

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



1957 & Co. (Hospitality) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8495)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**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 six months ended 30 June 2025:

- the Group recorded an unaudited revenue of approximately HK\$222.8 million (2024: HK\$231.4 million), representing a decrease of approximately 3.7% as compared to the corresponding period in 2024;
- the Group recorded an unaudited loss before tax of approximately HK\$2.5 million (2024: HK\$2.7 million); and
- the Group recorded an unaudited loss attributable to the owners of the Company of approximately HK\$2.8 million (2024: HK\$4.4 million).

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025 **(UNAUDITED)**

The board of Directors of the Company (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 (the “**Six-Month Review Period**”), together with the unaudited comparative figures for the corresponding period in 2024, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *For the six months ended 30 June 2025*

		For the six months ended	
		30 June	
	<i>Note</i>	2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4	222,764	231,402
Other income/(loss), net	5	203	(368)
Cost of inventories sold		(56,908)	(58,827)
Employee benefit expenses		(84,243)	(87,615)
Depreciation and amortisation		(39,036)	(45,982)
Royalty fees		(2,716)	(2,815)
Rental expenses		(7,493)	(4,676)
Utilities		(6,897)	(6,502)
Other operating expenses		(23,371)	(23,283)
Operating profit		2,303	1,334
Finance income		340	794
Finance costs		(4,150)	(4,793)
Finance costs, net	6	(3,810)	(3,999)
Share of losses of associates		(958)	—
Loss before income tax		(2,465)	(2,665)
Income tax (expense)/credit	7	(85)	104
Loss for the period		(2,550)	(2,561)
(Loss)/profit for the period attributable to:			
— Owners of the Company		(2,763)	(4,352)
— Non-controlling interests		213	1,791
		(2,550)	(2,561)
Losses per share attributable to owners of the Company for the period <i>(expressed in HK cents per share)</i>			
— Basic and diluted	9	(0.72)	(1.13)

	For the six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	(2,550)	(2,561)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
— Currency translation differences	<u>103</u>	<u>423</u>
Total comprehensive loss for the period	<u>(2,447)</u>	<u>(2,138)</u>
Total comprehensive (loss)/income for the period		
attributable to:		
— Owners of the Company	(2,660)	(3,929)
— Non-controlling interests	<u>213</u>	<u>1,791</u>
	<u>(2,447)</u>	<u>(2,138)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment	10	136,480	175,039
Intangible assets	11	561	621
Other non-current deposit and prepayment		17,448	20,196
Interest in associates	12	4,399	2,957
Investment in an insurance contract		2,457	2,371
Deferred tax assets		17,665	16,937
		<u>179,010</u>	<u>218,121</u>
Current assets			
Inventories		2,730	3,240
Trade receivables	13	7,480	7,485
Prepayments, deposits and other receivables		21,136	18,058
Amounts due from an associate		1,929	1,155
Tax recoverable		1,804	860
Pledged bank deposits		3,086	3,037
Cash and cash equivalents		41,978	53,082
		<u>80,143</u>	<u>86,917</u>
Total assets		<u><u>259,153</u></u>	<u><u>305,038</u></u>
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	14	38	38
Share premium	14	100,980	100,980
Capital reserve		(2,983)	(2,983)
Exchange reserve		(519)	(622)
Accumulated losses		(43,067)	(40,304)
		<u>54,449</u>	<u>57,109</u>
Non-controlling interests		<u>9,808</u>	<u>13,735</u>
Total equity		<u><u>64,257</u></u>	<u><u>70,844</u></u>

		As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities		57,156	80,345
Provision for reinstatement costs		7,510	8,310
Provision for long service payment		996	1,481
		65,662	90,136
Current liabilities			
Trade payables	15	17,279	21,196
Accruals and other payables		24,948	25,746
Lease liabilities		48,336	54,195
Contract liabilities		2,694	2,603
Income tax payables		1,042	857
Loans from non-controlling shareholders		4,600	4,600
Bank borrowings	16	30,335	34,861
		129,234	144,058
Total liabilities		194,896	234,194
Total equity and liabilities		259,153	305,038

