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**B & S INTERNATIONAL HOLDINGS LTD.**

**賓仕國際控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(the “Company”)**

**(Stock code: 1705)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 MARCH 2025**

**FINANCIAL HIGHLIGHTS**

The Group has recorded net profit of approximately HK\$18.9 million for the year ended 31 March 2025 (“FY2025”) as compared to that of approximately HK\$34.9 million recorded in the previous financial year (“FY2024”).

Further to an interim dividend of HK2.5 cents per share paid during FY2025 (FY2024: HK2.5 cents), our Board recommended the declaration and payment of a final dividend of HK2.5 cents per share for FY2025 (FY2024: HK3.0 cents).

	<b>For the year ended 31 March 2025 HK\$ million</b>	<b>For the year ended 31 March 2024 HK\$ million</b>	<b>Decrease %</b>
Revenue	<b>504.7</b>	520.8	3.1%
Gross profit	<b>110.9</b>	121.9	9.0%
Net profit	<b>18.9</b>	34.9	45.8%
Basic earnings per share (HK cents)	<b>4.45</b>	8.40	47.0%

	For the year ended 31 March 2025 <i>HK\$ million</i>	For the year ended 31 March 2024 <i>HK\$ million</i>	Decrease <i>HK\$ million</i>	%
Segment revenue				
– Distribution Business	<b>260.5</b>	269.1	8.6	3.2%
– Retail Business	<b>244.2</b>	251.7	7.5	3.0%
Segment results				
– Distribution Business	<b>60.5</b>	62.9	2.4	3.8%
– Retail Business	<b>6.6</b>	17.0	10.4	61.2%

## ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025, together with the comparative figures for the year ended 31 March 2024, as follows:

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 March 2025*

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
Revenue	4	<b>504,748</b>	520,813
Cost of sales	7	<b>(393,848)</b>	(398,871)
<b>Gross profit</b>		<b>110,900</b>	121,942
Other (losses)/gains, net	5	<b>(2,180)</b>	902
Other (expenses)/income, net	6	<b>(67)</b>	13
Selling and distribution expenses	7	<b>(39,761)</b>	(38,423)
Administrative expenses	7	<b>(44,952)</b>	(42,043)
<b>Operating profit</b>		<b>23,940</b>	42,391
Finance income	8	<b>2,219</b>	2,229
Finance costs	8	<b>(4,203)</b>	(3,626)
Finance costs, net	8	<b>(1,984)</b>	(1,397)
<b>Profit before income tax</b>		<b>21,956</b>	40,994
Income tax expense	9	<b>(3,085)</b>	(6,134)
<b>Profit and total comprehensive income for the year</b>		<b>18,871</b>	34,860
<b>Profit and total comprehensive income attributable to:</b>			
Owners of the Company		<b>17,789</b>	33,604
Non-controlling interest		<b>1,082</b>	1,256
		<b>18,871</b>	34,860
<b>Earnings per share for profit attributable to owners of the Company during the year</b> <i>(expressed in HK cents per share)</i>			
– basic and diluted	10	<b>4.45</b>	8.40

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		2025	2024
	Note	HK\$'000	HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		5,149	6,879
Right-of-use assets		51,713	52,752
Deferred income tax assets		7,886	7,678
Deposits and other assets		16,807	13,465
		<u>81,555</u>	<u>80,774</u>
<b>Current assets</b>			
Inventories		25,578	21,481
Trade receivables	12	54,942	66,780
Deposits, prepayments and other receivables		14,206	17,619
Income tax refundable		1,561	–
Restricted cash		30,000	30,000
Cash and cash equivalents		55,384	50,600
		<u>181,671</u>	<u>186,480</u>
<b>Total assets</b>		<u>263,226</u>	<u>267,254</u>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	13	4,000	4,000
Reserves		79,794	79,794
Retained earnings		70,341	74,552
		<u>154,135</u>	<u>158,346</u>
Non-controlling interest		3,833	4,221
<b>Total equity</b>		<u>157,968</u>	<u>162,567</u>

		<b>2025</b>	2024
	<i>Note</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Lease liabilities		<b>21,710</b>	25,400
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade and other payables	<i>14</i>	<b>45,663</b>	44,398
Income tax payable		<b>303</b>	1,445
Lease liabilities		<b>33,582</b>	29,444
Bank borrowings		<b>4,000</b>	4,000
		<hr/>	<hr/>
		<b>83,548</b>	79,287
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>105,258</b>	104,687
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		<b>263,226</b>	267,254
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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

B & S International Holdings Ltd (the “**Company**”) was incorporated in the Cayman Islands on 21 August 2017 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 the Company’s registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, “**the Group**”) are principally engaged in (i) the distribution of food and beverage products (“**Distribution Business**”), and (ii) the provision of catering services (“**Retail Business**”) in Hong Kong.

