HONG KONG FOOD INVESTMENT HOLDINGS LIMITED
香港食品投資控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code : 60)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2026

RESULTS

The board of directors (the "Board") of Hong Kong Food Investment Holdings Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2026, together with the comparative figures for the previous year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2026

	Notes	**2026** **HK$'000**	2025 *HK$'000*
REVENUE	4	**158,329**	186,787
Cost of sales		**(143,063)**	(158,703)
Gross profit		**15,266**	28,084
Other income and gains, net	4	**3,072**	3,605
Selling and distribution expenses		**(13,397)**	(21,816)
Administrative expenses		**(25,302)**	(29,630)
Finance costs	5	**(1,060)**	(1,720)
Share of profits and losses of associates		**3,884**	3,034
LOSS BEFORE TAX	6	**(17,537)**	(18,443)
Income tax expense	7	**(772)**	(909)
LOSS FOR THE YEAR		**(18,309)**	(19,352)
Attributable to:			
Equity holders of the Company		**(18,430)**	(18,821)
Non-controlling interests		**121**	(531)
		(18,309)	(19,352)
		HK cents	*HK cents*
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
– Basic and diluted	9	**(7.20)**	(7.27)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2026

	2026	2025
	HK$'000	*HK$'000*
LOSS FOR THE YEAR	**(18,309)**	(19,352)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive income of associates, net of tax	**9,973**	1,194
Exchange differences on translation of foreign operations	**(1,642)**	54
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**8,331**	1,248
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive income/(loss) of associates, net of tax and net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	**(162)**	1,908
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**8,169**	3,156
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(10,140)**	(16,196)
Attributable to:		
Equity holders of the Company	**(10,261)**	(15,665)
Non-controlling interests	**121**	(531)
	(10,140)	(16,196)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2026

	Notes	**2026** **HK$'000**	2025 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**14,436**	37,224
Right-of-use assets		**2,050**	4,965
Investment property		**–**	12,664
Investments in associates		**370,012**	370,590
Deposits		**2,845**	2,862
Goodwill		**2,103**	2,103
Financial assets at fair value through profit or loss		**8,721**	9,492
Deferred tax assets		**405**	675
Total non-current assets		**400,572**	440,575
CURRENT ASSETS			
Inventories		**29,384**	36,453
Trade receivables	10	**11,558**	15,520
Prepayments, deposits and other receivables		**5,928**	4,928
Due from associates		**865**	855
Financial assets at fair value through profit or loss		**5,953**	5,899
Tax recoverable		**–**	177
Cash and cash equivalents		**66,523**	80,294
		120,211	144,126
Non-current assets classified as held for sale	11	**32,682**	–
Total current assets		**152,893**	144,126
CURRENT LIABILITIES			
Trade and bills payables	12	**4,651**	10,898
Other payables and accruals		**12,801**	9,354
Due to associates		**261**	216
Due to a non-controlling shareholder		**2,478**	2,917
Tax payable		**90**	397
Interest-bearing bank borrowings		**14,444**	26,441
Lease liabilities		**2,178**	3,338
Total current liabilities		**36,903**	53,561
NET CURRENT ASSETS		**115,990**	90,565
TOTAL ASSETS LESS CURRENT LIABILITIES		**516,562**	531,140

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 March 2026

	2026	2025
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Provision	–	900
Lease liabilities	–	1,640
Deferred tax liabilities	**1,865**	1,388
Total non-current liabilities	**1,865**	3,928
Net assets	**514,697**	527,212
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	**115,689**	116,333
Reserves	**392,851**	404,843
	508,540	521,176
Non-controlling interests	**6,157**	6,036
Total equity	**514,697**	527,212

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

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

The unaudited financial information relating to the year ended 31 March 2026 and the financial information relating to the year ended 31 March 2025 included in this preliminary announcement of annual results for the year ended 31 March 2026 do not constitute the Company’s statutory annual consolidated financial statements for those years but, in respect of the year ended 31 March 2025, is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The financial statements for the year ended 31 March 2026 have yet to be reported on by the Company’s auditor and will be delivered to the Registrar of Companies in due course. The Company has delivered the financial statements for the year ended 31 March 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on the financial statements for the year ended 31 March 2025. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2026. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

