committees meetings in sufficient detail. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting is held, and the final version of the minutes is opened for Directors' inspection.

During the fifteen months ended 31 March 2026, ten Board meetings and two general meetings were held. Attendance of each Director at the Board meetings is set out below:

Name of Directors	General Meeting Attended/Held	Board Meeting Attended/Held
<i>Executive Directors</i>		
Mr. WONG Arnold Chi Chiu (<i>Chairman</i>) (<i>Note 1</i>)	1/1	6/7
Mr. PONG Kin Yee JP (<i>Note 1</i>)	0/1	5/7
Mr. LI Kai Leung (<i>Note 1</i>)	1/1	7/7
Mr. KWOK Chun Kwan (<i>Chairman</i>) (<i>Note 2</i>)	1/1	3/3
Mr. CHAN Benson (<i>Note 2</i>)	1/1	3/3
Ms. HO Helen Kayee (<i>Note 2</i>)	1/1	3/3
<i>Independent non-executive Directors</i>		
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (<i>Note 1</i>)	1/1	6/7
Mr. NG Chun Fai Frank (<i>Note 1</i>)	1/1	6/7
Mr. YUE Man Yiu Matthew (<i>Note 1</i>)	1/1	7/7
Ms. WONG Tsui Yue Lucy (<i>Note 1</i>)	1/1	7/7
Mr. WONG Ho Shing Samson (<i>Note 2</i>)	1/1	3/3
Ms. CHAN Sheng Yu (<i>Note 2</i>)	1/1	3/3
Mr. LAU Kelly (<i>Note 2</i>)	1/1	3/3

Note 1: resigned on 30 September 2025

Note 2: appointed on 30 September 2025

CORPORATE GOVERNANCE REPORT

INDEPENDENT BOARD COMMITTEE

Where there are matters involving connected or continuing connected transactions, so far as required under the GEM Listing Rules, an Independent Board Committee, comprising wholly the INEDs, will be established.

BOARD COMMITTEES

The Board has established three committees, namely the Remuneration Committee, the Nomination Committee and the Audit Committee with delegated powers for overseeing particular aspects of the Company's affair. Each of the committees of the Company has been established with written terms of reference.

REMUNERATION COMMITTEE

The Remuneration Committee was set up on 14 June 2016 in compliance with Appendix C1 of the GEM Listing Rules. The terms of reference setting out the Remuneration Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. The primary duties of the Remuneration Committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and the Management of the Group; review performance-based remuneration; and ensure none of the Directors determine their own remuneration. The Remuneration Committee has adopted the recommendation model described in provision E.1.2(c)(ii) of Part 2 of the Code and will make recommendations to the Board on the remuneration packages of individual executive Directors and senior management accordingly.

Currently, the Remuneration Committee comprises one executive Director and three INEDs as follows:

Mr. KWOK Chun Kwan

Mr. WONG Ho Shing Samson (*Chairman*)

Ms. CHAN Sheung Yu

Mr. LAU Kelly

Pursuant to the terms of reference of the Remuneration Committee, a meeting shall be held at least once a year and additional meetings should be held if the committee shall so request.

CORPORATE GOVERNANCE REPORT

During the fifteen months ended 31 March 2026, the Remuneration Committee convened one committee meeting. Attendance of each Remuneration Committee member is set out below:

Name of Directors	Remuneration Committee Meeting Attended/Held
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (<i>Chairman</i>) (<i>Note 1</i>)	1/1
Mr. NG Chun Fai Frank (<i>Note 1</i>)	0/1
Mr. YUE Man Yiu Matthew (<i>Note 1</i>)	1/1
Ms. WONG Tsui Yue Lucy (<i>Note 1</i>)	1/1
Mr. KWOK Chun Kwan (<i>Note 2</i>)	N/A
Mr. WONG Ho Shing Samson (<i>Chairman</i>) (<i>Note 2</i>)	N/A
Ms. CHAN Sheung Yu (<i>Note 2</i>)	N/A
Mr. LAU Kelly (<i>Note 2</i>)	N/A

Note 1: resigned on 30 September 2025

Note 2: appointed on 30 September 2025

Details of the Directors' remuneration are set out in note 7 to the consolidated financial statements.

NOMINATION COMMITTEE

The Nomination Committee was set up on 14 June 2016. The Company adopted a set of written terms of reference of the Nomination Committee in line with the GEM Listing Rules requirement. The terms of reference setting out the Nomination Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on regular basis; assist the Board in maintaining a board skill matrix, identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. The nomination procedures are as below:

1. The secretary should give the nomination committee member a membership list, listing out the current board members' name, position & duties at the organization.
2. Each year, the nominating committee is to evaluate current board members to assess whether they are performing satisfactorily and should be considered for re-election. Evaluations may be performed by a subset of the nominating committee or an independent third party to ensure the fairness.

CORPORATE GOVERNANCE REPORT

3. Next step is to receive recommendations for new board members from management or current board members. The nomination committee should review the resumes of potential candidates, assessing their skills and experience to determine if they meet qualifications for the position. In reviewing candidate profiles, the committee should also consider criteria that includes:
 - proven leadership
 - previous board experience
 - knowledge and experience
 - diversity including age, gender, ethnicity, race, disabilities, geography
 - experience with large and complex organization
 - skillset including finance, legal, auditing, government affairs, public relations, community experience, and knowledge of the organizations
 - in case of nomination for independent non-executive directors, should consider why the candidate is considered to be independent (please refer to the relevant GEM Listing Rules for requirements on independence)
4. Give the list of candidates to the full committee for discussion and review.
5. The committee then makes contact with each candidate to make an assessment based on criteria such as a high level of personal and professional integrity, as well as their level of commitment to the organization, and availability. This is often done by assigning one member of the nominating committee to one candidate, who will bring a candidate summary with recommendations back to the full committee. Additional interviews by the nominating committee and the chairman may be necessary to ensure due diligence interviews could be conducted with the assistance of a third party.
6. The committee forms a final recommendation of candidates to the full board for formal approval. Nominees should not be present at this meeting to allow for open discussion by the board.

Currently, the Nomination Committee comprises one executive Director and three INEDs as follows:

Mr. KWOK Chun Kwan

Mr. WONG Ho Shing Samson

Ms. CHAN Sheung Yu (*Chairman*)

Mr. LAU Kelly

Pursuant to the terms of reference of the Nomination Committee, a meeting shall be held at least once a year and additional meetings should be held if the committee shall so request.

CORPORATE GOVERNANCE REPORT

During the fifteen months ended 31 March 2026, the Nomination Committee convened two committee meetings. Attendance of each Nomination Committee member is set out below:

Name of Directors	Nomination Committee Meeting Attended/ Held
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (<i>Note 1</i>)	2/2
Mr. NG Chun Fai Frank (<i>Chairman</i>) (<i>Note 1</i>)	1/2
Mr. YUE Man Yiu Matthew (<i>Note 1</i>)	2/2
Ms. WONG Tsui Yue Lucy (<i>Note 1</i>)	2/2
Mr. KWOK Chun Kwan (<i>Note 2</i>)	N/A
Mr. WONG Ho Shing Samson (<i>Note 2</i>)	N/A
Ms. CHAN Sheung Yu (<i>Chairman</i>) (<i>Note 2</i>)	N/A
Mr. LAU Kelly (<i>Note 2</i>)	N/A

Note 1: resigned on 30 September 2025

Note 2: appointed on 30 September 2025

AUDIT COMMITTEE

The Audit Committee was set up on 14 June 2016 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. On 3 January 2019, the Company adopted a set of revised terms of reference of the Audit Committee in line with the GEM Listing Rules requirements. The terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee internal control procedures of the Company.

Currently, the Audit Committee comprises three INEDs as follows:

Mr. WONG Ho Shing Samson (*Chairman*)

Ms. CHAN Sheung Yu

Mr. LAU Kelly

Pursuant to the terms of reference of the Audit Committee, meetings shall be held not less than twice a year and the external auditor may request a meeting if they consider that is necessary.

CORPORATE GOVERNANCE REPORT

During the fifteen months ended 31 March 2026, the Audit Committee convened three committee meetings. The Audit Committee had reviewed the Group's annual results and annual report for the year ended 31 December 2024, interim results for the six months ended 30 June 2025, second interim results for the twelve months ended 31 December 2025, and discussed internal controls, audit planning, risk management and financial reporting matters. Attendance of each Audit Committee member is set out below:

Name of Directors	Audit Committee Meeting Attended/Held
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (<i>Note 1</i>)	2/2
Mr. NG Chun Fai Frank (<i>Note 1</i>)	2/2
Mr. YUE Man Yiu Matthew (<i>Chairman</i>) (<i>Note 1</i>)	2/2
Ms. WONG Tsui Yue Lucy (<i>Note 1</i>)	2/2
Mr. WONG Ho Shing Samson (<i>Chairman</i>) (<i>Note 2</i>)	1/1
Ms. CHAN Sheung Yu (<i>Note 2</i>)	1/1
Mr. LAU Kelly (<i>Note 2</i>)	1/1

Note 1: resigned on 30 September 2025

Note 2: appointed on 30 September 2025

There is no disagreement between the Board and the Audit Committee regarding the selection and appointment of the Company's auditors. There was no change in auditors by the Group in any of the preceding three years. The Audit Committee is satisfied with their review of the auditors' remuneration, the independence of the auditors, BDO Limited ("BDO") and recommended the Board to re-appoint BDO as the Company's auditors in the year ending 31 March 2027, which is subject to the approval of Shareholders at the forthcoming AGM.

The Company's annual results for the fifteen months ended 31 March 2026 have been reviewed by the Audit Committee, which opined that applicable accounting standards and requirements have been complied with and that adequate disclosures have been made.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall responsibility for formulation and overseeing the implementation of the internal control measures and effectiveness of risk management system, which is designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. The internal control system of the Group aims to facilitate effective and efficient operation which in turn minimises the risks to which the Group is exposed. The system can only provide reasonable but not absolute assurance against misstatement or losses.

The Board has conducted a review of the implemented system and procedures, covering financial, operational and legal compliance controls and risk management system. The Board keeps monitoring the risk management system on an ongoing basis, ensuring that a review of the effectiveness of the Group's risk management system is conducted regularly. The Company also has a disclosure policy which provides a general guidance to the Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. The Directors consider that the Group has implemented appropriate procedures safeguarding the Group's assets against unauthorised use or misappropriation, maintaining proper accounting records, execution with appropriate authority and compliance of the relevant laws and regulations.

CORPORATE GOVERNANCE REPORT

Whistleblowing Policy

The Group has established a whistleblower policy. Whistleblowing channels are published in all workplace. The policy is to facilitate employees, partners and customers to report complaints and internal malpractices to the Audit Committee or Finance Controller of the Company, who will review, investigate and follow up these complaints. Once cases are verified, investigation results will be announced within the Company as warnings.

Code of Conduct and Handling of Inside Information

The Company places importance on the ethical, personal and professional standards of the Directors and employees of the Group. In addition to the various policies adopted and implemented by the Group imposing certain conduct requirements on Directors and employees, every employee is required to undertake to adhere to the Group's Code of Conduct and is expected to achieve the highest standards of behaviour including avoiding conflicts of interest, discrimination or harassment and bribery and corruption. Employees are required to report any non-compliance with the Code of Conduct to the Management.

Pursuant to the requirements of the Securities and Futures Ordinance and the GEM Listing Rules, the Company has an obligation to disclose any inside information as soon as reasonably practicable after such information has come to the knowledge of the Board. The Group has developed the External Communication Policy which provides a general guide to the Directors, the Management and employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

Independent non-executive Directors' view on internal control for connected transactions

The management and independent non-executive Directors will continue to monitor connected transactions of the Company. The management and independent non-executive Directors consider that information provided by the Company's management to assist independent non-executive Directors in their annual review of connected transaction are fair and sufficient. The independent non-executive Directors also made regular enquiries upon whether there is any continuing connected transaction exceeding the proposed annual caps to ensure that continuing connected transaction was identified timely. The independent non-executive Directors have not encountered any challenges or difficulties in their annual review of connected transaction of the Company save as disclosed in this Annual Report.