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 14 March 2018.

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

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Compliance with HKFRS and Hong Kong Companies Ordinance

The consolidated financial statements of the the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) as issued by the Hong Kong Institute of Certified Public Accountants and requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRS comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards,
- Hong Kong Accounting Standards, and
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

### 2.2 Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention.

## 2.3 Amended standards and interpretations adopted by the Group

The Group has applied the following amendments to standards and interpretation that are effective for the first time for its annual reporting period commencing 1 April 2024:

Amendments to HKAS 1	Classification of liabilities as current or non-current and non-current liabilities with covenants
Amendments to HKFRS 16	Lease liability in a sale and leaseback
Amendments to Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier finance arrangements

The adoption of amendments and interpretation listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2.4 New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 March 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

		Effective for annual periods beginning on or after
HKAS 21 and HKFRS 1 (Amendments)	Lack of Exchangeability	1 April 2025
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 April 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 (Amendments)	Annual Improvement to HKFRS Accounting Standards	1 April 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1 April 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 April 2027
Hong Kong Interpretation 5	Hong Kong Interpretation 5 Presentation of Financial Statements	1 April 2027
HKFRS 10 and HKAS 28 (Amendments)	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 has already commenced an assessment of the related impact of adopting the above new standards, amendments to existing standards and interpretation, none of which is expected to have material impact on the Group in the current or future reporting periods and on foreseeable future transactions except for HKFRS 18 which will impact the presentation of profit or loss. The Group is still in process of evaluating the impact of adoption of HKFRS 18.

### 3 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Executive Directors of the Group (collectively referred to as the “CODM”) that make strategic decisions. The CODM reviews the internal reporting of the Group in order to assess performance and allocate resources.

The Group is principally engaged in Distribution Business and Retail Business in Hong Kong. The Executive Directors considers the business from a product perspective. They reviewed the qualitative factors such as business activities, economic and legal characteristics and quantitative factors such as the financial performance of the Distribution Business and Retail Business to assess the performance of the operating segments.

No geographical segment information is presented as all sales and operating profits of the Group are derived in Hong Kong and all operating assets of the Group are located in Hong Kong.

The segment information provided to the CODM for the reportable segments for the years ended 31 March 2025 and 2024 is as follows:

	For the year ended 31 March 2025		
	Distribution Business HK\$'000	Retail Business HK\$'000	Total HK\$'000
Segment revenue – recognised at a point in time	<u>260,523</u>	<u>244,225</u>	<u>504,748</u>
Segment results	<u>60,461</u>	<u>6,590</u>	67,051
Unallocated expenses			(40,864)
Other losses, net			(2,180)
Other expense			(67)
Finance costs, net			<u>(1,984)</u>
Profit before income tax			21,956
Income tax expense			<u>(3,085)</u>
Profit for the year			<u>18,871</u>
<b>Segment items included:</b>			
Depreciation of property, plant and equipment	633	3,654	4,287
Depreciation of right-of-use assets	884	37,406	38,290
Impairment loss on property, plant and equipment	–	569	569
Impairment loss on right-of-use assets	<u>–</u>	<u>1,561</u>	<u>1,561</u>



	For the year ended 31 March 2024		
	Distribution	Retail	Total
	Business HK\$'000	Business HK\$'000	HK\$'000
Segment revenue – recognised at a point in time	<u>269,116</u>	<u>251,697</u>	<u>520,813</u>
Segment results	<u>62,859</u>	<u>16,953</u>	79,812
Unallocated expenses			(38,336)
Other gains, net			902
Other income			13
Finance costs, net			<u>(1,397)</u>
Profit before income tax			40,994
Income tax expense			<u>(6,134)</u>
Profit for the year			<u>34,860</u>
<b>Segment items included:</b>			
Depreciation of property, plant and equipment	553	4,048	4,601
Depreciation of right-of-use assets	368	35,868	36,236
Impairment loss on property, plant and equipment	<u>–</u>	<u>104</u>	<u>104</u>

The segment assets as at 31 March 2025 and 2024 and the reconciliation to the total assets are as follows:

	As at 31 March 2025		
	Distribution	Retail	Total
	Business HK\$'000	Business HK\$'000	HK\$'000
Total segment assets	<u>79,948</u>	<u>83,649</u>	<u>163,597</u>
Total segment assets include:			
Additions to non-current assets (other than financial instruments and deferred income tax assets)	<u>332</u>	<u>41,616</u>	<u>41,948</u>

