VEEKO INTERNATIONAL HOLDINGS LIMITED
威高國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1173)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2026

ANNUAL RESULTS

The board of directors (the "**Board**") of Veeko International Holdings Limited (the "**Company**") presented the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31st March, 2026 together with the comparative figures for the previous corresponding year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March, 2026

		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**420,687**	481,484
Cost of goods sold		**(227,132)**	(260,316)
Gross profit		**193,555**	221,168
Other income and gains, net	*4*	**8,289**	15,161
Selling and distribution costs		**(173,695)**	(206,319)
Administrative expenses		**(62,274)**	(67,327)
Change in fair value of investment properties, net		**(42,025)**	(40,918)

	Notes	2026 *HK$'000*	2025 *HK$'000*
Impairment of property, plant and equipment		**–**	(482)
Impairment of right-of-use assets		**(1,076)**	(5,495)
Finance costs		**(28,530)**	(39,781)
Loss before tax	*6*	**(105,756)**	(123,993)
Income tax credit/(expense)	*5*	**227**	(774)
Loss for the year		**(105,529)**	(124,767)
Other comprehensive (loss)/income for the year			
Item that will not be reclassified subsequently to profit or loss			
Gain on revaluation of properties, net of deferred tax		**16,168**	1,606
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		**6,361**	(963)
Other comprehensive income for the year		**22,529**	643
Total comprehensive loss for the year		**(83,000)**	(124,124)
Loss per share attributable to ordinary equity holders of the parent	*8*		
– Basic (in HK cents)		**(4.191)**	(4.955)
– Diluted (in HK cents)		**(4.191)**	(4.955)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st March, 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current Assets			
Investment properties		**493,327**	513,552
Property, plant and equipment		**7,507**	16,002
Right-of-use assets		**68,733**	89,929
Rental deposits paid		**6,166**	9,559
Total Non-current Assets		**575,733**	629,042
Current Assets			
Inventories		**91,436**	120,605
Trade receivables	*10*	**1,560**	1,957
Prepayments and other receivables	*9*	**7,362**	8,740
Rental and utility deposits paid		**21,092**	25,287
Tax recoverable		**30**	126
Pledged deposits		**11,074**	13,070
Cash and cash equivalents		**16,537**	13,126
		149,091	182,911
Assets classified as held for sale		**11,205**	–
Total Current Assets		**160,296**	182,911
Current Liabilities			
Trade payables	*11*	**29,064**	23,555
Other payables and accruals	*12*	**47,078**	36,114
Rental deposits received		**1,833**	927
Interest-bearing bank borrowings		**192,497**	178,095
Lease liabilities		**48,044**	64,544
Provision		**329**	329
Tax payable		**296**	311
Total Current Liabilities		**319,141**	303,875
Net Current Liabilities		**(158,845)**	(120,964)
Total Assets Less Current Liabilities		**416,888**	508,078

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Non-current Liabilities			
Other payables	*12*	**1,753**	2,369
Other borrowings	*13*	**346,450**	369,100
Rental deposits received		**1,132**	1,803
Deferred tax liabilities		**22,147**	18,071
Lease liabilities		**26,529**	37,458
Total Non-current Liabilities		**398,011**	428,801
Net Assets		**18,877**	79,277
Equity			
Share capital		**25,180**	25,180
Reserves		**(6,303)**	54,097
Total Equity		**18,877**	79,277

Notes:

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties 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.

Going concern basis

During the year ended 31st March, 2026, the Group incurred a net loss of HK$105,529,000 and, as of that date, the Group's current liabilities exceeded its current assets by HK$158,845,000.

As at 31st March, 2026, the Group's interest-bearing bank borrowings due within one year or contain a repayable on demand clauses amounted of HK$192,497,000. As at 31st March, 2026, the Group had cash and cash equivalents of HK$16,537,000.