During the fifteen months ended 31 March 2026, the management had outsourced its internal audit function to an independent internal audit firm ("Internal Auditor"). The Internal Auditor reports directly to the Audit Committee on all internal audit matters. The internal audit plan was submitted to the Audit Committee for approval prior to the commencement of the internal audit work on annual basis to cover the financial year of this Annual Report. The Audit Committee reviewed the internal audit report and monitored the implementation of the improvements required on internal control weaknesses identified. The Company considers its risk management and internal control systems to be effective and adequate.

CORPORATE GOVERNANCE REPORT

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors understand and acknowledge their responsibility for ensuring that the financial statements for each financial year are prepared to give a true and fair view of the state of affairs, profitability and cash flow of the Group in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In preparing the financial statements of the Group for the fifteen months ended 31 March 2026, the Directors have adopted appropriate and consistent accounting policies and made prudent and reasonable judgments and estimations. The Directors are responsible for maintaining proper accounting records which reflect with reasonable accuracy the state of affairs, operating results, cash flows and equity movement of the Group at any time. The Directors confirm that the preparation of the financial statements of the Group is in accordance with statutory requirements and applicable accounting standards.

The Directors also confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern are disclosed in "Material Uncertainty Related to Going Concern" section of the Independent Auditor's Report.

REMUNERATION OF MEMBERS OF SENIOR MANAGEMENT BY BAND

Pursuant to code provision E.1.5 of Part 2 of the Code, the remuneration of the members of the senior management by band for the fifteen months ended 31 March 2026 is set out below.

Annual remuneration by band	Number of individuals
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HK\$0 to HK\$500,000	1
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Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 7 to the consolidated financial statements.

AUDITOR'S REMUNERATION

The Group's independent external auditor is BDO. The remuneration for the audit and non-audit services provided by BDO to the Group during the fifteen months ended 31 March 2026 was approximately as follows:

Type of Services	Amount (HK\$'000)
Audit	480
Total	480

CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY AND AUTHORISED REPRESENTATIVE

The Company engages an external service provider, Ms. LEUNG Yin Fai (“Ms. Leung”), as its Company Secretary. Ms. Leung is responsible for advising the Board on corporate governance matters and ensuring that the Board policy and procedures, and the applicable laws, rules and regulations are followed. Mr. LI Kai Leung, the executive director (until 30 September 2025) and Mr. KWOK Chun Kwan, the executive director (after 30 September 2025), are the primary contact persons whom Ms. Leung can contact. During the fifteen months ended 31 March 2026, Ms. Leung has undertaken more than 15 hours of relevant professional training in compliance with Rule 5.15 of the GEM Listing Rules.

DIVIDEND POLICY

The Company has adopted a dividend policy on 3 January 2019 which sets out the principles and measures on how the Company may propose a dividend.

The Board will take into account the following factors when considering the payment of dividends:

- i. general financial conditions of the Group;
- ii. retained earnings and distributable reserves of the Company and each of the members of the Group;
- iii. actual and future operations and liquidity positions of the Group;
- iv. future cash requirements and availability of the Group, including its expected working capital requirements, capital expenditure requirements and future expansion plans;
- v. any restrictions on payments of dividends that may be imposed by the Group's lenders;
- vi. general market conditions, business cycle of the Group's business and other internal and external factors that may have an impact on the business or financial performance and position of the Company; and
- vii. any other factor that the Board deems appropriate.

Any declaration and payment of future dividends under the dividend policy will be subject to the Board's determination that the same would be in the best interests of the Group and the Shareholders as a whole. In addition, the declaration and payment of dividends may be subject to legal restrictions or any applicable laws, rules and regulations and the Articles of Association of the Company.

SHAREHOLDERS' RIGHTS

Convening an extraordinary general meeting

To safeguard shareholders' interests and rights, a separate resolution is proposed for each issue at shareholder meetings, including the election of individual directors.

All resolutions put forward at shareholder meetings will be voted by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each shareholder meeting.

CORPORATE GOVERNANCE REPORT

Pursuant to the Articles of Association of the Company, any Shareholder holding not less than one-tenth of the paid up share capital of the Company carrying the right of voting at general meetings of the Company has statutory rights to call for extraordinary general meetings and put forward agenda items for consideration by Shareholders by sending to the Board or the company secretary of the Company at the principal place of business of the Company in Hong Kong a written request for such general meeting duly signed by the shareholders concerned together with the proposed agenda items and such meeting shall be held within two months of the deposit of such requisition. Shareholders also have the right to propose a person for election as a Director, the procedures are available on the websites of the Company and the Stock Exchange.

Enquiries to the Board

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available to the company secretary of the Company who is responsible for forwarding communications relating to matters within the Board and communication relating to ordinary business matters, such as suggestions, inquiries and consumer complaints, to the executive directors.

Putting forward proposals at a general meeting

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business, performance and strategies. The Company endeavors to maintain an ongoing dialogue with Shareholders and in particular, Shareholders are welcome to put forward proposals relating to the operations and management of the Group to be discussed at shareholders' meetings. The proposals shall be sent to the company secretary of the Company by a written requisition. Shareholders who wish to put forward a proposal should convene an extraordinary general meeting by following the procedures set out in "Convening an extraordinary general meeting" above.

INVESTORS RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The annual general meeting of the Company provide a platform for communication between the Board and the shareholders. The Chairman of the Board as well as the chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees, and, where applicable, the chairman of the independent Board committee are available to answer questions at shareholders' meeting.

To promote effective communication, the Company maintains a website at www.classifiedgroup.com.hk where up-to-date information and updates on the Company's business operations and development, financial information and other information (such as interim and annual reports, notices, circulars and announcements) are made available for the Shareholders and public access in a timely manner.

CORPORATE GOVERNANCE REPORT

Following the annual review on the implementation and effectiveness of the measures relating to shareholders' communication as set out above, which enables the Company to carry out effective two-way communication with its shareholders by way of meeting and timely updates of the Company's financial results and operational developments, the Company considered that multiple communication channels were in place and was satisfied that the implementation and effectiveness of the measures relating to shareholders' communication was effective.

CHANGES IN CONSTITUTIONAL DOCUMENTS

With effect from 15 December 2025, the English name of the Company has been changed from "Classified Group (Holdings) Limited" to "THAC Group (Holdings) Limited", and "一木集團(控股)有限公司" has been adopted as the dual foreign name in Chinese of the Company.

Except the change of the Company name as mentioned above, there was no amendment made to the constitutional documents of the Company during the fifteen months ended 31 March 2026.

LOOKING FORWARD

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take the necessary actions to ensure compliance with the required practices and standards including the provisions of the Code.

DIRECTORS' REPORT

The directors of the Company are pleased to present their report together with the audited financial statements of the Group for the fifteen months ended 31 March 2026 (the "Period").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 32 to the consolidated financial statements. The principal activities of the Group are the operation of restaurants.

CHANGE OF FINANCIAL YEAR END DATE

On 12 December 2025, the Board resolved to change the financial year end date of the Company from 31 December to 31 March to enable better operational alignment between the Company and THAC Group (BVI) Limited and to facilitate synergies across all functions within the THAC Group (BVI) Limited. Accordingly, following the financial year ended 31 December 2024, the next financial year end date of the Company was 31 March 2026.

BUSINESS REVIEW

The business review of the Group, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business is set out in the section headed "Management Discussion and Analysis" on pages 8 to 10 of this annual report. Those discussions form part of this Directors' Report.

RESULTS AND DIVIDEND

The results of the Group for the fifteen months ended 31 March 2026 and the financial position of the Group as at that date are set out in the consolidated financial statements on pages 46 to 99.

The Directors did not recommend the payment of any dividend in respect of the fifteen months ended 31 March 2026.

There is no arrangement under which a shareholder has waived or agreed to waive any dividends.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group is set out on page 100 of the Annual Report.

FINANCIAL RESOURCES, LIQUIDITY AND CAPITAL STRUCTURE

As at 31 March 2026, the Group's current assets amounted to approximately HK\$10.6 million (as at 31 December 2024: HK\$26.1 million), of which approximately HK\$4.0 million (as at 31 December 2024: HK\$0.8 million) was bank balances and cash, and approximately HK\$6.1 million (as at 31 December 2024: HK\$3.1 million) was trade and other receivables, deposits and prepayments. As at 31 March 2026, the Group's current liabilities amounted to approximately HK\$26.6 million (as at 31 December 2024: HK\$17.8 million), which mainly included lease liabilities in the amount of approximately HK\$7.3 million (as at 31 December 2024: HK\$2.4 million) and trade and other payables and accrued charges in the amount of approximately HK\$13.7 million (as at 31 December 2024: HK\$7.8 million).

DIRECTORS' REPORT

Current ratio and quick assets ratio were 0.40 and 0.38 respectively (as at 31 December 2024: 1.46 and 0.23 respectively). Gearing ratio is calculated as total bank borrowing divided by total equity and multiplying the resulting value by 100%. Gearing ratio was 0% as at 31 March 2026 and 31 December 2024 respectively.

As at 31 March 2026, the number of issued shares of the Company is 55,750,000. The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued share capital and reserves.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the fifteen months ended 31 March 2026 are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

There was no movement in the share capital of the Company during the Period.

RESERVES

Details of movements in reserves of the Group and the Company during the fifteen months ended 31 March 2026 are set out in the consolidated statement of changes in equity on page 49 and note 33 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2026, no reserves of the Company available for distribution to Shareholders (2024: Nil). Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for paying distributions or dividends to Shareholders subject to the provisions of the Company's articles of association and provided that immediately following the payment of distributions or dividends, the Company shall be able to pay its debts as they fall due in the ordinary course of business.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Except for the transactions disclosed in notes 20 and 27 to the consolidated financial statements and the section headed "Connected Transaction" below, no other contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or controlling shareholder of the Company had a material interest subsisted as at 31 March 2026 or at any time during the Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Directors are not aware of any business and interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group during the Period.

DIRECTORS' REPORT

In particular, the Board has specifically considered the position of THAC Group (BVI) Limited ("THAC") as a controlling shareholder and the positions of Mr. Kwok Chun Kwan and Ms. Ho Helen Kayee, who serve as executive Directors of the Company and directors of THAC, which is also engaged in restaurant operations in Hong Kong.

In assessing any potential competing interests, the Board has considered the Group's existing restaurants as well as THAC's restaurant operations in Hong Kong. Given the localised nature of dine in patronage, the Board's assessment focuses primarily on proximity, namely, whether the Group's restaurants and those operated by THAC are within the same shopping mall, residential estate or immediate surrounding catchment area (generally within approximately half a kilometre). On this basis, and to the best of the Board's knowledge and having made reasonable enquiries, the Board notes the following:

- within Domain, Yau Tong, the Group operates an Asian fusion restaurant while THAC operates a contemporary modern Cantonese restaurant, both situated within the same mall; and
- within Kai Chuen Court: the Group operate a café, congee and noodle style restaurant, while THAC operates a South-eastern style diner within the same residential estate.

Save for the two locations identified above, none of THAC's restaurants is located within approximately half a kilometre of any of the Group's existing restaurants. While the Group and THAC each have an outlet within the same mall and estate at Domain and Kai Chuen Court, the respective outlets operate under different cuisine categories and as distinct dining concepts targeting different customer needs.

Having regard to the above proximity assessment and the differences in cuisine positioning, the Board is of the view that the restaurant operations of THAC do not constitute a material competing interest and would not prevent the Group from carrying on its business independently of, and at arm's length from, THAC for the purposes of the GEM Listing Rules. The Board will continue to monitor the position on an ongoing basis and make further disclosure as required under the GEM Listing Rules if circumstances change.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Apart from the sections headed "Interests and Short Positions of Directors in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations", "Interests and Short Positions of Substantial Shareholders and Other Persons in the Shares, Underlying Shares and Debentures of the Company", "Share Option Scheme" and "Connected Transactions" below, at no time during the fifteen months ended 31 March 2026 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective associates nor was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective associates to acquire such rights in any other body corporate.

EQUITY-LINKED ARRANGEMENTS

No equity-linked agreements were entered into during or subsisted for the fifteen months ended 31 March 2026.