	As at 31 March 2024		
	Distribution	Retail	Total
	Business <i>HK\$'000</i>	Business <i>HK\$'000</i>	<i>HK\$'000</i>
Total segment assets	<u>92,327</u>	<u>82,145</u>	<u>174,472</u>
Total segment assets include:			
Additions to non-current assets (other than financial instruments and deferred income tax assets)	<u>3,417</u>	<u>46,036</u>	<u>49,453</u>

Reconciliation of total segment assets to total assets is provided as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Total segment assets	<b>163,597</b>	174,472
Unallocated:		
Deferred income tax assets	<b>7,886</b>	7,678
Deposit and other assets	<b>4,798</b>	4,504
Income tax refundable	<b>1,561</b>	–
Restricted cash	<b>30,000</b>	30,000
Cash and cash equivalents	<u><b>55,384</b></u>	<u>50,600</u>
Total assets	<u><b>263,226</b></u>	<u>267,254</u>

The segment liabilities as at 31 March 2025 and 2024 and the reconciliation to the total liabilities are as follows:

	As at 31 March 2025		
	Distribution	Retail	Total
	Business <i>HK\$'000</i>	Business <i>HK\$'000</i>	<i>HK\$'000</i>
Total segment liabilities	<u><b>26,495</b></u>	<u><b>72,976</b></u>	<u><b>99,471</b></u>

  

	As at 31 March 2024		
	Distribution	Retail	Total
	Business <i>HK\$'000</i>	Business <i>HK\$'000</i>	<i>HK\$'000</i>
Total segment liabilities	<u>25,321</u>	<u>71,970</u>	<u>97,291</u>

Reconciliation of total segment liabilities to total liabilities is provided as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Total segment liabilities	<b>99,471</b>	97,291
Unallocated:		
Other payables	<b>1,484</b>	1,951
Income tax payable	<b>303</b>	1,445
Bank borrowings	<b>4,000</b>	4,000
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Total liabilities	<b>105,258</b>	104,687
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#### 4 REVENUE

The Group is principally engaged in distribution of food and beverage products and provision of catering services in Hong Kong.

Revenue from Distribution Business and Retail Business recognised during the year are as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Sales of goods	<b>260,523</b>	269,116
Catering services	<b>244,225</b>	251,697
	<hr/>	<hr/>
	<b>504,748</b>	520,813
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For the year ended 31 March 2025, customer A from Distribution Business accounted for approximately 22% (2024: approximately 21%) of the Group's revenue.

All other customers individually accounted for less than 10% of the Group's revenue for the years ended 31 March 2025 and 2024.

#### 5 OTHER (LOSSES)/GAINS, NET

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Change in cash surrender value of key management life insurance contracts	<b>(219)</b>	(248)
Loss on disposal of property, plant and equipment	<b>(10)</b>	(22)
Exchange (losses)/gains, net	<b>(1,951)</b>	1,172
	<hr/>	<hr/>
	<b>(2,180)</b>	902
	<hr/>	<hr/>

**6 OTHER (EXPENSES)/INCOME, NET**

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Sundry (loss)/income	<b>(67)</b>	13

**7 EXPENSES BY NATURE**

Expenses included in costs of sales, selling and distribution expenses and administrative expenses are analysed as follows:

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Cost of inventories sold	<b>226,760</b>	234,623
Packing materials	<b>1,758</b>	2,566
Depreciation of property, plant and equipment	<b>4,287</b>	4,601
Depreciation of right-of-use assets	<b>38,290</b>	36,236
Employee benefit expenses	<b>124,240</b>	115,189
Short-term and variable lease payments	<b>18,609</b>	16,995
Utilities expenses	<b>16,019</b>	18,003
Transportation and logistics service expenses	<b>12,633</b>	12,631
Freight charges	<b>5,448</b>	5,210
Auditor's remuneration	<b>1,000</b>	1,500
Franchise fee	<b>4,409</b>	4,584
Impairment loss on property, plant and equipment	<b>569</b>	104
Impairment loss on right-of-use assets	<b>1,561</b>	–
Legal and professional fees	<b>2,595</b>	2,846
Others	<b>20,383</b>	24,249
	<b>478,561</b>	479,337
Representing:		
Cost of sales	<b>393,848</b>	398,871
Selling and distribution expenses	<b>39,761</b>	38,423
Administrative expenses	<b>44,952</b>	42,043
	<b>478,561</b>	479,337

## 8 FINANCE COSTS, NET

	2025 HK\$'000	2024 HK\$'000
<b>Finance income</b>		
– Bank interest income	2,219	2,229
<b>Finance costs</b>		
– Interest expense on bank borrowings	(273)	(751)
– Lease liabilities	(3,930)	(2,875)
	(4,203)	(3,626)
<b>Finance costs, net</b>	(1,984)	(1,397)

## 9 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the two-tiered rate of 8.25% for the first HK\$2 million of the estimated assessable profits for one of the Group's subsidiaries in Hong Kong and 16.5% on the remaining entities estimated assessable profits for the year ended 31 March 2025 (2024: same).