In view of the above circumstances, the directors have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

The directors of the Company have reviewed the Group's cash flow projection prepared by management, which includes revenue and expenditure growth of the business, working capital needs and, the continuing renewal of the banking facilities.

In the opinion of directors of the Company, the Group will have adequate funds available to enable it to operate as a going concern after taking into the following:

(i) on-going negotiation for renewal of existing banking facilities and external financing, including but not limited to, obtaining further banking facilities;

(ii) negotiation with its landlords for rental reductions for retail stores;

(iii) identification of opportunities in realisation of certain assets of the Group; and

(iv) identification of mitigating actions that could be taken to further reduce cash expenditure and meet operating cashflow.

The directors of the Company are of the opinion that, after taking into account the measures implemented or being implemented, the Group will have sufficient working capital to finance its operation and to meet its financial obligations for at least the next twelve months from 31st March, 2026. Accordingly, the directors of the Company believe it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31st March, 2026 on a going concern basis.

Whether the Group will be able to generate adequate cash flows to continue as a going concern would depend on the successful outcome of the above measures.

Should the going concern assumption be inappropriate, adjustments may have to be made to write down the values of assets to their recoverable amounts, to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these consolidated financial statements.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statement. The Group has not early adopted any other standard or amendment that has been issued but not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

3. SEGMENT INFORMATION

For the year ended 31st March, 2026

Disaggregation of revenue from contracts with customers

	Cosmetics *HK$'000*	**Fashion** *HK$'000*	**Total** *HK$'000*
Types of goods			
Sale of cosmetics	**307,969**	**–**	**307,969**
Manufacture and sale of ladies fashion	**–**	**112,718**	**112,718**
Total	**307,969**	**112,718**	**420,687**
Timing of revenue recognition			
At point in time	**307,969**	**112,718**	**420,687**
Geographical markets			
Hong Kong and Macau	**307,969**	**112,718**	**420,687**

For the year ended 31st March, 2025

Disaggregation of revenue from contracts with customers

	Cosmetics *HK$'000*	Fashion *HK$'000*	Total *HK$'000*
Types of goods			
Sale of cosmetics	350,815	–	350,815
Manufacture and sale of ladies fashion	–	130,669	130,669
Total	350,815	130,669	481,484
Timing of revenue recognition			
At point in time	350,815	130,669	481,484
Geographical markets			
Hong Kong and Macau	350,815	130,669	481,484

For sales of cosmetics products and ladies fashion to retail customers, revenue is recognised when control of the goods has been transferred, being at the point when the customer purchases the goods at the retail stores. Payment of the transaction price is due immediately at the point when the customer purchases the goods. For sales of ladies fashion to retail customers through sales counters in department stores, the normal credit term is 30 to 60 days upon the customer purchases the goods.

There are no transaction prices allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

Segment information

Information reported to the executive directors of the Company, being the chief operating decision makers ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. The information reported to the CODM is further categorised into different retail stores within Hong Kong and Macau, each of which is considered as a separate operating segment by the CODM. For segment reporting, these individual operating segments have been aggregated into a single reportable segment. The Group has presented the following two reportable segments:

(a) the cosmetics segment engages in the sales of cosmetics; and

(b) the fashion segment engages in manufacture and sale of ladies fashion.

The accounting policies of the operating segments are the same as the Group's material accounting policies.

Segment performance is evaluated based on reportable segment loss, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except the change in fair value of investment properties, certain other income and gains, net, central administration costs, interest expense on bank and other borrowings and interest on certain lease liabilities.

No analysis of segment assets and liabilities is presented as the CODM do not review such information for the purposes of resource allocation and performance assessment.