DIRECTORS' REPORT

SHARE OPTION SCHEME

The following is a summary of the principal terms of the rules of the Share Option Scheme conditionally adopted by the resolutions in writing of all the Shareholders passed on 14 June 2016 (the "Adoption Date"). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

(A) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group and to promote the success of the business of the Group.

(B) Who may join and basis of eligibility

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, including, where required under the GEM Listing Rules, the independent non-executive Directors) from time to time on the basis of the participant's contribution or potential contribution to the development and growth of the Group.

(C) Price of shares

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share on the date of grant of the option, provided that in the event of fractional prices, the subscription price per share shall be rounded upwards to the nearest whole cent.

(D) Grant of options and acceptance of offers

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.00.

(E) Maximum number of shares

- (a) Subject to sub-paragraphs (b) and (c) below, the maximum number of shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the Adoption Date (excluding, for this purpose, shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of shares in issue as at the date listed on GEM (or such numbers of shares as shall result from a subdivision or a consolidation from time to time) to the participants under the Share Option Scheme.

DIRECTORS' REPORT

- (b) The 10% limit as mentioned above may be refreshed at any time by obtaining approval of the Shareholders in general meeting provided that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit. A circular must be sent to the Shareholders containing the information as required under the GEM Listing Rules in this regard.
- (c) The Company may seek separate approval by the Shareholders in general meeting for granting options beyond the 10% limit under sub-paragraph (a) and (b) above provided the options in excess of the 10% limit are granted only to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of such grantees, the number and terms of such options to be granted and the purpose of granting options to them with an explanation as to how the terms of the options will serve such purpose and all other information required under the GEM Listing Rules.
- (d) The aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of the Company, if this will result in the limit being exceeded.

(F) Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of options granted to each participant (including both exercised and outstanding options) under the Share Option Scheme of the Company, in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue. Where any further grant of options to a participant would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such participant (including exercised, cancelled and outstanding options) in the 12 months period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, must be separately approved by Shareholders in general meeting with such participant and his close associates abstaining from voting, and the number and terms (including the subscription price) of the options to be granted to such participant must be fixed before the Shareholder's approval. In such event, the Company must send a circular to the Shareholders containing the identity of the participant, the number and terms of the options to be granted (and options previously granted to such participant), and all other information required under the GEM Listing Rules. The date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

DIRECTORS' REPORT

(G) Grant of options to certain connected persons

- (a) Any grant of options to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).
- (b) Where any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Share Option Scheme (including options exercised, cancelled and outstanding) and any other share option schemes of the Company to such person in any 12-month period up to and including the date of grant:
 - (i) representing in aggregate over 0.1% of the shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5.0 million,

such further grant of options is required to be approved by Shareholders at a general meeting of the Company, with voting to be taken by way of poll. The Company shall send a circular to the Shareholders containing all information as required under the GEM Listing Rules in this regard. The grantee, his associate and all core connected persons of the Company shall abstain from voting (except where any of such person intends to vote against the proposed grant and his/her intention to do so has been stated in the aforesaid circular). Any change in the terms of an option granted to a substantial shareholder or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders in the aforesaid manner.

(H) Restrictions on the times of grant of options

- (a) No offer for the grant of options may be made after any inside information has come to the knowledge of the Group until such inside information has been announced pursuant to the requirements of the GEM Listing Rules and the Securities and Futures Ordinance (the "SFO") (Chapter 571 of the Laws of Hong Kong). No option may be granted during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the Board meeting (such date to first be notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the GEM Listing Rules); and
 - (ii) the deadline for the Company to publish an announcement of the results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules).

DIRECTORS' REPORT

- (b) Further to the restrictions in paragraph (a) above, no option may be granted to a Director on any day on which financial results of the Company are published and:
 - (i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
 - (ii) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

(I) Time of exercise of option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof.

(J) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of ten years commencing on the Adoption Date and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the Shareholders in general meeting or by the Board.

The total number of shares which may be granted under the Share Option Scheme is 2,000,000 shares (or such numbers of shares as shall result from a sub-division or a consolidation of such 2,000,000 shares from time to time).

The Share Option Scheme has expired on 13 June 2026 and no option has been granted or agreed to be granted since the Adoption Date under the Share Option Scheme.

RELATED PARTY TRANSACTIONS

The details of related party transactions for the fifteen months ended 31 March 2026 are set out in note 27 to the consolidated financial statements. In relation to those related party transactions that also constituted connected transactions or continuing connected transactions of the Group as defined under the GEM Listing Rules, the Company confirms that it has complied with the relevant disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules during the Period under review.

DIRECTORS' REPORT

CONNECTED TRANSACTIONS

During the Period, the Group did not enter into any transactions which need to be disclosed as connected transactions or continuing connected transactions pursuant to Chapter 20 of the GEM Listing Rules.

DIRECTORS

The Directors during the Period and up to the date of this Annual Report are as follows:

Executive Directors

Mr. KWOK Chun Kwan (*Chairman*) (appointed on 30 September 2025)
Mr. CHAN Benson (appointed on 30 September 2025)
Ms. HO Helen Kayee (appointed on 30 September 2025)
Mr. WONG Arnold Chi Chiu (*Chairman*) (resigned on 30 September 2025)
Mr. PONG Kin Yee BBS, JP (resigned on 30 September 2025)
Mr. LI Kai Leung (resigned on 30 September 2025)

Independent Non-Executive Directors

Mr. WONG Ho Shing Samson (appointed on 30 September 2025)
Ms. CHAN Sheung Yu (appointed on 30 September 2025)
Mr. LAU Kelly (appointed on 30 September 2025)
Dr. CHAN Kin Keung Eugene SBS, BBS, JP (resigned on 30 September 2025)
Mr. NG Chun Fai Frank (resigned on 30 September 2025)
Mr. YUE Man Yiu Matthew (resigned on 30 September 2025)
Ms. WONG Tsui Yue Lucy (resigned on 30 September 2025)

Pursuant to article 83(3) of the Articles of Association, any director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of members after his appointment and be subject to re-election at such meeting.

Pursuant to article 84 of the Articles of Association, one-third of the Directors shall retire from office by rotation and re-election at an annual general meeting of the Company in accordance with the Company's Articles of Association, providing that every Director shall be retired at least once every three years.

Accordingly, Mr. KWOK Chun Kwan, Mr. CHAN Benson, Ms. HO Helen Kayee, Mr. WONG Ho Shing Samson, Ms. CHAN Sheung Yu and Mr. LAU Kelly shall retire at the forthcoming annual general meeting and shall be eligible for re-election.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of Mr. KWOK Chun Kwan, Mr. CHAN Benson and Ms. HO Helen Kayee being the executive Directors, has entered into a service contract with the Company for a term of three years and shall continue thereafter unless terminated by either party giving to the other not less than three month's notice in writing.

DIRECTORS' REPORT

Each of Mr. WONG Ho Shing Samson, Ms. CHAN Sheung Yu and Mr. LAU Kelly, being the independent non-executive Directors, has entered into a letter of appointment for a term of one year commencing from 30 September 2025 and shall continue thereafter unless terminated by either party giving to the other at least one month's notice in writing.

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

INDEPENDENCE CONFIRMATION

The Company has received confirmation from all of the INEDs regarding the independence of each of them and their immediate family members.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Our Directors' emoluments are determined by the Remuneration Committee with reference to their experience, responsibility, workload and the time devoted to the Group. Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 7 to the consolidated financial statements.

DIRECTORS AND SENIOR MANAGEMENT PROFILE

Biographical details of the Directors of the Group are set out on pages 11 to 13 of this Annual Report.

MANAGEMENT CONTRACTS

As at 31 March 2026, the Company did not enter into or have any management and administration contracts in respect of the whole or any principal business of the Company.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the fifteen months ended 31 March 2026 and up to the date of this report, there had been no purchase, sales or redemption of the Company's listed securities by the Company or any of its subsidiaries.

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

As at 31 March 2026, the interests or short positions of the Directors 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 (the "SFO"), Chapter 571 of the Laws of Hong Kong), which were required to be 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 which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange, were as follows:

DIRECTORS' REPORT

Long positions in the ordinary shares of the Company

Name of Directors	Capacity/nature of interest	Number of shares held	Approximate percentage of shareholding
KWOK Chun Kwan	Interest of a controlled corporation ⁽¹⁾	39,291,625	70.5%
HO Helen Kayee	Interest of spouse ⁽²⁾	39,291,625	70.5%

Notes:

- (1) These Shares are held by THAC Group (BVI) Limited, which is 53% owned by Mr. KWOK Chun Kwan. By virtue of the SFO, Mr. KWOK Chun Kwan is deemed to be interested in all the Shares held by THAC Group (BVI) Limited.
- (2) HO Helen Kayee is the spouse of Mr. KWOK Chun Kwan and she is deemed to be interested in all the Shares in which Mr. KWOK Chun Kwan is interested by virtue of the SFO.

Save as disclosed above, as at 31 March 2026, none of the Directors had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be 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 were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 March 2026, so far as it is known to the Directors, the interests or short positions of the entities/persons, other than a Director or chief executive of the Company, in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Long positions in the ordinary shares of the Company

Name	Capacity/nature of interest	Number of shares held	Approximate percentage of shareholding
THAC Group (BVI) Limited ⁽¹⁾	Beneficial owner	39,291,625	70.5%

Notes:

- (1) THAC Group (BVI) Limited is directly and beneficially owned as to 53%, 27%, 10%, 7% and 3% by Mr. Kwok Chun Kwan, an executive director of the Company, Mr. Chan Benson, an executive director of the Company, Ms. Ho Helen Kayee, an executive director of the Company, Mr. Wong Kin Man and Ms. Kwok Li Fa Eva, respectively.

Save as disclosed above, as at 31 March 2026, the Directors were not aware of any interests or short positions owned by any entities or persons (other than the Directors) in the Shares or underlying shares of the Company, which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company under Section 336 of the SFO.

DIRECTORS' REPORT

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Director is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Period, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

MAJOR CUSTOMERS AND SUPPLIERS

As a restaurant operator, the Group has a large and diverse customer base. The percentage of revenue from sales of goods or rendering of services attributable to the Group's five largest customers combined is less than 30%. For the fifteen months ended 31 March 2026, purchases from our five largest suppliers accounted for approximately 19.0% of our total purchases of raw materials and consumables consumed (2024: 59.9%). During the same period, purchases from our largest supplier accounted for approximately 5.2% of our total purchases of raw materials & consumables (2024: 25.2%). The Group had approximately ten years of relationship with our five largest suppliers in general. Save for the purchases from I Foods Service Limited (a company which is indirectly controlled by Mr. Kwok Chun Kwan, an executive Director), and Altaya Wines Limited (a company which is controlled by Mr. Pong Kin Yee, an executive Director, and his family, and details are set out in notes 20 and 27 to the consolidated financial statements), none of the Directors, their respective associates, or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's share capital) had any significant beneficial interest in the major customers and suppliers disclosed above.

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 as required under the GEM Listing Rules as at 31 March 2026 and up to the date of this Annual Report.

PRE-EMPTIVE RIGHTS

There are no pre-emptive or similar rights under the Caymans Islands Law or the articles of association of the Company (the "Articles of Association") which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

PERMITTED INDEMNITY PROVISION

Subject to applicable laws, the Directors of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices, pursuant to the articles of association of the Company. Such provisions were in force throughout the Period and are currently in force. The Company has arranged for appropriate insurance cover for Directors' Liabilities in respect of legal actions that may be brought against the Directors.

DIRECTORS' REPORT

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group had 94 employees in Hong Kong (2024: 54 employees in Hong Kong). Remuneration is determined with reference to market terms and in accordance with the performance, qualification and experience of each individual employee. Discretionary bonuses, based on each individual's performance, are paid to employees as recognition and in reward for their contributions. Other fringe benefits such as incentive scheme, retirement benefits and other allowances are offered to all our employees. No discretionary bonus was paid or receivable by the Directors for the fifteen months ended 31 March 2026.

The share option scheme enables the Company to grant options as an incentive to eligible participants. Details of the scheme are set out in the section headed "Share Option Scheme" on page 33 and note 31 of this Annual Report.