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to the owners of the Company						Non-controlling interest	Total equity
	Share capital	Share premium	Capital reserve	Exchange reserve	Accumulated losses	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
(Unaudited)								
As at 1 January 2024	38	100,980	(2,983)	(506)	(39,139)	58,390	12,954	71,344
Comprehensive (loss)/income								
(Loss)/profit for the period	—	—	—	—	(4,352)	(4,352)	1,791	(2,561)
Other comprehensive income								
Currency translation differences	—	—	—	423	—	423	—	423
Total comprehensive income/(loss)	—	—	—	423	(4,352)	(3,929)	1,791	(2,138)
Balance at 30 June 2024	38	100,980	(2,983)	(83)	(43,491)	54,461	14,745	69,206
(Unaudited)								
As at 1 January 2025	38	100,980	(2,983)	(622)	(40,304)	57,109	13,735	70,844
Comprehensive (loss)/income								
(Loss)/profit for the period	—	—	—	—	(2,763)	(2,763)	213	(2,550)
Other comprehensive income								
Currency translation differences	—	—	—	103	—	103	—	103
Total comprehensive income/(loss)	—	—	—	103	(2,763)	(2,660)	213	(2,447)
Transaction with owners								
Repayment of shareholder loan	—	—	—	—	—	—	(2,940)	(2,940)
Dividend paid to non-controlling interest	—	—	—	—	—	—	(1,200)	(1,200)
Total transaction with owners	—	—	—	—	—	—	(4,140)	(4,140)
Balance at 30 June 2025	38	100,980	(2,983)	(519)	(43,067)	54,449	9,808	64,257

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cash flow from operating activities		
Loss before income tax	(2,465)	(2,665)
Adjustments for:		
— Depreciation and amortisation	39,036	45,982
— Net loss on disposal of property, plant and equipment	22	—
— Share of losses of associates	958	—
— Change in surrender value of insurance contract	(64)	588
— Finance income	(340)	(794)
— Finance costs	4,150	4,793
Operating cash flows before changes in working capital	41,297	47,904
Changes in working capital:		
— Inventories	510	59
— Trade receivables, prepayment, deposit and other receivables	(784)	857
— Trade and other payables	(6,322)	(2,055)
— Contract liabilities	91	308
— Amount due from an associate	(774)	(12)
Cash generated from operations	34,018	47,061
Interest paid	(4,150)	(4,793)
Income tax paid	(522)	—
Net cash generated from operating activities	29,346	42,268

	For the six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cash flows from investing activities		
Purchase of property, plant and equipment	(568)	(4,220)
Proceeds from disposal of property, plant and equipment	129	–
Investment in an insurance contract	–	(2,930)
Acquisition of interest in an associate	(2,400)	–
Interest received	22	422
	<hr/>	<hr/>
Net cash used in investing activities	(2,817)	(6,728)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayment of bank borrowings	(4,526)	(4,201)
Repayment of shareholder loans	(2,940)	–
Release of pledged deposit	–	3,023
Payment of lease liabilities	(29,048)	(37,229)
Dividend paid to non-controlling interest	(1,200)	–
	<hr/>	<hr/>
Net cash used in financing activities	(37,714)	(38,407)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(11,185)	(2,867)
Cash and cash equivalents at beginning of the period	53,082	64,766
Effect of foreign exchange rate changes	81	433
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	41,978	62,332
	<hr/>	<hr/>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 3 February 2016 as an exempted company with limited liability under the Companies Act (Cap. 22, Act 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 are principally engaged in operation of restaurants and catering management and consultancy services.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2025 (the “**2025 Interim Financial Information**”) has been prepared in accordance with the accounting principles generally accepted in Hong Kong which include Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the GEM Listing Rules.

The 2025 Interim Financial Information should be read in conjunction with the annual audited consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

The 2025 Interim Financial Information is presented in thousands of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

Except as described below, the accounting policies and methods of computation used in the preparation of the 2025 Interim Financial Information are consistent with those adopted in preparing the annual audited consolidated financial statements for the year ended 31 December 2024.

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

(a) Amendments to standards adopted by the Group

The Group has adopted the below amendments to standards for the first time for its accounting period beginning on 1 January 2025.

Amendments to HKAS 21 and Lack of Exchangeability
HKFRS 1

The adoption of these amendments to standards did not have a material impact on the Group in the current or prior periods.

(b) **New standards, amendments to existing standards and interpretation issued but not yet effective for the accounting period beginning on 1 January 2025 and not early adopted by the Group**

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	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.

3 SEGMENT INFORMATION

The chief operating decision-maker (the “CODM”) has been identified as the executive Directors 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 loss before income tax. The adjusted loss before income tax is measured consistently with the Group’s loss before income tax except that other income/(loss), net, finance income, finance costs (except the portion related to lease liabilities), share of losses of associates 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 result

Six months ended 30 June 2025

	Operation of restaurants <i>HK\$'000</i> (Unaudited)	Catering management and consultancy services <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
Total segment revenue	220,347	15,366	235,713
Inter-segment revenue	–	(12,949)	(12,949)
Revenue from external customers	220,347	2,417	222,764
Result			
Segment profit	8,307	2,392	10,699
Other income, net			203
Unallocated staff costs			(10,671)
Unallocated depreciation and amortisation			(729)
Unallocated utilities and consumables			(19)
Unallocated other expenses			(1,948)
Loss before income tax			(2,465)
Other segment items			
Depreciation and amortisation	(38,307)	–	(38,307)
Cost of inventories sold	(56,908)	–	(56,908)
Staff costs	(73,572)	–	(73,572)
Finance income	338	2	340
Finance costs	(4,143)	(7)	(4,150)