The amount of taxation charged to the consolidated statement of comprehensive income represents:

	2025 HK\$'000	2024 HK\$'000
Current income tax	3,328	4,958
Over provision in prior year	(35)	–
Deferred income tax	(208)	1,176
	3,085	6,134

## 10 EARNINGS PER SHARE

### (a) Basic earnings per share

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

	2025	2024
Profit attributable to owners of the Company (HK\$'000)	17,789	33,604
Weighted average number of ordinary shares in issue (thousands)	400,000	400,000
Basic earnings per share (HK cents)	4.45	8.40

### (b) Diluted earnings per share

For the years ended 31 March 2025 and 2024, diluted earnings per share equals basic earnings per share as there was no dilutive potential shares.

## 11 DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend, paid of HK2.5 cents (2024: HK2.5 cents) per ordinary share	10,000	10,000
Final dividend, proposed of HK2.5 cents (2024: HK3.0 cents) per ordinary share	<u>10,000</u>	<u>12,000</u>

Dividend paid during the year ended 31 March 2025 were HK\$22,000,000, HK5.5 cents per ordinary share (2024: HK\$20,000,000, HK5.0 cents per ordinary share).

A final dividend in respect of the year ended 31 March 2025 of HK2.5 cents per ordinary share, totalling HK\$10,000,000, was proposed by the Board on 26 June 2025 which is subject to the approval of shareholders at the forthcoming annual general meeting. These proposed dividends are not reflected as dividend payable in the consolidated statement of financial position.

## 12 TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables – third parties	<u>54,942</u>	<u>66,780</u>

The Group's retail sales are mainly settled on cash basis. The Group generally grants credit period ranged from 0 to 120 days to its customers of the Distribution Business.

As at 31 March 2025 and 2024, the ageing analysis of the trade receivables based on invoice date was as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–30 days	22,469	24,712
31–60 days	10,387	11,718
61–90 days	10,805	18,716
91–180 days	10,064	10,917
Over 180 days	<u>1,217</u>	<u>717</u>
	<u>54,942</u>	<u>66,780</u>

## 13 SHARE CAPITAL

	Number of shares	Share capital <i>HK\$'000</i>
<b>Authorised:</b>		
At 1 April 2023, 31 March 2024 and 2025	<u>10,000,000,000</u>	<u>100,000</u>
<b>Issued and fully paid:</b>		
At 1 April 2023, 31 March 2024 and 2025	<u>400,000,000</u>	<u>4,000</u>

## 14 TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables ( <i>Note</i> )	18,875	20,385
Accruals for employee benefits	9,317	9,407
Contract liabilities	3,834	2,820
Provision for unused annual leave	598	598
Provision for long service payment	1,262	416
Provision for reinstatement costs	3,361	3,207
Accruals for operating expenses	6,390	5,638
Other payables ( <i>Note</i> )	2,026	1,927
	<u>45,663</u>	<u>44,398</u>

*Note:*

During the year ended 31 March 2021, the Group entered into an agreement with a supplier in relation to the supply of masks with total contract value of HK\$31,000,000. As at 31 March 2025, masks with invoiced value of HK\$9,250,000 (2024: HK\$9,250,000), after deducting the sales rebates of HK\$500,000, under the agreement were delivered to the Group and the Group recorded a trade payable as such in accordance with its accounting policy (2024: same).

On 4 June 2025, the Group and the supplier reached consensus after mediation and entered into a settlement agreement (the “**Settlement Agreement**”) on a confidential basis to discontinue the legal action between the Group and such supplier. The Group agreed to pay the supplier a settlement sum of HK\$9,750,000 on a without admission of liability basis. The excess amount of HK\$500,000 is recorded under other payables.

The ageing analysis of trade payables based on invoice date was as follows:

	2025 HK\$'000	2024 HK\$'000
0–30 days	4,730	7,790
31–60 days	4,352	3,345
61–90 days	125	–
Over 90 days	9,668	9,250
	<u>18,875</u>	<u>20,385</u>

## 15 COMMITMENTS

The Group does not have any material capital commitment as at 31 March 2025 and 31 March 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Group's revenue in FY2025 amounted to approximately HK\$504.7 million, representing a decrease of approximately 3.1% from approximately HK\$520.8 million in FY2024. The Group's results decrease in FY2025 was mainly attributable to the weakened economy with negative customer sentiment in Hong Kong.