ENVIRONMENTAL, POLICIES AND PERFORMANCE

The Group is devoted to promoting and maintaining the environmental and social sustainable development of Hong Kong. As a responsible enterprise, the Group strives to comply with all the relevant laws and regulations in terms of the environmentally friendliness, health and safety, adopts effective measures, conserves energy and reduces waste.

A separate environmental, social and governance report is expected to be published on the Stock Exchange's website and the Company's website.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 2 September 2026 to Monday, 7 September 2026, both days inclusive, during which period no transfer of the shares will be registered. In order to establish entitlements to attend and vote at the forthcoming AGM, Shareholders are reminded to ensure that all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites, 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 1 September 2026. The record date for determining the eligibility of the shareholders for attending and voting at the AGM is Monday, 7 September 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this Annual Report, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2026 and up to the date of approval of this Annual Report.

AUDITOR

The financial statements have been audited by BDO Limited who shall retire at the forthcoming annual general meeting and, being eligible, offered themselves for re-appointment.

On behalf of the Board

Kwok Chun Kwan

Chairman

Hong Kong, 26 June 2026

INDEPENDENT AUDITOR'S REPORT



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TO THE SHAREHOLDERS OF THAC GROUP (HOLDINGS) LIMITED (FORMERLY KNOWN AS CLASSIFIED GROUP (HOLDINGS) LIMITED)

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of THAC Group (Holdings) Limited (formerly known as Classified Group (Holdings) Limited) (the “Company”) and its subsidiaries (collectively referred to as “the Group”) set out on pages 46 to 99, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fifteen months ended 31 March 2026, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the fifteen months ended 31 March 2026 in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 3(b) in the consolidated financial statements, which indicates that the Group incurred a net loss of approximately HK\$7,017,000. As of 31 March 2026, the Group’s net current liabilities exceeded its current assets by approximately HK\$16,028,000. As stated in note 3(b), these conditions, along with other matters as set forth in note 3(b) indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the “Material Uncertainty Related to Going Concern” section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue from catering services of the Group's restaurant operations

(Refer to notes 4 and 6 to the consolidated financial statements)

For the fifteen months ended 31 March 2026, revenue from catering services of the Group's restaurant amounted to approximately HK\$82,338,000. We identified revenue from catering services of the Group's restaurant operations as a key audit matter, due to the significance of revenue from catering services of the Group's restaurant operations to the consolidated statement of profit or loss and other comprehensive income.

We focused on revenue reconciliation of sales report to cash receipts and credit card settlements as the vast majority of revenue was settled in cash or by credit card. In addition, the recording of revenue involves high volume of small amount transactions through various systems. Any errors arising from capturing of data or interfaces of data amongst the various systems may have significant impact on revenue. Therefore, it required significant time and resources for the audit.

Our response:

Our key procedures to ascertain the revenue recognition included:

- Obtaining an understanding of the Group's revenue recognition process and validating the management's key internal controls over the revenue recognition process;
- Performing analytical procedures on revenue through comparing the actual result of current period with that of prior year and assessing reasonableness of its trend in relation to the Group's restaurant operation;
- Verifying the sales reports, cash receipts and credit card settlement on sample basis; and
- Verifying the accuracy and completeness of the sales reports generated from the back end systems on sample basis.

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Limited

Certified Public Accountants

Wong Kwok Wai

Practising Certificate no. P06047

Hong Kong, 26 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the fifteen months ended 31 March 2026

	Notes	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Revenue	6	82,338	35,736
Other income	8	1,278	656
Other gains and losses, net	9	750	(129)
Raw materials and consumables used		(38,578)	(8,915)
Staff costs		(26,885)	(18,686)
Depreciation		(6,665)	(2,618)
Property rentals and related expenses		(3,988)	(2,846)
Utility expenses		(3,337)	(1,606)
Advertising and promotion expenses		(1,062)	(1,652)
Other expenses		(10,138)	(6,670)
Finance costs	10	(730)	(314)
Impairment loss of right-of-use assets	17	—	(1,266)
Loss before taxation	11	(7,017)	(8,310)
Income tax charge	12	—	—
Loss for the period/year		<u>(7,017)</u>	<u>(8,310)</u>
Loss per share attributable to owners of the Company:			
– Basic (HK cents)	14	<u>(12.59)</u>	<u>(14.91)</u>
– Diluted (HK cents)	14	<u>(12.59)</u>	<u>(14.91)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026 and 31 December 2024

		As at	
	Notes	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Non-current assets			
Property, plant and equipment	15	10,830	225
Right-of-use assets	16	32,881	889
Deposits	19	1,988	153
		<u>45,699</u>	<u>1,267</u>
Current assets			
Inventories	18	469	21,902
Trade and other receivables, deposits and prepayments	19	6,097	3,139
Amounts due from related companies	20	—	187
Tax recoverable		32	32
Bank balances and cash	21	3,987	815
		<u>10,585</u>	<u>26,075</u>
Total assets		<u>56,284</u>	<u>27,342</u>
Current liabilities			
Trade and other payables and accrued charges	22	13,744	7,751
Amounts due to related companies	20	5,512	518
Amounts due to directors	20	24	6,718
Contract liabilities	23	9	13
Lease liabilities	26	7,324	2,368
Provisions	24	—	429
		<u>26,613</u>	<u>17,797</u>
Net current (liabilities)/assets		<u>(16,028)</u>	<u>8,278</u>
Total assets less current liabilities		<u>29,671</u>	<u>9,545</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026 and 31 December 2024

		As at	
	Notes	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Non-current liabilities			
Lease liabilities	26	25,989	36
Provisions	24	1,190	–
		<u>27,179</u>	<u>36</u>
Total liabilities		<u>53,792</u>	<u>17,833</u>
Net assets		<u>2,492</u>	<u>9,509</u>
Capital and reserves			
Share capital	25	11,150	11,150
Reserves		(8,658)	(1,641)
Total equity		<u>2,492</u>	<u>9,509</u>

The consolidated financial statements on pages 46 to 99 were approved and authorised for issue by the Board of Directors on 26 June 2026 and are signed on its behalf by:

Mr. Kwok Chun Kwan
Director

Mr. Chan Benson
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the fifteen months ended 31 March 2026

	Attributable to owners of the Company				
	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Other reserve <i>HK\$'000</i> <i>(Note)</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2024	11,150	133,445	766	(127,542)	17,819
Loss and total comprehensive income for the year	–	–	–	(8,310)	(8,310)
As at 31 December 2024 and 1 January 2025	11,150	133,445	766	(135,852)	9,509
Loss and total comprehensive income for the period	–	–	–	(7,017)	(7,017)
As at 31 March 2026	11,150	133,445	766	(142,869)	2,492

Note: Other reserve represents the difference between the share capital of group entities and the share capital of the Company issued pursuant to the group reorganisation in previous years and the difference between the consideration paid and the proportionate share of net liabilities attributable to non-controlling interests of a subsidiary arising from the acquisition of additional interest of a subsidiary in previous years.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the fifteen months ended 31 March 2026

	Notes	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
OPERATING ACTIVITIES			
Loss before taxation		(7,017)	(8,310)
Adjustments for:			
Depreciation on property, plant and equipment	15	1,203	179
Depreciation on right-of-use assets	16	5,462	2,439
Gain on disposal of property, plant and equipment	9	(777)	–
Impairment loss of other receivables	9	–	128
Impairment loss of right-of-use assets	16	–	1,266
Interest income	8	(2)	(13)
Finance costs	10	730	314
Operating cash flows before movements in working capital		(401)	(3,997)
Decrease in inventories		21,433	136
(Increase)/decrease in trade and other receivables, deposits and prepayments		(4,793)	1,090
Decrease in amounts due from related companies		187	503
(Decrease)/increase in trade and other payables and accrued charges		(1,696)	844
Decrease in contract liabilities		(4)	–
Increase/(decrease) in amounts due to related companies		4,994	(737)
Decrease in provisions		(239)	–
Cash generated from/(used in) operations		19,481	(2,161)
Income tax paid		–	–
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		19,481	(2,161)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the fifteen months ended 31 March 2026

	Notes	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		800	–
Interest received		2	13
Purchases of property, plant and equipment	15	(11,831)	–
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES		(11,029)	13
FINANCING ACTIVITIES			
Repayment of lease liabilities	30(b)	(6,275)	(5,844)
Advances from directors	30(b)	1,403	6,000
Repayment to directors	30(b)	(408)	(3,378)
NET CASH USED IN FINANCING ACTIVITIES		(5,280)	(3,222)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		3,172	(5,370)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR		815	6,185
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR, REPRESENTED BY BANK BALANCES AND CASH		3,987	815

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

1. GENERAL

The name of the Company was changed from “Classified Group (Holdings) Limited” to “THAC Group (Holdings) Limited” with effect from 15 December 2025.

The Company was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law of Cayman Islands on 24 October 2014. The shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) by way of placing on 11 July 2016. The addresses of the Company’s registered office and the principal place of business are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Flat 09, 12/F., Kwong Sang Hong Centre, 151–153 Hoi Bun Road, Kwun Tong, Hong Kong respectively.

The directors of the Company considered THAC Group (BVI) Limited as the ultimate parent of the Company.

The Company is an investment holding company and its subsidiaries are principally engaged in restaurant operations in Hong Kong.

Pursuant to a resolution of the Board dated 12 December 2025, the financial year end date of the Company has been changed from 31 December to 31 March commencing from the financial period ended 31 March 2026 in order to rationalise and mobilise its resources with higher efficiency for the preparation of results announcement as well as reports given the change will (1) allow greater flexibility of sharing the financial information of the Group and THAC Group (BVI) Limited and achieve savings for the Company as it will not be required to incur additional costs in preparing separate financial statements to coincide with the financial period of its holding company; and (2) enable better operational alignment between the Company and THAC Group (BVI) Limited, which facilitates synergies across all functions within the THAC Group. Accordingly, the accompanying consolidated financial statements for the current financial period covers a period of fifteen months from 1 January 2025 to 31 March 2026. The comparative information presented for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes cover the audited financial information for the financial year from 1 January 2024 to 31 December 2024 and therefore are not comparable with those shown for the current period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS

(a) Adoption of amended HKFRS Accounting Standards – effective 1 January 2025

In the current period, the Group has applied for the first time the following amended HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2025.

Amendments to HKAS 21	Lack of Exchangeability
Amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosure about Uncertainties in the Financial Statements

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

(b) New or amended HKFRS Accounting Standards that have been issued but are not yet effective

The following new and amended HKFRS Accounting Standards, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 7 and HKFRS 9	Amendments to Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 7 and HKFRS 9	Contracts Referencing Nature – Dependent Electricity ¹
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

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

² Effective for annual periods beginning on or after 1 January 2027

³ Effective for annual periods beginning on or after a date to be determined by the HKICPA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS *(Continued)*

(b) New or amended HKFRS Accounting Standards that have been issued but are not yet effective *(Continued)*

The Group is currently assessing the impact of these new and amended HKFRS Accounting Standards. The Group does not expect the new and amended standards issued by the HKICPA, but not yet effective, to have a material impact on the Group's financial position and performance, except for HKFRS 18. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. The new requirements are expected to affect the Group's presentation of the consolidated statements of profit or loss and disclosures of the Group's financial performance but are unlikely to have a significant impact on the Group's net loss and financial position in the period of initial application for HKFRS 18.

3. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by HKICPA. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements include applicable disclosures required by the provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange and with the disclosure requirements of the Companies Ordinance (Cap. 622).

(b) Basis of measurement and going concern assumption

The consolidated financial statements have been prepared under the historical cost basis, as explained in the accounting policies set out below.

The Group incurred a loss of approximately HK\$7,017,000 for the fifteen months ended 31 March 2026. As of 31 March 2026, the current liabilities of the Group exceeded its current assets by approximately HK\$16,028,000. Also, the Group is still facing uncertainties to the future prospect of the Hong Kong economy in general as well as the craze of going north for spending that affects the catering industry. These events or conditions may cast significant doubt on the Group's ability to continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

3. BASIS OF PREPARATION *(Continued)*

(b) Basis of measurement and going concern assumption *(Continued)*

As a result, for the purpose of assessing the appropriateness of the use of the going concern basis in the preparation of the consolidated financial statements, the directors of the Company have prepared a cash flow forecast covering a period of fifteen months from 31 March 2026 ("Cash Flow Forecast"). In preparing the Cash Flow Forecast, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and the Group's available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern.

