CAFÉ DE CORAL HOLDINGS LIMITED
大 家 樂 集 團 有 限 公 司*

(Incorporated in Bermuda with limited liability)
Website: www.cafedecoral.com
(Stock Code: 341)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

HIGHLIGHTS

- **The Group's revenue for the year amounted to HK$8,183.1 million (FY2024/25: HK$8,568.3 million). Adjusted EBITDA# amounted to HK$572.6 million (FY2024/25: HK$687.7 million) and profit attributable to shareholders amounted to HK$164.1 million (FY2024/25: HK$232.7 million).**

- **Following a significant decline in the first half of the year, the Group's results recovered in the second half, with profit attributable to shareholders rising by 151.1% versus the first half and by 32.2% relative to the same period of FY2024/25. This recovery was attributed to swift actions taken by the management team through optimising the business model, rationalising network, improving cost efficiency and streamlining the corporate structure.**

- **The Group's fast food business narrowed its sales decline and returned to profit growth from the third quarter by way of quality reinforcement, strategic value-perception offerings, adaptive menu strategy and network consolidation.**

- **Thanks to effective business stabilisation efforts, the Chinese Mainland operations largely maintained its profitability despite intense price competition and a delivery platform price war, supported by a healthy network of more than 190 stores.**

- **The Group's multi-business portfolio proved its resilience during challenging times. The Casual Dining division, with its agile and flexible business models, recorded promising results and greater contributions to Group profit, while the Institutional Catering division continued to increase its profitability and market share.**

- **Amidst shifting consumption patterns and ongoing structural adjustment of the industry, the management team remains committed to implementing necessary changes to the Group's business and operational models in order to adapt and thrive in the evolving market environment. The Group's improved results in the second half of the year demonstrate that our actions have put us back on the right track.**

- **A final dividend of HK30 cents per share is recommended (FY2024/25: HK25 cents). Together with the interim dividend, the total dividend for the year will amount to HK40 cents per share (FY2024/25: HK40 cents), representing a total dividend payout ratio of 141.4% for the year.**

* *For identification purposes only*

As defined in this announcement

CHAIRMAN'S MESSAGE

Reflecting ongoing challenges in the global economy, the year under review was marked by continued volatility. Geopolitical uncertainties continued to feed global instability, which had a carry-on effect in regional and local markets, resulting in more cautious consumer spending and tighter budgets overall. These changing preferences had a large impact on Hong Kong's economy.

As Hong Kong evolves into its new role in the integrated Greater Bay Area (GBA), local spending patterns and spending habits have fundamentally transformed. For the catering industry, the most significant shift has been a redirection of dining and leisure consumption patterns – especially during weekends and long holidays. Adapting to this structural change in consumer behaviour, restaurant operators have been forced to deal with a rapidly changing, increasingly interconnected market.

Although the first half of the year posed a serious challenge to the Group's business, the management team took swift action to immediately address the situation – and delivered a marked turnaround in the second half of the year. As a result, I am pleased to report that the Group delivered revenue of HK$8,183.1 million and profit attributable to shareholders of HK$164.1 million for the year ended 31 March 2026.

Despite the difficulties faced by the business earlier this year, I remain strongly confident in the Group's long-term prospects for the future. Our professional management team has the talent and the skills to guide the business forward, as evidenced by their decisive action in the first half, which led to a quick recovery in operational and financial performance.

STRONG PROSPECTS FOR LONG-TERM GROWTH

In line with our core philosophy of "keeping pace with the times", the Group has embraced the challenges of the current situation and is continuously transforming the business to maintain healthy, long-term growth. In tough times, a purely defensive strategy is not enough. After the setbacks of the first half, we have regrouped and recovered – and are now ready to return to offense.

Once again, our portfolio of businesses proved its value in absorbing individual shocks and maintaining the overall stability of the Group. Our multi-business, multi-brand strategy not only diversifies risk, but also provides multiple engines for growth.

In Hong Kong, we have proactively adapted our **Café de Coral** fast food business to meet the changing demands of the market. Our network now emphasises smaller, leaner operations with the agility needed to quickly respond to rapidly evolving conditions and consumer habits. The Casual Dining business has also experienced a turnaround, led by the success of a new, nimble model pioneered by **Oliver's Super Sandwiches**. At the same time, the Group's Institutional Catering business, which serves schools, hospitals and other large organisations, has shown remarkable resilience and steady performance during tough economic times.

Although competition in the Chinese Mainland market greatly intensified during the year under review, the Group has proven itself as one of the few Hong Kong-based catering companies that has not only been able to survive in this market, but to consistently deliver healthy profit. Applying the management discipline and operational lessons we have learned over the years to the rapidly-growing Chinese Mainland, I strongly believe this market will be a major contributor to the Group's ongoing growth.

Complementing our broad network of physical stores in Hong Kong and the Chinese Mainland, we have continuously fine-tuned our online business models to provide additional support in distribution, customer retention and marketing with a strong, highly-engaged membership base in both markets.

REFLECTING ON 60 YEARS OF GROWTH

Over the past six decades, I have witnessed Hong Kong's transformation into a global financial hub, alongside the explosive economic growth of the Chinese Mainland. Despite all these changes, one truth has remained constant: the need to adapt and innovate. I have seen far too many successful companies fail because they became complacent in their success, ignoring the need to keep up with changing times. We will not fall victim to this trap.

With our talented and proven management team firmly in place, the Group's first priority is to revamp our Hong Kong operations to align with the city's new spending patterns. By restructuring our strategic models, we are recalibrating our domestic base to provide a solid foundation in this new era of cross-border mobility.

Looking beyond our home market, the GBA stands as a critical engine for future growth. Despite intense "involution" (內捲) and competition in the market, I am proud to report that we are one of the few Hong Kong-based restaurant chains still operating a profitable and growing business in the Chinese Mainland. This achievement stands as testament to our deep understanding of the market, our operational excellence, and our unwavering commitment to quality.

With these strategic actions underway, I am highly confident in our trajectory. We are laying the groundwork to return this enterprise to a HK$10 billion market value company. Longer term, we have tasked ourselves with identifying and securing future growth engines, both within the broader Chinese market and internationally outside of Hong Kong. We are building a company not just for the next quarter, but for the next generation.

ACKNOWLEDGEMENTS

As always, I must express deep gratitude to our Board of Directors, business partners, employees, investors and customers for their continued support, especially in the face of unprecedented changes and challenges in the market.

Building on the proven strength and capabilities of our management team, I am confident the Group will continue to thrive and grow in our chosen markets – solidifying our reputation as one of the best-loved catering groups in the region.

Lo Hoi Kwong, Sunny
Chairman

Hong Kong, 15 June 2026

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION AND HIGHLIGHTS

The Group's revenue for the year ended 31 March 2026 decreased by 4.5% to HK$8,183.1 million (FY2024/25: HK$8,568.3 million). Comparing to the previous financial year ended 31 March 2025, the Group's adjusted EBITDA# for the year under review decreased 16.7% to HK$572.6 million (FY2024/25: HK$687.7 million) and profit attributable to shareholders decreased 29.5% to HK$164.1 million (FY2024/25: HK$232.7 million). Excluding the fair value loss of investment properties recorded for the year, the Group's profit attributable to shareholders decreased 32.9%.

Following a substantial decline in performance amidst the challenging operating environment during the first half of the year under review, the Group saw a significant improvement in results in the second half, with profit attributable to shareholders rising by 151.1% versus the first half of the year and by 32.2% compared to the same period of FY2024/25. This recovery was attributed to swift actions taken by two management Task Forces through optimising the business model, rationalising network, improving cost efficiency and streamlining the corporate structure.

The task force led by the Group's CEO focused on revamping business and operational models, particularly for the fast food business; reinforcing its quality commitment and execution; driving demand through its value strategy; creating simplified, flexible and adaptive menus tailored to individual neighbourhoods; as well as rationalising and optimising the store network. The other task force, headed by the Group's CFO, streamlined our corporate structure via simplifying processes and standard operating procedures; deploying technology and applying digital transformation and AI; refreshing corporate mentality and driving efficiency; while prioritising cost optimisation to improve margins through overhead controls, rental reduction, as well as enhancing supply chain efficiency and synergy between Hong Kong and the Chinese Mainland.

Attributable to effective business stabilisation efforts, the Group's Chinese Mainland business largely maintained its profitability amidst fierce price competition and a delivery platform price war, as evidenced by resilient profits during the financial year. Building on its long-established bank of corporate knowledge and experience, the business prudently expanded to a healthy network of over 190 stores.