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

Segment Revenue and Results

For the year ended 31st March, 2026

	Cosmetics	Fashion	Segment Total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE					
External sales	**307,969**	**112,718**	**420,687**	**–**	**420,687**
Inter-segment sales	**–**	**(86)**	**(86)**	**86**	**–**
	307,969	**112,632**	**420,601**	**86**	**420,687**
SEGMENT LOSS	**(20,911)**	**(24,804)**	**(45,715)**	**–**	**(45,715)**
Decrease in fair value of investment properties					**(42,025)**
Other income and gains, net					**11,310**
Central administration costs					**(5,956)**
Finance costs					**(23,370)**
Loss before tax					**(105,756)**

For the year ended 31st March, 2025

	Cosmetics *HK$'000*	Fashion *HK$'000*	Segment Total *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
REVENUE					
External sales	350,815	130,669	481,484	–	481,484
Inter-segment sales	–	36	36	(36)	–
	350,815	130,705	481,520	(36)	481,484
SEGMENT LOSS	(32,612)	(25,297)	(57,909)	–	(57,909)
Decrease in fair value of investment properties					(40,918)
Other income and gains, net					12,158
Central administration costs					(5,501)
Finance costs					(31,823)
Loss before tax					(123,993)

Geographical information

The Group's operations are principally located in Hong Kong and Macau. Information about the Group's revenue from external customers is presented based on the geographical locations of operations.

	2026 ***HK$'000***	2025 *HK$'000*
Hong Kong and Macau	**420,687**	481,484

No revenue from a customer of the Group contributed over 10% of the total revenue of the Group of the corresponding years.

4. OTHER INCOME AND GAINS, NET

	2026	2025
	HK$'000	*HK$'000*
Other income		
Bank interest income	**247**	1,949
Interest income from rental deposits paid	**1,273**	1,557
Rental income from investment properties, with negligible outgoings	**11,026**	10,148
	12,546	13,654
Gains, net		
Gain/(loss) on disposal of items of property, plant and equipment	**288**	(280)
Foreign exchange differences, net	**(5,240)**	41
Reversal of onerous contract	**–**	569
Gains on modification of leases	**88**	48
Gains on termination of leases	**75**	6
Penalties from tenants for early termination of lease	**18**	58
Others	**514**	1,065
	(4,257)	1,507
	8,289	15,161

5. INCOME TAX

	2026	2025
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**306**	369
Underprovision in prior years	**104**	283
	410	652
Current – other jurisdictions		
Charge for the year	**26**	92
(Overprovision)/underprovision in prior years	**(18)**	79
	8	171
Deferred tax	**(645)**	(49)
	(227)	774

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 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 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

Certain subsidiaries operating in Macau are subject to Macau complementary tax of 12% (2025: 12%), subject to finalisation of the tax liability with the relevant tax authority. In addition, for the years ended 31st March, 2026 and 2025, a special complementary tax incentive was provided to the effect that the tax-free income threshold was Macau Pataca ("**MOP**") 600,000 (equivalent to HK$582,000) with profit above MOP600,000 (equivalent to HK$582,000) being taxed at a fixed rate of 12% (2025: 12%).

Under the Law of the PRC on Enterprise Income Tax ("**EIT**") (the "**EIT Law**") and Implementation Regulations of the EIT Law, the tax rate of PRC subsidiaries is 25% (2025: 25%).

6. LOSS BEFORE TAX

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

	2026	2025
	HK$'000	*HK$'000*
Cost of inventories sold	**224,451**	260,720
Depreciation of property, plant and equipment	**3,919**	3,682
Depreciation of right-of-use assets	**72,998**	92,869
Lease payments not included in the measurement of lease liabilities	**8,533**	8,549
Employee benefits expenses (including directors' emoluments):		
Salaries and other benefits	**102,077**	115,643
Share-based payments	**43**	80
Retirement benefits schemes contributions**	**6,165**	6,610
	108,285	122,333
Foreign exchange difference, net	**5,240**	(41)
Impairment of property, plant and equipment	**–**	482
Impairment of right-of-use assets	**1,076**	5,495
Provision for/(reversal of) inventories*	**1,379**	(1,906)
Write-off of inventories*	**1,302**	1,502
Reversal of onerous contracts	**–**	(569)
Change in fair value of investment properties, net	**42,025**	40,918
(Gain)/loss on disposal of items of property, plant and equipment	**(288)**	280

* Scrap, shrinkage and provision for slow moving inventories for the year are included in "cost of goods sold" in the consolidated statement of profit or loss and other comprehensive income.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. DIVIDENDS

The board of directors did not recommend the payment of any final dividend for the year ended 31st March, 2026 (2025: nil).