Six months ended 30 June 2024

	Operation of restaurants <i>HK\$'000</i> (Unaudited)	Catering management and consultancy services <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
Total segment revenue	229,904	15,226	245,130
Inter-segment revenue	–	(13,728)	(13,728)
Revenue from external customers	229,904	1,498	231,402
Result			
Segment profit	10,256	1,281	11,537
Other loss, net			(368)
Unallocated staff costs			(10,943)
Unallocated depreciation and amortisation			(1,706)
Unallocated utilities and consumables			(21)
Unallocated other expenses			(1,164)
Loss before income tax			(2,665)
Other segment items			
Depreciation and amortisation	(44,277)	–	(44,277)
Cost of inventories sold	(58,827)	–	(58,827)
Staff costs	(76,672)	–	(76,672)
Finance income	706	88	794
Finance costs	(4,760)	(33)	(4,793)

Information about major customers

There are no single external customers who contributed to more than 10% of the revenue of the Group during the six months ended 30 June 2025 (2024: same).

Segment assets and liabilities

At 30 June 2025

	Operation of restaurants <i>HK\$'000</i> (Unaudited)	Catering management and consultancy services <i>HK\$'000</i> (Unaudited)	Unallocated <i>HK\$'000</i> (Unaudited)	Elimination <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
Segment assets	299,204	91,556	2,215	(138,220)	254,755
Interest in associates	4,398	–	–	–	4,398
	<u>303,602</u>	<u>91,556</u>	<u>2,215</u>	<u>(138,220)</u>	<u>259,153</u>
Segment liabilities	<u>264,661</u>	<u>66,815</u>	<u>1,640</u>	<u>(138,220)</u>	<u>194,896</u>

At 31 December 2024

	Operation of restaurants <i>HK\$'000</i> (Audited)	Catering management and consultancy services <i>HK\$'000</i> (Audited)	Unallocated <i>HK\$'000</i> (Audited)	Elimination <i>HK\$'000</i> (Audited)	Total <i>HK\$'000</i> (Audited)
Segment 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>

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, Macau and the People's Republic of China (the "PRC"). The principal assets of the Group were also located in Hong Kong as at 30 June 2025 and 31 December 2024. Accordingly, no analysis by geographical segment is provided.

4 REVENUE

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

	For the six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Operation of restaurants, recognised at a point in time	220,347	229,904
Catering management and consultancy services, recognised overtime	2,417	1,498
	222,764	231,402

5 OTHER INCOME/(LOSS), NET

	For the six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Sundry income	161	220
Net loss on disposal of property, plant and equipment	(22)	–
Change in surrender value of insurance contract	64	(588)
	203	(368)

6 FINANCE COSTS, NET

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Finance income		
Interest income	41	422
Imputed interest income on deposit paid	299	372
	<u>340</u>	<u>794</u>
Finance costs		
Interest expenses on bank borrowings	(826)	(1,240)
Interest expenses on lease liabilities	(3,324)	(3,553)
	<u>(4,150)</u>	<u>(4,793)</u>
Finance costs, net	<u>(3,810)</u>	<u>(3,999)</u>

7 INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5%. For the six months ended 30 June 2025 and 2024, tax concession relates to tax reduction of tax payable under two-tiered profits rates regime capped at HK\$165,000 for one of the Hong Kong incorporated entities of the Group.

8 DIVIDEND

No dividend has been paid or declared by the Company for the six months ended 30 June 2025 (2024: nil).

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 period.

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company (HK\$'000)	(2,763)	(4,352)
Weighted average number of ordinary shares in issue (in thousands)	384,000	384,000
Basic losses per share (HK cents)	<u>(0.72)</u>	<u>(1.13)</u>

(b) Diluted

Diluted losses per share for the six months ended 30 June 2025 and 2024 were the same as the basic losses per share as there were no potential dilutive ordinary shares.

