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1957 & Co. (Hospitality) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8495)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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

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

This announcement, for which the directors (the “**Directors**”) of 1957 & Co. (Hospitality) Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**we**”) 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 announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

FINANCIAL HIGHLIGHTS

During the year ended 31 December 2024:

- the Group recorded revenue of approximately HK\$470.4 million, representing a decrease of approximately 0.3% as compared to the corresponding year ended 31 December 2023;
- the Group recorded an adjusted profit before income tax of approximately HK\$4.9 million (2023: adjusted profit of HK\$2.9 million) before the effects of the government grants received, impairment loss on property, plant and equipment and right-of-use assets and impairment loss on trade receivables;
- the Group recorded profit after tax of approximately HK\$2.4 million (2023: loss of HK\$0.9 million); and
- the Board did not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

RESULTS

The board of Directors of the Company (the “**Board**”) is pleased to announce the consolidated results of the Group for the year ended 31 December 2024, together with the comparative figures for the year ended 31 December 2023, as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

		2024	2023
	<i>Note</i>	HK\$’000	<i>HK\$’000</i>
Revenue	4	470,350	471,849
Other income/(loss), net	5	496	(117)
Cost of inventories sold		(119,664)	(125,782)
Employee benefit expenses		(171,462)	(167,713)
Depreciation and amortisation		(89,237)	(85,610)
Royalty fees		(5,911)	(6,610)
Rental expenses		(11,684)	(9,847)
Utilities		(13,309)	(12,337)
Impairment loss on trade receivables		–	(1,256)
Impairment loss on property, plant and equipment and right-of-use assets		(2,145)	(2,157)
Other operating expenses	7	(45,634)	(51,626)
Operating profit		11,800	8,794
Finance income		1,470	1,201
Finance costs		(9,956)	(10,035)
Finance costs, net	6	(8,486)	(8,834)
Share of losses of associates		(483)	(434)
Profit/(loss) before income tax		2,831	(474)
Income tax expense	8	(443)	(453)
Profit/(loss) for the year		2,388	(927)
Profit/(loss) for the year attributable to:			
— Owners of the company		(1,165)	(6,246)
— Non-controlling interests		3,553	5,319
		2,388	(927)
Losses per share attributable to owners of the Company for the year (HK cents)			
— Basic and diluted	9	(0.30)	(1.63)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Profit/(loss) for the year	2,388	(927)
Other comprehensive loss		
<i>Items that may be reclassified to profit or loss</i>		
— Currency translation differences	(116)	(76)
— Share of other comprehensive loss of associates accounted for using the equity method	<u>—</u>	<u>(4)</u>
Total comprehensive income/(loss) for the year	<u>2,272</u>	<u>(1,007)</u>
Total comprehensive income/(loss) for the year attributable to:		
— Owners of the company	(1,281)	(6,326)
— Non-controlling interests	<u>3,553</u>	<u>5,319</u>
	<u>2,272</u>	<u>(1,007)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Note</i>	2024 HK\$'000	2023 HK\$'000
Assets			
Non-current assets			
Property, plant and equipment		175,039	198,941
Intangible assets		621	742
Other non-current deposit and prepayment		20,196	19,050
Investment in an insurance contract		2,371	–
Interest in associates		2,957	–
Deferred tax assets		16,937	14,681
		<u>218,121</u>	<u>233,414</u>
		-----	-----
Current assets			
Inventories		3,240	2,637
Trade receivables	<i>10</i>	7,485	8,877
Prepayments, deposits and other receivables		18,058	17,669
Amount due from associates		1,155	139
Tax recoverable		860	457
Pledged bank deposits		3,037	5,076
Cash and cash equivalents		53,082	64,766
		<u>86,917</u>	<u>99,621</u>
		-----	-----
Total assets		<u>305,038</u>	<u>333,035</u>
Equity			
Capital and reserves attributable to owners of the Company			
Share capital	<i>11</i>	38	38
Share premium	<i>11</i>	100,980	100,980
Capital reserve		(2,983)	(2,983)
Exchange reserve		(622)	(506)
Accumulated losses		(40,304)	(39,139)
		<u>57,109</u>	<u>58,390</u>
Non-controlling interest		<u>13,735</u>	<u>12,954</u>
Total equity		<u>70,844</u>	<u>71,344</u>
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	<i>Note</i>	2024 HK\$'000	2023 <i>HK\$'000</i>
Liabilities			
Non-current liabilities			
Lease liabilities		80,345	86,640
Provision for reinstatement costs		8,310	8,316
Provision for long service payment		1,481	1,556
		<u>90,136</u>	<u>96,512</u>
Current liabilities			
Trade payables	<i>12</i>	21,196	22,444
Accruals and other payables		25,746	26,262
Lease liabilities		54,195	59,756
Contract liabilities		2,603	2,196
Income tax payable		857	3,505
Loan from non-controlling shareholders	<i>15</i>	4,600	7,600
Bank borrowings	<i>13</i>	34,861	43,416
		<u>144,058</u>	<u>165,179</u>
Total liabilities		<u>234,194</u>	<u>261,691</u>
Total equity and liabilities		<u>305,038</u>	<u>333,035</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION, REORGANISATION AND BASIS OF PRESENTATION

1.1 General information

1957 & Co. (Hospitality) Limited (the “**Company**”) was incorporated in the Cayman Islands on 3 February 2016 as an exempted company with limited liability under Companies Act (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is 33/F, Times Tower, 391–407 Jaffe Road, Hong Kong.

