佳寧娜集團控股有限公司

CARRIANNA GROUP HOLDINGS COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00126)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2026

RESULTS

The board of directors (the "Board") of Carrianna Group Holdings Company Limited (the "Company") wishes to announce the consolidated results of the Company and its subsidiaries (collectively 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	3	**551,968**	577,521
Cost of sales		**(311,040)**	(335,426)
Gross profit		**240,928**	242,095
Other income		**16,354**	15,845
Selling and distribution expenses		**(116,003)**	(125,463)
General and administrative expenses		**(81,665)**	(88,883)
Other gains and expenses, net		**(8,912)**	(66,579)
Finance costs	4	**(85,838)**	(107,860)
Share of losses of associates		**(25,778)**	(56,075)
LOSS BEFORE TAX	5	**(60,914)**	(186,920)
Income tax credit	6	**20,877**	45,020
LOSS FOR THE YEAR		**(40,037)**	(141,900)

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Attributable to:			
Owners of the parent		**(30,283)**	(135,187)
Non-controlling interests		**(9,754)**	(6,713)
		(40,037)	(141,900)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
– Basic		**HK cents (1.93)**	HK cents (8.60)
– Diluted		**HK cents (1.93)**	HK cents (8.60)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2026

	2026	2025
	HK$'000	*HK$'000*
LOSS FOR THE YEAR	**(40,037)**	(141,900)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	**166,733**	(26,588)
Share of other comprehensive income/(loss) of associates	**9,404**	(2,960)
Release of exchange reserve on disposal on a subsidiary	**122**	(15,907)
	176,259	(45,455)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity investments designated at fair value through other comprehensive income	**3,633**	26,749
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	**179,892**	(18,706)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	**139,855**	(160,606)
Attributable to:		
Owners of the parent	**149,517**	(153,778)
Non-controlling interests	**(9,662)**	(6,828)
	139,855	(160,606)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2026

	Notes	**2026**	2025
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**517,117**	583,554
Investment properties		**2,324,849**	2,150,380
Right-of-use assets		**90,434**	96,335
Goodwill		**28,162**	28,162
Interests in associates		**1,133,358**	1,149,140
Equity investments designated at fair value through other comprehensive income		**28,118**	69,484
Properties under development		**330,426**	312,939
Deferred tax assets		**16,529**	14,836
Other receivables, deposits and prepayments		**15,750**	18,904
Total non-current assets		**4,484,743**	4,423,734
CURRENT ASSETS			
Properties held for sale		**390,272**	377,523
Inventories		**23,433**	28,976
Tax recoverable		**3,701**	3,703
Trade receivables	*9*	**32,127**	26,341
Other receivables, deposits and prepayments		**295,073**	290,188
Due from directors		**–**	817
Due from an associate		**217,412**	192,556
Financial assets at fair value through profit or loss		**12,490**	22,196
Equity investment designated at fair value through other comprehensive income		**16,747**	15,995
Pledged time deposits		**19,626**	33,722
Cash and bank balances		**86,751**	162,534
Total current assets		**1,097,632**	1,154,551

	Notes	**2026**	2025
		HK$'000	*HK$'000*
CURRENT LIABILITIES			
Trade payables	*10*	**(64,164)**	(48,364)
Other payables, accruals and deposits received		**(177,666)**	(199,267)
Convertible bonds		**(69,518)**	(69,127)
Due to directors		**(29,259)**	(35,876)
Due to non-controlling shareholders		**(37,948)**	(42,485)
Interest-bearing bank borrowings		**(1,230,665)**	(1,260,478)
Lease liabilities		**(47,313)**	(46,480)
Deferred income		**(29,467)**	(27,857)
Tax payable		**(192,253)**	(239,128)
Total current liabilities		**(1,878,253)**	(1,969,062)
NET CURRENT LIABILITIES		**(780,621)**	(814,511)
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,704,122**	3,609,223
NON-CURRENT LIABILITIES			
Accruals and deposits received		**(16,515)**	(12,180)
Interest-bearing bank borrowings		**(239,611)**	(292,199)
Lease liabilities		**(47,860)**	(54,909)
Deferred income		**(79,183)**	(74,453)
Deferred tax liabilities		**(262,021)**	(253,485)
Provisions		**(1,920)**	(4,214)
Total non-current liabilities		**(647,110)**	(691,440)
Net assets		**3,057,012**	2,917,783
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**157,136**	157,136
Reserves		**2,933,289**	2,783,772
		3,090,425	2,940,908
Non-controlling interests		**(33,413)**	(23,125)
Total equity		**3,057,012**	2,917,783

NOTES

31 March 2026

1.1 BASIS OF PREPARATION

The consolidated 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 ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain leasehold land and buildings, investment properties and certain financial assets which have been measured at fair value. The consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Operating cycle

The operating cycle of the Group for the property investment and development business is the period between the acquisition of assets and their realisation. Due to the nature of such business, its normal operating cycle may be longer than 12 months. The Group's current assets include assets (such as properties held for sale) which are sold, consumed or realised as part of the normal operating cycle for the property investment and development business even when they are not expected to be realised within 12 months after the end of the reporting period.