Based on the Cash Flow Forecast, the directors of the Company considered that there would be sufficient financial resources to finance the Group's operations and to meet its financial obligations as and when they fall due. It is therefore appropriate to prepare the consolidated financial statements on a going concern basis. Specifically, the Cash Flow Forecast has taken into account the continuous operation of Group's new and existing restaurants at forecast levels; and implementation of cost-saving measures and active management of working capital, including negotiations with suppliers and creditors.

Notwithstanding the above, the going concern of the Group is dependent upon the future outcome of the events or conditions after considering the mitigating measures mentioned above, that include (i) the successful implementation of business plans to improve the Group's operating results and cash flow; (ii) the future general economic outlook of Hong Kong including inflation and consumers' behaviour about the craze of going north for spending; and (iii) the continued provision of goods and services from suppliers under the expected settlement terms by the Group. These indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their net realisable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

(c) Functional and presentation currency

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

3. BASIS OF PREPARATION *(Continued)*

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

4. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the “Group”). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(b) Subsidiaries

Subsidiaries are investees over which the Group is able to exercise control. The Group controls investees if all three of the following elements are present: power over the investees, exposure, or rights, to variable returns from the investees, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investment in subsidiaries is carried at cost less any impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date.

(c) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment over their estimated useful lives, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Leasehold improvements	Over the shorter of the term of the lease or 20%
Furniture and fixtures	20%-33 $\frac{1}{3}$ %
Equipment	20%-33 $\frac{1}{3}$ %
Computers	33 $\frac{1}{3}$ %

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(d) Leases

The Group as a lessee

All leases are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term of less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The right-of-use asset is initially recognised at cost and would comprise:

- (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability);
- (ii) any lease payments made at or before the commencement date, less any lease incentives received;
- (iii) any initial direct costs incurred by the lessee; and
- (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. Right-of-use assets are depreciated on a straight-line basis over the lease terms.

Lease liability

The lease liability is recognised at the present value of the lease payments, principally fixed lease payments less lease incentives receivables (if any), that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequent to the commencement date, the Group measures the lease liability by:

- (i) increasing the carrying amount to reflect interest on the lease liability;
- (ii) reducing the carrying amount to reflect the lease payments made; and
- (iii) remeasuring the carrying amount to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payments.

When the Group revises its estimate of the term of any lease (because, for example, it reassesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(d) Leases *(Continued)*

The Group as a lessee (Continued)

Contingent rent

After the commencement date, a lessee shall recognise in profit or loss: (a) interest on the lease liability; and (b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

(e) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of non-financial assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

(g) Financial instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories. The Group classifies its debt instruments into one category – Amortised cost:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables and, financial assets measured at amortised cost. ECLs are measured on either of the following bases:

- 12-months ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(g) Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

The Group measured loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, ECLs are based on lifetime ECLs except when there has not been a significant increase in credit risk since initial recognition, in which case the allowance will be based on the 12-months ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action such as realising security (if any is held); or the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group considers a financial asset to be credit-impaired when:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or being more than 90 days past due; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

(iii) Financial liabilities

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, and amounts due to related companies and directors are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(h) Share Capital

Ordinary shares are classified as equity.

Any transaction costs associated with the issuing of shares are deducted from share capital (net of any related income tax benefits) to the extent they are incremental costs directly attributable to the equity transaction.

(i) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties.

Revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Revenue from restaurant operations

The Group recognises revenue from restaurant operations which provides catering services. Revenue from catering services is recognised at a point in time when the services are rendered. A receivable is recognised by the Group when the services are rendered to the customers at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

(j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligations, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(k) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standards requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave and sick leave) after deducting any amount already paid.

(ii) Defined contribution retirement plans

Payments to the contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) (the "MPF Scheme") are recognised as an expense in profit or loss as when employees have rendered service entitling them to the contributions. The Group's obligation under the MPF Scheme is limited to the fixed percentage contributions payable.

There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

(iii) Defined benefit plan obligations

For the obligation of long service payment under the Hong Kong Employment Ordinance, the estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contribution that have been vested with employees, which are deemed to be contributions from the relevant employees.

(l) Income taxes

Income taxes for the period comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

(I) Income taxes *(Continued)*

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, provided that the deductible temporary differences are not arises from initial recognition of assets and liabilities in a transaction other than in a business combination that affects neither taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

5. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in notes 3 and 4, the management of the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

Going concern consideration

As mentioned in note 3(b), the directors of the Company have prepared the consolidated financial statements for the fifteen months ended 31 March 2026 based on a going concern basis. The assessment of the going concern assumption involves making judgement by the directors of the Company at a particular point of time, about the future outcome of events or conditions which are uncertain. The Group's management has prepared a cash flow forecast of the Group covering a period of fifteen months from 31 March 2026 and concluded that the Group will be able to meet in full its financial obligations when they fall due in the foreseeable future. Accordingly, the directors of the Company consider that the Group have the capability to continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

5. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Estimation of impairment of property, plant and equipment and right-of-use asset

Assessing impairment of the property, plant and equipment and right-of-use assets requires an estimation of its recoverable amounts which is the higher of value in use and fair value less costs of disposal. If there is any indication that the property, plant and equipment and right-of-use assets allocated to each individual restaurant cash generating unit ("CGU") may be impaired, such as restaurants operated with operating loss, recoverable amount shall be estimated for such restaurant CGU. When value in use calculations are undertaken, management must estimate the expected future cash flows from the CGUs of each individual restaurant and choose a suitable discount rate in order to calculate the present value to those cash flows. When fair value less costs of disposal calculations are undertaken, the fair value was estimated using relevant valuation technique and make reference to recent market comparative for similar assets adjusted for differences in condition in order to determine the fair value.

Net realisable value of inventories

In accordance with HKAS 2 "Inventories", the Group estimates annually the net realisable value of inventories. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. These estimates are based on the market demand and price trend. It could change significantly as a result of changes in customer taste in response to changes in market conditions. Management reassesses these estimates at the end of each reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

6. REVENUE AND SEGMENTAL INFORMATION

Revenue represents the amounts received and receivable for services provided and goods sold and net of discount, during the period/year.

Revenue

Disaggregation of revenue from contracts with customers

Types of services:

Catering services

Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
82,338	35,736

Geographical market (Note)

Hong Kong

Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
82,338	35,736

Timing of recognition revenue

Point in time

Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
82,338	35,736

Note: Information about the Group's revenue from external customers is presented based on the location of the services provided.

Performance obligations for contracts with customers

The performance obligation is the promise to provide catering services. Revenue from catering services is recognised at a point in time when the services are rendered. A receivable is recognised by the Group when the services are rendered to the customers at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

6. REVENUE AND SEGMENTAL INFORMATION (Continued)

Revenue (Continued)

Transaction price allocated to be the remaining performance obligations

All the Group's contracts with customers are for periods of less than one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Trade receivables (Note 19)	269	217
Contract liabilities (Note 23)	9	13

The contract liabilities mainly relate to the advance consideration received from customers. Approximately HK\$13,000 of the contract liabilities as of 31 December 2024 has been recognised as revenue for the fifteen months ended 31 March 2026 due to the performance obligations satisfied.

Segment information

The financial information reported to executive directors of the Company, being the chief operating decision marker, for the purpose of assessment of segment performance and resources allocation focuses on types of services rendered and goods delivered. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments under HKFRS 8 "Operating Segments" are as follows:

– Western restaurant operation ("Western")

This segment derives its revenue from operation of Western-style dining restaurants in which customers would place orders and basic service is provided by the delivery of ordered food to the table or to the customer directly. The restaurants aim to provide a more casual and relaxing atmosphere.

– Chinese restaurant operation ("Chinese")

This segment derives its revenue from the operation of Chinese-style dining restaurants in which customers place orders and basic table service would be provided by the delivery of ordered food to the table. The Chinese restaurants aim to provide a Chinese-style food and pleasant dining experience. The Group commenced operations of this segment during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

6. REVENUE AND SEGMENTAL INFORMATION *(Continued)*

Segment revenue and results

Fifteen months ended 31 March 2026

	Western HK\$'000	Chinese HK\$'000	Consolidated HK\$'000
Revenue	48,729	33,609	82,338
Segment profit/(loss)	(7,606)	3,872	(3,734)
Other income			1,278
Other gains and losses, net			750
Unallocated operating costs			(5,311)
Loss before taxation			(7,017)

Year ended 31 December 2024

	Western HK\$'000	Consolidated HK\$'000
Revenue	35,736	35,736
Segment loss	(5,638)	(5,638)
Other income		656
Other gains and losses, net		(129)
Unallocated operating costs		(3,199)
Loss before taxation		(8,310)

There was no inter-segment revenue for both periods.

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in Note 4. Segment results represent the loss incurred by each segment without allocation of other income, other gains and losses, net and unallocated operating costs (including head office staff costs, short-term lease expenses rental and other corporate expenses).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

6. REVENUE AND SEGMENTAL INFORMATION *(Continued)*

Segment assets and liabilities

As at 31 March 2026

	Western HK\$'000	Chinese HK\$'000	Consolidated HK\$'000
ASSETS			
Segment assets	<u>4,295</u>	<u>46,488</u>	50,783
Other receivables, deposits and prepayments			1,482
Tax recoverable			32
Bank balances and cash			<u>3,987</u>
Consolidated total assets			<u>56,284</u>
LIABILITIES			
Segment liabilities	<u>3,608</u>	<u>35,701</u>	39,309
Other payables			8,947
Amounts due to directors			24
Amounts due to related companies			<u>5,512</u>
Consolidated total liabilities			<u>53,792</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

6. REVENUE AND SEGMENTAL INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

As at 31 December 2024

	Western <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
ASSETS		
Segment assets	<u>5,136</u>	5,136
Property, plant and equipment		160
Inventories		21,012
Amounts due from related companies		187
Tax recoverable		32
Bank balances and cash		<u>815</u>
Consolidated total assets		<u>27,342</u>
LIABILITIES		
Segment liabilities	<u>10,789</u>	10,789
Other payables		326
Amounts due to directors		<u>6,718</u>
Consolidated total liabilities		<u>17,833</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments, other than certain property, plant and equipment, certain inventories, certain other receivables, deposits and prepayments, amounts due from related companies with non-trade nature, tax recoverable, bank balances and cash.
- all liabilities are allocated to operating and reportable segments, other than certain other payables and amounts due to directors and related companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

6. REVENUE AND SEGMENTAL INFORMATION (Continued)

Other segment information

Fifteen months ended 31 March 2026

Amounts included in the measure
of segment profit or segment assets:

Additions of property, plant and
equipment (*Note 15*)
Additions of right of use assets (*Note 16*)
Depreciation of property, plant
and equipment (*Note 15*)
Depreciation of right of use assets (*Note 16*)

Western HK\$'000	Chinese HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
–	11,831	–	11,831
–	33,158	–	33,158
56	1,010	137	1,203
<u>2,774</u>	<u>2,688</u>	<u>–</u>	<u>5,462</u>

Year ended 31 December 2024

Amounts included in the measure of
segment profit or segment assets:

	Western HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Additions of right of use assets (<i>Note 16</i>)	410	–	410
Depreciation of property, plant and equipment (<i>Note 15</i>)	36	143	179
Depreciation of right of use assets (<i>Note 16</i>)	2,439	–	2,439
Impairment loss recognised in respect of right of use assets (<i>Note 16</i>)	1,266	–	1,266
Impairment loss of other receivables (<i>Note 9</i>)	<u>128</u>	<u>–</u>	<u>128</u>

Information about major customers

Western
Customer A

Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
<u>13,819</u>	<u>–</u>

Geographical information

All the Group's operations are located in Hong Kong. Accordingly, the Group's revenue from external customers and all the non-current assets are located in the Hong Kong.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Directors' emoluments

The emoluments paid or payable to the directors, disclosed pursuant to the applicable GEM Listing Rules and the Hong Kong Companies Ordinance, were as follows:

	Directors' fees HK\$'000	Salaries and other benefits HK\$'000	Retirement benefits scheme contributions HK\$'000	Total emoluments HK\$'000
Fifteen months ended 31 March 2026				
<i>Executive directors</i>				
Mr. Wong Arnold Chi Chiu ("Mr. Wong") (note (a))	135	—	7	142
Mr. Pong Kin Yee ("Mr. Pong") (note (a))	135	—	7	142
Mr. Li Kai Leung (note (a))	45	626	14	685
Mr. Kwok Chun Kwan ("Mr. Kwok") (note (b))	181	—	9	190
Mr. Chan Benson (note (b))	181	—	9	190
Ms. Ho Helen Kayee (note (b))	181	—	9	190
<i>Independent non-executive directors</i>				
Dr. Chan Kin Keung Eugene (note (a))	135	—	—	135
Mr. Ng Chun Fai Frank (note (a))	135	—	—	135
Mr. Yue Man Yiu Matthew (note (a))	135	—	—	135
Ms. Wong Tsui Yue Lucy (note (c))	105	—	—	105
Mr. Wong Ho Shing Samson (note (b))	36	—	—	36
Ms. Chan Sheung Yu (note (b))	36	—	—	36
Mr. Lau Kelly (note (b))	36	—	—	36
Total	1,476	626	55	2,157

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

Directors' emoluments *(Continued)*

	Directors' fees <i>HK\$'000</i>	Salaries and other benefits <i>HK\$'000</i>	Retirement benefits scheme contributions <i>HK\$'000</i>	Total emoluments <i>HK\$'000</i>
Year ended 31 December 2024				
<i>Executive directors</i>				
Mr. Wong <i>(note (a))</i>	180	–	9	189
Mr. Pong <i>(note (a))</i>	180	–	9	189
Mr. Li Kai Leung <i>(note (a))</i>	60	900	18	978
<i>Independent non-executive directors</i>				
Dr. Chan Kin Keung Eugene <i>(note (a))</i>	180	–	–	180
Mr. Ng Chun Fai Frank <i>(note (a))</i>	180	–	–	180
Mr. Yue Man Yiu Matthew <i>(note (a))</i>	180	–	–	180
Ms. Wong Tsui Yue Lucy <i>(note (c))</i>	4	–	–	4
Total	<u>964</u>	<u>900</u>	<u>36</u>	<u>1,900</u>

Note:

- (a) Resigned on 30 September 2025.
- (b) Appointed on 30 September 2025.
- (c) Appointed as an independent non-executive director of the Company on 23 December 2024 and resigned on 30 September 2025.

The emoluments of executive directors stated above were for their services in connection with the management of the affairs of the Company and the Group. The emoluments of independent non-executive directors shown above were for their services as directors of the Company.

No remuneration was paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office for both periods. None of the directors of the Company has waived any remuneration during the fifteen months ended 31 March 2026 and year ended 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

Employees' emoluments

One (year ended 31 December 2024: One) of the five highest paid individuals is director for the fifteen months ended 31 March 2026 whose emoluments are set out in the Directors' emoluments. The emoluments of the remaining four (year ended 31 December 2024: four) highest paid individuals for the fifteen months ended 31 March 2026 and year ended 31 December 2024, respectively, were as follows:

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Salaries and other benefits	2,276	1,977
Retirement benefits scheme contributions	92	72
	<u>2,368</u>	<u>2,049</u>

Their emoluments were within the following bands:

	Fifteen months ended 31 March 2026	Year ended 31 December 2024
Nil to HK\$1,000,000	<u>4</u>	<u>4</u>

No emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the fifteen months ended 31 March 2026 and the year ended 31 December 2024.

8. OTHER INCOME

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Interest income	2	13
Management fee income	140	120
Others	1,136	523
	<u>1,278</u>	<u>656</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

9. OTHER GAINS AND LOSSES, NET

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Net foreign exchange loss, net	(27)	(1)
Impairment loss of other receivables	–	(128)
Gain on disposal of property, plant and equipment	777	–
	750	(129)

10. FINANCE COSTS

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Interest on lease liabilities	730	314

11. LOSS BEFORE TAXATION

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Loss before taxation has been arrived at after charging:		
Auditor's remuneration		
– Audit services	480	550
– Non-audit services	–	68
Depreciation charge – Property, plant and equipment (Note 15)	1,203	179
Depreciation charge – Right-of-use assets (Note 16)	5,462	2,439
Employee benefits expenses (including directors' remuneration)	25,955	17,912
Retirement benefits expenses (Note)	930	774
Total staff costs	26,885	18,686
Raw materials and consumables used in respect of		
Restaurant operations	38,578	8,915
Interest on lease liabilities – lessee (Note 10)	730	314
Short-term lease expenses (Note 26)	1,167	1,012
Contingent rents (Note 26)	284	251

Note: The balance included payments to defined contribution plans and reversal of provision of long service payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

12. INCOME TAX CHARGE

Hong Kong Profits Tax is calculated at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong, except for the first HK\$2,000,000 of qualified entity's assessable profit is calculated at 8.25%, which is in accordance with the new two-tiered profits tax rates regime with effect from the year of assessment 2018/19.

The income tax charge can be reconciled to the loss before taxation per consolidated statement of profit or loss and other comprehensive income as follows:

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Loss before taxation	(7,017)	(8,310)
Tax credit at the Hong Kong Profits Tax rate of 16.5%	(1,158)	(1,371)
Tax effect of expenses not deductible for tax purpose	832	699
Tax effect of income not taxable for tax purpose	—	(2)
Tax effect of temporary difference not recognised	(1,167)	(85)
Tax effect of tax losses not recognised	1,919	804
Utilisation of tax losses previously not recognised	(426)	(45)
	—	—

As at 31 March 2026, the Group has unutilised estimated tax losses of approximately HK\$143,189,000 (2024: HK\$134,141,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unutilised estimated tax losses due to the unpredictability of future profit streams. The unutilised estimated tax losses can be carried forward indefinitely.

13. DIVIDENDS

No dividends were paid, declared and proposed by the Company during the fifteen months ended 31 March 2026 (year ended 31 December 2024: Nil).

The directors of the Company do not recommend the payment of a final dividend for the fifteen months ended 31 March 2026 (year ended 31 December 2024: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

14. LOSS PER SHARE

No diluted loss per share for the fifteen months ended 31 March 2026 and year ended 31 December 2024 were presented as there were no potential ordinary shares in issues for both periods.

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

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Loss		
Loss for the period/year attributable to owners of the Company	<u>(7,017)</u>	<u>(8,310)</u>
	Fifteen months ended 31 March 2026 Number of shares '000	Year ended 31 December 2024 Number of shares '000
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u>55,750</u>	<u>55,750</u>
	Fifteen months ended 31 March 2026 HK cents	Year ended 31 December 2024 HK cents
Basic loss per share	<u>(12.59)</u>	<u>(14.91)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

15. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements <i>HK\$'000</i>	Furniture and fixtures <i>HK\$'000</i>	Equipment <i>HK\$'000</i>	Computers <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost					
As at 1 January 2024	10,674	2,481	4,735	1,753	19,643
Disposals/written-off	(46)	–	–	–	(46)
As at 31 December 2024 and 1 January 2025	10,628	2,481	4,735	1,753	19,597
Additions	7,523	2,077	2,231	–	11,831
Disposals/written-off	(8,283)	(2,114)	(4,065)	(1,629)	(16,091)
As at 31 March 2026	9,868	2,444	2,901	124	15,337
Accumulated depreciation and impairment					
As at 1 January 2024	10,370	2,481	4,635	1,753	19,239
Provided for the year	143	–	36	–	179
Eliminated on disposals/ written-off	(46)	–	–	–	(46)
As at 31 December 2024 and 1 January 2025	10,467	2,481	4,671	1,753	19,372
Provided for the period	743	135	325	–	1,203
Eliminated on disposals/ written-off	(8,260)	(2,114)	(4,065)	(1,629)	(16,068)
As at 31 March 2026	2,950	502	931	124	4,507
Carrying amounts					
As at 31 March 2026	<u>6,918</u>	<u>1,942</u>	<u>1,970</u>	<u>–</u>	<u>10,830</u>
As at 31 December 2024	<u>161</u>	<u>–</u>	<u>64</u>	<u>–</u>	<u>225</u>

The above items of property, plant and equipment are depreciated on a straight-line basis (note 4(c)).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

16. RIGHT-OF-USE ASSETS

	Properties leased for own use <i>HK\$'000</i>
Cost	
As at 1 January 2024	11,231
Additions	410
Lease modifications	2,109
Expiry of lease terms	<u>(8,854)</u>
As at 31 December 2024 and 1 January 2025	4,896
Additions	33,158
Lease modifications	4,296
Expiry of lease terms	<u>(6,141)</u>
As at 31 March 2026	<u>36,209</u>
Accumulated depreciation and impairment	
As at 1 January 2024	9,156
Depreciation provided for the year	2,439
Impairment (<i>Note 17</i>)	1,266
Expiry of lease terms	<u>(8,854)</u>
As at 31 December 2024 and 1 January 2025	4,007
Depreciation provided for the period	5,462
Expiry of lease terms	<u>(6,141)</u>
As at 31 March 2026	<u>3,328</u>
Net book value	
As at 31 March 2026	<u><u>32,881</u></u>
As at 31 December 2024	<u><u>889</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

17. IMPAIRMENT ASSESSMENT

For the year ended 31 December 2024, the management of the Group concluded there was indication of impairment due to the unfavourable performance of the Group resulting from the uncertain economic environment in Hong Kong and conducted impairment assessment on recoverable amounts of certain property, plant and equipment and right-of-use assets associated to the restaurants. The recoverable amount of the relevant restaurants are estimated individually.

The recoverable amount of CGUs have been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the remaining lease term with a pre-tax discount rate is 16.01%. The annual projected revenue of individual CGU over the remaining lease term ranged from HK\$1,135,000 to HK\$12,752,000 as at 31 December 2024. The assumptions of projected revenue are determined based on past performance and management's expectation for the market development. Another key assumption for the value in use calculated is the budgeted gross profit and operating expenses, which is determined based on past performance of the relevant restaurants. The management of the Group believes that any reasonably possible change in any of these assumptions would not cause the carrying amount to exceed the recoverable amount.

Based on the result of the assessment, management of the Group determined that the recoverable amounts of the CGUs were lower than the carrying amount. The impairment amount has been allocated to each category of property, plant and equipment and right-of-use assets such that the carrying amount of each category of asset is not reduced below the highest of its fair value less cost of disposal, its value in use and zero. Based on the value in use calculation and the allocation, an impairment of HK\$1,266,000 (note 16) has been recognised against the carrying amount (before impairment) of right-of-use assets of approximately HK\$2,155,000.

For the fifteen months ended 31 March 2026, the management noted that the Group's loss was mainly attributable to certain restaurant CGUs that were ceased operations during the period. The carrying amounts of these CGUs had already been fully written off during the period. For the remaining restaurant CGUs, the management considered that they continued to generate positive operating results. Accordingly, no impairment was recognised.

18. INVENTORIES

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Food, beverage, wine and other consumables	469	21,902

For the fifteen months ended 31 March 2026, cost of inventories recognised as an expense of approximately HK\$38,578,000 (year ended 31 December 2024: HK\$8,915,000) and is included in "Raw materials and consumables used".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

19. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Trade receivables from restaurant operations	269	217
Refundable rental deposits	2,505	2,027
Other deposits	1,331	476
Other receivables	375	38
Prepayments	3,605	534
	8,085	3,292
Analysed as:		
Current	6,097	3,139
Non-current	1,988	153
	8,085	3,292

The Group's trading terms with its customers are mainly on cash and credit card settlement, except for well-established corporate customers. Trade receivables mainly represent receivables from financial institutions in relation to the payment settled by credit cards by customers of which the settlement period is normally within 7 days from transaction date. Generally, there is no credit period granted to walk in individual customers, except for well-established corporate customers in relation to event sales, which credit period of 30 days is granted by the Group, and therefore are all classified as current.

No interest is charged on the trade receivables on the outstanding balance.