The Company is an investment holding company and its subsidiaries (together, the “**Group**”) are principally engaged in operation of restaurants and catering management and consultancy services (the “**Business**”).

These consolidated financial statements are presented in thousands of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

The Company has listed its shares on the GEM of The Stock Exchange of Hong Kong Limited (“**GEM**”) on 5 December 2017.

2 SUMMARY OF ACCOUNTING POLICY INFORMATION

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) *Compliance with HKFRS and disclosure requirements of HKCO*

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

Certain comparative figures have been reclassified to conform with current year’s presentation.

(ii) *Historical cost convention*

The financial statements have been prepared on a historical cost basis.

(iii) *Amendments to existing standards and interpretation adopted by the Group*

The following amendments to existing standards and interpretation are mandatory for the first time for the financial year beginning on 1 January 2024 and have been adopted by the Group:

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

The above newly adopted amendments to existing standards and interpretation did not have any material impact on the results and financial position of the Group.

(iv) *New standards, amendments to existing standards and interpretation not yet adopted by the Group*

The following new standards, amendments to existing standards and interpretation have been issued but are not effective for the financial year beginning on 1 January 2024 and have not been early adopted by the Group:

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

The Group will adopt the above new standards, amendments to existing standards and interpretation when they become effective. The Group is in the process of assessing the impact of adoption of such new standards, amendments to existing standards and interpretation on the results and financial position of the Group.

(v) *Going concern*

The Group had net current liabilities of HK\$57,141,000 as at 31 December 2024 (2023: net current liabilities of HK\$65,558,000) of which HK\$54,195,000 (2023: HK\$59,756,000) were lease liabilities where the corresponding right-of-use assets were included in property, plant and equipment within non-current assets. In addition, bank borrowings amounting to HK\$25,725,000 (2023: HK\$34,919,000), which are contractually due for repayment after one year but contain repayable on demand clause and are therefore classified as current liabilities in accordance with HK Interpretation 5, “Presentation of Financial Statements — Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause”.

Management considers that (i) the lease assets as stated above will be generating sufficient cash flows to cover the lease liabilities under normal circumstances, and (ii) it is highly unlikely that the relevant banks will exercise their discretion to demand immediate repayment and believes that such bank borrowings will be repaid in accordance with the scheduled dates set out in the relevant loan agreements, and that the current bank facilities will continue to be available for the next 12 months.

Setting aside the lease liabilities of HK\$54,195,000 (2023: HK\$59,756,000) and the bank borrowing due after one year but contain a repayable on demand clause of HK\$25,725,000 (2023: HK\$34,919,000), the Group’s current assets exceeded its current liabilities by HK\$22,779,000 as at 31 December 2024 (2023: HK\$29,117,000). The directors of the Company have considered the Group’s consolidated financial position to conclude that the Group has sufficient financial resources to meet its financial obligations as and when they fall due in the coming twelve months. Accordingly, the Group’s consolidated financial statements have been prepared on a going concern basis.

3 SEGMENT INFORMATION

The chief operating decision-maker (the “**CODM**”) has been identified as the executive directors of the Company who review the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM assesses the performance based on a measure of segment profit, which is a measure of adjusted profit before income tax. The adjusted profit before income tax is measured consistently with the Group’s profit before income tax except that other income/(loss), net, finance income, finance costs (except the portion related to lease liabilities), impairment loss of property, plant and equipment and right-of-use assets as well as head office expenses are excluded from such measurement.

The Group is principally engaged in operation of restaurants and provision of catering management and consultancy services.

The following is an analysis of the Group's revenue, results, assets and liabilities by operating and reportable segments:

Segment revenue and results

Year ended 31 December 2024

	Operation of restaurants HK\$'000	Catering management and consultancy services HK\$'000	Total HK\$'000
Total segment revenue	467,026	30,413	497,439
Inter-segment revenue	–	(27,089)	(27,089)
	<u>467,026</u>	<u>3,324</u>	<u>470,350</u>
Revenue from external customers			
	<u>467,026</u>	<u>3,324</u>	<u>470,350</u>
Result			
Segment profit	<u>27,934</u>	<u>2,672</u>	30,606
Other income, net			496
Unallocated staff costs			(21,227)
Unallocated depreciation and amortisation			(3,420)
Unallocated utilities and consumables			(43)
Unallocated other expenses			<u>(3,581)</u>
Profit before income tax			<u>2,831</u>
Other segment items			
Depreciation and amortisation	(85,817)	–	(85,817)
Cost of inventories sold	(119,664)	–	(119,664)
Staff costs	(150,235)	–	(150,235)
Impairment loss on property, plant and equipment and right-of-use assets	(2,145)	–	(2,145)
Finance income	1,315	155	1,470
Finance costs	<u>(9,905)</u>	<u>(51)</u>	<u>(9,956)</u>

Year ended 31 December 2023

	Operation of restaurants <i>HK\$'000</i>	Catering management and consultancy services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total segment revenue	471,105	28,893	499,998
Inter-segment revenue	–	(28,149)	(28,149)
Revenue from external customers	<u>471,105</u>	<u>744</u>	<u>471,849</u>
Result			
Segment profit	<u>29,966</u>	<u>89</u>	30,055
Other loss, net			(117)
Unallocated staff costs			(22,442)
Unallocated depreciation and amortisation			(4,343)
Unallocated utilities and consumables			(51)
Unallocated other expenses			<u>(3,576)</u>
Loss before income tax			<u>(474)</u>
Other segment items			
Depreciation and amortisation	(81,268)	–	(81,268)
Cost of inventories sold	(125,782)	–	(125,782)
Staff cost	(145,271)	–	(145,271)
Impairment loss on trade receivables	–	(1,256)	(1,256)
Impairment loss on property, plant and equipment and right-of-use assets	(2,157)	–	(2,157)
Finance income	1,039	162	1,201
Finance costs	<u>(9,969)</u>	<u>(66)</u>	<u>(10,035)</u>

Information about major customers

There are no single external customers who contributed more than 10% of the revenue of the Group during the year ended 31 December 2024 (2023: same).