10 PROPERTY, PLANT AND EQUIPMENT

	Right-of-use asset <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Furniture and fixture <i>HK\$'000</i>	Kitchen and operating equipment <i>HK\$'000</i>	Computer equipment <i>HK\$'000</i>	Motor vehicle <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31 December 2024							
(Audited)							
Cost	401,260	145,313	21,670	14,941	4,778	378	588,340
Accumulated depreciation and impairment	(276,739)	(108,373)	(16,015)	(8,738)	(3,197)	(239)	(413,301)
Net book amount	<u>124,521</u>	<u>36,940</u>	<u>5,655</u>	<u>6,203</u>	<u>1,581</u>	<u>139</u>	<u>175,039</u>
Six months ended							
30 June 2025							
(Unaudited)							
Opening net book amount	124,521	36,940	5,655	6,203	1,581	139	175,039
Additions	–	–	–	275	293	–	568
Disposal	–	–	–	(10)	(2)	(139)	(151)
Depreciation	(29,241)	(7,150)	(937)	(1,152)	(496)	–	(38,976)
Closing net book amount	<u>95,280</u>	<u>29,790</u>	<u>4,718</u>	<u>5,316</u>	<u>1,376</u>	<u>–</u>	<u>136,480</u>
At 30 June 2025							
(Unaudited)							
Cost	357,095	130,989	21,550	13,974	4,814	–	528,422
Accumulated depreciation and impairment	(261,815)	(101,199)	(16,832)	(8,658)	(3,438)	–	(391,942)
Net book amount	<u>95,280</u>	<u>29,790</u>	<u>4,718</u>	<u>5,316</u>	<u>1,376</u>	<u>–</u>	<u>136,480</u>

11 INTANGIBLE ASSETS

HK\$'000

At 31 December 2024 (Audited)

Cost	2,112
Accumulated amortisation	<u>(1,491)</u>
Net book amount	<u><u>621</u></u>

Six months ended 30 June 2025 (Unaudited)

Opening net book amount	621
Amortisation charges	<u>(60)</u>
Net book amount	<u><u>561</u></u>

At 30 June 2025 (Unaudited)

Cost	2,112
Accumulated amortisation and impairment	<u>(1,551)</u>
Net book amount	<u><u>561</u></u>

The intangible assets mainly represent the franchise and licensing rights acquired. The intangible assets have estimated useful lives of 10 to 20 years and are amortised on a straight-line basis over the estimated useful lives.

12 INTEREST IN ASSOCIATES

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
Investment in associates	<u>4,399</u>	<u>2,957</u>

Movement of interest in associates during the six months ended 30 June 2025 and year ended 31 December 2024 are analysed as below:

	Six months ended 30 June 2025 HK\$'000 (Unaudited)	Year ended 31 December 2024 HK\$'000 (Audited)
At beginning of period	2,957	–
Additions (<i>Note</i>)	2,400	3,440
Share of losses of associates	<u>(958)</u>	<u>(483)</u>
At end of period	<u>4,399</u>	<u>2,957</u>

Note:

During the Six-Month Review Period, the Group acquired a 40% equity interest in Ten Shanghai and Partners Limited, a company incorporated in Hong Kong, of which it principally engaged in the operation of restaurant in Hong Kong.

13 TRADE RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade receivables based on the invoice date, is as follows:

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
1 to 30 days	2,875	4,194
31 to 60 days	923	305
61 to 90 days	396	474
Over 90 days	<u>3,286</u>	<u>2,512</u>
	<u>7,480</u>	<u>7,485</u>

14 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares of the Company	Share capital HK\$'000	Share premium HK\$'000
Authorised:			
Ordinary share capital of HK\$0.0001 each as at 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	3,800,000,000	380	–
Issued and fully paid:			
At 30 June 2024, 1 January 2025 and 30 June 2025	384,000,000	38	100,980

15 TRADE PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables based on the invoice date, is as follows:

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
1 to 30 days	8,584	11,435
31 to 60 days	8,336	9,431
61 to 90 days	11	4
Over 90 days	348	326
	<u>17,279</u>	<u>21,196</u>

16 BANK BORROWINGS

	At 30 June 2025 HK\$'000 (Unaudited)	At 31 December 2024 HK\$'000 (Audited)
Current		
Bank borrowings	<u>30,335</u>	<u>34,861</u>

As at 30 June 2025, the Group's bank borrowings were secured by corporate guarantees given by the Company (31 December 2024: same) and pledged bank deposits of HK\$3,086,000 (31 December 2024: HK\$3,037,000).

As at 30 June 2025, certain banking facilities available to the Group were secured by a personal guarantee provided by the controlling shareholder (31 December 2024: same) and an investment in an insurance contract with a carrying amount of HK\$2,457,000 (31 December 2024: HK\$2,371,000).

The weighted average effective interest rate of the bank borrowings as at 30 June 2025 was 3.2% per annum (31 December 2024: 4.6% per annum).

