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**HONG KONG FOOD INVESTMENT HOLDINGS LIMITED**

**香港食品投資控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code : 60)**

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

**RESULTS**

The board of directors (the “Board”) of Hong Kong Food Investment Holdings Limited (the “Company”) announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2025, together with the comparative figures for the previous year, as follows:

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*Year ended 31 March 2025*

	<i>Notes</i>	<b>2025</b> <b><i>HK\$'000</i></b>	<b>2024</b> <b><i>HK\$'000</i></b>
<b>REVENUE</b>	4	<b>186,787</b>	211,845
Cost of sales		<u><b>(158,703)</b></u>	<u>(166,529)</u>
Gross profit		<b>28,084</b>	45,316
Other income and gains/(losses), net	4	<b>3,605</b>	(1,313)
Selling and distribution expenses		<b>(21,816)</b>	(41,300)
Administrative expenses		<b>(29,630)</b>	(28,175)
Finance costs	5	<b>(1,720)</b>	(2,231)
Share of profits and losses of associates		<u><b>3,034</b></u>	<u>10,393</u>
<b>LOSS BEFORE TAX</b>	6	<b>(18,443)</b>	(17,310)
Income tax expense	7	<u><b>(909)</b></u>	<u>(1,774)</u>
<b>LOSS FOR THE YEAR</b>		<u><b>(19,352)</b></u>	<u><b>(19,084)</b></u>
Attributable to:			
Equity holders of the Company		<b>(18,821)</b>	(19,352)
Non-controlling interests		<u><b>(531)</b></u>	<u>268</u>
		<u><b>(19,352)</b></u>	<u><b>(19,084)</b></u>
		<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
<b>LOSS PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY EQUITY</b>			
<b>HOLDERS OF THE COMPANY</b>			
– Basic and diluted	9	<u><b>(7.27)</b></u>	<u><b>(7.45)</b></u>

# **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*Year ended 31 March 2025*

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
<b>LOSS FOR THE YEAR</b>	<u><b>(19,352)</b></u>	<u>(19,084)</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Share of other comprehensive income/(loss) of associates, net of tax	<b>1,194</b>	(16,301)
Exchange differences on translation of foreign operations	<u><b>54</b></u>	<u>(4,517)</u>
<i>Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods</i>	<u><b>1,248</b></u>	<u>(20,818)</u>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Share of other comprehensive income of associates, net of tax and net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u><b>1,908</b></u>	<u>1,381</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX</b>	<u><b>3,156</b></u>	<u>(19,437)</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<u><u><b>(16,196)</b></u></u>	<u><u>(38,521)</u></u>
Attributable to:		
Equity holders of the Company	<b>(15,665)</b>	(38,789)
Non-controlling interests	<u><b>(531)</b></u>	<u>268</u>
	<u><u><b>(16,196)</b></u></u>	<u><u>(38,521)</u></u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31 March 2025

		2025	2024
	Notes	HK\$'000	HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		37,224	37,984
Right-of-use assets		4,965	12,043
Investment property		12,664	12,615
Investments in associates		370,590	381,015
Deposits		2,862	4,358
Goodwill		2,103	2,103
Financial assets at fair value through profit or loss		9,492	9,315
Deferred tax assets		675	1,460
Total non-current assets		440,575	460,893
<b>CURRENT ASSETS</b>			
Inventories		36,453	43,182
Trade receivables	10	15,520	18,671
Prepayments, deposits and other receivables		4,928	5,838
Due from associates		855	2,913
Financial assets at fair value through profit or loss		5,899	4,965
Tax recoverable		177	403
Cash and cash equivalents		80,294	74,575
Total current assets		144,126	150,547
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	11	10,898	10,626
Other payables and accruals		9,354	9,416
Due to associates		216	87
Due to a non-controlling shareholder		2,917	927
Tax payable		397	455
Interest-bearing bank borrowings		26,441	29,709
Lease liabilities		3,338	9,916
Total current liabilities		53,561	61,136
<b>NET CURRENT ASSETS</b>		<b>90,565</b>	<b>89,411</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>531,140</b>	<b>550,304</b>
<b>NON-CURRENT LIABILITIES</b>			
Provision		900	200
Lease liabilities		1,640	4,147
Deferred tax liabilities		1,388	1,390
Total non-current liabilities		3,928	5,737
Net assets		527,212	544,567