Segment assets and liabilities

At 31 December 2024

	Operation of restaurants <i>HK\$'000</i>	Catering management and consultancy services <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segments assets	350,592	88,682	3,352	(140,545)	302,081
Interest in associates	2,957	–	–	–	2,957
	<u>353,549</u>	<u>88,682</u>	<u>3,352</u>	<u>(140,545)</u>	<u>305,038</u>
Segment liabilities	<u>305,047</u>	<u>67,560</u>	<u>2,132</u>	<u>(140,545)</u>	<u>234,194</u>

At 31 December 2023

	Operation of restaurants <i>HK\$'000</i>	Catering management and consultancy services <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segments assets	<u>384,169</u>	<u>94,992</u>	<u>6,226</u>	<u>(152,352)</u>	<u>333,035</u>
Segment liabilities	<u>344,833</u>	<u>66,626</u>	<u>2,584</u>	<u>(152,352)</u>	<u>261,691</u>

Geographical information

The Group's revenue from operation of restaurants is mainly derived from customers in Hong Kong and revenue from catering management and consultancy services is mainly derived from customers in Hong Kong and the PRC. The principal assets of the Group were also located in Hong Kong as at 31 December 2024 and 2023. Accordingly, no analysis by geographical segment is provided.

4 REVENUE

Revenue represents income from operation of restaurants and catering management and consultancy services.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Operation of restaurants, recognised at a point in time	467,026	471,105
Catering management and consultancy services, recognised overtime	<u>3,324</u>	<u>744</u>
	<u><u>470,350</u></u>	<u><u>471,849</u></u>

5 OTHER INCOME/(LOSS), NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Government grants	–	48
Change in surrender value of insurance contract	55	–
Loss on disposal of property, plant and equipment	(6)	(254)
Sundry income	<u>447</u>	<u>89</u>
	<u><u>496</u></u>	<u><u>(117)</u></u>

There is no government grant (2023: HK\$48,000) recognised for the year ended 31 December 2024.

6 FINANCE COSTS, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Finance income		
Interest income	695	544
Imputed interest income on deposit paid	<u>775</u>	<u>657</u>
	<u><u>1,470</u></u>	<u><u>1,201</u></u>
Finance costs		
Interest expenses on bank borrowings	(2,293)	(2,354)
Interest expenses on lease liabilities	(7,125)	(7,503)
Interests charge on discounts	<u>(538)</u>	<u>(178)</u>
	<u><u>(9,956)</u></u>	<u><u>(10,035)</u></u>
Finance costs, net	<u><u>(8,486)</u></u>	<u><u>(8,834)</u></u>

7 OTHER OPERATING EXPENSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration		
— Audit services	1,110	1,110
— Non-audit services	380	359
Advertising and promotion	1,268	2,548
Cleaning and laundry expenses	15,679	15,652
Credit card charges	6,907	6,931
Commission	5,173	3,404
Decoration, repairs and maintenance	1,761	6,672
Legal and professional fees	3,094	3,970
Entertainment	34	225
Telecommunication charges	332	308
Storage expenses	307	352
Motor vehicle expenses	183	210
Printing expenses	914	1,281
Restaurant supplies and consumables	5,093	5,646
Travelling expenses	448	267
Reservation system handling charges	1,291	1,228
Others	1,660	1,463
	<u>45,634</u>	<u>51,626</u>

8 INCOME TAX EXPENSE

The amount of income tax expense charged to the consolidated income statement represents:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current profits tax		
— Current income tax for the year	2,893	4,582
— (Over)/under provision in prior year	(194)	42
Deferred tax credit	<u>(2,256)</u>	<u>(4,171)</u>
Income tax expense	<u>443</u>	<u>453</u>

In accordance with the two-tiered profits tax regime effective from 1 January 2018, Hong Kong profits tax has calculated at 8.25% on the first HK\$2,000,000 for one of the subsidiaries in Hong Kong, and 16.5% on the remaining estimated assessable profits for the years ended 31 December 2024 and 2023.

No provision for PRC corporate income tax has been made as the Group has no assessable profit arising from PRC for the year (2023: same).

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

	2024	2023
	HK\$'000	HK\$'000
Profit/(loss) before income tax	2,831	(474)
Share of results of associates	483	434
	3,314	(40)
Tax calculated at applicable taxation rates	547	(7)
Effect of different tax rate of operations in other jurisdictions	(47)	(16)
Income not subject to tax	(328)	(206)
Expenses not deductible for tax purposes	1,068	883
(Over)/under provision in prior year	(194)	42
Utilisation of tax loss previously not recognised	–	(500)
Reversal of deferred tax asset previously recognised, net	990	257
Recognition of deferred tax assets related to the reinstatement provision (<i>Note</i>)	(1,593)	–
Income tax expense	443	453

Note:

On 27 December 2024, the amendment to Inland Revenue Ordinance was gazetted that expenses incurred for reinstating the condition of premises under a lease to their original condition will be deductible. As a result, the Group recognised deferred tax assets of HK\$1,593,000 related to the reinstatement provision during the year ended 31 December 2024.