The Group's gross profit decreased from approximately HK\$121.9 million in FY2024 to approximately HK\$110.9 million in FY2025, representing a decrease of approximately HK\$11.0 million, which is equivalent to a decrease of approximately 9.0%. Profit attributable to owners of the Company for FY2025 was approximately HK\$17.8 million (FY2024: approximately HK\$33.6 million), representing a decrease of approximately HK\$15.8 million or 47.0%. The decline in gross profit and profit attributable to owners of the Company was primarily driven by the reduced revenue amidst the challenging market conditions.

The Group is a well-established food and beverage company with over 30 years of operating history in Hong Kong. It has two business segments, namely (i) the distribution business; and (ii) the retail business.

### DISTRIBUTION BUSINESS

For distribution business, we distribute and market a diversified portfolio of overseas branded food and beverage products to mainly retailers, such as supermarkets, pharmacies, convenience stores and department store chains in Hong Kong. We also provide supply chain solutions from importing the products from the overseas brand owners to marketing the products to retailers in Hong Kong. Our services include (i) arranging inbound logistics; (ii) relabeling the products to comply with the relevant Hong Kong food safety and labelling laws; (iii) repackaging the products to suit the needs of the retailers or consumers; and (iv) formulating marketing and sales strategies, including advising on retail prices, organising promotion campaigns as well as designing and producing customised display racks or stands to be placed at the customers' points of sales.

The Group is able to offer a total of approximately 7,000 SKUs of food and beverage products from over 100 brands, including "UHA (味覺糖)" and "Hsin Tung Yang (新東陽)" which are regarded as popular items in the market. Our distribution business remained focused on promoting our existing offerings while actively sourcing new high-quality products from around the world.



For FY2025, the revenue generated from the distribution business decreased to approximately HK\$260.5 million (FY2024: approximately HK\$269.1 million), representing a decrease of approximately HK\$8.6 million. Revenue generated from the distribution business contributed to approximately 51.6% of the Group's total revenue in FY2025.

## RETAIL BUSINESS

We principally prepare and sell overseas branded food and beverage products licensed to us at our self-operated retail outlets in Hong Kong. As at 31 March 2025, we had set up 65 self-operated retail outlets and details of the outlets are set out below:

	2025	2024
TenRen (天仁茗茶)	58	57
Chef Hung (洪師傅)	2	2
Other	5	4
	<u>65</u>	<u>63</u>

During FY2025, the number of “TenRen (天仁茗茶)” retail outlets increased slightly from 57 stores as at 31 March 2024 to 58 as at 31 March 2025. Our “TenRen (天仁茗茶)” retail network spans across Hong Kong Island, Kowloon and the New Territories in Hong Kong.

The Group's retail business remained committed to increasing revenue and market shares through marketing and product developments. Our successful branding and product marketing campaigns further contributed to an increase in sales, reflecting the effectiveness of our strategic initiatives.

The revenue generated from the retail business decreased to approximately HK\$244.2 million for FY2025 (FY2024: approximately HK\$251.7 million), representing a decrease of approximately HK\$7.5 million. Revenue generated from the retail business contributed to approximately 48.4% of the Group's total revenue in FY2025.

## Same-store sales performance

We evaluate our performance in each individual outlets by calculating the average same-store sales growth, which compares the average revenue derived from outlets that were in operation throughout the financial periods under comparison. The following table sets forth the average same-store sales performance of our “TenRen (天仁茗茶)” retail outlets:

	Year ended 31 March			
	2023	2024	2024	2025
Number of same-store	57		57	
Average same-store sales	HK\$3.47	HK\$3.76	<b>HK\$3.77</b>	<b>HK\$3.69</b>
	million	million	million	million
Average same-store sales growth rate	8.4%		<b>(2.1 %)</b>	

## Average selling prices and volume

The average selling price of our “TenRen (天仁茗茶)” beverage products increased during the year ended 31 March 2025. This was primarily due to the impact of inflation, rising wages, and increased raw material costs, which led us to make the decision to raise our product prices.

Despite the challenging market conditions, we remain committed to delivering high-quality products to our customers, while maintaining our competitiveness in the market. We will continue to closely monitor market trends and adjust our pricing strategies accordingly to ensure our long-term sustainability and success.