8. LOSS PER SHARE

The calculation of basic loss per share amounts is based on the loss for the year of HK$105,529,000 (2025: HK$124,767,000) attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 2,518,001,334 (2025: 2,518,001,334) in issue during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31st March, 2026 and 2025 in respect of dilution as the calculation of diluted loss per share for the year ended 31st March, 2026 and 2025 does not assume the exercise of the Company's share options since their assumed exercise would result in a decrease in loss per share.

9. PREPAYMENTS AND OTHER RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Prepayment	**4,786**	5,077
Other receivables	**2,576**	3,663
	7,362	8,740

10. TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**1,560**	1,957
Impairment losses, net	**–**	–
	1,560	1,957

The Group allows credit period of 30 to 60 days for receivables from department stores in which sales counters are located. The following is an ageing analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**1,161**	1,579
31 – 60 days	**294**	290
61 – 90 days	**–**	–
91 – 120 days	**–**	–
Over 120 days	**105**	88
	1,560	1,957

11. TRADE PAYABLES

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

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**12,875**	7,231
31 – 60 days	**12,500**	12,269
61 – 90 days	**3,253**	2,946
Over 90 days	**436**	1,109
	29,064	23,555

Trade payables are non-interest-bearing and are normally settled on a credit term of 30 to 60 days.

12. OTHER PAYABLES AND ACCRUALS

	2026	2025
	HK$'000	*HK$'000*
Accrued expenses	**21,329**	24,289
Advance receipt from disposal of properties	**16,232**	–
Other payables	**2,878**	3,745
Provision of reinstatement costs	**7,677**	8,697
Contract liabilities	**460**	1,656
Other taxes payables	**255**	96
	48,831	38,483
Less: non-current portion		
– Provision for reinstatement cost	**(1,753)**	(2,369)
Current portion	**47,078**	36,114

13. OTHER BORROWINGS

The loans from directors are unsecured, interest-bearing at Hong Kong Inter-bank Offered Rate +1% and repayable in 2029 (2025: repayable in 2027). As at 31st March, 2026, the directors who are also the major shareholders confirmed in writing to waive part of the outstanding loans amounted to HK$20,000,000 (2025: nil).

14. EVENTS AFTER REPORTING PERIOD

On 12th February, 2026, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party to dispose certain floors of an industrial property located in the PRC at a consideration of RMB25,153,000 (equivalent to approximately HK$28,583,000). The transaction was completed in April 2026 and resulted in a gain on disposal of approximately HK$11,860,000. For details, please refer to the Company's announcement dated 12th February, 2026 and circular dated 27th March, 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a retailer which sells cosmetics products and ladies fashion through our retail network consisting of 89 points of sale in Hong Kong and Macau, to provide quality and value for money cosmetics products and fashion apparel and accessories to a wide range of consumers at cosmetics stores, namely ***Colourmix*** and ***MORIMOR***, and ladies fashion stores, namely ***Veeko*** and ***Wanko***, respectively.

BUSINESS REVIEW

During the year ended 31st March, 2026 (the "**Year**"), the Group recorded revenue of HK$420,687,000 (2025: HK$481,484,000), representing a decrease of 12.6% as compared to the same period last year. Hong Kong economy still faced grave challenges. The decrease in revenue was mainly driven by the decrease in the number of stores of the Group during the Year. The Group recorded a gross profit of HK$193,555,000 for the Year, representing a decrease of 12.5% as compared with HK$221,168,000 for the same period last year, whereas the overall gross profit margin increased slightly by 0.1 percentage point to 46.0% for the Year from 45.9% for the previous year. The gross profit margin of cosmetics segment increased in the Year when compared with that of the previous year, while the gross profit margin of fashion segment decreased slightly. In addition, the selling and distribution costs decreased by 15.8%, indicating that the Group has achieved certain results in cost control.