9 LOSSES PER SHARE

(a) Basic

Basic losses per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2024	2023
Loss attributable to owners of the Company (<i>HK\$'000</i>)	(1,165)	(6,246)
Weighted average number of ordinary shares in issue (<i>in thousands</i>)	384,000	384,000
Basic losses per share (<i>HK cents</i>)	(0.30)	(1.63)

(b) Diluted

Diluted losses per share for the years ended 31 December 2024 and 2023 were the same as the basic losses per share as there were no potential dilutive ordinary shares.

10 TRADE RECEIVABLES

The aging analysis of the trade receivables based on invoice date is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
1 to 30 days	4,194	5,159
31 to 60 days	305	318
61 to 90 days	474	658
Over 90 days	<u>2,512</u>	<u>2,742</u>
	<u><u>7,485</u></u>	<u><u>8,877</u></u>

11 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares of the Company	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>
Authorised: Ordinary share capital of HK\$0.0001 each as at 31 December 2023 and 2024	<u>3,800,000,000</u>	<u>380</u>	<u>–</u>
Issued and fully paid: As at 1 January 2023, 31 December 2023 and 31 December 2024	<u>384,000,000</u>	<u>38</u>	<u>100,980</u>

12 TRADE PAYABLES

An aging analysis of trade payables based on invoice date as at the date of consolidated statement of financial position is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
1 to 30 days	11,435	12,145
31 to 60 days	9,431	10,029
61 to 90 days	4	4
Over 90 days	<u>326</u>	<u>266</u>
	<u><u>21,196</u></u>	<u><u>22,444</u></u>

13 BANK BORROWINGS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Current</i>		
Bank borrowings	<u>34,861</u>	<u>43,416</u>

The Group's bank borrowings as at 31 December 2024 and 2023 were all denominated in HK\$.

As at 31 December 2024, the Group's bank borrowings were secured by corporate guarantees given by the Company (2023: same) and pledged bank deposits of HK\$3,037,000 (2023: HK\$5,076,000).

The weighted average effective interest rate of the bank borrowings as at 31 December 2024 was 4.6% per annum (2023: 4.9% per annum).

The carrying amounts of the Group's bank borrowings as at 31 December 2024 and 2023 approximate their fair values.

According to the repayment schedule of the bank borrowings, without considering the repayable on demand clause, bank borrowings were repayable as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 1 year	9,136	8,497
Between 1 and 2 years	9,657	9,058
Between 2 and 5 years	16,068	24,356
Over 5 years	<u>–</u>	<u>1,505</u>
	<u>34,861</u>	<u>43,416</u>

The Group did not breach any financial bank covenant during the year ended 31 December 2024 (2023: nil).

14 DIVIDEND

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

15 LOANS FROM NON-CONTROLLING SHAREHOLDERS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Non-trading balances:		
Chairman Food & Beverage Management Limited (<i>Note (a)</i>)	1,700	4,700
Jarrett Investments Limited (<i>Note (b)</i>)	<u>2,900</u>	<u>2,900</u>
	<u><u>4,600</u></u>	<u><u>7,600</u></u>

Notes:

- (a) The loan from non-controlling shareholder is unsecured, interest-free and repayable six months after the subsidiary achieves net profit position. The carrying amount of the balance approximates its fair value and is denominated in HK\$.
- (b) The loan from non-controlling shareholder is unsecured, interest-free and repayable one month after the subsidiary achieves net cash inflow. The carrying amount of the balance approximates its fair value and is denominated in HK\$.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a Hong Kong-based restaurant operation and management group that offers a variety of specialty cuisines in restaurants designed by award-winning interior and lighting designers.

During the year ended 31 December 2024, the Group had been principally engaged in operating full service restaurants under various brands and was dedicated to serving quality Japanese, Thai, Vietnamese, Shanghainese and Italian cuisines to different customers. In addition to the restaurant operation business, the Group also provided catering management and consultancy services in Hong Kong and the People's Republic of China (the "PRC").

BUSINESS REVIEW

During the year ended 31 December 2024, we (1) opened two new restaurants in Hong Kong, namely Modern Shanghai Imperial restaurants at The LOHAS in Tseung Kwan O and V Walk in Sham Shui Po; and (2) closed two restaurants upon expiration of the leases, namely Hokkaidon at Cityplaza in Taikoo Shing and An Nam restaurant at Festival Walk in Kowloon Tong. None of our restaurants had undergone any significant renovation.

As at 31 December 2024, the Group had a total of thirteen restaurants under five self-owned brands in Hong Kong, namely, Akanoshou, An Nam, Modern Shanghai, Modern Shanghai Imperial and 10 Shanghai and three franchised or sub-licensed brands, namely, Mango Tree, Gonpachi and Paper Moon.

During the year ended 31 December 2024, two tenancy agreements have been signed for the renewal of:

- (a) an existing Shanghainese cuisine restaurant (where our Modern Shanghai restaurant is located) at Olympian City in Kowloon, the expiry of lease had been extended from 16 July 2024 to 15 July 2027; and
- (b) an existing Thai cuisine restaurant (where our Mango Tree restaurant is located) at Elements in Kowloon, the expiry of lease had been extended from 1 September 2024 to 31 August 2027.