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

	At 30 June 2025 <i>HK\$'000</i> (Unaudited)	At 31 December 2024 <i>HK\$'000</i> (Audited)
Within 1 year	9,575	9,136
Between 1 and 2 years	9,811	9,657
Between 2 and 5 years	10,949	16,068
	<u>30,335</u>	<u>34,861</u>

17 RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these unaudited condensed consolidated interim financial information, the Group had the following transactions with related parties:

	Six months ended 30 June 2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)
Management fee (<i>Note (a)</i>)		
— Modern Shanghai Imperial (Festival Walk) Restaurant Limited	793	—
Royalty fee (<i>Note (b)</i>)		
— Modern Shanghai Imperial (Festival Walk) Restaurant Limited	397	—
Lease payment (<i>Note (c)</i>)		
— Barrowgate Limited	<u>8,833</u>	<u>8,544</u>

Notes:

- (a) Management fee is charged in accordance with the agreement entered into between the relevant parties.
- (b) Royalty fee is charged in accordance with the agreement entered into between the relevant parties.
- (c) Lease payment is charged in accordance with the agreement entered into between the relevant parties.

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 Six-Month Review Period, 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. The Group had also developed its own food and beverage products under existing restaurant brands and self-developed brand, “Homee Gourmet” (家嘗菜) during the Six-Month Review Period. In addition to the restaurant operation business, the Group also provided restaurant management and consultancy services in Hong Kong, Macau and the PRC.

BUSINESS REVIEW

During the Six-Month Review Period, we closed one restaurant upon expiration of the lease, namely 10 Shanghai restaurant at Lee Garden Two in Causeway Bay and re-opened at Lee Garden Three in Causeway Bay as the Group’s associate. None of our restaurants had undergone any significant renovation.

As at 30 June 2025, the Group had a total of twelve restaurants under four self-owned brands in Hong Kong, namely, Akanoshou, An Nam, Modern Shanghai and Modern Shanghai Imperial and three franchised or sub-licensed brands, namely, Mango Tree, Gonpachi and Paper Moon.

FINANCIAL REVIEW

Revenue

During the Six-Month Review Period, approximately 98.9% of the Group’s revenue was generated from the operation of restaurants in Hong Kong and approximately 1.1% of the Group’s revenue was generated from the pre-opening consultancy and restaurant management services. As at 30 June 2025, the Group was operating twelve (2024: thirteen) restaurants, of which no (2024: one) restaurant was newly opened and one (2024: one) restaurant was closed down during the Six-Month Review Period in Hong Kong.

The revenue decreased by approximately 3.7% from approximately HK\$231.4 million for the six months ended 30 June 2024 to approximately HK\$222.8 million for the Six-Month Review Period.

The Group's restaurants served mainly five different cuisines during the Six-Month Review Period. 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 periods indicated:

	For the six months ended 30 June			
	2025		2024	
	Revenue	% of total	Revenue	% of total
	HK\$'000	revenue	HK\$'000	revenue
		(%)		(%)
Shanghainese	120,642	54.7	105,681	46.0
Japanese	47,178	21.4	55,439	24.1
Thai	17,757	8.1	17,902	7.8
Vietnamese	13,657	6.2	28,294	12.3
Italian	21,113	9.6	22,588	9.8
Total	220,347	100.0	229,904	100.0

Shanghainese-style restaurants

The revenue generated from operation of Shanghainese-style restaurants increased by approximately HK\$14.9 million, or approximately 14.1%, from approximately HK\$105.7 million for the six months ended 30 June 2024 to approximately HK\$120.6 million for the Six-Month Review Period. The increase in revenue was mainly attributable to the revenue generated from Modern Shanghai Imperial restaurants at The LOHAS in Tseung Kwan O and V Walk in Shum Shui Po, which were opened in late June 2024 and December 2024 respectively, partially offset by the closure of 10 Shanghai restaurant at Lee Garden Two in Causeway Bay during the Six-Month Review Period.

Japanese-style restaurants

The revenue generated from operation of Japanese-style restaurants decreased by approximately HK\$8.2 million, or approximately 14.8%, from approximately HK\$55.4 million for the six months ended 30 June 2024 to approximately HK\$47.2 million for the Six-Month Review Period. The decrease was mainly due to the closure of Hokkaidon restaurant at Cityplaza in Taikoo Shing in April 2024.

Thai-style restaurants

The revenue generated from operation of Thai-style restaurants slightly decreased by approximately HK\$0.1 million, or approximately 0.6%, from approximately HK\$17.9 million for the six months ended 30 June 2024 to approximately HK\$17.8 million for the Six-Month Review Period.

Vietnamese-style restaurants

The revenue generated from operation of Vietnamese-style restaurants decreased by approximately HK\$14.6 million, or approximately 51.6%, from approximately HK\$28.3 million for the six months ended 30 June 2024 to approximately HK\$13.7 million for the Six-Month Review Period. The decrease was mainly due to the closure of An Nam restaurant at Festival Walk in Kowloon Tong in September 2024.