During the Year, the Group recorded a loss after tax of HK$105,529,000 (2025: a loss after tax of HK$124,767,000). During the Year, the fair value of investment properties of the Group declined by HK$42,025,000 (2025: a decrease of HK$40,918,000).

Cosmetics Business

As at 31st March, 2026, the Group had a total of 46 cosmetics stores (31st March, 2025: 53), namely ***Colourmix*** and ***MORIMOR***, with 42 located in Hong Kong and 4 in Macau. The cosmetics business of the Group recorded revenue of HK$307,969,000 (2025: HK$350,815,000), representing a decrease of 12.2% as compared to the same period last year. The cosmetics business recorded a segment loss of HK$20,911,000 (2025: loss of HK$32,612,000), representing a significant decrease of 35.9% as compared to the same period last year. During the Year, the Group have adjusted its sales and marketing strategies in response to market conditions, closed certain underperforming stores, and committed to lower the selling and distribution costs. As a result, although the revenue of the cosmetics business decreased when compared with that of the previous year, the gross profit margin was maintained and the segment loss was significantly reduced.

Fashion Business

As at 31st March, 2026, the Group had a total of 43 ladies fashion stores (31st March, 2025: 52), namely ***Veeko*** and ***Wanko***, with 41 located in Hong Kong and 2 in Macau. The revenue of the Group's fashion business was HK$112,718,000 (2025: HK$130,669,000), representing a decrease of 13.7% as compared to the same period last year. The fashion business recorded a segment loss of HK$24,804,000 (2025: loss of HK$25,297,000). During the Year, the revenue of the fashion business has dropped due to the decrease in the number of stores, and the gross profit margin decreased slightly. As the production resources of the Group's fashion business were concentrated in its self-owned plant in Mainland China, we were able to control costs with flexibility. In face of challenging operating environments, the Group arranged production flexibly, as a bid to reduce inventory level, production costs and expenses.

PROSPECTS

In view of those factors such as Hong Kong residents' continued northbound consumption and overseas travel as well as the reduced consumption from tourists, it is expected that the Hong Kong retail market will continue to face a challenging environment in the coming year. Despite the sluggish retail environment, the management has taken a number of swift countermeasures to proactively restore profitability and remains cautiously optimistic about the long-term prospects. The Group will continue to negotiate reasonable rents with landlords to reduce rental costs, close those stores whose leases have expired but have not achieved operational efficiency, and strategically adjust and optimise its retail network. In the financial year ending 31st March, 2027, the Group has 52 stores whose leases have expired or will expire, accounting for 59% of all store leases. In the current weak retail leasing market, the Group believes that it will have stronger bargaining power to negotiate better rental terms for the Group and reduce overall rental costs.

The Group will strive to continuously optimise the product mix of cosmetics and fashion, enhance the attractiveness of its products and provide customers with quality products and sales services, with a view to boosting its overall revenue and gross profit margin. For the cosmetics business, apart from physical retail stores, the Group operates its own e-shop via both website at https://www.colourmix-cosmetics.com and mobile app and will also continue to collaborate with renowned e-commerce platforms, such as Tmall Global, JD.com and Douyin Shop, etc,. At the same time, the Group will continue to provide shopping information and limited-time offers through various social media platforms, including Facebook, Instagram, and Threads, etc., to enhance brand awareness and expand its customer base. The Group will continue to enhance the integration of its online and offline businesses, providing consumers with a more comprehensive and quality shopping experience.