The following table sets forth the average selling price and average daily sales volume of our “TenRen (天仁茗茶)” tea drink products for the years indicated:

	Year ended 31 March	
	2025	2024
	<b>HK\$'000</b>	<b>HK\$'000</b>
Average selling price (HK\$)		
Tea drink products ( <i>per cup</i> )	<b>30.6</b>	27.9
Packaged tea leaves products ( <i>per unit</i> )	<b>105.2</b>	104.3
Average daily sales volume		
Tea drink products ( <i>cup</i> )	<b>18,000</b>	20,000
Packaged tea leaves products ( <i>unit</i> )	<b>100</b>	100

## **INDUSTRY OVERVIEW**

The Hong Kong's economy continue to be volatile and is susceptible to global economic trends, which could affect consumer spending on food and beverage products. Rising import costs and weak consumer sentiment could impact margins. With intense competition and spending power remains weak due to the weak economy, local businesses are expected to be continuously affected by the adverse effects of these economic conditions.

### **Retail sector**

Retail business operators in Hong Kong, especially the tea drinks serving retailers, continue to face the following challenges:

#### ***Fierce competition in the tea drinks serving industry***

The competition within the tea drinks serving industry in Hong Kong is still fierce because of the massive number of participants in the market, particularly the newly introduced tea drinks brand from the PRC.

Given the keen competition, tea drinks operators would need to spend more effort on product offering and marketing to attract more consumers.

#### ***Severe labour shortage in Hong Kong***

The food and beverage serving establishments in Hong Kong have been facing significant challenges due to the severe labour shortage in Hong Kong, which has made it extremely difficult to hire staff. Such labour shortage has resulted in an increase in market wages, together with the already high rental prices of private retail premises, it has created a significant financial burden for food and beverage serving establishments in Hong Kong.

### **Distribution sector**

In the distribution sector, distribution business operators in Hong Kong continue to face the following challenges:

#### ***High operating costs***

Distribution business operators are facing high rental costs of warehouses and retail premises. This has restricted the expansion of business scale and increased operating costs for the distribution business. On the other hand, as the distribution business is highly labour intensive and service-oriented, severe labour shortage in Hong Kong have laid pressure on the distribution business operators.

### *The ease of online retailing*

Nowadays, consumers can access to almost all products and services via the Internet, contributed by the online retailing and emergence of various payment platforms. Also, many food and beverage brands allow online purchases and offer fast delivery services, providing greater convenience for customers. This creates more competition for traditional brick-and-mortar retailers, as customers can directly purchase online rather than buying from the franchised outlets of these brands.

## **PROSPECTS**

Looking forward to the opportunities and challenges in the upcoming financial year, the Group will continue to adhere to products of high quality and the multi-brand development strategy.

For our retail business, the weak consumer market sentiment is anticipated to hinder revenue growth. To mitigate this challenge, we have prepared a comprehensive set of sales and marketing initiatives which aimed at revitalising consumer interest and driving sales. The Group plans to strengthen the leading market position of our TenRen business through brand building, improving customer experience, product innovations, digitalisation and automation.

On the other hand, the Group is proactively reviewing its lease agreements with landlords to optimise our cost structure and business model for the future. At the same time, we will take strong actions to control operating costs including manpower, rental expenses and other operating expenses and further drive efficiency.

In the distribution business, the Group aims to enlarge its brand and product portfolio to remain competitive in the market and capitalise any potential opportunities that may arise despite the economic challenges in Hong Kong by identifying overseas brands and products that suit the preferences of Hong Kong consumers.

## **FINANCIAL OVERVIEW**

### **Revenue**

For the year ended 31 March 2025, the Group's revenue amounted to approximately HK\$504.7 million, representing a decrease of approximately 3.1% from approximately HK\$520.8 million for the same period in 2024. The revenue generated from the retail business decreased to approximately HK\$244.2 million for the year ended 31 March 2025, representing a decrease of approximately HK\$7.5 million (FY2024: an increase of approximately HK\$9.2 million), which has contributed to approximately 48.4% of the Group's total revenue in FY2025. Such decrease was mainly due to the reduced consumer spending in the retail sector of Hong Kong.

The revenue generated from the distribution business decreased to approximately HK\$260.5 million for the year ended 31 March 2025, representing a decrease of approximately HK\$8.6 million (FY2024: an increase of approximately HK\$24.8 million), which has contributed to approximately 51.6% of the Group's total revenue in FY2025. Such decrease was mainly attributable to the weakened economy with negative consumer sentiment in Hong Kong.

### **Cost of sales**

For the year ended 31 March 2025, the Group's cost of sales amounted to approximately HK\$393.8 million, representing a decrease of approximately 1.3% from approximately HK\$398.9 million for the same period in 2024. Such decrease was mainly due to the decrease in purchase volume during FY2025. Our cost of sales accounted for approximately 78.0% of the Group's total revenue for the year ended 31 March 2025 (FY2024: approximately 76.6%).