FINANCIAL REVIEW

Revenue

During the year ended 31 December 2024, approximately 99.3% of the Group's revenue was generated from the operation of restaurants in Hong Kong and approximately 0.7% of the Group's revenue was generated from restaurant management services. As at 31 December 2024, the Group was operating thirteen (2023: thirteen) restaurants, of which two (2023: two) restaurants were newly opened and two (2023: two) restaurants were closed down during the year.

The revenue decreased by approximately 0.3% from approximately HK\$471.8 million for the year ended 31 December 2023 to approximately HK\$470.4 million for the year ended 31 December 2024.

The Group's restaurants served mainly five different cuisines during the year. The table below sets forth a breakdown of the Group's revenue generated by operation of restaurants by type of cuisine and as a percentage of total revenue generated by operation of restaurants for the years indicated:

	For the year ended 31 December			
	2024		2023	
	Revenue	% of total	Revenue	% of total
	HK\$'000	revenue from	HK\$'000	revenue from
		operation of		operation of
		restaurant		restaurant
		approximately		approximately
		(%)		(%)
Shanghainese	224,496	48.1	184,943	39.2
Japanese	110,254	23.6	117,681	25.0
Vietnamese	48,195	10.3	64,030	13.6
Thai	36,901	7.9	52,793	11.2
Italian	47,180	10.1	51,658	11.0
Total revenue from operation of restaurants in Hong Kong	<u>467,026</u>	<u>100.0</u>	<u>471,105</u>	<u>100.0</u>

Shanghainese-style restaurants

The revenue generated from operation of Shanghainese-style restaurants increased by approximately HK\$39.6 million, or approximately 21.4%, from approximately HK\$184.9 million for the year ended 31 December 2023 to approximately HK\$224.5 million for the year ended 31 December 2024. The increase in revenue was mainly due to the revenue generated from two newly opened Modern Shanghai Imperial restaurants at The LOHAS in Tseung Kwan O in June 2024 and V Walk in Shum Shui Po in December 2024.

Japanese-style restaurants

The revenue generated from operation of Japanese-style restaurants decreased by approximately HK\$7.4 million, or approximately 6.3%, from approximately HK\$117.7 million for the year ended 31 December 2023 to approximately HK\$110.3 million for the year ended 31 December 2024. The decrease was mainly due to the closure of Hokkaidon restaurant at Cityplaza in Taikoo Shing upon expiration of the lease.

Vietnamese-style restaurants

The revenue generated from operation of Vietnamese-style restaurants decreased by approximately HK\$15.8 million, or approximately 24.7%, from approximately HK\$64.0 million for the year ended 31 December 2023 to approximately HK\$48.2 million for the year ended 31 December 2024. The decrease was mainly due to the closure of An Nam restaurant at Festival Walk in Kowloon Tong in September 2024.

Thai-style restaurants

The revenue generated from operation of Thai-style restaurants decreased by approximately HK\$15.9 million, or approximately 30.1%, from approximately HK\$52.8 million for the year ended 31 December 2023 to approximately HK\$36.9 million for the year ended 31 December 2024. The decrease was mainly due to the drop of number of restaurants operated in 2024 compared to that of the corresponding period in 2023.

Italian-style restaurant

The revenue generated from operation of Italian-style restaurant decreased by approximately HK\$4.5 million, or approximately 8.7%, from approximately HK\$51.7 million for the year ended 31 December 2023 to approximately HK\$47.2 million for the year ended 31 December 2024. The decrease was contributed by the drop in sales of Papermoon restaurant at Ocean Terminal in Tsimshatsui.

Major components of consolidated income statement

	For the year ended 31 December			
	2024		2023	
	<i>HK\$'000</i>	<i>% of revenue</i>	<i>HK\$'000</i>	<i>% of revenue</i>
Cost of inventories sold	119,664	25.4%	125,782	26.7%
Employee benefit expenses	171,462	36.5%	167,713	35.5%
Depreciation and amortisation	89,237	19.0%	85,610	18.1%
Impairment loss on trade receivables	–	0.0%	1,256	0.3%
Impairment loss on property, plant and equipment and right-of-use assets	2,145	0.5%	2,157	0.5%
Rental expenses	11,684	2.5%	9,847	2.1%
Utilities	13,309	2.8%	12,337	2.6%
Finance costs, net	8,486	1.8%	8,834	1.9%

Cost of inventories sold

The cost of inventories consumed mainly represents the cost of food ingredients and beverages for the operation of the Group's restaurants. The major food ingredients purchased by the Group include, but not limited to, meat, seafood, frozen food, vegetables and beverages. Cost of inventories consumed is one of the major components of the Group's operating expenses which amounted to approximately HK\$125.8 million and HK\$119.7 million for the years ended 31 December 2023 and 2024, respectively, representing approximately 26.7% and 25.6% of the Group's total revenue generated from operation of restaurants for the corresponding year. The cost of inventories sold as a percentage of revenue decreased mainly due to the consolidation and expansion of supply chain advantages in the food and beverage industry.

Employee benefit expenses

Employee benefit expenses primarily consist of salaries, wages and allowances, pension costs and other employee benefits, and were one of the largest components of the operating expenses of the Group. The employee benefit expenses increased from approximately HK\$167.7 million for the year ended 31 December 2023 to approximately HK\$171.5 million for the year ended 31 December 2024, representing an increase of approximately 2.3%. The increase in employee benefit expenses was to maintain sufficient staff level for our restaurants during the year.