1. **BASIS OF PREPARATION** (continued)

Basis of consolidation (continued)

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

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

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

2. **CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

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

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments for the year ended 31 March 2026 as follows:

(a) the trading segment is engaged in the trading of frozen meats, seafood and vegetables in Hong Kong and Japan;

(b) the catering segment is engaged in restaurant operations in Hong Kong; and

(c) the "others" segment consists of communication and advertising design.

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

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

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

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

3. OPERATING SEGMENT INFORMATION (continued)

Year ended 31 March 2026

	Trading *HK$'000*	Catering *HK$'000*	Others *HK$'000*	Total *HK$'000*
Segment revenue				
Sales to external customers	**141,900**	**14,036**	**2,393**	**158,329**
Intersegment sales	**5,514**	**–**	**6**	**5,520**
	147,414	**14,036**	**2,399**	**163,849**
Reconciliation:				
Elimination of intersegment sales				**(5,520)**
Total revenue				**158,329**
Segment results	**(11,134)**	**(1,937)**	**762**	**(12,309)**
Reconciliation:				
Bank interest income				**614**
Other unallocated gains				**689**
Finance costs (other than interest on lease liabilities)				**(877)**
Share of profits and losses of associates				**3,884**
Corporate and other unallocated expenses				**(9,538)**
Loss before tax				**(17,537)**

Year ended 31 March 2025

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

3. OPERATING SEGMENT INFORMATION (continued)

<u>As at 31 March 2026</u>

	Trading	Catering	Others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment assets	**100,874**	**11,532**	**7,672**	**120,078**
Reconciliation:				
Elimination of intersegment receivables				**(19)**
Investments in associates				**370,012**
Non-current assets classified as held for sale				**32,682**
Corporate and other unallocated assets				**30,712**
Total assets				**553,465**
Segment liabilities	**31,496**	**1,308**	**141**	**32,945**
Reconciliation:				
Elimination of intersegment payables				**(19)**
Corporate and other unallocated liabilities				**5,842**
Total liabilities				**38,768**
Other segment information:				
Reversal of impairment of trade receivables	**(209)**	**–**	**–**	**(209)**
Write-down of inventories to net realisable value	**355**	**–**	**–**	**355**
Capital expenditure	**118**	**43**	**–**	**161**
Unallocated capital expenditure				**720**
Total capital expenditure*				**881**
Depreciation	**825**	**2,927**	**13**	**3,765**
Unallocated depreciation				**2,791**
Total depreciation				**6,556**

3. OPERATING SEGMENT INFORMATION (continued)

As at 31 March 2025

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

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

3. OPERATING SEGMENT INFORMATION (continued)

Geographical information

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

	Revenue from external customers		Carrying amounts of non-current assets	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**157,808**	186,062	**388,601**	394,529
Japan	**521**	725	**–**	33,017
	158,329	186,787	**388,601**	427,546

Information about major customers

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

	2026	2025
	HK$'000	*HK$'000*
Customer A	**26,911**	41,721

4. REVENUE, OTHER INCOME AND GAINS, NET

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

	2026	2025
	HK$'000	*HK$'000*
Disaggregation of revenue		
Sales of goods	**141,900**	157,565
Restaurants operations	**14,036**	25,137
Others	**2,393**	4,085
	158,329	186,787
Timing of revenue recognition		
At a point in time	**158,329**	186,787

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

	2026	2025
	HK$'000	*HK$'000*
Other income		
Bank interest income	**614**	1,356
Gross rental income	**696**	1,968
Royalty income	**145**	157
Sundry income	**68**	54
Total other income	**1,523**	3,535
Gains/(losses), net		
Fair value losses on financial assets at fair value through profit or loss, net	**(717)**	(386)
Loss on disposal of partial interest in an associate	**(459)**	(1,336)
Gain on lease termination, net	**–**	1,176
Fair value gain on an investment property	**1,406**	–
Foreign exchange difference, net	**1,319**	616
Total gains, net	**1,549**	70
Total other income and gains, net	**3,072**	3,605