The Group's multi-business portfolio proved its resilience during challenging times. The Casual Dining division, with its agile and flexible business models, was quickly able to adapt to changing market trends with a variety of different store types. The division returned promising results with greater contributions to Group profit. Similarly, the Institutional Catering division increased profit and market share, building on an improved contract renewal rate, as well as contributions from new business.

Operating profit before fair value changes on investment properties, depreciation and amortisation (excluding depreciation for right-of-use assets – properties), impairment loss of property, plant and equipment and right-of-use assets, reversal of impairment loss of property, plant and equipment and right-of-use assets; and including finance cost of lease liabilities

The macroeconomic environment remains challenging, marked by shrinking consumer wallets and extreme pursuit for value, while outbound spending trends and changes in tourist spending patterns continue to impact the Hong Kong market. Amidst shifting consumption patterns and ongoing structural adjustment of the industry, the management team has showed strong resilience in urgently implementing necessary changes to the Group's business and operational models to adapt to the evolving market environment. Although it will take some time for a full recovery of the business, the Group's improved performance and rebounding results in the second half of the year indicate that our actions have put us back on the right track.

We continued to earn industry and market recognition for our achievements during the year under review. The Group was named a "Diamond Enterprise" in the GS1 Hong Kong Quality Food Scheme Plus 2025, and won an "Innovation Award" in the GS1 Hong Kong Quality Food Scheme ESG 2025. At the Data & AI Literacy Association (DALA) Awards 2025, the Group received a "Best AI Adoption Award (Merit)" and a "Best Data & AI Talent Cultivation Award (Merit)", while **Café de Coral** fast food was awarded a "Best Data Culture Award (Gold)". **Café de Coral** fast food won a "Bronze Kam Fan Award" from the Hong Kong Association of Accredited Advertising Agencies; and a "Smart Transformation & Innovation Award – Bronze Award" and a "Smart Green Retail Brand Award" at the HKRMA 2025 Smart Retailing Awards hosted by the Hong Kong Retail Management Association. The brand was also named a "2025 Hong Kong Top Service Brand" by the Hong Kong Brand Development Council and the Chinese Manufacturer's Association of Hong Kong.

RESULTS OVERVIEW

Revenue

For the year ended 31 March 2026, the Group recorded revenue of HK$8,183.1 million, a 4.5% decrease as compared to HK$8,568.3 million in FY2024/25. Revenue by business division is set out below:

	FY2025/26	FY2024/25	**Change**
	HK$'m	*HK$'m*	***%***
Hong Kong			
Quick Service Restaurants	**4,821.6**	5,121.3	**(5.9)**
Casual Dining	**770.4**	823.2	**(6.4)**
Institutional Catering	**1,010.0**	999.6	**1.0**
Others*	**120.6**	129.0	**(6.5)**
Subtotal	**6,722.6**	7,073.1	**(5.0)**
Chinese Mainland	**1,460.5**	1,495.2	**(2.3)**
Group	**8,183.1**	8,568.3	**(4.5)**

** Mainly represents income from food processing and distribution and rental income*

Gross Profit Margin

Gross profit margin decreased to 9.5% for the year (FY2024/25: 10.4%), primarily due to weak consumer sentiment and fierce price competition amidst the weak economy, whilst Hong Kong was further impacted by the normalisation of outbound spending behavior and weak inbound tourist consumption.

Key Costs

The breakdown of major expenses is set out below:

	FY2025/26		FY2024/25	
	HK$'m	***% of revenue***	*HK$'m*	*% of revenue*
Cost of raw materials and packing	**2,241.0**	**27.4**	2,329.0	27.2
Staff cost	**2,842.8**	**34.7**	2,946.1	34.4
Rental costs*	**956.8**	**11.7**	988.5	11.5

** Includes rental related depreciation in right-of-use assets, finance cost of lease liabilities, rental costs of short-term lease and low-value leases, as well as turnover rent and gain on modification and termination of leases*

Administrative Expenses

Administrative expenses decreased by 5.3% to HK$468.2 million (FY2024/25: HK$494.5 million) due to prudent overhead control.

Other Income and Other Losses, Net

Other income and other losses, net mainly represents impairment loss of property, plant and equipment and right-of-use assets of HK$33.7 million, fair value loss on investment properties of HK$17.7 million and loss on disposal of property, plant and equipment, net of HK$12.0 million.

Adjusted EBITDA (Segment Results)

For the year ended 31 March 2026, the Group's adjusted EBITDA amounted to HK$572.6 million (FY2024/25: HK$687.7 million), being the aggregate of segment results of Hong Kong and the Chinese Mainland, and representing a year-on-year decrease of 16.7%.

Adjusted EBITDA is defined as the Group's operating profit before fair value changes on investment properties, depreciation and amortisation (excluding depreciation for right-of-use assets – properties), impairment loss of property, plant and equipment and right-of-use assets, reversal of impairment loss of property, plant and equipment and right-of-use assets; and including finance cost of lease liabilities. This supplemental measure serves as a useful tool for management, as well as our shareholders and investors, to better understand and evaluate our operating results.

Income Tax Expense

Income tax expense decreased by 30.9% to HK$22.3 million (FY2024/25: HK$32.3 million).

Profit Attributable to Equity Holders

The Group's profit attributable to equity holders decreased by 29.5% to HK$164.1 million for the year ended 31 March 2026 (FY2024/25: HK$232.7 million), primarily due to a challenging market environment for the restaurant business in both Hong Kong and the Chinese Mainland.

Basic Earnings Per Share
The Group's basic earnings per share decreased by 29.3% to HK29 cents for the year ended 31 March 2026 (FY2024/25: HK41 cents).

Dividend
The Board has recommended the payment of a final dividend of HK30 cents per share to shareholders for the year ended 31 March 2026 (FY2024/25: HK25 cents). Together with the interim dividend of HK10 cents per share (FY2024/25: HK15 cents), the total dividend for the year will amount to HK40 cents per share (FY2024/25: HK40 cents), representing a total dividend payout ratio of 141.4% for the year.

BUSINESS REVIEW

As of 31 March 2026, the Group had a network of 375 stores in Hong Kong (31 March 2025: 381) and 195 stores in the Chinese Mainland (31 March 2025: 185).

Hong Kong Retail Operations

Quick Service Restaurants (QSR)
Revenue from the QSR division decreased by 5.9% to HK$4,821.6 million during FY2025/26 (FY2024/25: HK$5,121.3 million). **Café de Coral** fast food and **Super Super Congee & Noodles** recorded same store sales decline of 6% and 9%, respectively. The business operated 217 total shops at 31 March 2026 (31 March 2025: 224).

After taking quick and decisive action to stem the challenges experienced in the first half of the year, **Café de Coral** fast food narrowed its sales decline and returned to profit growth from the third quarter of the year under review through quality reinforcement, strategic value-perception offerings, adaptive menu strategy, as well as network optimisation.

Emphasising the importance of quality across its products, the business implemented extra training on core product recipes and standard operating procedures, as well as process and skill re-mapping to ensure consistency in execution. To deepen customers' emotional connection with our iconic Baked Pork Chop Rice, the business launched a large-scale brand promotion campaign, showcasing an ultimate pursuit of quality and a legacy of craftsmanship. From the secret sauce simmered with a strict selection of fruits and vegetables, to the distinct, fluffy grains of the egg fried rice, and the thick-cut, bone-in pork chop that is first pan-fried, deep-fried, and then baked — every single step of the process has been refined to perfection, creating an unforgettable classic flavor. The Group has officially applied to list this signature dish on the Hong Kong Intangible Cultural Heritage inventory, aiming to endow the product with deeper cultural value and solidify its status as an iconic Hong Kong delicacy.

Addressing changing consumer preferences, **Café de Coral** fast food continued to roll out value-focused promotions, including the "超值慳Gi選" series, affordable breakfast sets starting from HK$29 and lunch sets starting from HK$39, in order to appeal to value-conscious consumers and stimulate demand. The business' strategy extended beyond price-led competition to offering products with strong perceived value, catering to customers seeking both affordability and variety. Key promotions included a HK$79 value offer featuring half a catty of barbecued pork and a whole sand ginger chicken (沙薑雞), as well as a HK$99 set dinner comprising premium soup and signature dishes tailored for two-person households and small families. Promotional item add-ons also encouraged upselling and increased average order value. At the same time, **Café de Coral** fast food enriched its vegetarian menu, introducing the plant-based "pork chop" with pasta in pumpkin sauce, in addition to the original plant-based "meat sauce" pasta. To cater to the younger generation's preference for modern plant-based and high-protein diets, the business also expanded its selection of high-protein ingredients, such as chicken breast and salmon.