The Directors recognise the importance of retaining quality staff while believing that the resulting upward pressure on the total employee benefit expenses as a percentage of total revenue could be mitigated by (i) prioritising internal transfers and re-allocations of employees from existing restaurants; (ii) increasing productivity of the staff by providing training; and (iii) minimising attrition levels by continuing to implement various employee retention initiatives to promote employee loyalty and motivate the employees.

Depreciation and amortisation

The Group recorded depreciation and amortisation of approximately HK\$85.6 million and HK\$89.2 million for the years ended 31 December 2023 and 2024, respectively for its right-of-use assets, leasehold improvements, furniture and fixtures, catering services and other equipment, motor vehicle and intangible asset. Such increase was contributed by the new leases and depreciation charges incurred for new restaurants outweighing the decrease in depreciation for closed restaurants during the year after lease expiration.

The depreciation charged on the right-of-use assets amounted to approximately HK\$66.6 million and HK\$68.9 million for the years ended 31 December 2023 and 2024, respectively. The depreciation of the right-of-use assets was charged on a straight-line basis over the lease term. The lease terms of the leased premises are generally between one to six years, with some lease agreements providing an option for the Group to renew such lease terms, exercisable at our discretion.

The depreciation charged for the leasehold improvements amounted to approximately HK\$14.2 million and HK\$14.8 million for the years ended 31 December 2023 and 2024, respectively. The depreciation of the leasehold improvements was charged on a straight-line basis over the shorter of five years or the remaining lease term.

Impairment loss on trade receivables

The Group did not record any impairment loss on trade receivables for the year ended 31 December 2024 (2023: HK\$1.3 million). The impairment loss on trade receivables was based on the expected credit loss rate on the trade receivables due from associates.

Impairment loss on property, plant and equipment and right-of-use assets

The Group recorded an impairment loss on property, plant and equipment and right-of-use assets of approximately HK\$2.1 million for the year ended 31 December 2024 (2023: HK\$2.2 million), where the management of the Group determined that the recoverable amounts of certain cash generating units were lower than the carrying amounts.

Rental expenses

The rental expenses, which mainly represent turnover rent, building management fee and government rates, for the year ended 31 December 2024 amounted to approximately HK\$11.7 million, representing an increase of approximately 19.4% as compared with that for the year ended 31 December 2023 which amounted to approximately HK\$9.8 million. The increase was due to the increase in building management fees charged by landlords.

Utilities

Utilities primarily consist of electricity, gas and water supplies of the Group. For the years ended 31 December 2023 and 2024, the total utilities amounted to approximately HK\$12.3 million and HK\$13.3 million, respectively.

Income tax expenses

The Group recorded income tax expenses of approximately HK\$0.4 million for the year ended 31 December 2024 (2023: HK\$0.5 million). Such decrease was mainly due to the drop in revenue and less profit recorded for certain restaurants for the year.

Profit/(loss) for the year

The Group recorded a profit of approximately HK\$2.4 million for the year ended 31 December 2024 as compared to a loss of approximately HK\$0.9 million for the corresponding period in 2023. The turnaround from loss to profit for the year was mainly attributable to the following reasons:

1. a decrease in the cost of inventories sold for the year ended 31 December 2024, as compared to that of the corresponding period in 2023, due to the consolidation and expansion of supply chain advantages in the food and beverage industry; and
2. a decrease in other operating expenses for the year ended 31 December 2024, as compared to that of the corresponding period in 2023, primarily due to:
 - (i) lower reinstatement expenses incurred from closing and relocating restaurants; and
 - (ii) reduced marketing expenses for promoting new restaurants.

The Company will continue to closely monitor the performances of its restaurants, formulate adequate strategies and strike a balance between improving the financial performance of the restaurants and providing decent dining experiences at reasonable prices.

PRINCIPAL RISKS AND UNCERTAINTIES

The followings are the principal risks and uncertainties faced by the Group, which may materially and adversely affect its business, financial condition or results of operations:

1. During the year ended 31 December 2024, the Group generated 99.3% of our revenue in Hong Kong. If Hong Kong experiences any adverse economic condition due to events beyond our control, such as natural disasters, contagious disease outbreaks, terrorist attacks, a local economic downturn, mass civil disobedience movements or if the local authorities place additional restrictions or burdens on us or on our industry in general, our overall business and results of operations may be materially and adversely affected.
2. Cost of inventories sold, employee benefit expenses and depreciation contributed a majority of the Group's operating costs. The following factors are uncertain and may affect the cost control measures of the Group:
 - a. The Group's business depends on reliable sources of large quantities of food ingredients such as vegetable and meat. The price of food ingredients may continue to rise or fluctuate.
 - b. Minimum wage requirements in Hong Kong which will be reviewed and adjusted periodically.
 - c. As at 31 December 2024, the Group leased all the properties for its restaurants operating in Hong Kong. Therefore, the Group is exposed to risks relating to the commercial real estate rental market, including unpredictable and potentially high occupancy costs.

LIQUIDITY AND FINANCIAL RESOURCES

Capital structure

There was no change in the capital structure of the Group during the year ended 31 December 2024.