The Group's trade receivables are denominated in HK\$. The carrying value of trade receivables approximate their fair values due to their short-term maturities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

19. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

The following is an ageing analysis of trade receivables from restaurant operations presented based on the invoice date, which is approximated the service rendered date, at the end of the reporting period.

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
0 to 30 days	240	180
31 to 60 days	—*	7
61 to 90 days	—*	4
91 to 365 days	29	26
	<u>269</u>	<u>217</u>

* Represented the balance less than HK\$1,000

As at 31 March 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$29,000 (31 December 2024: HK\$37,000) which are past due as at the reporting date. Out of the past due balances, HK\$29,000 (31 December 2024: HK\$26,000) has been past due 90 days or more. The Group does not hold any collateral over these balances.

During the fifteen months ended 31 March 2026, no loss allowance for trade and other receivables has been recognised (year ended 31 December 2024: HK\$128,000).

The table below reconciles the loss allowance for trade receivables:

	HK\$'000	HK\$'000
At 1 January 2025/2024	175	175
Loss allowance for the period/year	—	—
Written off	(175)	—
	<u>—</u>	<u>—</u>
At 31 March 2026/31 December 2024	<u>—</u>	<u>175</u>

The table below reconciles the loss allowance for other receivables:

	HK\$'000	HK\$'000
At 1 January 2025/2024	901	773
Loss allowance for the period/year	—	128
Written off	(901)	—
	<u>—</u>	<u>—</u>
At 31 March 2026/31 December 2024	<u>—</u>	<u>901</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

20. BALANCES WITH RELATED COMPANIES AND DIRECTORS

Amounts due from related companies

Details of amounts due from related companies are disclosed as follows:

Name	As at		Maximum amount outstanding during the period HK\$'000
	31 March 2026 HK\$'000	31 December 2024 HK\$'000	
Altaya Wines Limited ("Altaya Wines") (Note (a))	–	147	147
Way Wise Limited ("Way Wise") (Note (b))	–	40	40
	<u>–</u>	<u>187</u>	

Notes:

- (a) Altaya Wines is controlled by a former director, Mr. Pong, and his family. The amount is trade nature, unsecured and interest-free. The Group allows a credit period of 30 days to the related company. The balance was settled during the period.

The following is an ageing analysis of the trade balance with the related company based on the invoice date at the end of the reporting period.

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
0 to 30 days	–	1
31 to 60 days	–	5
61 to 90 days	–	–
91 to 365 days	–	2
Over 1 year	–	139
	<u>–</u>	<u>147</u>

- (b) The former director, Mr. Pong, is one of the shareholders and director of Way Wise Limited. The amount is non-trade nature, unsecured, interest-free and repayable on demand. The balance was settled during the period.

As at 31 December 2024, no impairment allowance was provided as the amount is insignificant. The Group does not hold any collateral over these balances.

Details of impairment assessment of amounts due from related companies for year ended 31 December 2024 are set out in Note 28.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

20. BALANCES WITH RELATED COMPANIES AND DIRECTORS *(Continued)*

Amounts due to related companies

Details of the amounts due to related companies are disclosed as follows:

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Altaya Wines <i>(Note (a))</i>	—	518
I Foods Service Limited ("I Foods") <i>(Note (a), (b))</i>	379	—
THAC Management Limited <i>(Note (b), (c))</i>	3,111	—
THAC Holding Limited <i>(Note (b), (c))</i>	2,022	—
	<u>5,512</u>	<u>518</u>

Notes:

- (a) The amount is trade nature and the credit period for purchase of goods is 30 days for Altaya Wines and I Foods. The following is an ageing analysis of the trade balance with the related companies based on the invoice date at the end of the reporting period:

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
0 to 30 days	379	334
31 to 60 days	—	8
61 to 90 days	—	16
91 to 365 days	—	160
	<u>379</u>	<u>518</u>

- (b) Mr. Kwok, is the director of the related companies.
- (c) The amount is non-trade nature, unsecured, interest-free and repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

20. BALANCES WITH RELATED COMPANIES AND DIRECTORS *(Continued)*

Amounts due to directors

Details of amounts due to directors, which are of non-trade nature, unsecured, interest-free and repayable on demand, are disclosed as follows:

Name	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Mr. Wong <i>(Note)</i>	—	4,726
Mr. Pong <i>(Note)</i>	—	1,992
Mr. Kwok	24	—
	<u>24</u>	<u>6,718</u>

Note: On 30 September 2025, the balance in aggregate of approximately HK\$7,689,000 was reclassified to other payables (Note 22) upon Mr. Wong and Mr. Pong ceased as executive directors.

21. BANK BALANCES AND CASH

At the end of the reporting period, the cash and cash equivalents of the Group denominated in HK\$ amounted to approximately HK\$3,987,000 (31 December 2024: HK\$815,000).

22. TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Trade payables	1,398	1,772
Other payables:		
Accrued staff related costs	2,282	1,565
Other payables and accrued charges	10,064	4,414
	<u>13,744</u>	<u>7,751</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

22. TRADE AND OTHER PAYABLES AND ACCRUED CHARGES *(Continued)*

Credit terms for purchases of goods is 30 to 90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
0 to 30 days	1,250	838
31 to 60 days	8	726
61 to 90 days	13	136
91 to 365 days	127	72
	1,398	1,772

23. CONTRACT LIABILITIES

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Contract liabilities from restaurant operations	9	13

Contract liabilities from restaurant operations

The Group classifies these contract liabilities as current because the Group expects them to be settled in its normal operating cycle which is within 12 months after the reporting period end.

Movements in contract liabilities

	HK\$'000	HK\$'000
Balance as at 1 January 2025/2024	13	13
Decrease in contract liabilities as a result of recognising revenue during the period/year that was included in the contract liabilities at the beginning of the period/year	(13)	(13)
Increase in contract liabilities as a result of billing	9	13
Balance at 31 March 2026/31 December 2024	9	13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

23. CONTRACT LIABILITIES (Continued)

Customer loyalty programme

The Group operates a loyalty programme where customers accumulate points for purchases made which entitle them to discount on future purchases. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or when they expire after the initial sale.

The management has not recognised the contract liabilities from customer loyalty programme since balance of membership points were expired on 31st December every year and free of membership fee for the financial year.

The points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation.

The loyalty programme was terminated in the fifteen months ended 31 March 2026.

24. PROVISIONS

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Analysed for reporting purpose as:		
Non-current liabilities	1,190	—
Current liabilities	—	429
	1,190	429
		Reinstatement works HK\$'000 (Note)
As at 31 December 2024		429
As at 31 March 2026		1,190

Note: The provision for reinstatement works related to the estimated cost of reinstating the leased premises to be carried out at the end of respective lease periods (i.e. 24 months to 72 months). These amounts have not been discounted for the purpose of measuring the provision for reinstatement works as the effect is not significant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

25. SHARE CAPITAL

The issued share capital of the Company with the details as follows:

	Ordinary share per unit <i>HK\$</i>	Number of shares	Amount <i>HK\$'000</i>
Authorised:			
As at 31 December 2024, 1 January 2025 and 31 March 2026	0.2	<u>200,000,000</u>	<u>40,000</u>
Issued and fully paid:			
As at 31 December 2024, 1 January 2025 and 31 March 2026	0.2	<u>55,750,000</u>	<u>11,150</u>

26. LEASES LIABILITIES

The Group as lessee

The Group leases various properties to operate its restaurants. The leases typically run for an initial period of 24 to 72 months. The lease payments for certain restaurants are determined at the higher of a fixed lease payment or a pre-determined percentage on revenue of respective restaurants pursuant to the terms and conditions set out in the respective lease agreements. These payment terms are common in restaurants in Hong Kong where the Group operates. As the future revenue of these restaurants could not be reliably determined, the relevant contingent rents have not been included in the measurement of lease liabilities and only the minimum lease commitments have been included.

As at 31 March 2026 and 31 December 2024, the present value of future lease payments are analysed as:

	As at	
	31 March 2026 <i>HK\$'000</i>	31 December 2024 <i>HK\$'000</i>
Current liabilities	7,324	2,368
Non-current liabilities	25,989	36
	<u>33,313</u>	<u>2,404</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

26. LEASES LIABILITIES (Continued)

The Group as lessee (Continued)

	Minimum lease payments <i>HK\$'000</i>	Interest <i>HK\$'000</i>	Present value <i>HK\$'000</i>
As at 31 March 2026			
Not later than one year	8,684	(1,360)	7,324
Later than one year and not later than two years	16,428	(1,644)	14,784
Later than two years and not later than five years	11,992	(787)	11,205
	<u>37,104</u>	<u>(3,791)</u>	<u>33,313</u>
As at 31 December 2024			
Not later than one year	2,436	(68)	2,368
Later than one year and not later than two years	36	—*	36
	<u>2,472</u>	<u>(68)</u>	<u>2,404</u>

* Represented the balance less than HK\$1,000

	Fifteen months ended 31 March 2026 <i>HK\$'000</i>	Land and buildings Year ended 31 December 2024 <i>HK\$'000</i>
Lease payments for the period		
Interest portion (Note 10)	730	314
Principal portion	<u>5,545</u>	<u>5,530</u>
Repayment of lease liabilities	<u>6,275</u>	<u>5,844</u>
	Fifteen months ended 31 March 2026 <i>HK\$'000</i>	Year ended 31 December 2024 <i>HK\$'000</i>
Short-term lease expenses (Note 11)	1,167	1,012
Contingent rent (Note 11)	<u>284</u>	<u>251</u>

As at 31 March 2026, the Group had total future minimum lease payments under non-cancellable short-term leases of approximately HK\$318,000 (31 December 2024: HK\$269,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

27. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with related parties during the period/year.

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Catering income from Mr. Pong and Mr. Wong (<i>Note b</i>)	<u>2</u>	<u>6</u>
Catering income from Altaya Wines (<i>Note b</i>)	<u>3</u>	<u>13</u>
Management fee income from Way Wise (<i>Note b</i>)	<u>90</u>	<u>120</u>
Management fee to Altaya Wines (<i>Note b</i>)	<u>581</u>	<u>793</u>
Purchases of goods from Altaya Wines (<i>Note b</i>)	<u>81</u>	<u>188</u>
Purchases of goods from I Foods	<u>1,999</u>	<u>–</u>
Secondment fee to THAC Management Limited	<u>452</u>	<u>–</u>
Rental expenses to THAC Capital Limited	<u>70</u>	<u>–</u>

Note a: All the above transactions were negotiated in terms mutually agreed with between both parties.

Note b: Ceased as related parties on 30 September 2025.

Compensation of key management personnel

The remuneration of executive directors and other members of key management during the period/year was as follows:

	Fifteen months ended 31 March 2026 HK\$'000	Year ended 31 December 2024 HK\$'000
Short-term benefits	<u>2,482</u>	<u>1,864</u>
Post-employment benefits	<u>62</u>	<u>36</u>
	<u>2,544</u>	<u>1,900</u>

The remuneration of executive directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

28. FINANCIAL INSTRUMENTS

Categories of financial instruments

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Financial assets		
Financial assets at amortised cost	<u>8,467</u>	<u>3,760</u>
Financial liabilities		
Financial liabilities at amortised cost	<u>19,280</u>	<u>14,987</u>
Lease liabilities	<u>33,313</u>	<u>2,404</u>
	<u>52,593</u>	<u>17,391</u>

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at amortised cost including trade and other receivables, deposits, amounts due from related companies, bank balances, trade and other payables and accrued charges and amounts due to related companies and directors. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group is mainly exposed to cash flow interest rate risk in relation to bank balances as at 31 March 2026 and 31 December 2024.

The Group currently does not have interest rate hedging policy. However, the management of the Group closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise.

Sensitivity analysis

No sensitivity analysis is provided on bank balances as the management of the Group considers that the interest rate fluctuation on bank balances is minimal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

28. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade and other receivables, deposits, amounts due from related companies and bank balances as at 31 March 2026 and 31 December 2024.