Italian-style restaurant

The revenue generated from operation of Italian-style restaurant decreased by approximately HK\$1.5 million, or approximately 6.6%, from approximately HK\$22.6 million for the six months ended 30 June 2024 to approximately HK\$21.1 million for the Six-Month Review Period. The decrease was primarily due to the reduction in event bookings at the restaurant compared to the corresponding period in 2024.

Major cost components of condensed consolidated statement of comprehensive income

	For the six months ended 30 June			
	2025		2024	
	<i>HK\$'000</i>	<i>% of revenue</i>	<i>HK\$'000</i>	<i>% of revenue</i>
Cost of inventories sold	56,908	25.5%	58,827	25.4%
Employee benefit expenses	84,243	37.8%	87,615	37.9%
Depreciation and amortisation	39,036	17.5%	45,982	19.9%
Rental expenses	7,493	3.4%	4,676	2.0%
Utilities	6,897	3.1%	6,502	2.8%
Other operating expenses	23,371	10.5%	23,283	10.1%
Finance costs	4,150	1.9%	4,793	2.1%

Cost of inventories sold

The cost of inventories consumed mainly represents the costs 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\$56.9 million and HK\$58.8 million for the six months ended 30 June 2025 and 2024, respectively, representing approximately 25.8% and 25.6% of the Group's total revenue generated from operation of restaurants for the corresponding periods. The Group will continue to closely monitor and implement effective cost control measures to ensure gross profit margins remain sustainable.

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 Group recorded employee benefit expenses of approximately HK\$84.2 million and HK\$87.6 million for the six months ended 30 June 2025 and 2024, respectively, representing approximately 37.8% and 37.9% of the Group's total revenue.

The Board recognises 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 (1) prioritising internal transfers and re-allocations of employees from existing restaurants; (2) increasing productivity of the staff by providing training; and (3) 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\$39.0 million and HK\$46.0 million for the six months ended 30 June 2025 and 2024, respectively for its right-of-use assets, leasehold improvements, furniture and fixtures, catering and other equipment and motor vehicle. The decrease in such expenses was mainly due to the closure of certain restaurants, partially offset by the incremental depreciation from the newly opened restaurant.

The depreciation charged on the right-of-use assets amounted to approximately HK\$29.2 million and HK\$35.8 million for the six months ended 30 June 2025 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 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\$7.2 million and HK\$7.5 million for the six months ended 30 June 2025 and 2024, respectively. The depreciation of the leasehold improvements was charged on a straight-line basis over the shorter of six years or the remaining lease terms.

Besides, the Board will continue to look for better control in the property, rental and related expenses, such as entering into long-term rental agreements so as to maintain the rentals at a reasonable level.

Rental expenses

The rental expenses for the Six-Month Review Period amounted to approximately HK\$7.5 million, representing an increase of approximately 59.6% as compared with that for the six months ended 30 June 2024 which amounted to approximately HK\$4.7 million. The increase was driven by the increases in building management fees and other charges during the Six-Month Review Period.

Utilities

Utilities primarily consist of electricity, gas and water supplies of the Group. For the six months ended 30 June 2025 and 2024, utilities amounted to approximately HK\$6.9 million and HK\$6.5 million, respectively. As a percentage of revenue, utilities increased slightly from 2.8% during the six months ended 30 June 2024 to 3.1% for the corresponding period in 2025. This increase was mainly attributable to the increase in the number of Shanghainese restaurants during the Six-Month Review Period.

Other operating expenses

The other operating expenses represent mainly expenses incurred for our operations, including cleaning expenses, consumables stores, transportation and travelling, credit card commission, entertainment, repair and maintenance, insurance, legal and professional fee and marketing and promotion expenses.

The other operating expenses slightly increased from approximately HK\$23.3 million for the six months ended 30 June 2024 to approximately HK\$23.4 million for the Six-Month Review Period, representing an increase of approximately 0.4%.

Income tax (expense)/credit

The Group's income tax expense amounted to approximately HK\$0.1 million for the Six-Month Review Period as compared to income tax credit of approximately HK\$0.1 million for the corresponding period in 2024.

Finance costs

The Group's finance costs decreased from approximately HK\$4.8 million for the six months ended 30 June 2024 to approximately HK\$4.2 million for the Six-Month Review Period. The decrease in finance costs was mainly attributable to the decrease in bank borrowings in line with the decline in interest rates and the finance costs incurred for new leases and lease renewal.

Loss for the period

The Group recorded a loss for the period of approximately HK\$2.6 million for the Six-Month Review Period, which was consistent with the loss reported for the corresponding period in 2024. This result was achieved despite a drop in both sales revenue and the number of restaurants operating during the Six-Month Review Period. The Group's ability to maintain a stable loss level under such conditions reflects the effectiveness of the cost control measures implemented by management, which helped mitigate the impact of a challenging operating environment.