Cash position

As at 31 December 2024, the cash and cash equivalents of the Group amounted to approximately HK\$53.1 million (2023: HK\$64.8 million), which were mainly denominated in Hong Kong dollar, representing a decrease of approximately 18.1% as compared to that as at 31 December 2023. The decrease was mainly due to the increase in net cash used in financing activities and the decrease in net cash generated from operating activities outweighing the decrease in net cash used in investing activities during the year.

Borrowings

As at 31 December 2024, the total bank borrowings of the Group, all of which were denominated in Hong Kong dollar, amounted to approximately HK\$34.9 million (2023: HK\$43.4 million) that bore floating interest rates from 3.8% to 7.6% per annum (2023: 4.4% to 8.0%). No financial instrument was being used for interest rate hedging purpose by the Group. Details of the maturity profile of the bank borrowings are set out in note 13 to the consolidated financial statements.

As at 31 December 2024, the total loans from non-controlling shareholders, which were denominated in Hong Kong dollar, amounted to approximately HK\$4.6 million (2023: HK\$7.6 million) that were interest-free and repayable when the respective restaurants have achieved net profit/net cash inflow.

Save as disclosed, the Group did not have other borrowings for the years ended 31 December 2024 and 2023.

Pledge

As at 31 December 2024, a total of HK\$3.0 million pledged deposits provided by the Group were held at banks as securities for the bank borrowings (2023: HK\$5.1 million).

Gearing ratio

As at 31 December 2024, the gearing ratio of the Group was approximately 55.7% (2023: 71.5%). The decrease was mainly attributable to the repayment of bank borrowings and loans from non-controlling shareholders during the year. The gearing ratio is calculated based on the total borrowings, which include bank borrowings and loans from non-controlling shareholders, divided by the total equity of the Company at the end of the respective period.

OPERATING LEASE COMMITMENTS

The Group was committed to making future minimum lease payments in respect of staff quarters under non-cancellable operating lease. The Group did not have any operating lease commitments not yet commenced as at 31 December 2024 (2023: nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group did not have any material acquisition or disposal of subsidiaries and associates during the year ended 31 December 2024.

CONTINGENT LIABILITIES

As at 31 December 2024, the Group had no significant contingent liabilities.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 23 November 2017, the subsequent published annual reports and interim reports, the Group did not have other plans for material investments and capital assets as at the date of this announcement. The sources of funding are the internal resources and contribution from associates/joint ventures partners. However, the Group will continue be cautious in further expanding our business by exercising due care and examining adequate opportunities and planning for the opening and investing in new restaurants.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group did not have any capital expenditure contracted for but not recognised as liabilities (2023: nil).

DIVIDEND

The Board did not recommend the payment of final dividend for the year ended 31 December 2024 (2023: nil).

FOREIGN EXCHANGE EXPOSURE

The Group operates in Hong Kong with majority of the transactions being settled in Hong Kong dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, which are denominated in a currency that is not the functional currency of the Group.

The transactions and monetary assets denominated in Renminbi (“**RMB**”) are minimal for the years ended 31 December 2023 and 2024, the Group considers there were no significant foreign exchange risks in respect of RMB for both years.

FUNDING AND TREASURY POLICIES AND RISK MANAGEMENT

The Group finances its operation and capital expenditures through a combination of internal resources, bank borrowing and/or equity fund raising with an aim to maintain a healthy financial position and sustainable capital structure. The Group closely monitors its cash level, borrowing portfolio and market interest rates in order to arrive at an adequate borrowing portfolio. In view of the daily liquidity need of the catering business, the Group mainly maintains its cash and cash equivalents in saving and current accounts or short term fixed deposits. The Group also reviews, from time to time, the need of entering into hedging activities, while during the year ended 31 December 2024, no hedging financial instrument had been acquired or disposed of by the Group. As at 31 December 2024, the Group’s credit risk is primarily attributable to trade receivables, pledged bank deposit and cash and cash equivalents.

The Group deposits its fixed deposits and cash and cash equivalents with approved and reputable banks. Bankruptcy or insolvency of the banks may cause the Group’s right with respect to cash and cash equivalents held to be delayed or limited. Management monitors the credit rating of these banks on an ongoing basis, and considers that the Group’s exposure to credit risk is minimal.

As at 31 December 2024, the Group has no significant concentrations of credit risk due to the customers’ base being large and unrelated. For trade receivables, the management considers the credit risk on long aged balances and make adequate provision by assessing the expected credit loss rate for those amount. The Group seeks to maintain strict management and control over its outstanding receivables to minimise credit risk.

In relation to the management of liquidity risk, the Group’s policy is to regularly monitor the liquidity requirements in order to maintain sufficient reserves of cash and adequate committed lines of funding from major banks to meet the liquidity requirements in short and long term.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2024, the total number of full-time and part-time employees of the Group was 539 (2023: 529). Total employee benefit expenses (including Directors' emoluments) were approximately HK\$171.5 million for the year ended 31 December 2024 (2023: HK\$167.7 million).

Employees' remuneration is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

The Group continues to offer competitive remuneration packages and bonus to eligible staff, based on the performance of the Group and the individual employee.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") on 6 November 2017. As at the date of this announcement, no share option has been granted.

LITIGATIONS

As at 31 December 2024, the Group is not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is pending or threatened by or against any member of the Group.

PROSPECT

Currently, the Group's subsidiaries are operating thirteen restaurants in Hong Kong, comprising nine under our own brands and four under franchise or sub-license arrangements. The Group has decided to lessen the numbers of wholly owned restaurants and focused more on offering catering management and franchise services, such as two restaurants at M8 in Macau and one restaurant at Festival Walk in Kowloon Tong, Hong Kong, which incurred additional revenue to the Group. This is an effective way to improve profits and lessen overall capital investment.

