HUNG FOOK TONG GROUP HOLDINGS LIMITED
鴻福堂集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1446)

IMPROVEMENT IN FINANCIAL PERFORMANCE

This announcement is made by Hung Fook Tong Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that based on the latest review of the unaudited management accounts of the Group for the year ended 31 December 2024 (the "**December 2024 Accounts**") and the information currently available to the Group, it is expected that the loss attributable to owners of the Company for the year ended 31 December 2024 ("**FY2024**") will be reduced to around HK$14.0 million, representing an improvement of about 60% as compared to a loss attributable to owners of the Company of HK$34.6 million for the year ended 31 December 2023 ("**FY2023**").

During FY2024, the operating environment of the retail market in Hong Kong, especially the food and beverage sector, remained very challenging as the trend of residents travelling northbound and overseas has continued, compounded by the waning confidence of consumers on the pace of recovery of the Hong Kong economy and more cautious spending by tourists due to the strong Hong Kong dollar. Revenue of the Group decreased by about 7.7% to HK$620.7 million. Notwithstanding the above, the Group managed to reduce the loss attributable to owners of the Company as compared to FY2023. This has been achieved by enhancing its production process and optimizing its sales mix as well as its operating and cost structure. As a result, gross profit margin has improved and operating expenses were kept well under control.

It is worth noting that receipts in advance (which represent sales of prepaid coupons and credits, the revenue of which will be recognized in future upon redemption by customers) have increased by 9.1% from HK$149.0 million as at 31 December 2023 to HK$162.6 million as at 31 December 2024.

Despite the very challenging operating environment faced by the Group in FY2024, the financial position of the Group remains strong and healthy.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the December 2024 Accounts and the information currently available, which has not been audited or reviewed by the Company's auditors or audit committee of the Company. The Group's results for FY2024 are subject to further review by the Board, and will be audited or reviewed by the Company's auditor and audit committee of the Company prior to the finalisation of such accounts. Therefore, the actual results of the Group for FY2024 may differ from the information contained in this announcement.

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

On behalf of the Board of
Hung Fook Tong Group Holdings Limited
Tse Po Tat
Chairman and Executive Director

Hong Kong, 20 March 2025

As at the date of this announcement, the Board comprises Mr. Tse Po Tat, Dr. Szeto Wing Fu and Ms. Wong Pui Chu as executive Directors, and Prof. Sin Yat Ming, Mr. Andrew Look and Mr. Yeung Chu Kwong as independent non-executive Directors.