To drive market penetration and frequency of visits, **Café de Coral** fast food introduced dedicated menus to serve diners across different segments – such as children & students, white collar & working population, families, seniors and other new segments. With a special focus on younger customers, the business launched a new, social media-led breakfast campaign (“靚早要有”) in collaboration with celebrity influencer Egg Wong to specifically engage Gen Z audiences and promote the Hokkaido 3.6 Milk Scrambled Egg Breakfast Series. Simplified, yet flexible, menu offerings tailored to different categories of stores, local tastes, and neighbourhood competitors' offerings also yielded positive results.

The business optimised its store network to improve profit and quality foot traffic by closing underperforming stores and selectively expanding to new residential areas. We also continued to diversify shop sizes as part of our ongoing refinement of store formats and our portfolio mix. These changes helped the business to enhance operational efficiency and long-term returns by better aligning capacity with demand, strengthening quality of store locations and supporting sustainable growth in the current market environment.

Leveraging our substantial Club 100 membership base, which has reached 2.2 million members, the business enhanced the digital customer experience by upgrading our mobile app into a digital dining hub that integrates ordering, personalisation, loyalty and targeted communication; deepening member engagement to drive repeat sales and enhance stickiness. New features include one-tap re-ordering from favourite stores, recommended menu items, and a Simple Mode for seniors and first-time users; as well as AI-assisted identity verification to streamline onboarding. We also enhanced the Group's online platform, eatCDC.com, by improving the user interface and providing additional value-focused offers.

Although **Super Super Congee & Noodles** experienced an overall decline in business performance, the business concentrated on efforts to address local consumption and price competition in the market. Core product offerings were strengthened with a focus on higher-perceived-value ingredients, including upgraded congee offerings with new fish soup and fresh fish options; wontons for both in-store consumption and packaged for takeaway; as well as a new two-person claypot rice set meal to enrich the dinner menu – supported by our overarching quality campaign and marketing initiatives.

Café de Coral fast food and **Super Super Congee & Noodles** operated 168 stores and 49 stores, respectively, at the end of the financial year (31 March 2025: 174 and 50).

Casual Dining

Even though revenue decreased by 6.4% to HK$770.4 million (FY2024/25: HK$823.2 million), the Casual Dining business strengthened its profit contribution to the Group during the year, with promising brands spearheading some of the Group's more successful business models in the current market environment.

Oliver's Super Sandwiches successfully enhanced its image as a health-conscious lifestyle brand, launching a series of “Eat to Fit” menu items. These offerings feature high-protein, low-fat and low-carb options precisely catering to the needs of the new generation of young customers, which gained strong popularity amongst its target audience. Riding on this success, the brand will continue to strengthen its healthy brand image and develop new products along these lines.

At the same time, the brand expanded its digital strategy across different channels including Key Opinion Leaders and Micro Influencers, and is exploring further collaboration with new third-party platforms to expand its target audience. The brand's SUPERclub CRM programme has proven itself effective in new customer acquisition, as well as encouraging repeat purchases amongst existing club members.

Building on this success, **Oliver's Super Sandwiches** will continue to expand its store network with an emphasis on careful selection of shop locations. We are also launching a new takeaway store format featuring smaller, highly efficient shops.

Shanghai Lao Lao experienced the dual challenges of weak consumption amidst the local economic downturn and increasingly value-conscious consumers seeking the utmost value for money. The brand consolidated its shop network to enhance operational efficiency, while developing higher perceived value menus to attract customers. Exploring opportunities to serve wider and different segments, the brand launched a new, premium "筵•上海姥姥" concept. It is also planning to introduce a smaller store format emphasising lower CAPEX and higher profitability by focusing on dim sum and noodle offerings.

The business will continue to cautiously develop promising brands, while consolidating underperforming brands. The Casual Dining division operated 55 shops at the end of the financial year (31 March 2025: 57). **Oliver's Super Sandwiches** opened 3 stores during the year, ending the year with 21 stores (31 March 2025: 18). **Shanghai Lao Lao** opened 1 store and operated 10 shops at the end of the financial year (31 March 2025: 12). **The Spaghetti House** and **Mixian Sense** operated 5 stores and 16 shops, respectively, at the end of the financial year (31 March 2025: 6 and 18).

Institutional Catering

The Institutional Catering business continued to provide stable performance and contributions to the Group during the year under review, leveraging its market leadership position and its reputation as a preferred strategic partner. Revenue increased by 1.0% to HK$1,010.0 million (FY2024/25: HK$999.6 million).

Asia Pacific Catering applied strategic portfolio management to enhance profitability, balancing market share expansion with investment return. It successfully renewed major contracts and continued to add new contracts across the hospital, educational, government and public/private institutional sectors. During the year, the business signed contracts to operate all staff canteens at Hong Kong's main railway transportation provider, captured opportunities from development plans in the hospital sector, and also launched the first university-based Northwestern Chinese restaurant at The Hong Kong Polytechnic University. **Asia Pacific Catering** ended the year with 103 operating units (31 March 2025: 100).

Maintaining stable performance during the year, **Luncheon Star** enhanced its menus with more choices and premium ingredients, while also upgrading its production infrastructure and processes. The business engaged in ongoing joint activities with schools to drive awareness and engagement, including a seminar open to all primary schools focusing on food technology and product tasting – strengthening our professional image while increasing transparency and customer confidence.

Chinese Mainland Operations

Revenue from Chinese Mainland operations decreased by 2.3% to HK$1,460.5 million (FY2024/25: HK$1,495.2 million). Revenue from the South China fast food business decreased by 4.0% to RMB1,303.2 million, with same store sales decline of 9%.

The Chinese Mainland market was marked by weak demand, intensified industry competition and structural overcapacity, coupled with fierce price competition in the delivery platform sector, leading to increased price sensitivity amongst consumers and squeezed profit margins. This caused further decline in same store sales compared to the first half of the financial year. The Group immediately placed greater emphasis on premium products and high value-for-money offerings, and adjusted its business strategy to balance dine-in and takeaway sales by leveraging the top three delivery platforms in the market. These initiatives resulted in a recovery in performance during the fourth quarter.

Network expansion and optimisation efforts continued, with the closure of underperforming locations and expansion into promising regions. During the year, we opened 23 new stores – focusing on penetration into underserved 3rd and 4th tier cities and high-quality, untapped business districts. The Group also experimented with new business models featuring smaller sizes, lower capital expenditure investment and greater operational efficiency – including small shops in commercial districts focusing on takeaway and the launch of its first Hainanese Chicken specialty store. These strategic efforts allowed new stores opened during the year to perform better than historical levels, with considerably reduced break-even sales. As of 31 March 2026, the Group operated 195 stores in the Chinese Mainland (31 March 2025: 185), with 9 new stores in the pipeline.

The business enhanced its product strategy, concentrating on three main pillars: the Signature Product Strategy, which reinforces and refreshes signature brand products such as baked rice and sizzling plates; the Value Strategy, which caters to price-sensitive demand with breakfast takeaway options and weekday value sets; and the Health Strategy, which aims to capture wellness-driven demand with specially created dishes focusing on healthy aspects. The Group also maintained its proven intellectual property strategy with leading franchises including Jurassic World, Crayon Shin-chan and Doraemon, which attracted a broad customer base and generated significant social media traction while supporting promotional campaigns.

Continued efforts in digital transformation drove productivity and customer engagement with an enhanced customer experience, leveraging a cumulative membership base of over 8 million, further digitalisation of store operations, upgrades to the CRM system, and customer feedback handling via an internal digital platform. At the same time, combined strategic sourcing across Hong Kong and Chinese Mainland operations strengthened supply chains to accelerate product innovation, shorten product development cycles and enhance operational resilience – leading to further improvement in Group-wide margins.

During the year, the Group won various industry awards including the “25th IAI AWARDS - Excellence Awards 2025” and the “Red Eagle Awards of China’s Catering – 2025 Greater Bay Area Catering Benchmark Brand”. The Group was also selected as one of the “Top 50 Catering Chain Brands” and one of the “Top 20 Brands of Fast Food Chains”.

FINANCIAL REVIEW

Financial Position

The Group’s financial position remained healthy during the year under review. As of 31 March 2026, the Group had cash of approximately HK$1,115 million, with HK$932 million in available banking facilities. The Group’s current ratio as of the same date was 0.8 (31 March 2025: 0.8) and the cash ratio was 0.6 (31 March 2025: 0.6). The Group had borrowings of HK$225 million (31 March 2025: HK$305 million) and a gearing ratio of nil (ratio of total borrowing less cash and cash equivalents to total equity) (31 March 2025: nil).