The Group is primarily engaged in cosmetics and fashion retail businesses, and also holds investment properties and self-occupied properties in Hong Kong and Mainland China. The properties were valued at HK$663,831,000 as at 31st March, 2026, based on the valuations conducted by independent qualified professional valuers, Ascent Partners Valuation Service Limited and Jones Lang LaSalle Corporate Appraisal and Advisory Limited, as financial support to the Group. As at 31st March, 2026, the Group's total bank borrowings were approximately HK$192,497,000. The relatively stable trend of Hong Kong Inter-bank Offered Rate in the Year has helped the Group reduced its interest expenses for 28% from HK$39,781,000 for the last year to HK$28,530,000 for the Year. Besides, with the purpose of repaying loans under the Group's banking facilities in order to reduce interest expenses in the future and to provide working capital conduct in the normal course of business, the executive directors of the Company have provided financial support with revolving loan facilities up to HK$375,000,000 to the Group without asset pledged, which also reflects their confidence and support for the Group's future. The Group will continue to prudently manage its financial and cash position.

Regarding properties in Mainland China, the Group holds an entire industrial property located at No. 2, Kejidong Road, High and New Technology Zone, Shantou, Guangdong Province, the PRC. The property has 17 floors (including the basement) and a total floor area of 36,000 square meters, with an estimated value of RMB126,833,000 (equivalent to approximately HK$144,128,000) as at 31st March, 2026. In February 2026, the Group sold 9th, 10th and 11th floors (with an area of approximately 8,400 square meters) of the property to an independent third party for a consideration of RMB25,153,000 (equivalent to approximately HK$28,583,000). The transaction was completed in April 2026, and the gain on disposal of approximately RMB10,318,000 (equivalent to approximately HK$11,860,000) will be recognised in the year ending 31st March, 2027. In addition, as at 31st March, 2026, unpledged properties of the Group were valued at RMB89,313,000 (equivalent to approximately HK$101,492,000), which are available as collaterals for the Group to obtain new banking facilities when necessary. The Group will also closely monitor the development of the property market and sell its properties to realise cash at the appropriate timing.

Despite all the challenges ahead, the Group will continue focusing on its cosmetics and fashion retail businesses, and initiated numerous countermeasures, including but not limited to continuing to negotiate reasonable rents with landlords, strategically adjusting and optimising its retail network, implementing targeted sales and marketing strategies in a timely manner, and refining the product mix to enhance the attractiveness of our products and improve sales performance. Meanwhile, we will strictly control the costs and expenses, aiming at achieving a return to growth in the results of the two core retail segments, restoring profit for the Group as soon as possible and getting back on an upward trajectory.

LIQUIDITY & FINANCIAL RESOURCES

At the end of the reporting period, the Group's cash and bank balances (mainly in Hong Kong dollar and Renminbi) and pledged deposits amounted to HK$16,537,000 (31st March, 2025: HK$13,126,000) and HK$11,074,000 (31st March, 2025: HK$13,070,000), respectively. The outstanding bank borrowings (mainly in Hong Kong Dollar) and loan from two directors amounted to HK$192,497,000 (31st March, 2025: HK$178,095,000) and HK$346,450,000 (31st March, 2025: HK$369,100,000), respectively.

At the end of the reporting period, the current ratio was 0.50 (31st March, 2025: 0.60) and the gearing ratio of the Group was 10.20 (31st March, 2025: 2.25) which was calculated based on the Group's total bank borrowings of HK$192,497,000 (31st March, 2025: HK$178,095,000) and the total equity of HK$18,877,000 (31st March, 2025: HK$79,277,000).

At 31st March, 2026, the Group had banking facilities amounting to HK$253,123,000 (31st March, 2025: HK$241,767,000), of which HK$194,386,000 (31st March, 2025: HK$180,625,000) was utilised by the Group.

For the details of the cashflow management of the Group, please refer to the "Prospects" of the "Management Discussion and Analysis" section of this announcement.