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)***31 March 2025*

	<b>2025</b> <b><i>HK\$'000</i></b>	<b>2024</b> <b><i>HK\$'000</i></b>
<b>EQUITY</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	<b>116,333</b>	117,095
Reserves	<b>404,843</b>	420,742
	<b>521,176</b>	537,837
<b>Non-controlling interests</b>	<b>6,036</b>	6,730
Total equity	<b>527,212</b>	544,567

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and an investment property which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

The unaudited financial information relating to the year ended 31 March 2025 and the financial information relating to the year ended 31 March 2024 included in this preliminary announcement of annual results for the year ended 31 March 2025 do not constitute the Company’s statutory annual consolidated financial statements for those years but, in respect of the year ended 31 March 2024, is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The financial statements for the year ended 31 March 2025 have yet to be reported on by the Company’s auditor and will be delivered to the Registrar of Companies in due course. The Company has delivered the financial statements for the year ended 31 March 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on the financial statements for the year ended 31 March 2024. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

#### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

## 1. BASIS OF PREPARATION (continued)

### Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRS Accounting Standards that are applicable to the Group are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

## 2. CHANGES IN ACCOUNTING POLICIES (continued)

- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 April 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.



### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments for the year ended 31 March 2025 as follows:

- (a) the trading segment is engaged in the trading of frozen meats, seafood and vegetables in Hong Kong and Japan;
- (b) the catering segment is engaged in restaurant operations in Hong Kong; and
- (c) the “others” segment consists of communication and advertising design.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s loss before tax except that bank interest income, unallocated gains/losses, non-lease-related finance costs, share of profits and losses of associates and corporate and other unallocated expenses are excluded from such measurement.

Segment assets exclude investments in associates, tax recoverable, deferred tax assets, certain items of property, plant and equipment, an investment property and corporate and other unallocated assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and corporate and other unallocated liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

### 3. OPERATING SEGMENT INFORMATION (continued)

#### Year ended 31 March 2025

	Trading HK\$'000	Catering HK\$'000	Others HK\$'000	Total HK\$'000
<b>Segment revenue</b>				
Sales to external customers	157,565	25,137	4,085	186,787
Intersegment sales	6,100	–	4	6,104
	<u>163,665</u>	<u>25,137</u>	<u>4,089</u>	<u>192,891</u>
<i>Reconciliation:</i>				
Elimination of intersegment sales				<u>(6,104)</u>
<b>Total revenue</b>				<u><u>186,787</u></u>
<b>Segment results</b>	(6,425)	(5,601)	1,592	(10,434)
<i>Reconciliation:</i>				
Bank interest income				1,356
Other unallocated losses				(386)
Finance costs (other than interest on lease liabilities)				(1,479)
Share of profits and losses of associates				3,034
Corporate and other unallocated expenses				<u>(10,534)</u>
Loss before tax				<u><u>(18,443)</u></u>

#### Year ended 31 March 2024

	Trading HK\$'000	Catering HK\$'000	Others HK\$'000	Total HK\$'000
<b>Segment revenue</b>				
Sales to external customers	157,525	50,431	3,889	211,845
Intersegment sales	9,678	–	65	9,743
	<u>167,203</u>	<u>50,431</u>	<u>3,954</u>	<u>221,588</u>
<i>Reconciliation:</i>				
Elimination of intersegment sales				<u>(9,743)</u>
<b>Total revenue</b>				<u><u>211,845</u></u>
<b>Segment results</b>	(5,108)	(10,036)	1,821	(13,323)
<i>Reconciliation:</i>				
Bank interest income				1,575
Other unallocated losses				(4,527)
Finance costs (other than interest on lease liabilities)				(1,736)
Share of profits and losses of associates				10,393
Corporate and other unallocated expenses				<u>(9,692)</u>
Loss before tax				<u><u>(17,310)</u></u>