### **Gross profit and gross profit margin**

For the year ended 31 March 2025, the Group's gross profit amounted to approximately HK\$110.9 million, representing a decrease of approximately 9.0% from approximately HK\$121.9 million for the same period in 2024. The Group's gross profit margin for the year ended 31 March 2025 decreased by approximately 1.4% to approximately 22.0% as compared to that of approximately 23.4% for the same period in 2024. Such decrease in gross profit margin was mainly due to the rising cost as a result of inflation on our retail business.

### **Selling and distribution expenses**

For the year ended 31 March 2025, selling and distribution expenses of the Group amounted to approximately HK\$39.8 million, representing an increase of approximately 3.6% from approximately HK\$38.4 million for the same period in 2024. Such increase was mainly due to the increase in various expenses as a result of inflation.

### **Administrative expenses**

For the year ended 31 March 2025, administrative expenses of the Group amounted to approximately HK\$45.0 million, representing an increase of approximately 7.1% from approximately HK\$42.0 million for the same period in 2024. This increase was primarily attributable to impairment losses totaling approximately HK\$2.13 million recognised on property, plant and equipment and right-of-use assets during the year.

## **Finance costs, net**

For the year ended 31 March 2025, net finance costs of the Group amounted to approximately HK\$2.0 million, representing an increase of approximately 42.9% from approximately HK\$1.4 million for the same period in 2024, which was mainly attributable to the increase in interest expenses from lease liabilities as more tenancy agreements were renewed during FY2025.

## **Income tax expense**

For the year ended 31 March 2025, the Group recorded income tax expense of approximately HK\$3.1 million (FY2024: approximately HK\$6.1 million), representing an effective tax rate of approximately 14.1% (FY2024: approximately 14.8%).

## **Net profit**

Profit attributable to owners of the Company for the year ended 31 March 2025 was approximately HK\$17.8 million, which decreased by approximately 47.0% from approximately HK\$33.6 million in FY2024. The net profit margin (calculated as the ratio of the net profit for the year to the revenue) for the year ended 31 March 2025 was approximately 3.7%, which decreased as compared to that of approximately 6.7% for the same period in 2024. Basic earnings per share for the year ended 31 March 2025 amounted to approximately HK4.45 cents, as compared to that of approximately HK8.40 cents for the same period in 2024. Such decrease was mainly attributable to the decrease in revenue due to the weakened economy in Hong Kong.

## **Capital expenditure**

During the year ended 31 March 2025, capital expenditure amounted to approximately HK\$41.9 million (FY2024: approximately HK\$49.5 million). This amount was used mainly for the addition of right-of-use assets.

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to achieving and maintaining the highest standard of corporate governance to safeguard Shareholder's interests.

During the year ended 31 March 2025, the Company has applied the principles in the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange. The corporate governance principles of the Company emphasise an effective Board with a high level of integrity, sound internal controls, as well as a high degree of transparency and accountability, which does not only enhance corporate value for Shareholders but also protect the long-term sustainability of the Group.

In the opinion of the Board, during FY2025 and up to the date of this annual results announcement, the Company has complied with all the code provisions of the CG Code, save and except for code provision C.2.1 which states that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Chan Kam Chuen Andrew is both our chairman and chief executive officer and is responsible for the overall management of the Group and directing the strategic development and business plans of the Group.

The Board believes that vesting the roles of the chairman and chief executive officer in the same individual (that is, Mr. Chan Kam Chuen Andrew) would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. The Board believes that the balance of power and authority is sufficiently maintained by the operation of the senior management and the Board, which is comprised of experienced and high-calibre individuals. The Board currently comprises four executive Directors (including Mr. Chan Kam Chuen Andrew) and three independent non-executive Directors and therefore has a fairly strong independence element in its composition.

The Board will nevertheless review the structure and composition of the Board from time to time in light of prevailing circumstances, in order to maintain a high standard of corporate governance practices of the Company and ensure compliance with the code provisions of the CG Code.

### **Liquidity and financial resources review**

The Group is financially sound with cash and cash equivalents amounting to approximately HK\$55.4 million as at 31 March 2025 (2024: approximately HK\$50.6 million). As at 31 March 2025, the gearing ratio of the Group was approximately 27.3% (2024: approximately 26.6%), which was calculated based on total debt divided by total capital at the end of the financial year. Debt of the Group refers to bank borrowings and lease liabilities. As at 31 March 2025, the Group has total banking facilities of approximately HK\$113.7 million (2024: approximately HK\$113.4 million) of which approximately HK\$4.0 million (2024: approximately HK\$9.7 million) has been utilised. We aim to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest bearing borrowings which enable us to continue our business in a manner consistent with the short-term and long-term financial strategies of the Group.