Sale of goods

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

Restaurant operations

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

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2026	2025
	HK$'000	*HK$'000*
Interest on bank and trust receipt loans	**877**	1,479
Interest on lease liabilities	**183**	241
Total	**1,060**	1,720

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	**142,708**	158,643
Depreciation of items of property, plant and equipment	**2,590**	2,402
Depreciation of right-of-use assets	**3,966**	6,196
Lease payments not included in the measurement of lease liabilities	**7,733**	7,479
Loss on disposal of items of property, plant and equipment*	**815**	2,737
Impairment of items of property, plant and equipment	**–**	104
Impairment of right-of-use assets	**–**	96
Impairment/(reversal of impairment) of trade receivables	**(209)**	115
Write-down of inventories to net realisable value**	**355**	60

* The loss on disposal of items of property, plant and equipment is included in "administrative expenses" in the consolidated statement of profit or loss.

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

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (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%).

	2026	2025
	HK$'000	*HK$'000*
Current charge for the year		
– Hong Kong	**25**	126
Deferred	**747**	783
Total tax charge for the year	**772**	909

The share of tax attributable to associates amounting to HK$5,753,000 (2025: HK$4,675,000) is included in "Share of profits and losses of associates" in the consolidated statement of profit or loss.

8. DIVIDEND

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

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

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the Company of HK$18,430,000 (2025: HK$18,821,000), and the weighted average number of ordinary shares of 255,921,966 (2025: 258,801,167) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2026 and 2025.

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

	2026	2025
	HK$'000	*HK$'000*
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculation	**(18,430)**	(18,821)

	Number of shares	
	2026	2025
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation	**255,921,966**	258,801,167

10. TRADE RECEIVABLES

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

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

	2026	2025
	HK$'000	*HK$'000*
Within 1 month	**8,013**	11,185
1 to 2 months	**2,426**	2,157
Over 2 months	**1,119**	2,178
Total	**11,558**	15,520

11. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

On 12 February 2026, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party to dispose certain properties situated in Japan ("Disposal") for a consideration of JPY1,250,000,000 (approximately HK$63,092,000). The Disposal was approved by the shareholders at the extraordinary general meeting held on 12 June 2026. The Disposal is expected to be completed in August 2026.

The carrying value of the property, plant and equipment and investment property, which are transferred to non-current assets classified as held for sale are as follows:

	2026	2025
	HK$'000	*HK$'000*
Property, plant and equipment	**19,288**	–
Investment property	**13,394**	–
Total	**32,682**	–

12. TRADE AND BILLS PAYABLES

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

	2026	2025
	HK$'000	*HK$'000*
Within 1 month	**4,651**	7,617
1 to 2 months	**–**	3,281
Total	**4,651**	10,898

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

PROPOSED FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 March 2026 (2025: Nil).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining shareholders' eligibility to attend and vote at the forthcoming annual general meeting of the Company to be held on Monday, 31 August 2026 (the "AGM"), the Register of Members of the Company will be closed from Tuesday, 25 August 2026 to Monday, 31 August 2026, both days inclusive, during which period no transfer of shares will be registered. The record date will be Monday, 31 August 2026. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 24 August 2026.

BUSINESS REVIEW AND PROSPECTS

BUSINESS REVIEW

During the year under review, the global market environment remained challenging. Despite the complexities and constant changes across the international business landscape, the Group demonstrated strong resilience. Through a dedicated commitment and a determined spirit, we continue to actively engage and cooperate with all sectors of society.