### 3. OPERATING SEGMENT INFORMATION (continued)

#### As at 31 March 2025

	Trading HK\$'000	Catering HK\$'000	Others HK\$'000	Total HK\$'000
<b>Segment assets</b>	<b>124,220</b>	<b>14,765</b>	<b>7,614</b>	<b>146,599</b>
<i>Reconciliation:</i>				
Elimination of intersegment receivables				(110)
Investments in associates				370,590
Corporate and other unallocated assets				67,622
Total assets				<b>584,701</b>
<b>Segment liabilities</b>	<b>45,548</b>	<b>3,453</b>	<b>146</b>	<b>49,147</b>
<i>Reconciliation:</i>				
Elimination of intersegment payables				(110)
Corporate and other unallocated liabilities				8,452
Total liabilities				<b>57,489</b>
<b>Other segment information:</b>				
Impairment of items of property, plant and equipment	–	104	–	104
Impairment of right-of-use assets	–	96	–	96
Impairment of trade receivables	115	–	–	115
Write-down of inventories to net realisable value	60	–	–	60
Capital expenditure	1,552	138	–	1,690
Unallocated capital expenditure				5,586
Total capital expenditure*				<b>7,276</b>
Depreciation	783	5,617	12	6,412
Unallocated depreciation				2,186
Total depreciation				<b>8,598</b>

### 3. OPERATING SEGMENT INFORMATION (continued)

#### As at 31 March 2024

	Trading HK\$'000	Catering HK\$'000	Others HK\$'000	Total HK\$'000
<b>Segment assets</b>	134,501	29,935	6,134	170,570
<i>Reconciliation:</i>				
Elimination of intersegment receivables				(268)
Investments in associates				381,015
Corporate and other unallocated assets				60,123
Total assets				611,440
<b>Segment liabilities</b>	45,811	13,929	274	60,014
<i>Reconciliation:</i>				
Elimination of intersegment payables				(268)
Corporate and other unallocated liabilities				7,127
Total liabilities				66,873
<b>Other segment information:</b>				
Impairment of items of property, plant and equipment	–	1,829	–	1,829
Impairment of right-of-use assets	–	1,371	–	1,371
Reversal of impairment of trade receivables	(248)	–	–	(248)
Write-down of inventories to net realisable value	261	–	–	261
Capital expenditure*	9	56	–	65
Depreciation	602	11,585	27	12,214
Unallocated depreciation				2,329
Total depreciation				14,543

\* Capital expenditure consists of additions to property, plant and equipment.

### 3. OPERATING SEGMENT INFORMATION (continued)

#### Geographical information

The Group's revenue from external customers based on the location of its customers and information about the Group's non-current assets, excluding financial assets and deferred tax assets, analysed by the geographical area in which the assets are located, are as follows:

	Revenue from external customers		Carrying amounts of non-current assets	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	186,062	211,845	394,529	412,781
Japan	725	—	33,017	32,979
	<u>186,787</u>	<u>211,845</u>	<u>427,546</u>	<u>445,760</u>

#### Information about major customers

Revenue from customers individually contributing over 10% to the total revenue of the Group during the year is as follows:

	2025	2024
	HK\$'000	HK\$'000
Customer A	<u>41,721</u>	<u>49,199</u>

### 4. REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts. An analysis of revenue, other income and gains/(losses), net is as follows:

	2025	2024
	HK\$'000	HK\$'000
<b>Disaggregation of revenue</b>		
Sales of goods	157,565	157,525
Restaurants operation	25,137	50,431
Others	<u>4,085</u>	<u>3,889</u>
	<u>186,787</u>	<u>211,845</u>
<b>Timing of revenue recognition</b>		
At a point in time	<u>186,787</u>	<u>211,845</u>

#### 4. REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET (continued)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Other income</b>		
Bank interest income	1,356	1,575
Gross rental income	1,968	1,669
Royalty income	157	–
Sundry income	<u>54</u>	<u>14</u>
<b>Total other income</b>	<u>3,535</u>	<u>3,258</u>
<b>Gains/(losses), net</b>		
Fair value losses on financial assets at fair value through profit or loss, net	(386)	(8,158)
Loss on disposal of partial interest in an associate	(1,336)	–
Gains on disposal of items of property, plant and equipment	–	6
Gain on lease termination, net	1,176	–
Fair value gain on an investment property	–	3,631
Foreign exchange difference, net	<u>616</u>	<u>(50)</u>
<b>Total gains/(losses), net</b>	<u>70</u>	<u>(4,571)</u>
<b>Total other income and gains/(losses), net</b>	<u><u>3,605</u></u>	<u><u>(1,313)</u></u>

#### *Sale of goods*

The performance obligation is satisfied upon delivery of the goods and payment is generally due within one to three months from delivery.