The Company will continue to closely monitor the performance 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.

Liquidity and Financial Resources

Capital structure

There was no change in the capital structure of the Group during the Six-Month Review Period.

Cash position

As at 30 June 2025, the cash and cash equivalents of the Group amounted to approximately HK\$42.0 million (31 December 2024: HK\$53.1 million), which were mainly denominated in Hong Kong dollar, representing a decrease of approximately 20.9% as compared to that as at 31 December 2024. The decrease was mainly due to the net cash generated from operating activities netted off by (1) the net cash used in investing activities, which principally represented the acquisition of interest in an associate; and (2) the cash used in financing activities, which represented the repayment of shareholder loan and dividend paid to non-controlling interest, partially offset by the drop of repayment of bank borrowings and payment of lease liabilities.

Borrowings

As at 30 June 2025, the bank borrowings of the Group, all of which were denominated in Hong Kong dollar, amounted to approximately HK\$30.3 million (31 December 2024: HK\$34.9 million) that bore the weighted average of floating interest rates of approximately 3.2% per annum (31 December 2024: 4.6% per annum). No financial instrument was being used for interest rate hedging purpose by the Group.

As at 30 June 2025, the total loans from non-controlling shareholders, which were denominated in Hong Kong dollar, amounted to approximately HK\$4.6 million (31 December 2024: HK\$4.6 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 Six-Month Review Period.

Pledge and guarantees

As at 30 June 2025, the Group's bank borrowings were secured by corporate guarantees given by the Company (31 December 2024: same) and pledged bank deposits of HK\$3.1 million (31 December 2024: HK\$3.0 million).

As at 30 June 2025, certain banking facilities available to the Group were secured by a personal guarantee provided by the controlling shareholder (31 December 2024: same) and an investment in an insurance contract with a carrying amount of HK\$2.5 million (31 December 2024: HK\$2.4 million).

Foreign currency exposures

The Group mainly operates in Hong Kong with most of the transactions settled in Hong Kong dollars during the Six-Month Review Period. No foreign currency hedge was made during the Six-Month Review Period. The Group did not have significant exposure to foreign exchange fluctuation as the management monitors the related foreign currencies closely and will consider hedging for significant foreign currency exposure, if necessary.

Gearing ratio

As at 30 June 2025, the gearing ratio of the Group was approximately 54.4% (31 December 2024: 55.7%). The decrease was attributable to the repayment in bank borrowings during the Six-Month Review Period. The gearing ratio is calculated based on the total borrowings, which include bank borrowings and loan from non-controlling shareholders, divided by the total equity of the Company at the end of the respective period.

Material Acquisitions and Disposals of Subsidiaries and Associates

During the Six-Month Review Period, the Group did not have any material acquisition or disposal of subsidiaries and associates.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 30 June 2025 (31 December 2024: nil).

Significant Investments Held

During the Six-Month Review Period, there was no significant investment held by the Group.

Capital Commitments

As at 30 June 2025, the Group did not have any capital expenditure contracted for but not yet incurred (31 December 2024: nil).

Information on Employees

The Group has 369 full-time employees and 194 part-time employees respectively as at 30 June 2025. The Group's employment and remuneration policies remained the same as detailed in the Company's annual report for the year ended 31 December 2024.

PRINCIPAL RISKS AND UNCERTAINTIES

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

1. During the Six-Month Review Period, the Group generated 100% 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 constituted the majority of the Group's operating cost. The following factors are uncertain and may affect the cost control measures of our Group:
 - a. The Group's business depends on reliable sources of large quantities of food ingredients, such as vegetables and meat. The prices 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 30 June 2025, 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.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any other plans for material investments or acquisition of material capital assets as at 30 June 2025. The Group will continue to closely monitor the industry and regularly review its business expansion plans to take necessary measures in the best interests of the Group and the shareholders of the Company (the “**Shareholders**”).

PROSPECT

Currently, the Group’s subsidiaries are operating twelve restaurants in Hong Kong, comprising eight under our own brands and four under franchise or sub-license arrangements.

The Group placed greater emphasis on catering management and expanded our franchise services in Hong Kong and Macau, with five existing restaurants as at 30 June 2025 and planned for two or more restaurants for the second half of 2025. This strategy is expected to generate additional revenue while improving profitability and reducing overall capital investment. As these franchise operations flourish, they will enhance our brand strength and market reputation, fostering a network of successful businesses.

To diversify our revenue streams, we are developing a range of high-quality food and beverage products under our existing restaurant brands, as well as our self-developed brand, “Homee Gourmet” (家嘗菜). By expanding into retail and online markets, we positioned ourselves for sustained growth and increased profitability while adapting to changing consumer preferences.