Capital Expenditure and Commitment

During the year under review, the Group's capital expenditure (excluding right-of-use assets) was HK$243 million (FY2024/25: HK$294 million). As at 31 March 2026, the Group's outstanding capital commitments were HK$283 million (31 March 2025: HK$395 million).

Contingent Liabilities

As of 31 March 2026, the Company provided guarantees of approximately HK$1,331 million (31 March 2025: HK$1,281 million) to financial institutions in connection with banking facilities granted to its subsidiaries. The Group had no charge on assets as of 31 March 2026 (31 March 2025: nil).

Financial Risk Management

With regard to foreign exchange fluctuations, the Group earned revenue and incurred costs and expenses mainly denominated in Hong Kong Dollars, while those of our Chinese Mainland businesses were in Renminbi. Foreign currency exposure did not pose a significant risk for the Group, but we will remain vigilant and closely monitor our exposure to movements in relevant currencies.

HUMAN RESOURCES

As of 31 March 2026, the Group had a workforce of 17,444 employees (31 March 2025: 18,970).

The Group recognises that investing in our people is fundamental to building a sustainable and high-performing organisation. We maintain committed efforts in learning & development and robust succession planning. During the year, beyond Qualification Framework accredited programmes and traditional programmes, we launched a new series of "Business Breakthrough Strategy Workshops" for area and branch management across all business units to equip the team with critical skills to navigate complex business challenges. Annual Compliance Training continues for all staff to boost awareness and knowledge of various compliance topics, including corruption prevention, anti-discrimination and personal data protection, etc.

The Group has also kept enhancing human resources operations through continued digitalisation and process simplification, improving organisation efficiency and staff work experience. At the same time, we exercised vigilant oversight in addressing on-going regulatory changes in Hong Kong's employment landscape with implementation of timely measures, upholding our commitment to compliance and excellence in workforce management.

We regularly review internal pay equity and market benchmarking to ensure remuneration remains fair and competitive. Remuneration across all levels is determined based on individual experience, academic and professional qualifications, job scope, and assigned responsibilities. Eligible employees are entitled to participate in various incentive schemes, including profit-sharing bonuses, performance-based plans, and long-term incentive programmes, in recognition of their contributions and achievements.

The Group remains committed to supporting the families of our employees through the "Lo Tang Seong Educational Foundation", our flagship initiative underscoring our dedication to people sustainability. This year, the Foundation provided assistance to more than 220 children, reinforcing our mission to advance educational opportunities and empower the next generation. This year, over 1,200 employees across Hong Kong and the Chinese Mainland received the "Give Me Five" Long Service Award, recognising employees who have completed five or more years of service. We were especially proud to honour seven employees who completed 40 years of service, and one employee who has been with the Group for 45 years.

Our Staff Fun Club, led by passionate volunteers from our business units and departments, continues to host a variety of leisure activities, wellness workshops and social events, all aimed at strengthening staff engagement and supporting employee well-being.

Our ongoing commitment to cultivating a positive, safe and inclusive workplace that fosters both personal and professional growth continues to receive external market recognition. In FY2025/26, the Group was awarded the "Happy Company Label" by the Promoting Happiness Index Foundation and the Chinese Manufacturers' Association of Hong Kong for the seventh consecutive year. We were also honoured for the fifth consecutive year at the CTgoodjobs "Best HR Awards 2025", receiving a Gold Award for "Best Diversity, Equity & Inclusion Strategy" and the Grand Award for "Best Employee Health & Safety Programme". This year also marked our fourth consecutive "Employer of Choice Award" from JobMarket, accompanied by new awards for "Retention Strategy" and "Impactful Team-Building". In addition, we were proud to receive the "Age-Friendly Employer Award" from Happy-Retired Charity Action Limited, reaffirming our commitment to cultivating an inclusive and age-diverse workforce.

SUSTAINABILITY

The Group remains strongly committed to ESG (Environmental, Social and Governance) initiatives as a core component of our strategy and operations.

Our flagship Bon Appetit Café food assistance programme is the cornerstone of our Social programmes. In late November, the Group provided immediate relief to affected residents at Wang Fuk Court in Tai Po – the site of a Hong Kong's worst fire in recent history – offering HK$2 million in food aid through Bon Appetit Cards distributed to 2,000 impacted households. Internally, the Group, together with "Lo Tang Seong Educational Foundation", raised over HK$600,000 to support affected staff members.

Now in its second phase, this year's Bon Appetit Café programme focused on promoting inclusive dining. Working with three NGO partners – Neighbourhood Advice-Action Council (NAAC), Hong Kong Society for the Aged (SAGE) and Christian Family Service Centre (CFSC) – we distributed 18,000 soft-meal vouchers to the elderly and people with chewing or swallowing difficulties, enabling them to enjoy soft gourmet dishes offered by **Taste Joy** and **Shanghai Lao Lao**.

Since its launch, **Taste Joy** has expanded its range of soft foods with festive offerings. At the same time, **Shanghai Lao Lao** has become the first local catering brand to offer Shanghainese-style food under the HKCSS "Care Food" programme. These initiatives not only expand choice, but also enhance inclusivity in dining, bringing dignity and care to the elderly and those with swallowing difficulties, while providing them with enjoyable meals.

As part of this year's Bon Appetit Café kick-off event, a team of volunteers from the Group visited elderly homes under the umbrella of our three NGO partners, distributing around 2,000 soft Longevity Peach Buns, Pineapple Buns and Xiaolongbao to spread festive warmth and blessings during the Lantern Festival.

Committed to ESG principles across the value chain, we hosted our first Group Supplier ESG Workshop in Hong Kong with the participation of over 50 suppliers, creating a platform for shared learning, dialogue and updates on our ESG progress while fostering closer collaboration and higher standards amongst our supplier partners.

The Group's production plants in the Chinese Mainland have recently been upgraded with solar power generation systems to support daily operations, reducing carbon emissions and energy costs. Additionally, a new steam-condensate heat recovery system has been implemented to capture and repurpose treated water for cleaning irrigation and defrosting – turning previous waste into valuable resources.

In support of our Environmental goals, we launched a pilot "poon choi container recycling programme" at five designated **Café de Coral** outlets last year during the Mid-Autumn Festival, giving customers a HK$20 voucher to thank them for returning used containers to our stores. Following enthusiastic customer response, the programme has been rolled out to cover other festive occasions and expanded to 10 outlets – demonstrating our concern for the environment and our commitment to reducing waste.

In recognition of our efforts, the Group won the "Excellence in ESG Award – Listed Companies (Food and Beverage)" at the Ming Pao ESG Awards 2025; "Best ESG (E)" at the Hong Kong Investor Relations Association's 11th Investor Relations Awards 2025; the "Prestigious ESG Accomplishment of the Year", "Outstanding ESG Environmental Performance", "Outstanding ESG Social Performance", and "Outstanding ESG Corporate Governance Performance" Awards – as well as "ESG Commendation Certification" in the Outstanding ESG Enterprises Recognition Scheme 2025 organised by Sing Tao News Corporation and the Hong Kong Polytechnic University; and was named a 4-Star Low Carbon Restaurant at the "Q-Mark Low Carbon Restaurant Award" organised by the Federation of Hong Kong Industries. **Café de Coral** fast food was recognised as both Diamond Class and Gold Class Food Wise Eateries by the Environmental Protection Department; and also won a Silver Award at the "2024 Hong Kong Awards for Environmental Excellence – Restaurants" organised by the Environment and Ecology Bureau and the Environmental Campaign Committee.

Full details of our sustainability programmes can be found in the Group's Sustainability Report 2025/26.

OUTLOOK

As of the current moment, the outlook for the global economy remains extremely volatile with increasing geopolitical tension and an ongoing series of wars and conflicts, causing uncertainty over fuel, fertiliser and other critical commodities with significant spill-over effects on regional and local supply chains. We are keeping a close eye on the situation, and have developed contingency plans to mitigate any potential impacts on business and operations.

Closer to home, structural changes to local and regional markets have highlighted the need for greater agility and adaptability, which led the management team to revamp strategic business and operational models. After a challenging first half of the year, green shoots of recovery have begun to appear in our chosen markets of Hong Kong and the Greater Bay Area.

Moving forward, the Group's business in Hong Kong, in particular the fast food division, will continue to refine and update its business models to thrive in the evolving market environment. The Group is directing strong attention towards rationalisation and optimisation of its store network to descale for future growth – culling underperforming stores whilst identifying high potential locations to maximise overall performance. Smaller, more agile store formats are being rolled out to reduce investment outlays and accelerate return on investment.