#### *Restaurant operations*

The performance obligation is satisfied when the catering services have been provided to customers. The Group's trading terms with its customers are mainly on cash, credit card and electronic settlement. The credit period is generally less than one month.

## 5. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank and trust receipt loans	1,479	1,736
Interest on lease liabilities	<u>241</u>	<u>495</u>
Total	<u><u>1,720</u></u>	<u><u>2,231</u></u>

## 6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of inventories sold	158,643	166,268
Depreciation of items of property, plant and equipment	2,402	4,283
Depreciation of right-of-use assets	6,196	10,260
Lease payments not included in the measurement of lease liabilities	7,479	8,278
Losses/(gains) on disposal of items of property, plant and equipment*	2,737	(6)
Impairment of items of property, plant and equipment	104	1,829
Impairment of right-of-use assets	96	1,371
Impairment/(reversal of impairment) of trade receivables	115	(248)
Write-down of inventories to net realisable value**	<u><u>60</u></u>	<u><u>261</u></u>

\* The gains on disposal of items of property, plant and equipment were included in "other income and gains/(losses), net" while the losses on disposal of items of property, plant and equipment were included in "administrative expenses" in the consolidated statement of profit or loss.

\*\* The write-down of inventories to net realisable value is included in "cost of sales" in the consolidated statement of profit or loss.

## 7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current charge for the year		
– Hong Kong	126	281
Deferred	<u>783</u>	<u>1,493</u>
Total tax charge for the year	<u><u>909</u></u>	<u><u>1,774</u></u>

The share of tax attributable to associates amounting to HK\$4,675,000 (2024: HK\$4,089,000) is included in “Share of profits and losses of associates” in the consolidated statement of profit or loss.

## 8. DIVIDEND

The Board does not recommend the payment of any dividend in respect of the year.

## 9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$18,821,000 (2024: HK\$19,352,000), and the weighted average number of ordinary shares of 258,801,167 (2024: 259,586,000) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2025 and 2024.

The calculation of the basic and diluted loss per share are based on:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Loss</b>		
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculation	<u><u>(18,821)</u></u>	<u><u>(19,352)</u></u>
	<b>Number of shares</b>	
	2025	2024
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation	<u><u>258,801,167</u></u>	<u><u>259,586,000</u></u>



## 10. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
Within 1 month	<b>11,185</b>	10,494
1 to 2 months	<b>2,157</b>	1,899
Over 2 months	<b>2,178</b>	6,278
	<hr/>	<hr/>
Total	<b>15,520</b>	18,671
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## 11. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
Within 1 month	<b>7,617</b>	7,521
1 to 2 months	<b>3,281</b>	3,105
	<hr/>	<hr/>
Total	<b>10,898</b>	10,626
	<hr/> <hr/>	<hr/> <hr/>

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 60 days.

## **PROPOSED FINAL DIVIDEND**

The Board does not recommend the payment of any final dividend for the year ended 31 March 2025 (2024: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of ascertaining shareholders' eligibility to attend and vote at the forthcoming annual general meeting of the Company to be held on Friday, 29 August 2025 (the "AGM"), the Register of Members of the Company will be closed from Monday, 25 August 2025 to Friday, 29 August 2025, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 August 2025.

## **BUSINESS REVIEW AND PROSPECTS**

### **BUSINESS REVIEW**

During the year under review, the worldwide market situation was demanding. Despite the complexity and dynamic nature of the global business landscape, the Group remained resilient. With perseverance and determination, we are committed to collaborating with all sectors of society.

The global economy remained susceptible to a number of uncertainties, compounded by escalating geopolitical tensions and the tightening of trade protectionism, the macroeconomic outlook was unclear. On the other hand, business operations were facing increasing challenges. Rising logistics, financial, and promotional costs, coupled with labor shortages, continued to impact all business sectors.

The business environment in Hong Kong especially in the catering and retail industries, continued to be under pressure in the local market. Businesses were constrained by declining local consumption, intensified industrial competition, and significant changes in consumer behavior, particularly the growing trend of cross-border and overseas consumption. Mounting operational burdens such as those related to procurement, rentals, and labor, further increased the complexity and challenges of the industry's operations.