As at 31 March 2026 and 31 December 2024, the maximum exposure to credit risk of the Group which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

Trade receivables arising from contracts with customers and amounts due from related companies with trade nature

In respect of trade receivables from restaurant operations with corporate customers, individual credit evaluations are performed on customers of catering service requiring credit over a certain amount. Before accepting any new corporate customers, the Group assesses the potential corporate customer's credit quality and defines credit limits by customers. Limits and scoring attributed to customers are reviewed regularly by directors of the Company. The credit period provided to customers can vary based on a number of factors including nature of operations, the Group's relationship with the customer and the customer's credit profile. ECL rates of these trade receivables are assessed to be minimal, because of the customers' good background and reputation and no past default history. Thus, the loss allowance provision for such balances was insignificant and no loss allowance provision was recognised in respect of these trade receivables for the fifteen months ended 31 March 2026 and year ended 31 December 2024.

No credit evaluations are performed to retail customers that are made in cash or via major credit cards or payments platforms. The Group's trade receivables in connection with sales settled through payment platforms such as Octopus, Alipay or WeChat Pay are with high credit rating and no past due history. These assets are short-term in nature and the probability of default is negligible on the basis of high-credit rating issuers during the fifteen months ended 31 March 2026 and year ended 31 December 2024, and accordingly, no loss allowance was recognised in respect of these trade receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

28. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Other receivables and deposits

The management of the Group makes periodic collective assessment as well as individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also available reasonable and supportive forward-looking information under ECL model. At the reporting date, the credit risks on other receivables and deposits have not increased significantly since initial recognition, the Group measures the loss allowance for other receivables at an amount equal to 12-month ECL. Based on the historical experience of the collection of the rental deposits from the landlords, the management of the Group assessed that expected credit loss of these deposits as at 31 March 2026 and 31 December 2024, no impairment loss (year ended 31 December 2024: HK\$128,000) was recognised during the period.

Bank balances

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks with high credit-rating assigned by international credit-rating agencies, for which the Group considers the credit risk is negligible.

Liquidity risk

For the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents.

As detailed in note 3(b), the Group incurred a loss of approximately HK\$7,017,000 for the fifteen months ended 31 March 2026. As of 31 March 2026, the current liabilities of the Group exceeded its current assets by approximately HK\$16,028,000. Also, the Group still facing uncertainties to the future prospect of the Hong Kong economy in general as well as the craze of going north for spending that affects the catering industry. These events or conditions may cast significant doubt on the Group's ability to continue as a going concern.

As a result, the purpose of assessing the appropriateness of the use of the going concern basis in the preparation of the consolidated financial statements, the directors of the Company have prepared the Cash Flow Forecast. In preparing the Cash Flow Forecast, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and the Group's available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

28. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Liquidity risk *(Continued)*

	Weighted average effective interest rate %	Carrying amounts HK\$'000	Total undiscounted cash flows HK\$'000	Not later than one year HK\$'000	Later than one year and not later than two years HK\$'000	Later than two year and not later than five years HK\$'000
As at 31 March 2026						
Non-derivative financial liabilities						
Trade payables	N/A	1,398	1,398	1,398	–	–
Other payables and accrued charges	N/A	12,346	12,346	12,346	–	–
Lease liabilities	4.7%-10.9%	33,313	37,104	8,684	16,428	11,992
Amounts due to related companies	N/A	5,512	5,512	5,512	–	–
Amounts due to directors	N/A	24	24	24	–	–
		<u>52,593</u>	<u>56,384</u>	<u>27,964</u>	<u>16,428</u>	<u>11,992</u>

As at 31 December 2024

Non-derivative financial liabilities						
Trade payables	N/A	1,772	1,772	1,772	–	–
Other payables and accrued charges	N/A	5,979	5,979	5,979	–	–
Lease liabilities	5.7%-10.9%	2,404	2,472	2,436	36	–
Amount due to a related company	N/A	518	518	518	–	–
Amounts due to directors	N/A	6,718	6,718	6,718	–	–
		<u>17,391</u>	<u>17,459</u>	<u>17,423</u>	<u>36</u>	<u>–</u>

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt balance and equity balance. Equity balance consists of equity attributable to owners of the Company, comprising issued share capital and reserves.

The management of the Group reviews the capital structure on an on-going annual basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management of the Group, the Group will balance its overall capital structure through the issue of new shares as well as the issue of new debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

30. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the fifteen months ended 31 March 2026, as detailed in note 20 to the consolidated financial statements, on 30 September 2025, the balance in aggregate of approximately HK\$7,689,000 was reclassified to other payables upon Mr. Wong and Mr. Pong ceased as executive director.

(b) Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Lease liabilities <i>(note 26)</i> <i>HK\$'000</i>	Amounts due to directors <i>(note 20)</i> <i>HK\$'000</i>
At 1 January 2024	5,415	4,096
Cash flows:		
Lease payments	(5,844)	–
Advance from directors	–	6,000
Repayment to directors	–	(3,378)
	<u>(5,844)</u>	<u>2,622</u>
Non-cash item:		
Lease modification	2,519	–
Interest on lease liabilities	314	–
	<u>2,833</u>	<u>–</u>
At 31 December 2024 and 1 January 2025	2,404	6,718
Cash flows:		
Lease payments	(6,275)	–
Advance from directors	–	1,403
Repayment to directors	–	(408)
	<u>(6,275)</u>	<u>995</u>
Non-cash item:		
Addition and lease modification	36,454	–
Interest on lease liabilities	730	–
Reclassification to other payable	–	(7,689)
	<u>37,184</u>	<u>(7,689)</u>
At 31 March 2026	<u>33,313</u>	<u>24</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

31. SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 14 June 2016 ("Share Option Scheme") for the primary purpose of providing incentives to eligible participants for their contributions to the Group. Under the Share Option Scheme, the directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, employees, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. A nominal consideration of HK\$1 is payable by the grantee on acceptance of the grant of an option. The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the board of directors of the Company and notified to a participant and shall be at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share on the date of grant of the option, provided that in the event of fractional prices, the subscription price per share shall be rounded upwards to the nearest whole cent. The maximum number of the shares that may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) under the Share Option Scheme and any other share option scheme of the Group shall not exceed the 2,000,000 shares in issue. The Company may seek approval of the shareholders in a general meeting to refresh the 10% limit provided that the total number of shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not exceed 10% of the number of shares in issue as at the date of approval of the limit.

The total number of shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of the 1% limit in any 12-month period up to and including the date of such further grant must be separately approved by the shareholders in a general meeting of the Company with such grantee and his associates abstaining from voting. The number and terms (including the exercise price) of options to be further granted must be fixed before the approval of the shareholders and the date of the board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under the GEM Listing Rules.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the directors to each grantee, which period may commence from the date of offer for the grant of options is made, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof.

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted (i.e. 14 June 2016).

During the fifteen months ended 31 March 2026 and year ended 31 December 2024, the Group did not grant any share option under the Share Option Scheme of the Company.

As at 31 March 2026, no shares in respect of which option has been remained outstanding under the Share Option Scheme (31 December 2024: Nil).

The Share Option Scheme has expired on 13 June 2026 and no option has been granted or agreed to be granted since the adoption date under the Share Option Scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

32. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the Company's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of incorporation/ registration	Place of operation	Class of shares held and issued and fully paid share capital	Proportion of nominal value of issued share capital held by the Company as at		Principal activities
				31 March 2026 %	31 December 2024 %	
Classified Group Management Limited	Hong Kong	Hong Kong	Ordinary HK\$10,000	100	100	Inactive
Classified Limited	Hong Kong	Hong Kong	Ordinary HK\$903,000	100	100	Restaurant operations
Ease Summit Investments Limited	BVI	Hong Kong	Ordinary US\$1	100	100	Investment holding
Ever Alliance Ventures Limited ("EAVL")	BVI	Hong Kong	Ordinary US\$1	100	100	Investment holding
Noble Network Investments Limited	BVI	Hong Kong	Ordinary US\$1	100	100	Investment holding
Press Room Group Investments Limited	Hong Kong	Hong Kong	Ordinary HK\$1,200,000	100	100	Investment holding
Press Room Group Management Limited	Hong Kong	Hong Kong	Ordinary HK\$3	100	100	Provision of management services
Small Medium Large Limited	Hong Kong	Hong Kong	Ordinary HK\$300,000	100	100	Inactive
The Pawn Limited	Hong Kong	Hong Kong	Ordinary HK\$120	100	100	Restaurant operations
Classified Food Factory Limited	Hong Kong	Hong Kong	Ordinary HK\$100	100	100	Inactive
Rich City (HK) Limited	Hong Kong	Hong Kong	Ordinary HK\$1	100	100	Inactive
THAC Investment Group Limited*	Hong Kong	Hong Kong	Ordinary HK\$1	100	–	Inactive
THAC Investment Group (1) Limited*	Hong Kong	Hong Kong	Ordinary HK\$1	100	–	Inactive
THAC Investment (Seasons10) Limited*	Hong Kong	Hong Kong	Ordinary HK\$1	100	–	Inactive
THAC Investment (3) Limited*	Hong Kong	Hong Kong	Ordinary HK\$1	100	–	Restaurant operations
THAC Investment (Seasons4) Limited*	Hong Kong	Hong Kong	Ordinary HK\$1	100	–	Inactive
Jasmine Cuisine (TM) Limited*	Hong Kong	Hong Kong	Ordinary HK\$1	100	–	Inactive
THAC Investment (18) Limited*	Hong Kong	Hong Kong	Ordinary HK\$100	100	–	Inactive

* EAVL is directly held by the Company. All other subsidiaries are indirectly held by the Company.

* The subsidiaries were newly established or acquired by the Group during the period.

None of the subsidiaries had issued any debt securities at the end of period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

33. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	As at	
	31 March 2026 HK\$'000	31 December 2024 HK\$'000
Non-current asset		
Interest in a subsidiary	9,700	13,211
Current assets		
Other receivables, deposits and prepayments	160	42
Bank balance and cash	6	2
	166	44
Current liabilities		
Other payables and accrued charges	8,300	1,479
Amounts due to directors	–	6,070
	8,300	7,549
Net current liabilities	(8,134)	(7,505)
Total assets less current liabilities	1,566	5,706
Net assets	1,566	5,706
Capital and reserves		
Share capital	11,150	11,150
Reserves	(9,584)	(5,444)
Total equity	1,566	5,706

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fifteen months ended 31 March 2026

33. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY *(Continued)*

Movement in the Company's reserves

	Share Premium <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2024	133,445	(135,873)	(2,428)
Loss and total comprehensive income for the year	—	(3,016)	(3,016)
As at 31 December 2024 and 1 January 2025	133,445	(138,889)	(5,444)
Loss and total comprehensive income for the period	—	(4,140)	(4,140)
As at 31 March 2026	133,445	(143,029)	(9,584)

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group pursuant to Rule 18.33 of the GEM Listing Rules, as extracted from the published audited consolidated financial statements, is set out as follows:

Year ended 31 December					Fifteen months ended 31 March 2026
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	HK\$'000
Revenue	<u>76,061</u>	<u>37,465</u>	<u>36,357</u>	<u>35,736</u>	<u>82,338</u>
Loss before taxation	(14,987)	(20,392)	(15,346)	(8,310)	(7,017)
Income tax expense	<u>(1,556)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Loss for the year/period	<u>(16,553)</u>	<u>(20,392)</u>	<u>(15,346)</u>	<u>(8,310)</u>	<u>(7,017)</u>
Attributable to:					
Owners of the Company	(16,553)	(20,392)	(15,346)	(8,310)	(7,017)
Non-controlling interests	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>(16,553)</u>	<u>(20,392)</u>	<u>(15,346)</u>	<u>(8,310)</u>	<u>(7,017)</u>
As at 31 December					As at 31 March 2026
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	HK\$'000
Assets and liabilities					
Total assets	77,692	38,926	35,934	27,342	56,284
Total liabilities	<u>(36,941)</u>	<u>(18,567)</u>	<u>(18,115)</u>	<u>(17,833)</u>	<u>(53,792)</u>
	<u>40,751</u>	<u>20,359</u>	<u>17,819</u>	<u>9,509</u>	<u>2,492</u>
Equity attributable to:					
Owners of the Company	<u>40,751</u>	<u>20,359</u>	<u>17,819</u>	<u>9,509</u>	<u>2,492</u>