The Chinese Mainland represents the major growth engine for the Group, despite challenging conditions in the current operating environment. We will continue to build on our "Authentic Hong Kong, Original Taste" slogan to differentiate and strengthen our brand, while focusing on adjustment of our business model and high quality network expansion to strive for steady, sustainable growth in this dynamic market.

Further investment into the Group's portfolio of businesses will solidify our foothold in the mass market, while leveraging promising growth in Casual Dining and Institutional Catering. As Hong Kong transitions into its new role in the regional and global economy, the Group stands ready to capitalise on future opportunities. We will also maintain a laser focus on driving growth, actively identifying and initiating high-potential opportunities for collaboration.

Internally, the Group will retain a strictly disciplined focus with relentless efforts on cost optimisation, streamlining corporate structure and maximising synergies, investment in technology to improve efficiency, and economies of scale between our Hong Kong and Chinese Mainland operations. We are keen to improve profitability from the inside out, enhancing margins to strengthen shareholder value.

Building on our leadership in the mass dining market, diversified business portfolio, strong financial position and continuously optimised operating strategies, the Group is well-equipped to achieve sustainable long-term growth by agilely adapting to market shifts and overcoming challenges, and consistently delivering high-quality dining experiences to customers in Hong Kong and the Chinese Mainland for many generations to come.

RESULTS

The audited consolidated results of Café de Coral Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 March 2026, together with comparative figures for the previous year, are as follows:

CONSOLIDATED INCOME STATEMENT
- BY FUNCTION OF EXPENSE
FOR THE YEAR ENDED 31 MARCH 2026

	Note	**2026** **HK$'000**	2025 *HK$'000*
Revenue	*6*	**8,183,143**	8,568,317
Cost of sales	*8*	**(7,408,288)**	(7,675,662)
Gross profit		**774,855**	892,655
Other income and other (losses)/gains, net	*7*	**(62,122)**	(73,276)
Administrative expenses	*8*	**(468,229)**	(494,493)
Operating profit		**244,504**	324,886
Finance income	*9*	**35,414**	46,652
Finance costs	*9*	**(91,291)**	(104,115)
Profit before income tax		**188,627**	267,423
Income tax expense	*10*	**(22,329)**	(32,312)
Profit for the year		**166,298**	235,111
Profit attributable to:			
Equity holders of the Company		**164,053**	232,744
Non-controlling interests		**2,245**	2,367
		166,298	235,111
		HK$	*HK$*
Earnings per share for profit attributable to the equity holders of the Company			
Basic	*11*	**0.29**	0.41
Diluted	*11*	**0.29**	0.40
		HK$'000	*HK$'000*
Dividends	*12*	**232,002**	232,002

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	2026 *HK$'000*	2025 *HK$'000*
Profit for the year	**166,298**	235,111
Other comprehensive income/(loss):		
Items that may be reclassified to profit or loss:		
Exchange differences arising from translation of foreign subsidiaries	**25,963**	(5,690)
Items that will not be reclassified to profit or loss:		
Remeasurement of retirement benefit liabilities and provision for long service payments	**(1,030)**	8,901
Fair value loss on financial assets at fair value through other comprehensive income	**(9,697)**	(35,720)
Total comprehensive income for the year	**181,534**	202,602
Total comprehensive income for the year attributable to:		
– Equity holders of the Company	**179,289**	200,235
– Non-controlling interests	**2,245**	2,367
	181,534	202,602

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	**As at 31 March 2026** *HK$'000*	As at 31 March 2025 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,359,301**	1,464,996
Right-of-use assets		**2,018,287**	2,159,044
Investment properties		**384,400**	402,100
Intangible assets		**1,104**	1,104
Deferred income tax assets		**142,516**	99,021
Financial assets at fair value through other comprehensive income		**29,089**	38,787
Retirement benefit assets		**10,746**	7,293
Non-current prepayments and deposits		**299,721**	307,271
		4,245,164	4,479,616
Current assets			
Inventories		**216,527**	220,637
Trade and other receivables	*13*	**108,583**	124,515
Prepayments and deposits	*13*	**71,338**	84,648
Current income tax recoverable		**13,793**	17,181
Cash and cash equivalents		**1,115,145**	1,053,633
		1,525,386	1,500,614
Total assets		**5,770,550**	5,980,230
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**58,000**	58,000
Share premium		**575,643**	575,643
Shares held for share award scheme		**(56,473)**	(72,000)
Other reserves		**549,270**	525,033
Retained earnings			
- Proposed dividends		**174,002**	145,001
- Others		**1,417,389**	1,500,609
		2,717,831	2,732,286
Non-controlling interests		**10,621**	12,450
Total equity		**2,728,452**	2,744,736

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	**As at 31 March 2026 *HK$'000***	As at 31 March 2025 *HK$'000*
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**64,332**	48,957
Provision for long service payments		**77,040**	63,722
Lease liabilities		**1,011,316**	1,093,324
Long-term borrowings		**-**	225,000
		1,152,688	1,431,003
Current liabilities			
Trade payables	*14*	**189,865**	204,567
Other creditors and accrued liabilities		**797,764**	764,916
Current income tax liabilities		**15,422**	19,022
Lease liabilities		**661,359**	735,986
Current portion of long-term borrowings		**225,000**	80,000
		1,889,410	1,804,491
Total liabilities		**3,042,098**	3,235,494
Total equity and liabilities		**5,770,550**	5,980,230
Net current liabilities		**(364,024)**	(303,877)
Total assets less current liabilities		**3,881,140**	4,175,739

Notes:

1 GENERAL INFORMATION

Café de Coral Holdings Limited (the "Company") was incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda with limited liability on 1 October 1990. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in operation of quick service restaurants, casual dining chains, institutional catering as well as food processing and distribution business in Hong Kong and the Chinese Mainland.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange").

These consolidated financial statements are presented in Hong Kong dollars (HK$), unless otherwise stated, and have been approved for issue by the Board of Directors on 15 June 2026.

2 BASIS OF PREPARATION

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.

The consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through other comprehensive income ("FVOCI") and defined benefit scheme plan assets, which are carried at fair value.

The preparation of 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 applying the Group's accounting policies.

As at 31 March 2026, the Group's current liabilities exceeded its current assets by HK$364,024,000 (2025: HK$303,877,000). Included in the current liabilities as at 31 March 2026 were current lease liabilities of HK$661,359,000 (2025: HK$735,986,000), which are related to the Group's leased restaurant premises and other operating locations and are expected to be settled over the relevant lease terms through cash flows generated from the Group's operations. In assessing the appropriateness of preparing the consolidated financial statements on a going concern basis, the directors have considered the Group's liquidity position, including cash and cash equivalents of HK$1,115,145,000 (2025: HK$1,053,633,000), cash flow generated from the Group's operations and the availability of banking facilities. In addition, the directors regularly review the liquidity position of the Group to ensure all covenants with banks are compiled with at all times. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3 ACCOUNTING POLICIES

3.1 Amended HKFRS Accounting Standards adopted by the Group

The Group has applied the following amended HKFRS Accounting Standards for the financial year commencing on 1 April 2025:

- Amendments to HKAS 21 and HKFRS 1 "Lack of exchangeability"

The adoption of these amended HKFRS Accounting Standards does not have any significant impact on the results and the financial position of the Group.

3.2 New and amended HKFRS Accounting Standards and interpretations not yet adopted by the Group

Certain new standards, amendments to accounting standards and interpretations have been published that are not mandatory for the financial year beginning on 1 April 2025 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

3 ACCOUNTING POLICIES (Continued)

3.2 New and amended HKFRS Accounting Standards and interpretations not yet adopted by the Group (Continued)

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The Group has commenced an assessment of the impact of these new and amended HKFRS Accounting Standards and interpretations, but is yet in a position to state whether they would have significant impacts on its results of operations and financial position.

4 FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no hedging activities are undertaken by the management.

(a) Foreign exchange risk

The Group mainly operates in Hong Kong and the Chinese Mainland and is exposed to foreign exchange risk from various currency exposures, primarily with respect to Chinese Renminbi ("RMB").

Management has a policy to require group companies to manage their foreign exchange risks against their respective functional currencies. It mainly includes managing the exposures arisen from sales and purchases made by relevant group companies in currencies other than their own functional currencies. The Group also manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposure. The Group has not used any hedging arrangement to hedge its foreign exchange risk exposure.