Despite the complex and challenging external landscape, the Group is committed to working with all sectors of the community. We leverage our many years of professional experience in the frozen meats trading sector, our extensive network, and our industry insights to develop flexible and forward-looking business strategies and respond to market changes. We will continue to enhance our competitive advantages, solidify our foundation, and move forward steadily.

## **BUSINESS REVIEW AND PROSPECTS (continued)**

### **Frozen Meats Trading**

For the year ended 31 March 2025, the Hong Kong economy grew modestly, with a real GDP increase compared to the previous year. This growth was primarily driven by a rise in exports of goods and services and a moderate recovery in investment expenditure. However, private consumption had seen a modest decline, indicating challenges in domestic demand. The business environment and performance was also affected by renewed global trade tensions, particularly the increase of tariff by of the United States. The unclear outlook in the global trade policies also posed uncertainties to the international trade.

Attributable to the satisfactory sales result of the new products this year, the revenue of the frozen meats trading business maintained stable despite the challenging business environment. Due to our strategic marketing and effort on market penetration, new product like the “Hokkaido Snow Dream Pork” from Japan achieved good sales in the first year of launch. Looking ahead to the coming year, the cross-border consumption and dining will still be common and local consumption sentiment remains low. In response to the market changes, fast food chain restaurants sector was still our main focus. We are actively expanding our products mix and range particularly from high quality supply markets like Japan and south-east Asian countries. Besides frozen meat products, we will also import cooked products and high-end products to enrich our product portfolio to expand our customer base.

The trading sector is expected to continue benefiting from the steady growth of the Mainland economy. The anticipated growth in inbound tourism is likely to provide a significant boost to the catering sector, our major customer segment. Facing the tough market environment and severe competition, we continue to focus on cost control as always, exploring new products to cater for the changing consumer preferences, focus on high-growth markets, e.g. south-east Asian countries to increase the profit margin, and formulate suitable marketing strategies and services to attract both local and international customers.

### **Catering Business**

The catering business operates two restaurant brands – “Beefar’s” and “Gyumai”. “Beefar’s” restaurant offers high-quality “Satsuma” brand of Japanese wagyu beef in Japanese BBQ style and “Gyumai” restaurant offers supreme beef from Japan, Australia and USA in all-you-can-eat Japanese Yakiniku and shabu-shabu style.

In the year under review, the market situation for the catering industry was still tough. Affected by the amid economic stagnation, consumer sentiment was low and people spend less in dining than before. As the trend for cross-border consumption prevailed, catering industry in Hong Kong was severely affected. The effects included consumption downgrade and severe competition from the same industry. In order to cope with the current situation, we rolled out bargain meal options to customers and achieved growth in revenue and gross profit margin. We also adjusted and improved the mix of ingredients our procurement strategy in order to lower the costs. Also, we launched targeted social media campaigns in Mainland China in order to attract more customers.

Under this sluggish market condition, we will continue to develop value for money menu to attract both new and existing customers, at the same time, strictly control our operational costs and food wastage tirelessly to achieve the best result. With the anticipated growth in inbound tourism and government initiatives to promote mega events in Hong Kong, the overall economic recovery is expected and is likely to provide a significant boost to the catering sector.

## **BUSINESS REVIEW AND PROSPECTS (continued)**

### **Other Business**

The communication and advertising design business segment delivered steady growth over the year and made positive contribution to the Group. Despite the stagnant economic situation, we focused on providing comprehensive above the line and below the line advertising services to the Group and customers. The brands of “Satsuma” and “L’Grow” in the meats trading sector and “Beefar’s” and “Gyumai” in the catering sector were well maintained and new business from catering and banking sectors were developed and achieved stable growth. In the coming future, we will put more efforts in developing the digital media business and marketing to ride with the market trend.

### **Food Business Investment**

The Group continues to hold approximately 29.85% (2024: 29.99%) equity interest of Four Seas Mercantile Holdings Limited (“FSMHL”) as a strategic investment in the food business.