FOREIGN EXCHANGE EXPOSURE

Several subsidiaries of the Company have foreign currency purchases (mainly in United States Dollar, Euro, Swiss Franc and Japanese Yen), which expose the Group to foreign currency risk. Approximately 27% (2025: 29%) of purchases costs are in foreign currencies for the year. The management closely monitors foreign exchange exposure and will consider hedging significant foreign currency risk by entering into forward contracts should the need arises.

PLEDGE OF ASSETS

At the end of the reporting period, the amount of assets pledged by the Group to certain banks to secure general banking facilities granted to the Group was HK$441,967,000 (31st March, 2025: HK$473,006,000).

CONTINGENT LIABILITIES

At 31st March, 2026, the Group had provided guarantees of HK$271,600,000 (31st March, 2025: HK$252,600,000) to certain banks in respect of banking facilities granted to certain subsidiaries of the Company.

STAFF & REMUNERATION POLICIES

At 31st March, 2026, the Group had approximately 660 employees (31st March, 2025: approximately 850). The Group mainly determines staff remuneration (including insurance and medical benefits) in accordance with the industry's practices. The Group also implemented a reward scheme for its staff based on their individual performance. In addition to their basic remuneration and welfare, some key employees were granted share options as reward and incentive to enhance their loyalty to the Group.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting ("**AGM**") of the Company is scheduled to be held on Friday, 18th September, 2026. For determining the qualification to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 15th September, 2026 to Friday, 18th September, 2026 (both days inclusive) during which period no transfer of shares will be registered. The record date will be Friday, 18th September 2026. In order to be eligible to attend and vote at the AGM, investors are urged to lodge all transfer documents accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 14th September, 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 31st March, 2026, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE

The Company has applied the principles and code provisions as set out in Part 2 of Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and has adopted it as the code for the Company's corporate governance practices.

In the opinion of the Board, the Company has complied with all the applicable code provisions set out in the CG Code throughout the year ended 31st March, 2026.

Detailed information on the Company's corporate governance practices is set out in the Corporate Governance Report of the Company's 2026 Annual Report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiries, all of the directors confirmed that they have complied with the required standards as set out in the Model Code throughout the year ended 31st March, 2026.

AUDIT COMMITTEE

The Audit Committee has reviewed the financial results for the year ended 31st March, 2026. The Audit Committee comprises all the three independent non-executive directors.

SCOPE OF WORK OF ERNST & YOUNG ON THE ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the annual results announcement of the Group's results for the year ended 31st March, 2026 have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young 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 HKICPA and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on the annual results announcement.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is the extract of the Independent Auditor's Report from the auditor of the Company, Ernst & Young:

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st March, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty related to Going Concern

We draw attention to note 2.1 to the consolidated financial statements, which indicates that the Group incurred a net loss of HK$105,529,000 during the year ended 31st March, 2026 and, as of that date, the Group's current liabilities exceeded its current assets by HK$158,845,000. These conditions, along with other matters as set forth in note 2.1 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement containing all information required by Appendix D2 to the Listing Rules is published on the websites of Hong Kong Exchanges and Clearing Limited at http://www.hkexnews.hk under "Latest Listed Company Information" and the Company at http://www.irasia.com/listco/hk/veeko/index.htm respectively. The annual report of the Company for the year ended 31st March, 2026 will be available on the above websites (and will be despatched to the shareholders of the Company, where applicable) not later than 31st July, 2026.

APPRECIATION

On behalf of the Board, I would like to extend my heartfelt thanks to all the employees for their devotion, contribution and diligence and my deepest gratitude to all the shareholders, customers, suppliers and business partners for their continuous support.

On behalf of the Board
Veeko International Holdings Limited
Cheng Chung Man, Johnny
Chairman

Hong Kong, 26th June, 2026

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Cheng Chung Man, Johnny (Chairman) and Ms. Lam Yuk Sum, and three independent non-executive directors, namely Mr. Cheng Man Loong, Monty, Mr. Lam Man Tin and Ms. Lau Sze Tung.