Certain bank balances of companies of the Group in Hong Kong are denominated in US dollars. As HK$ is pegged to US dollar, the foreign exchange risk is considered as minimal. Except the aforesaid, the assets and liabilities of each company within the Group are mainly denominated in the respective company's functional currency, the directors are of the opinion that the Group's volatility of its profits against changes in exchange rates of foreign currencies would not be significant.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(b) Interest rate risk

The Group has no significant interest-bearing assets except for bank deposits and bank borrowings, the income and operating cash flows of which are substantially independent of changes in market interest rates.

Interest rate risk mainly arises from bank deposits and bank borrowings at variable interest rates which are subject to cash flow interest rate risk.

As at 31 March 2026, if interest rates had been increased/decreased by 0.5% with all other variables held constant, the Group's profit for the year would have been decreased/increased by HK$939,000 (2025: HK$1,273,000) and increased/decreased by HK$1,509,000 (2025: HK$1,139,000) respectively, as a result of the changes in the interest expenses on bank borrowings and interest income on bank deposits.

(c) Price risk

The Group is exposed to securities price risk because investments held by the Group are classified on the consolidated statement of financial position as financial assets at FVOCI. The Group has not mitigated its price risk arising from these financial assets.

For the Group's financial assets that are publicly traded, the fair value is determined with reference to quoted market prices. For the Group's financial assets that are not publicly traded, the Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the reporting date.

As at 31 March 2026, if the price of the listed equity securities (financial assets at FVOCI) had increased/decreased by 10% with all other variables being held constant, the Group's FVOCI investment reserve would have increased/decreased by HK$2,909,000 (2025: HK$3,879,000).

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(d) Credit risk

(i) Risk management

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, deposits with bank and financial institutions, as well as credit exposures to customers and debtors, including trade and other receivables.

Credit risk is managed on a group basis. Majority of the Group's bank balances and deposits are placed in banks and financial institutions which are independently rated with investment grade credit rating (Moody's: Baa3 or above; Standard & Poor's: BBB- or above; Fitch: BBB- or above). Management does not expect any losses from non-performance by these banks and financial institutions as they have no default history in the past. Therefore, expected credit loss rate of cash at bank is assessed to be nominal and no provision was made as at 31 March 2026 and 31 March 2025.

The credit quality of the landlords is assessed based on the financial position of the landlords as well as past experience of the Group in dealing with the respective landlords. The Group has policies in place to ensure rental deposits are placed to landlords with appropriate credit histories and credit terms are granted to reliable debtors. The Group's historical experience in collection of deposits and other receivables falls within the recorded allowance and the directors are of the opinion that expected credit loss rate of these balances is nominal and no provision was made as at 31 March 2026 and 31 March 2025.

There is no concentration of credit risk as the Group's bank balances and deposits are deposited in over ten financial institutions with investment grade credit ratings, and the Group has a large number of counterparties for rental deposits, trade and other receivables. Management does not expect any losses from non-performance by these financial institutions and counterparties.

(ii) Impairment of financial assets

The Group has three main types of financial assets that are subject to the expected credit loss model:

(1) Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, as all financial institutions are rated with investment grade credit rating, the identified impairment loss was immaterial.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(d) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

(2) Trade receivables

Trade receivables of the Group are subject to the expected credit loss model. The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on the nature of customer accounts, shared credit risk characteristics and the days past due.

The expected loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the common credit risk characteristics. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the GDP and the fixed investment growth rate of Hong Kong and the Chinese Mainland to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On the basis, expected loss rate of trade receivables is assessed to be close to zero, as at 31 March 2026 and 31 March 2025. In respect of trade receivables, the loss allowance as at 31 March 2026 and 31 March 2025 was determined as follows:

31 March 2026	**0 – 30 days** *HK$'000*	**31 – 60 days** *HK$'000*	**61 – 90 days** *HK$'000*	**91 – 365 days** *HK$'000*	**Over 365 days** *HK$'000*	**Total** *HK$'000*
Gross carrying amount						
– Trade receivables	**38,304**	**8,420**	**3,231**	**2,541**	**106**	**52,602**
Loss allowance	**-**	**-**	**-**	**(28)**	**(106)**	**(134)**

31 March 2025	0 – 30 days *HK$'000*	31 – 60 days *HK$'000*	61 – 90 days *HK$'000*	91 – 365 days *HK$'000*	Over 365 days *HK$'000*	Total *HK$'000*
Gross carrying amount						
– Trade receivables	41,645	9,491	3,483	3,321	237	58,177
Loss allowance	-	-	-	(49)	(237)	(286)

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(d) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

(2) Trade receivables (Continued)

A credit-impaired financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due or it becomes probable the counterparty will enter bankruptcy. A default on a financial asset is when the counterparty fails to make contractual payments within 120 days of when they fall due. Trade and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(3) Other financial assets measured at amortised costs (including deposits and other receivables)

Other financial assets at amortised costs include the deposits and other receivables excluding prepayments. The credit quality of other financial assets at amortised costs has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. Other financial assets at amortised costs are considered to be low credit risk where they have a low risk of default and the counterparties have strong capacities to meet their contractual cashflow obligations in the near term. Management compares the risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition and considers that their credit risks have not increased significantly since initial recognition. Management is of the opinion that the risk of default by these counterparties is not significant and does not expect any losses from non-performance by the counterparties. Therefore, expected credit loss rate of the other financial assets at amortised costs is assessed to be nominal and no provision was made as at 31 March 2026 and 31 March 2025.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(e) Liquidity risk

Prudent liquidity risk management, after considering the expected market conditions, implies maintaining sufficient cash and the availability of funding through an adequate amount of available credit facilities. The Group continues to maintain a healthy net cash position by keeping credit lines available and to maintain flexibility in future funding. As at 31 March 2026, the Group had total banking facilities amounting to HK$1,330,692,000 (2025: HK$1,280,660,000) of which HK$398,241,000 were utilised (2025: HK$467,642,000). As at 31 March 2026, the Group had available unutilised banking facilities of HK$932,451,000 (2025: HK$813,018,000).

The Group's primary cash requirements are payments for trade payables, other creditors and accrued liabilities and operating expenses. The Group mainly finances its working capital requirements through internal resources and borrowings from financial institutions.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

	Within one year or on demand	Between one and two years	Between two and five years	More than five years	Total undiscounted cash flows
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2026					
Trade payables	**189,865**	**-**	**-**	**-**	**189,865**
Other creditors and accrued liabilities (excluding non-financial liabilities)	**512,226**	**-**	**-**	**-**	**512,226**
Lease liabilities	**721,914**	**484,104**	**556,210**	**41,069**	**1,803,297**
Bank borrowings	**229,196**	**-**	**-**	**-**	**229,196**
	1,653,201	**484,104**	**556,210**	**41,069**	**2,734,584**

	Within one year or on demand	Between one and two years	Between two and five years	More than five years	Total undiscounted cash flows
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2025					
Trade payables	204,567	-	-	-	204,567
Other creditors and accrued liabilities (excluding non-financial liabilities)	515,411	-	-	-	515,411
Lease liabilities	799,639	510,691	589,399	68,458	1,968,187
Bank borrowings	92,432	230,610	-	-	323,042
	1,612,049	741,301	589,399	68,458	3,011,207

4 FINANCIAL RISK MANAGEMENT (Continued)

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

During the year ended 31 March 2026, the Group monitor capital on basis of gearing ratio, which is calculated based on total borrowings less cash and cash equivalents divided by total equity.

As at 31 March 2026 and 31 March 2025, as the Group is in a net cash position of HK$890,145,000 and HK$748,633,000 respectively, management considers that the Group's capital risk is minimal.

4.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The difference levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial assets that are measured at fair value at 31 March 2026:

	Level 1 *HK$'000*	Total *HK$'000*
Assets		
Financial assets at fair value through other comprehensive income		
– Listed equity investments *	**29,089**	**29,089**

The following table presents the Group's financial assets that are measured at fair value at 31 March 2025:

	Level 1 *HK$'000*	Total *HK$'000*
Assets		
Financial assets at fair value through other comprehensive income		
– Listed equity investments *	38,787	38,787

* Amount mainly represented the equity investment in Tao Heung Holdings Limited.

4 FINANCIAL RISK MANAGEMENT (Continued)

4.3 Fair value estimation (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying values less loss allowance of trade and other receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. There were no transfers between level 1, 2 and 3 during the year.

5 SEGMENT INFORMATION

The Group is principally engaged in the operation of quick service restaurants, casual dining chains, institutional catering, as well as food processing and distribution business.