The global economic performance was unstable and the consumer market performance in Hong Kong, Mainland China and Japan slowed down, nevertheless FSMHL adopts forward-looking and flexible market strategy, continuously introduce well-known brands and partners to attract consumers of different age groups to increase the revenue and market share. These has mitigated part of the impact, as a result, the overall performance of FSMHL was in line with the market expectation.

Food distribution is the core business of FSMHL. FSMHL has a huge distribution network. Through long-term partnership with well-known food manufacturers, it distributes food from many countries and regions around the globe to meet the different needs of the consumers. In recent years, it focused on developing high-quality food distribution business on staple food products, including the Japanese eggs, Japanese milk, “Imuraya” tofu and Japanese rice, etc. The remarkable sales results created a stable source of income for FSMHL. FSMHL was also committed to striving for the development of markets of Hong Kong, Mainland China and Japanese by leveraging the interconnection between the three regions, achieving business synergy and growth, enhancing the overall operational efficiency and market competitiveness.

In Hong Kong, the launch of flagship store “Seas of Flavour” leverages the Group’s brand advantage and combines physical stores, online shopping, marketing venues and new peripheral products to create new business growth momentum for FSMHL. In Mainland China, FSMHL introduces imported snacks to the Greater Bay Area and expands to the Mainland China, on the other hand promotes Chinese food to the world through the Four Seas brand. In Japan, Miyata Co., Ltd. (“Miyata”) continues to contribute to FSMHL in terms of products, platforms, pricing and market share. Japanese specialty products are introduced to Hong Kong and the Greater Bay Area, and at the same time, food products produced in Hong Kong and the Mainland are distributed to the Japanese market through Miyata’s network, bringing new flavours to Japanese consumers.

For the financial year ended 31 March 2025, the Group’s share of profit from associates, primarily by FSMHL was HK\$3,034,000 (2024: HK\$10,393,000).

## PROSPECTS

Looking ahead to the coming year, the global economy is in a time of uncertainty. Hong Kong business environment continues to face challenges, and various sectors of the community are being cautious and prudent. Due to changes in consumption patterns, the industry is undergoing a structural transformation. The market and business sectors are gradually making the necessary adjustments.

The Group will continue to monitor market changes and respond promptly to the evolving business environment. We will accelerate product development and diversification while maintaining high efficiency in serving the market, consolidate our business foundation and strengthen brand building and customer platform expansion to adapt to the dynamic environment. On the other hand, we will leverage our professional experience to strengthen our business network and deepen our cooperation with our overseas suppliers to build long-term relationships. Regarding new overseas markets, focus will be on expanding our sales channels and promote our products to build our competence in international trade. At the same time, the Group will continue to introduce and expand our product portfolio to develop sustainable, high-quality products that fulfill customer demand.

We have implemented a prudent management framework and adopt a flexible and efficient strategic positioning to strengthen our ability to respond to market changes. We maintain a flexible pricing policy to reinforce our competitiveness in the market. We provide diversified products to enhance overall efficiency. We strive to stabilize costs, accelerate the development and launch of new products, strengthen business relationships with our partners, and expand sales. This allows us to maintain steady development in a challenging environment and achieve better market profits.

The Group's strategic partner, FSMHL takes the business strategy of "Rooted in Hong Kong, Expanding to Mainland China, and Reaching Out to the World", to cope with the global economic trends, adopting forward-looking strategy and plan for the future. Although the global economic outlook is tough with uncertainty, FSMHL is full of confidence in its future development. With its sharp business acumen and solid foundation, it will continue to expand its businesses, focus in the Hong Kong, Mainland and Japanese markets by placing emphasis on snacks and providing customers with food that is closely related to their daily lives. It will introduce new products, new flavors, new styles, and new experiences to add momentum to the future growth and maintain its leading position in the food industry.

