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新煮意控股有限公司
FOOD IDEA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8179)

PROFIT WARNING

This announcement is made by Food Idea Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated results of the Group for the period ended 30 June 2020 (the “**Relevant Period**”), it is anticipated that the Group may record a loss ranging from HK\$10 million to HK\$17 million for the Relevant Period subject to the final determination of the gain/loss arising from disposal of subsidiaries and associates for the period ended 30 June 2020 as compared to the loss of approximately HK\$6.82 million recorded for the period ended 30 June 2019.

Stepping into 2020, the outbreak of the novel coronavirus (COVID-19) and its escalation on a global scale has triggered unprecedented disruptions in business operations and to the economy. Although the Group has been proactive in closely monitoring the market conditions and taking appropriate measures to respond to the challenges, during the period ended 30 June 2020, the Group has to deal with challenges in all segments of its business, such as reduction of sales in the food products operation as well as restrictive growth of the wine trading segment.

The expected increase in losses for the Relevant Period was primarily attributable to (i) decline in sales by approximately 9% to approximately HK\$89 million comparing with sale of approximately HK\$98s million for the period ended 30 June 2019; (ii) the likely loss on disposal of subsidiaries and associates during the Relevant Period; and (iii) loss on early redemption of promissory note of approximately HK\$3.9 million.

As at the date of this announcement, the Group is still in the process of finalizing the consolidated results of the Group, in particular, the determination of amount of gain/loss on disposal of subsidiaries and associates during the Relevant Period. The information contained in this announcement is only based on the preliminary assessment of the unaudited consolidated management accounts of the Group made by the Board with reference to the information currently available to the Board and is not based on any figure or information which has been audited or reviewed by the auditors of the Company or reviewed by the audit committee of the Board and may be subject to adjustments where necessary.

Shareholders and potential investors are advised to read carefully the results announcement of the Group for the Year, which is expected to be published by 13 August 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Food Idea Holdings Limited
Huang Wei
Executive Director

Hong Kong, 10 August 2020

As at the date of this announcement, the Board comprises Ms. Huang Wei and Mr. Dou Sheng as executive Directors, and Mr. Li Lap Keung, Mr. So Yat Chuen and Dr. Wu Wing Kuen, B.B.S. as independent non-executive Directors.

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

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least seven days from the date of its posting and on the Company’s website at <http://www.foodidea.com.hk>.