Despite the global economy facing certain pressures amid multiple uncertainties, the market environment continues to present valuable opportunities worth capturing. While the ongoing situation in the Middle East has stirred international market sentiment, businesses across the world are actively pursuing effective approaches, demonstrating remarkable resilience and determination in the face of adversity. At the same time, notwithstanding the uncertainties brought about by geopolitical developments and the evolving trade landscape, businesses around the globe are committed to fostering economic cooperation and recovery, laying a solid foundation for the long-term development of the economy. In response to rising raw material and energy costs, businesses across industries are proactively exploring innovative solutions to enhance operational efficiency and optimise resource allocation, with a view to unlocking greater growth potential and building momentum for sustainable development in the years ahead.

Hong Kong's business environment remains under strain. The weakened consumer demand, heightened market competition, and notable shifts in spending behavior, alongside a growing preference for cross-border and overseas consumption, have negatively affected the industry. Meanwhile, escalating operating expenses and costs have further intensified management challenges and increased the pressure.

In response to continued external uncertainties, our Group remains dedicated to working closely with all business partners. Leveraging our deep industry expertise, broad network, and sharp market insight built through years of active participation in the food sector, we will proactively navigate market challenges with a flexible and forward-looking approach. At the same time, we will further reinforce our core competitive strengths, capitalise on our established foundation, and tackle challenges with resilience, enabling us to progress steadily toward sustainable growth.

BUSINESS REVIEW AND PROSPECTS (continued)

Frozen Meats Trading

For the year ended 31 March 2026, the frozen meats trading business faced severe pressure from global market instability, complex geopolitical developments and ongoing supply chain disruptions. Severe price-cutting competition in the local market caused profit margin for traditional core products to fall. In addition, the tense situation in the Middle East caused the oil prices to rise and drove up the logistics and operational costs.

In response to these headwinds, the Group took proactive measures to safeguard our market share and margins. We shifted our procurement channels from traditional ones to high-potential ones and put our focus on premium, branded products. High-end items showed strong resilience and growth potential during the year, e.g. the demand for premium meats like Wagyu beef rose significantly. Local consumers tended to prefer trusted brands and were willing to pay a premium price for stable quality recently.

Leveraging our deep industry expertise, we diversified our supply channels by sourcing high-grade cooked and processed foods from Japan and Southeast Asia. The supply chain expansion not only broadened our customer base but also allowed us to optimise the procurement costs. Concurrently, we also strengthened our inventory management protocols to balance capital efficiency with supply stability.

Looking ahead, we expect the steady recovery of inbound tourism to stabilise the demand for frozen meats in local market, especially from our core catering clients. We will continue to expand our sales channels to a wider network of international suppliers. We will also introduce more sustainable and high-quality products to meet the changing customer demands.

Catering Business

During the year under review, the catering business operates two restaurant brands – "Beefar's" and "Gyumai". "Beefar's" restaurant offers high-quality "Satsuma" brand of Japanese wagyu beef in Japanese BBQ style and "Gyumai" offers supreme beef from Japan, Australia and USA in all-you-can-eat Japanese Yakiniku and shabu-shabu style.

The trend of consumers travelling to Chinese Mainland and overseas for dining and shopping has become a regular habit. The local market continues to face challenges from consumption diversion and consumption downgrade. The Hong Kong government's recent push to stimulate a "Mega-Event" economy has fostered a steady rebound in tourism and resulted in growth and recovery in the local catering sector.

Alongside these marketing efforts, we refined our procurement strategy by improving the portion accuracy to keep menu prices stable while protecting gross margins. We also optimised our restaurant operations by refining our menu offerings, adjusting staff deployment to match peak consumer hours and implementing stringent cost-control protocols in all dining outlets. As a result, we successfully enhanced the operating efficiency and mitigated the impact of rising labour and ingredient costs. On the other hand, riding the inbound tourism trend and leveraging the cross-border social media platforms, we will launch marketing promotions in popular social media including Mainland platforms and offer seasonal menu to convert our sales base into stable sales growth.

Other Business

Despite the unfavorable economic situation, our communication and advertising segment maintained a stable and profitable performance. We focused on providing services to the Group and our key customers. However, the prevailing corporate cost-control trend in our key customer group, has adversely affected the revenue in this segment.