To achieve sustainable growth, we aim to find a balance between cost management and the quality of our offerings. By optimizing supply chain processes and adopting innovative cooking techniques, we will maintain high standards while controlling costs. This approach ensures profitability without compromising on excellence. Automation is our next step to further lessen our manpower resources, which can improve cost performance ratio.

To diversify revenue streams while enhancing our market presence and reduce reliance on traditional restaurant operations, we are developing a range of new quality food products under the brand of “Homee Gourmet” (家嘗菜). Simultaneously, we are working to develop products under our existing restaurant brands and other upcoming new brands. We aim to leverage our expertise in managing food quality and defining recipes, building a resilient and market leading business model. By expanding into the retail and online markets, we position ourselves for sustained growth and increased profitability, while also adapting to changing consumer preferences.

In addition, as mentioned above, we offer consultancy services and sub-franchise opportunities to entrepreneurs by providing them with a proven business model and operational support, ensuring a guaranteed return on investment for our Company. As these franchisee operations thrive, it enhances our overall brand strength and market reputation, fostering a network of successful businesses.

Despite the uncertain and challenging business environment, the Group remains optimistic about the future and is confident in the ongoing success of our business. It is essential that we continually assess our market competitiveness. By leveraging our solid fundamentals, we strive best to enhance our B2B2C platform under the new platform “Saveur” (尚薈). With a commitment to quality and customer satisfaction, we are set to expand our footprint in the industry, driving both profitability and brand loyalty.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “**Shareholders**”) and to enhance corporate value and accountability.

The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the GEM Listing Rules as its own code of corporate governance. The Board is committed to complying with the code provisions as stated in the CG Code to the extent that the Directors consider it is applicable and practical to the Company.

Save for the deviation disclosed below, the Company has complied with all other applicable code provisions under the CG Code during the year ended 31 December 2024.

Pursuant to code provision C.5.1 of the CG Code, the board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year ended 31 December 2024, only two regular Board meetings were held to review and discuss various matters, including the annual results for the year ended 31 December 2024 and the interim results for the Company’s six months ended 30 June 2024. The Company did not announce its quarterly results and hence did not consider the holding of quarterly Board meetings as necessary.

Further information on the Group's corporate governance practices will be set out in the Corporate Governance Report contained in the Company's annual report for the year ended 31 December 2024, which will be sent to the Shareholders in due course.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year ended 31 December 2024, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

REQUIRED STANDARD OF DEALINGS FOR SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings during the year ended 31 December 2024.

The Company has also adopted its own code of conduct regarding employees' securities transactions with reference to the required standard of dealings for the compliance by its relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company's securities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities, including sale of treasury shares (as defined under the GEM Listing Rules), if any.

The Company did not have any treasury shares as at 31 December 2024 and up to the date of this announcement.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

Pursuant to the requirements of the CG Code and the GEM Listing Rules, the Company has established an audit committee (the "**Audit Committee**") that comprises three independent non-executive Directors, namely Mr. Huen, Felix Ting Cheung (chairman of the Audit Committee), Mr. Yim Hong Cheuk Foster and Ms. Lung Pui Ying Amy.

The Audit Committee has reviewed the Group's consolidated financial statements and annual results for the year ended 31 December 2024. The Audit Committee is of the view that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, the GEM Listing Rules and the statutory provisions, and sufficient disclosures have already been made.

The figures in respect of the Group's consolidated income statements, consolidated statement of comprehensive income, consolidated statement of financial position, and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by PricewaterhouseCoopers in the preliminary announcement.

ANNUAL GENERAL MEETING

The notice of the forthcoming annual general meeting of the Company will be published and sent to the Shareholders in the manner specified in the GEM Listing Rules in due course.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

A shareholders communication policy (the "**Shareholders Communication Policy**") was adopted by the Board at the Board meeting held on 6 November 2017 aiming to provide the Shareholders and potential investors with ready and timely access to balanced and understandable information of the Company. Extensive information about the Company's activities is provided in its annual reports and interim reports, which are sent to the Shareholders in due course. The Company endeavours to maintain an on-going dialogue with the Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) are available to meet the Shareholders and answer their enquiries. The notice of the annual general meeting is distributed to all Shareholders at least 21 days before the meeting. Separate resolutions are proposed at general meetings on each separate issue and voting of which is taken by poll pursuant to the GEM Listing Rules. Results of the poll are published on both the website of the Stock Exchange and that of the Company. All corporate communication with the Shareholders will be posted on the website of the Company for Shareholders' information.

The Company reviewed the implementation and effectiveness of the Shareholders Communication Policy for the year ended 31 December 2024 and considered it to be effective.

APPRECIATION

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

By order of the Board
1957 & Co. (Hospitality) Limited
Lau Ming Fai

Deputy Chief Executive Officer and Executive Director

Hong Kong, 26 March 2025

As of the date of this announcement, the executive Directors are Mr. Wong Chi Wing Kinson, Mr. Lau Ming Fai, Ms. Tsui Ngan Fun and Ms. Lin Huiqin; the non-executive Director is Mr. Chan Wai Fung; and the independent non-executive Directors are Mr. Yim Hong Cheuk Foster, Mr. Huen, Felix Ting Cheung and Ms. Lung Pui Ying Amy.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of publication and on the website of the Company at www.1957.com.hk.