Looking ahead, the Group will take an active approach to responding to market changes by formulating and implementing flexible marketing strategies to enhance our competitiveness. We will embrace innovation and transformation, leveraging the Group's competitive advantages and industry experience. We will take proactive measures to strengthen our customer base and capture opportunities in emerging markets. Leveraging our long-standing relationships with local and overseas customers and suppliers, the Group strives to provide consumers with delicious, nutritious, and high-quality food products.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and facilities granted by its principal bankers. As at 31 March 2025, the Group had banking facilities of HK\$200,753,000 of which 13% had been utilised. The Group had a gearing ratio of 5% as at 31 March 2025. This is expressed as the total interest-bearing bank borrowings to equity attributable to equity holders of the Company. Bank borrowings of the Group, denominated in Hong Kong dollars, are mainly trust receipt loans (the “Interest-Bearing Bank Borrowings”) at prevailing market interest rates. The Interest-Bearing Bank Borrowings which are classified as current liabilities are repayable within one year. As at 31 March 2025, the Group held cash and cash equivalents of HK\$80,294,000. There were no significant changes in the Group’s contingent liabilities and no charges on the Group’s assets at the end of the reporting period.

## STAFF EMPLOYMENT

The total number of employees of the Group as at 31 March 2025 was 44. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2025, the Company repurchased a total of 2,162,000 ordinary shares (the “Shares Repurchased”) of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at an aggregate consideration (including transaction cost) of approximately HK\$982,000. The Repurchased Shares in total 2,162,000 Shares have been cancelled on 24 February 2025.

The repurchase of the Company’s shares during the year was effected by the directors, pursuant to the mandate from shareholders received at the annual general meeting held on 29 August 2024, with a view to benefiting shareholders as a whole by enhancing the net asset value per share of the Group.

Particulars of the repurchases are as follows:

Month of repurchase	Number of shares repurchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Aggregate Consideration HK\$’000
October 2024	1,064,000	0.460	0.425	467
December 2024	912,000	0.495	0.430	430
January 2025	186,000	0.480	0.450	85
Total	2,162,000			982

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (whether on the Stock Exchange or otherwise) during the year ended 31 March 2025.

## **CORPORATE GOVERNANCE**

The Company and management are committed to maintaining good corporate governance with an emphasis on the principles of transparency, accountability and independence to all shareholders of the Company. The Company believes that good corporate governance is essential to continuous growth and enhancement of shareholders' value. The Company periodically reviews its corporate governance practices with reference to the latest development of corporate governance. The Company has applied the principles of and complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year ended 31 March 2025.

## **MODEL CODE FOR 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 the Company's code of conduct regarding securities transactions by directors of the Company (the "Code of Conduct"). Having made specific enquiry of all directors of the Company, the directors have confirmed that they have complied with the required standard of dealings as set out in the Code of Conduct throughout the year ended 31 March 2025.

The Company has also established the Code for Securities Transactions by the Relevant Employees (the "Employees Code") on no less exacting terms than the Model Code for securities transactions by the employees who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Employees Code by the employees was noted by the Company throughout the year ended 31 March 2025.

## **AUDIT COMMITTEE**

The audit committee of the Company (the "Audit Committee") comprises all the three independent non-executive directors, namely Mr. Cheung Wing Choi (Chairman of the Audit Committee), Mr. Lan Yee Fong, Steve John and Mr. Wong, Louis Chung Yin. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and has discussed with the management in relation to risk management and internal control systems, and financial reporting matters including a review of the Group's consolidated financial statements for the year ended 31 March 2025.

## **SCOPE OF WORK OF THE COMPANY'S AUDITOR**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, 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 Company's auditors to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditors in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Company's auditors on the preliminary announcement.

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

This announcement is published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.hongkongfoodinvestment.com.hk](http://www.hongkongfoodinvestment.com.hk).

The annual report of the Company for the year ended 31 March 2025, containing information required by the Listing Rules, will be published on the above websites and will be despatched to shareholders of the Company upon request of the shareholders.

## **APPRECIATION**

On behalf of the board of directors, I would like to express my sincere gratitude to our shareholders and our business partners for their support and trust to the management team. My gratitude also extends to our staff for their loyalty and diligence in the developments of the Group.

On behalf of the Board  
**Hong Kong Food Investment Holdings Limited**  
**TAI Chun Kit**  
*Chairman*

Hong Kong, 27 June 2025

*As at the date of this announcement, the executive directors of the Company are Mr. TAI Chun Kit, Mr. TSE Siu Wan and Ms. WONG, Anita Ting Yuk; the non-executive director of the Company is Mr. TAI Tak Fung, Stephen and the independent non-executive directors of the Company are Mr. LAN Yee Fong, Steve John, Mr. CHEUNG Wing Choi and Mr. WONG, Louis Chung Yin.*