Despite the uncertain and challenging business environment, the Group is committed to maintaining exceptional food quality and superior customer service as our top priorities, aiming to enhance customer satisfaction and loyalty. We will actively explore new market opportunities through thorough research and strategic partnerships, while also focusing on improving operational efficiency by streamlining processes and implementing best practices in supply chain management. Our aim is to drive business and revenue growth while delivering value to our Shareholders.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Name	Capacity/ Nature of Interest	Number of Shares	Long/Short Position	Approximate Percentage of Shareholding in the Company
Wong Chi Wing Kinson (“Mr. Wong”)	Interest in controlled corporation (<i>Note 1</i>)	72,000	Long	0.02%

Note:

- (1) 72,000 shares were held by Win Prosper Investments Limited (“Win Prosper”) which is wholly and beneficially owned by Mr. Wong. Accordingly, Mr. Wong was deemed to be interested in all the shares held by Win Prosper pursuant to the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was 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 and short positions which they were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this announcement, at no time during the Six-Month Review Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange 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 pursuant to section 336 of the SFO:

Name	Capacity/ Nature of Interest	Number of Shares	Long/Short Position	Approximate Percentage of Shareholding in the Company
Real Hero Ventures Limited ("Real Hero")	Beneficial owner (<i>Note 1</i>)	274,350,000	Long	71.45%
Cai Weike ("Mr. Cai")	Interest in controlled corporation (<i>Note 1</i>)	274,350,000	Long	71.45%
Zhang Meiyun ("Ms. Zhang")	Interest of spouse (<i>Note 2</i>)	274,350,000	Long	71.45%

Notes:

- (1) Real Hero is an investment holding company incorporated in the British Virgin Islands, which is wholly and beneficially owned by Mr. Cai. Accordingly, Mr. Cai was deemed to be interested in all the shares held by Real Hero by virtue of the SFO.
- (2) Ms. Zhang is the spouse of Mr. Cai and was deemed to be interested in all the shares Mr. Cai was interested in by virtue of the SFO.

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company or the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE OPTION SCHEME

The share option scheme (the “**Share Option Scheme**”) was approved by the Shareholders on 6 November 2017 for the purpose of enabling the Group to grant options to selected participants as incentives or rewards for their contribution to our Group. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable our Group to reward the employees, the Directors and other selected participants for their contributions to our Group.

The Share Option Scheme will be valid and effective for a period as the Board may determine which shall not exceed ten years from the date of grant.

The Share Option Scheme will remain in force for a period of ten years commencing on 6 November 2017. For more details, please refer to the section headed “Statutory and General Information — Share Option Scheme” in Appendix IV of the prospectus of the Company dated 23 November 2017. The remaining life of the Share Option Scheme is approximately 2 years and 2 months.

Up to 30 June 2025, no share option has been granted under the Share Option Scheme. As at 1 January 2025 and 30 June 2025, the total number of shares of the Company in respect of which share options are available for grant under the Share Option Scheme was 32,000,000 ordinary shares, being 10% of the total number of ordinary shares of the Company in issue as at 5 December 2017 (being the date on which the Company’s shares were listed on GEM of the Stock Exchange) and approximately 8.33% of the number of shares of the Company in issue as at the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Six-Month Review Period, 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, if any).

The Company did not hold any treasury shares as at 30 June 2025 and up to the date of this announcement.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the Six-Month Review Period, 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.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the GEM Listing Rules as its own code of corporate governance. The Company has complied with all applicable code provisions under the CG Code throughout the Six-Month Review Period. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

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 the Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings during the Six-Month Review Period.

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.

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 interim results of the Group for the Six-Month Review Period. The Audit Committee is of the view that the condensed consolidated financial information has been prepared in accordance with the applicable accounting standards, the GEM Listing Rules and the statutory provisions, sufficient disclosures have already been made.

The condensed consolidated financial results of the Group for the Six-Month Review Period are unaudited and have not been audited or reviewed by the Company's auditors.

EVENTS AFTER THE REPORTING PERIOD

As disclosed in the announcement of the Company dated 3 July 2025 and the supplemental announcement of the Company dated 7 July 2025, the Group has entered into the business transfer agreement with a purchaser, pursuant to which the Group agreed to sell and the purchaser agreed to purchase the restaurant business under the Akanoshou brand in Causeway Bay for a consideration of HK\$5.6 million.

Save as disclosed above, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2025 and up to the date of this announcement.

DIVIDEND

The Board did not recommend the payment of any dividend for the Six-Month Review Period (2024: nil).

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is available for viewing on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.1957.com.hk. The interim report of the Company for the Six-Month Review Period containing all the information required by the GEM Listing Rules will be sent to the Shareholders and published on the above websites in due course.

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

Deputy Chief Executive Officer and Executive Director

Hong Kong, 22 August 2025

As at 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.