The chief operating decision maker ("CODM") of the Group has been identified as a group of senior executive management that makes strategic decisions. The CODM reviews the Group's internal reporting in order to allocate resources amongst different segments, and assesses the business principally from a geographical perspective, including Hong Kong and the Chinese Mainland. Segment results ("Adjusted EBITDA") as presented below represent operating profit excluding fair value changes on investment properties, depreciation and amortisation (excluding depreciation for right-of-use assets – properties), impairment loss of property, plant and equipment and right-of-use assets, reversal of impairment loss of property, plant and equipment and right-of-use assets; and including finance cost of lease liabilities.

5 SEGMENT INFORMATION (Continued)

Segment information of the Group for the current year and comparative figures are as follows:

	Hong Kong *HK$'000*	Chinese Mainland *HK$'000*	Group *HK$'000*
Year ended 31 March 2026			
Total segment revenue	**6,729,812**	**1,557,781**	**8,287,593**
Inter-segment revenue *(Note i)*	**(7,249)**	**(97,201)**	**(104,450)**
Revenue (from external revenue) *(Note ii)*	**6,722,563**	**1,460,580**	**8,183,143**
Represented by timing of revenue recognition:			
- At a point in time	**6,694,425**	**1,460,557**	**8,154,982**
- Over time	**3,321**	**8**	**3,329**
	6,697,746	**1,460,565**	**8,158,311**
Revenue arising from operating lease within the scope of HKFRS 16	**24,817**	**15**	**24,832**
	6,722,563	**1,460,580**	**8,183,143**
Segment results *(Note iii)*	**451,217**	**121,366**	**572,583**
Depreciation and amortisation (excluding depreciation of right-of-use assets – properties)	**(284,462)**	**(74,342)**	**(358,804)**
Fair value loss on investment properties	**(17,700)**	**-**	**(17,700)**
Impairment loss of property, plant and equipment	**(12,407)**	**(1,027)**	**(13,434)**
Impairment loss of right-of-use assets	**(19,963)**	**(303)**	**(20,266)**
Finance income	**33,892**	**1,522**	**35,414**
Finance cost on bank borrowings	**(9,166)**	**-**	**(9,166)**
Income tax expense	**12,580**	**(34,909)**	**(22,329)**

5 SEGMENT INFORMATION (Continued)

	Hong Kong *HK$'000*	Chinese Mainland *HK$'000*	Group *HK$'000*
Year ended 31 March 2025			
Total segment revenue	7,079,885	1,601,184	8,681,069
Inter-segment revenue *(Note i)*	(6,794)	(105,958)	(112,752)
Revenue (from external revenue) *(Note ii)*	7,073,091	1,495,226	8,568,317
Represented by timing of revenue recognition:			
- At a point in time	7,042,220	1,495,203	8,537,423
- Over time	5,326	8	5,334
	7,047,546	1,495,211	8,542,757
Revenue arising from operating lease within the scope of HKFRS 16	25,545	15	25,560
	7,073,091	1,495,226	8,568,317
Segment results *(Note iii)*	525,090	162,567	687,657
Depreciation and amortisation (excluding depreciation of right-of-use assets – properties)	(303,057)	(75,416)	(378,473)
Fair value loss on investment properties	(38,200)	-	(38,200)
Reversal of impairment loss of right-of-use assets	1,920	-	1,920
Impairment loss of property, plant and equipment	(8,771)	(2,811)	(11,582)
Impairment loss of right-of-use assets	(22,458)	-	(22,458)
Finance income	44,369	2,283	46,652
Finance cost on bank borrowings	(18,093)	-	(18,093)
Income tax expense	(22,073)	(10,239)	(32,312)

(i) Inter-segment transactions were entered into in the normal course of business.

(ii) The Group has a large number of customers. For the years ended 31 March 2026 and 2025, no revenue was derived from transactions with a single external customer representing 10% or more of the Group's total revenue.

5 SEGMENT INFORMATION (Continued)

(iii) Information of segment results

The following items are included in the measure of segment results reviewed by the CODM of the Group:

	Hong Kong HK$'000	Chinese Mainland HK$'000	Group HK$'000
Year ended 31 March 2026			
Depreciation – right-of-use assets – properties	**666,146**	**117,404**	**783,550**
Finance cost of lease liabilities	**63,310**	**18,815**	**82,125**
Year ended 31 March 2025			
Depreciation – right-of-use assets – properties	694,983	116,279	811,262
Finance cost of lease liabilities	65,706	20,316	86,022

Reconciliation of total segment results to total profit before income tax is as follows:

	2026 *HK$'000*	2025 *HK$'000*
Segment results	**572,583**	687,657
Depreciation and amortisation (excluding depreciation of right-of-use assets – properties)	**(358,804)**	(378,473)
Fair value loss on investment properties	**(17,700)**	(38,200)
Reversal of impairment loss of right-of-use assets	**-**	1,920
Impairment loss of property, plant and equipment	**(13,434)**	(11,582)
Impairment loss of right-of-use assets	**(20,266)**	(22,458)
Finance income	**35,414**	46,652
Finance cost on bank borrowings	**(9,166)**	(18,093)
Profit before income tax	**188,627**	267,423

5 SEGMENT INFORMATION (Continued)

	Hong Kong *HK$'000*	Chinese Mainland *HK$'000*	Group *HK$'000*
As at 31 March 2026			
Segment assets	**4,497,764**	**1,087,388**	**5,585,152**
Year ended 31 March 2026			
Segment assets include:			
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**707,661**	**177,538**	**885,199**
As at 31 March 2025			
Segment assets	4,716,035	1,109,206	5,825,241
Year ended 31 March 2025			
Segment assets include:			
Additions to non-current assets (other than financial instruments and deferred income tax assets)	796,152	207,314	1,003,466

As at 31 March 2026, the Group's non-current assets (other than financial instruments and deferred income tax assets) that are located in Hong Kong and the Chinese Mainland amounted to HK$3,290,046,000 (2025: HK$3,544,509,000) and HK$783,513,000 (2025: HK$797,299,000) respectively.

	As at 31 March 2026 ***HK$'000***	As at 31 March 2025 *HK$'000*
Total segment assets	**5,585,152**	5,825,241
Deferred income tax assets	**142,516**	99,021
Financial assets at fair value through other comprehensive income	**29,089**	38,787
Current income tax recoverable	**13,793**	17,181
Total assets	**5,770,550**	5,980,230

6 REVENUE

	2026	2025
	HK$'000	*HK$'000*
Sales of food and beverages	**8,091,324**	8,479,060
Rental income	**24,832**	25,560
Management and service fee income	**3,329**	5,334
Sundry income	**63,658**	58,363
	8,183,143	8,568,317

7 OTHER INCOME AND OTHER (LOSSES)/GAINS, NET

	2026	2025
	HK$'000	*HK$'000*
Dividend income from listed equity investments	**-**	3,062
Fair value loss on investment properties	**(17,700)**	(38,200)
Loss on disposal of property, plant and equipment, net	**(11,950)**	(8,240)
Reversal of impairment loss of right-of-use assets	**-**	1,920
Impairment loss of property, plant and equipment	**(13,434)**	(11,582)
Impairment loss of right-of-use assets	**(20,266)**	(22,458)
Government subsidies	**1,228**	2,222
	(62,122)	(73,276)

8 EXPENSES BY NATURE

Expenses included in cost of sales and administrative expenses are analysed as follows:

	2026	2025
	HK$'000	*HK$'000*
Cost of raw materials and packing	**2,241,227**	2,329,045
Amortisation of intangible assets	**-**	12
Depreciation		
- property, plant and equipment	**338,144**	357,810
- leasehold land and land use rights classified as right-of-use assets	**20,660**	20,651
- right-of-use assets — properties	**783,550**	811,262
Expenses relating to:		
- short-term leases	**57,067**	39,055
- variable lease payments not included in lease liabilities	**47,495**	59,517
Gain on modification and termination of leases *	**(13,427)**	(7,383)
Exchange (gains)/losses, net	**(1,080)**	1,438
Employee benefit expenses (excluding share-based compensation expenses)	**2,816,217**	2,907,663
Share-based compensation expenses	**26,546**	38,482
Auditor's remuneration		
- audit services	**3,450**	3,257
- non-audit services	**892**	1,669
Electricity, water and gas	**426,968**	438,620
Advertising	**78,492**	83,041
(Reversal of)/provision for loss allowance on trade receivables (Note 13)	**(152)**	203
Sanitation	**128,941**	130,659
Repairs and maintenance	**140,671**	146,725
Building management fee, air conditioning and rates	**244,986**	246,313
Delivery expense	**86,495**	90,023
Insurance	**33,305**	29,073
Other expenses	**416,070**	443,020
	7,876,517	8,170,155
Representing:		
Cost of sales	**7,408,288**	7,675,662
Administrative expenses	**468,229**	494,493
	7,876,517	8,170,155

* During the year ended 31 March 2026, the Group recognised gain of HK$13,427,000 (2025: HK$7,383,000) as a result of lease modifications, including changes of lease terms, changes of lease payments or the assessment of options to extend the leases, where applicable.