We successfully maintained strong market visibility for our core brands. This includes “Satsuma” and “L’Grow” in the meat trading sector, as well as “Beefar’s” and “Gyumai” in the catering sector. Moving forward, we will focus on meeting the marketing demands of our own trading, retail, and catering businesses and explore new potential customers. We strive for lowering the cost and maintain a good relationship with our existing corporate accounts. To align with the market trends, we will focus our future strategies on digital media marketing and online business opportunities.

Food Business Investment

The Group continues to hold approximately 29.70% (2025: 29.85%) equity interest of Four Seas Mercantile Holdings Limited (“FSMHL”) as a strategic investment in the food business.

FSMHL grows alongside with Hong Kong over 55 years and is a leader in the local snack and food market. Its business spans from wholesale and distribution to food manufacturing and retail catering and achieved remarkable diversified development and success. Recently, FSMHL consolidated its core operations strategically by moving its principal Hong Kong place of business to the high-rise Four Seas Group Centre in Kwun Tong. Moving forward, this modernised infrastructure is expected to yield greater sustainable returns.

Food Distribution is the main source of income for FSMHL. FSMHL continues to focus on developing high-quality food products related to people’s livelihoods. High-demand Japanese commodities like Japanese eggs, Japanese dairy products, tofu, and Japanese rice were imported and sold in major supermarkets, multi-national convenience store chains, etc., with remarkable sales performance.

During the year under review, FSMHL built on the strengths of its new flagship store, “Seas of Flavour”, in Causeway Bay to launched several new products, e.g. Japan’s first tofu pudding developed in collaboration with Imuraya, milk cream puff cakes launched together with Fujiya and House Tongari (Seaweed) Corn introduced in partnership with House Foods and porippy chocolate coated peanuts in collaboration with Denroku, all were popular in the market with favourable feedback. Furthermore, the group partnered with the movie “Back to the Past” to launch the “Back to the Past Four Seas Biscuit Sticks” product series, successfully captured market attention and achieved record high sales in a short period of time. In Chinese Mainland, FSMHL collaborated with the large supermarket chain Costco to produce exclusive products tailored for Costco, thereby attracting consumers seeking distinctive product offerings.

FSMHL leverages its food processing plants across Chinese Mainland and Hong Kong to focus on producing diverse specialty foods, employing a one-stop production and sales strategy to flexibly respond to market demands. Additionally, in response to the increasing demand for snacks in the Japanese market, FSMHL further utilised its food processing plants in Chinese Mainland to extend the production capacity of its facilities overseas and meet the food needs of the Japanese market.

For the financial year ended 31 March 2026, the Group’s share of profit from associates, primarily by FSMHL was HK$3,884,000 (2025: HK$3,034,000).

PROSPECTS

Looking ahead, the global economy could be under the effect of ongoing fluctuations and adjustment, while Hong Kong's business landscape continues to confront considerable headwinds, resulting in generally cautious sentiment across industries. At the same time, consumer behavior is experiencing significant structural shifts, necessitating continuous adaptation in both market positioning and operational strategies.

The Group will maintain close monitoring of market developments while strengthening its agility to respond promptly and effectively in a rapidly changing environment. To address the customer demands, we will continue to introduce new products and expand our portfolio. At the same time, we will enhance our overall competitiveness to support sustainable long-term growth, further develop our brand, broaden our customer base, and capture emerging opportunities. Building on our deep industry expertise and extensive business network, we will also reinforce long-term strategic partnerships with overseas suppliers. In addition, the Group will intensify efforts to establish sales channels and promote its offerings in emerging international markets. Meanwhile, we will continue to diversify our product mix, drive high-quality and sustainable growth, and effectively address the evolving and diverse needs of our customers.

The Group has adopted a disciplined and steady management approach, leveraging flexible and efficient strategic initiatives to enhance its responsiveness to market dynamics. At the market level, we are refining our pricing strategies to reinforce our core competitive position, while driving greater integration and synergy through a diversified product portfolio. We will continue to focus on cost control and structural optimisation, accelerate the development and launch of new products, and deepen collaboration with business partners to broaden our sales reach. Even in challenging conditions, we remain committed to steady progress and to delivering sustainable growth for the company.