## **Foreign currency risk**

The Group operates in Hong Kong and is exposed to foreign exchange risk from the purchase of goods from overseas suppliers and cash and cash equivalents denominated in foreign currencies, primarily with respect to the Japanese yen, the New Taiwan dollar and the United States dollar.

The Group will continue to take proactive measures and monitor closely of its exposure to such currency movement.

## **Treasury policies**

The Group adopts prudent treasury policies. The Group's management has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, management reviews regularly the recoverable amount of each individual trade receivable by taking into account the market conditions, customers' profiles and contractual terms to ensure that adequate impairment is made for irrecoverable amounts. On top of these ongoing credit evaluations, the Board also closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

## **Capital structure**

The shares of the Company (the “**Shares**”) were successfully listed on the Main Board of the Stock Exchange on 14 March 2018 (the “**Listing Date**”). There has been no change in the capital structure of the Group since then. The share capital of the Company only comprises ordinary Shares. As at 31 March 2025, the Company had 400,000,000 Shares in issue.

## **Capital commitments**

Details of the capital commitments are set out in Note 15 to the consolidated financial statements.

## **Employees and remuneration policies**

As at 31 March 2025, the Group employed a total of 638 employees (2024: 714) and the employee benefit expenses including directors' emoluments were approximately HK\$124.2 million (2024: approximately HK\$115.2 million). The Group offers a comprehensive remuneration package which is reviewed by the management on a regular basis.



## **SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS**

For the year ended 31 March 2025, the Group did not have any significant investments, acquisitions or disposals of subsidiaries/associates and joint ventures.

## **EVENTS AFTER THE REPORTING DATE**

There were no significant events after the reporting period up to the date of this annual results announcement.

## **AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS**

The audit committee of the Board comprises three independent non-executive Directors, namely, Mr. Chung Kwok Mo John, Mr. Pang Koon Kwai and Mr. See Hung Yan Peter. The audit committee of the Board has reviewed the accounting principles and practices adopted by the Group and discussed risk management, internal control and financial reporting matters with management including a review of the audited consolidated financial statements of the Group for the year ended 31 March 2025.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2025 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 opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct governing the Directors' transactions in the listed securities of the Company. Employees of the Group (the “**Relevant Employees**”) who, because of their office or employment, are likely to possess inside information in relation to the Company or its securities are also subject to compliance with the Model Code.

The Company has made specific enquiry with all Directors, and each Director has confirmed that he or she has complied with the standards as set out in the Model Code during the year ended 31 March 2025 and up to the date of this annual results announcement. No incident of non-compliance of the Model Code by the Relevant Employees was noted by the Company during the year ended 31 March 2025 and up to the date of this annual results announcement.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2025 and up to the date of this annual results announcement.

## **FINAL DIVIDEND**

Our Board recommends the declaration and payment of a final dividend of HK2.5 cents per Share (2024: HK3.0 cents) for the year ended 31 March 2025 payable to Shareholders whose names appeared on the register of members of the Company on Friday, 26 September 2025. Subject to the approval of Shareholders at the forthcoming annual general meeting (the “**AGM**”), the final dividend will be paid on or around Thursday, 9 October 2025.

## **CLOSURE OF REGISTER OF MEMBERS IN RELATION TO THE AGM**

Shareholders whose names appear on the register of members of the Company on Friday, 12 September 2025 are entitled to attend and vote at the AGM. The register of members of the Company will be closed from Tuesday, 9 September 2025 to Friday, 12 September 2025, both days inclusive. In order to qualify for attending and voting at the AGM, Shareholders should ensure that all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than 4:00 p.m. on Monday, 8 September 2025.

## **In relation to the proposed final dividend**

For ascertaining Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 24 September 2025 to Friday, 26 September 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, Shareholders should ensure that all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than 4:00 p.m. on Tuesday, 23 September 2025.

## **ANNUAL GENERAL MEETING**

The AGM will be held on Friday, 12 September 2025. Notice of the AGM will be sent to the shareholders of the Company in due course.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement will be published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.bandshk.com](http://www.bandshk.com). The annual report of the Company for the year ended 31 March 2025 and the notice of the AGM will be despatched to the Shareholders and made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board  
**B & S International Holdings Ltd.**  
**Chan Kam Chuen Andrew**  
*Chairman and Chief Executive Officer*

Hong Kong, 26 June 2025

*As at the date of this announcement, the Board comprises Mr. Chan Kam Chuen Andrew, Mr. Chan Siu Cheung Stephen, Mr. Chau Wing Kong William and Ms. Tin Hau Ling Janny as executive Directors; and Mr. Pang Koon Kwai, Mr. See Hung Yan Peter and Mr. Chung Kwok Mo John as independent non-executive Directors.*