9 FINANCE INCOME AND FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Finance income	**35,414**	46,652
Finance cost of lease liabilities	**(82,125)**	(86,022)
Finance cost on bank borrowings	**(9,166)**	(18,093)
Finance costs	**(91,291)**	(104,115)
Finance costs, net	**(55,877)**	(57,463)

10 INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until year 2035. Hong Kong profits tax has been provided for at the rate of 8.25% (2025: 8.25%) on the estimated assessable profits up to HK$2,000,000 (2025: HK$2,000,000) and 16.5% (2025: 16.5%) on any part of estimated assessable profit over HK$2,000,000 (2025: HK$2,000,000) for the year ended 31 March 2026.

Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

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

	2026	2025
	HK$'000	*HK$'000*
Current income tax:		
- Hong Kong profits tax	**31,452**	32,675
- Chinese Mainland taxation	**12,103**	15,106
Deferred income tax relating to the origination and reversal of temporary differences	**(27,642)**	(16,761)
Under-provision in prior years	**6,416**	1,292
	22,329	32,312

10 INCOME TAX EXPENSE (Continued)

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

	2026	2025
	HK$'000	*HK$'000*
Profit before income tax	**188,627**	267,423
Calculated at a taxation rate of 16.5% (2025: 16.5%)	**31,123**	44,124
Effect of different taxation rates in other territories	**(339)**	3,244
Income not subject to taxation	**(17,813)**	(15,746)
Expenses not deductible for taxation purposes	**16,339**	12,368
Recognition/utilisation of previously unrecognised temporary difference/tax losses	**(36,502)**	(27,396)
Tax losses not recognised	**23,302**	15,180
Under-provision in prior years	**6,416**	1,292
Others	**(197)**	(754)
Taxation charge	**22,329**	32,312

11 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company for share award schemes.

	2026	2025
Profit attributable to equity holders of the Company *(HK$'000)*	**164,053**	232,744
Weighted average number of ordinary shares in issue *('000)*	**572,374**	574,594
Basic earnings per share	**HK$0.29**	HK$0.41

11 EARNINGS PER SHARE (Continued)

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue during the year (excluding the ordinary shares purchased by the Company under the share award schemes) with the weighted average number of ordinary shares deemed to be issued assuming the dilutive impact on the share options and shares under the share award schemes.

	2026	2025
Profit attributable to equity holders of the Company *(HK$'000)*	**164,053**	232,744
Weighted average number of ordinary shares in issue *('000)*	**572,374**	574,594
Adjustment for share award schemes *('000)*	**2,946**	2,946
	575,320	577,540
Diluted earnings per share	**HK$0.29**	HK$0.40

12 DIVIDENDS

	2026 *HK$'000*	2025 *HK$'000*
Interim dividend paid: HK10 cents (2025: HK15 cents) per ordinary share	**58,000**	87,001
Final dividend, proposed, of HK30 cents (2025: HK25 cents) per ordinary share	**174,002**	145,001
	232,002	232,002

A final dividend of HK30 cents (FY2024/25: HK25 cents) per ordinary share in respect of the year ended 31 March 2026 was proposed. Such final dividend is subject to approval by the shareholders at the upcoming annual general meeting. These financial statements do not reflect this dividend payable.

13 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	As at 31 March 2026 *HK$'000*	As at 31 March 2025 *HK$'000*
Trade and other receivables		
Trade receivables	**52,602**	58,177
Less: Loss allowance	**(134)**	(286)
Trade receivables – net *(Note a)*	**52,468**	57,891
Other receivables *(Note b)*	**56,115**	66,624
	108,583	124,515
Prepayments and deposits		
Prepayments	**70,637**	84,171
Deposits	**701**	477
	71,338	84,648

(a) The Group's sales to customers are mainly on a cash basis. The Group also grants a credit period between 30 to 90 days to certain customers for the provision of the Group's institutional catering services, sales of merchandise for the Group's food manufacturing business.

(b) Other receivables primarily comprise value-added tax recoverable and receivable from a security logistic company.

The ageing analysis of trade receivables is as follows:

	As at 31 March 2026 *HK$'000*	As at 31 March 2025 *HK$'000*
0 – 30 days	**38,304**	41,645
31 – 60 days	**8,420**	9,491
61 – 90 days	**3,231**	3,483
91 – 365 days	**2,541**	3,321
Over 365 days	**106**	237
	52,602	58,177

14 TRADE PAYABLES

The ageing analysis of trade payables is as follows:

	As at 31 March 2026	As at 31 March 2025
	HK$'000	*HK$'000*
0 – 30 days	**187,472**	201,839
31 – 60 days	**1,880**	2,216
61 – 90 days	**136**	318
Over 90 days	**377**	194
	189,865	204,567

15 COMMITMENTS

The Group had the following capital commitments:

	As at 31 March 2026	As at 31 March 2025
	HK$'000	*HK$'000*
Acquisition of property, plant and equipment		
Authorised and contracted for	**26,494**	25,104
Authorised but not contracted for	**256,845**	369,729
	283,339	394,833

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK30 cents per share for the year ended 31 March 2026 (FY2024/25: HK25 cents). The proposed final dividend is subject to approval by the shareholders of the Company at the annual general meeting ("AGM") to be held on 19 August 2026, and will be paid on 4 September 2026 upon shareholders' approval.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determination of eligibility to attend and vote at the AGM (or at any adjournment or postponement thereof), and entitlement to the final dividend, the Register of Members of the Company will be closed as set out below:

(i) For determining eligibility to attend and vote at the AGM:

- Latest time to lodge transfer documents	4:30 pm on 13 August 2026 (Thursday)
- Closure of the Register of Members	14 August 2026 (Friday) to 19 August 2026 (Wednesday) (both dates inclusive)
- Record date	19 August 2026 (Wednesday)
- AGM	19 August 2026 (Wednesday)

(ii) For determining entitlement to the final dividend:

- Latest time to lodge transfer documents	4:30 pm on 25 August 2026 (Tuesday)
- Closure of the Register of Members	26 August 2026 (Wednesday)
- Record date	26 August 2026 (Wednesday)
- Payment of dividend	4 September 2026 (Friday)

During the above closure periods, no transfer of shares of the Company will be registered. To be eligible to attend and vote at the AGM (or at any adjournment or postponement thereof), and/or to qualify for the final dividend, 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, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than the relevant latest time set out above.

CORPORATE GOVERNANCE

The Board and management aspire to a high standard of corporate governance, and constantly strive for creating long-term sustainable growth for the shareholders of the Company as well as delivering long-term values to all stakeholders on the foundation of an effective corporate governance framework.

The Group's corporate governance framework and practices adhere to the principles of the Corporate Governance Code (the "CG Code") set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). For the year ended 31 March 2026, the Company complied with all code provisions as set out in the CG Code and adopted the recommended best practices of the CG Code insofar as they are relevant and practicable.

Details of the Company's corporate governance practices are set out in the Corporate Governance Report which will be included in the Company's Annual Report for the year ended 31 March 2026.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company is set up by the Board with specific terms for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal control. It currently comprises three independent non-executive directors and two non-executive directors of the Company. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 March 2026 with management and the Company's auditor, PricewaterhouseCoopers ("PwC").

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in this results announcement have been agreed by PwC to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PwC in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC on this results announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 March 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed the Company's listed securities, except that the trustee of the Company's 2023 Share Award Scheme purchased on the Hong Kong Stock Exchange a total of 2,852,832 shares of the Company at a total consideration of about HK$19.7 million to satisfy the award of shares to selected participants pursuant to the terms of the rules and trust deed of the scheme.

By order of the Board
Lo Hoi Kwong, Sunny
Chairman

Hong Kong, 15 June 2026

As at the date of this announcement, the Board comprises Mr Lo Hoi Kwong, Sunny (Chairman), Ms Lo Pik Ling, Anita, Mr Chan Yue Kwong, Michael and Mr Hui Tung Wah, Samuel as non-executive directors; Mr Kwok Lam Kwong, Larry, Mr Au Siu Cheung, Albert, Ms Fang Suk Kwan, Katherine and Mr Lee Sai Yin, Patrick as independent non-executive directors; and Mr Lo Tak Shing, Peter and Mr Lo Ming Shing, Ian as executive directors.