The Group's strategic partner, FSMHL is confident in its future development. Even facing challenges posed by uncertainties in the global market, FSMHL will continue to uphold its business strategy of "Rooted in Hong Kong, Expanding to Chinese Mainland, and Reaching Out to the World". Leveraging its solid foundation and forward-looking planning, FSMHL will expand its food product range, broaden its customer base, expand its food portfolio, and create innovative products to bring new experiences and flavors to customers worldwide. This will add new momentum to its growth and maintain its leading position in the food industry.

Looking ahead, the Group will take a proactive approach to market changes by flexibly developing and executing practical strategies to continually strengthen its competitiveness. Guided by an enterprising and innovative spirit, we will fully leverage our core strengths and extensive industry expertise to solidify our existing customer base while actively capturing opportunities in emerging markets. Building on the long-standing trust and collaboration with customers and suppliers both locally and internationally, the Group will remain committed to providing consumers with high-quality, delicious food products.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and facilities granted by its principal bankers. As at 31 March 2026, the Group had banking facilities of HK$180,753,000 of which 8% had been utilised. The Group had a gearing ratio of 3% as at 31 March 2026. This is expressed as the total interest-bearing bank borrowings to equity attributable to equity holders of the Company. Bank borrowings of the Group, denominated in Hong Kong dollars, are mainly trust receipt loans (the "Interest-Bearing Bank Borrowings") at prevailing market interest rates. The Interest-Bearing Bank Borrowings which are classified as current liabilities are repayable within one year. As at 31 March 2026, the Group held cash and cash equivalents of HK$66,523,000. There were no significant changes in the Group's contingent liabilities and no charges on the Group's assets at the end of the reporting period.

STAFF EMPLOYMENT

The total number of employees of the Group as at 31 March 2026 was 39. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2026, the Company repurchased a total of 1,770,000 ordinary shares (the "Shares Repurchased") of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of approximately HK$821,000. The Repurchased Shares in total 1,770,000 shares have been cancelled on 25 September 2025.

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

Particulars of the repurchases are as follows:

Month of repurchase	**Number of shares repurchased**	**Highest price paid per share**	**Lowest price paid per share**	**Aggregate Consideration**
		HK$	*HK$*	*HK$'000*
April 2025	960,000	0.470	0.410	436
July 2025	810,000	0.495	0.435	385
Total	1,770,000			821

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the year ended 31 March 2026.

CORPORATE GOVERNANCE

The Company and management are committed to maintaining good corporate governance with an emphasis on the principles of transparency, accountability and independence to all shareholders of the Company. The Company believes that good corporate governance is essential to continuous growth and enhancement of shareholders' value. The Company periodically reviews its corporate governance practices with reference to the latest development of corporate governance. The Company has applied the principles of and complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year ended 31 March 2026. The amendments to the CG Code effective on 1 July 2025 have applied to the corporate governance reports and annual reports of the Company for financial years commencing on or after 1 July 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

The Company has also established the Code for Securities Transactions by the Relevant Employees (the "Employees Code") on no less exacting terms than the Model Code for securities transactions by the employees who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Employees Code by the employees was noted by the Company throughout the year ended 31 March 2026.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises all the three independent non-executive directors, namely Mr. CHEUNG Wing Choi (Chairman of the Audit Committee), Mr. LAN Yee Fong, Steve John and Mr. WONG, Louis Chung Yin. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and has discussed with the management in relation to risk management and internal control systems, and financial reporting matters including a review of the Group's consolidated financial statements for the year ended 31 March 2026.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement have been agreed by the Company's auditors to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditors in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Company's auditors on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website at www.hongkongfoodinvestment.com.hk.

The annual report of the Company for the year ended 31 March 2026, containing information required by the Listing Rules, will be published on the above websites and will be despatched to shareholders of the Company upon request of the shareholders.

APPRECIATION

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

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

Hong Kong, 29 June 2026

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