Going concern basis

The Group incurred a loss for the year of HK$40,037,000 during the year ended 31 March 2026 and as at 31 March 2026 the Group had net current liabilities of HK$780,621,000. As at 31 March 2026, the Group's cash and cash equivalents amounted to HK$86,751,000 and interest-bearing borrowings amounted to HK$1,230,665,000 have been classified as current liabilities.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company are undertaking a number of plans and measures to improve the Group's liquidity and financial position, including, inter alia:

(i) Ignoring the effect of any repayment on-demand clauses, interest-bearing borrowings of HK$270,637,000 which were classified as current liabilities as at 31 March 2026 would have become non-current liabilities and will be settled in accordance with the maturity dates as set out in the banking facility letters;

(ii) The Group has been actively negotiating with banks in a timely manner such that the facilities and bank borrowings will continue to be made available to the Group. Based on the Group's relationship with the banks and the history of no breach of covenants and of successful renewal of the banking facilities, the directors of the Company believe that the Group has taken various actions to reduce bank borrowings and negotiate with banks for refinancing;

(iii) Based on the existing signed sale and purchase agreements to date, the Group expects to receive net proceeds from the sale of the residential and commercial units of the Haitan Street re-development project;

(iv) The Group continues to identify suitable purchasers on possible realisation of certain properties to raise further funds;

(v) The Group has implemented measures to speed up the collection of outstanding trade and other receivables; and

(vi) To improve the current and future financial performance and liquidity conditions, various financial performance and resources improvement plans and measures have been implemented/contemplated by the Group to focus on improving the financial performance and liquidity of the Group and to enable the Group to take advantage of any growth opportunities in the future.

The directors of the Company have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than 12 months from 31 March 2026. They are of the opinion that, taking into account the anticipated cash flows to be generated from the Group's operations as well as above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due for a period of not less than 12 months from 31 March 2026. Accordingly, the directors of the Company consider that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether the Group is able to generate sufficient cash inflows from its operations and achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following: (a) whether it is able to successfully implement its various plans and measures as described above; (b) timely availability of funds from the loan as mentioned in note (ii) above; and (c) the appropriateness of key assumptions applied in estimating the cash flow projections including cash flows from settlements of trade and other receivables, forecast revenue and budgeted costs and expenses.

Should the going concern assumptions be inappropriate, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKAS 21	*Amendments in relation to Lack of Exchangeability*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

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, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's consolidated financial statements.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

(a) the restaurant, food and hotel segment which engages in the operations of hotel, restaurant and food businesses; and

(b) the property investment and development segment which comprises the development and sale of properties and the leasing of residential, commercial and industrial properties.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource 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 profit/(loss) before tax except that bank interest income, unallocated other income and gains, net, finance costs as well as corporate and unallocated expenses are excluded from such measurement.

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.

Year ended 31 March 2026

	Restaurant, food and hotel *HK$'000*	Property investment and development *HK$'000*	Total *HK$'000*
Segment revenue *(note 3)*			
Revenue from external customers	**414,429**	**137,539**	**551,968**
Intersegment revenue	**588**	**7,944**	**8,532**
	415,017	**145,483**	**560,500**
Reconciliation:			
Elimination of intersegment revenue			**(8,532)**
Total revenue			**551,968**
Segment results	**(27,543)**	**77,680**	**50,137**
Reconciliation:			
Bank interest income			**954**
Unallocated other income and gains, net			**6,400**
Corporate and unallocated expenses			**(32,567)**
Finance costs			**(85,838)**
Loss before tax			**(60,914)**
Other segment information			
Fair value gain on investment properties, net	**–**	**(23,113)**	**(23,113)**
Share of losses of associates	**–**	**25,778**	**25,778**
Other interest income	**–**	**(7,763)**	**(7,763)**
Impairment of trade receivables, net	**120**	**–**	**120**
Impairment of other receivables, net	**327**	**35,319**	**35,646**
Depreciation of property, plant and equipment			
– segment	**40,982**	**18,033**	**59,015**
– unallocated			**1,977**
			60,992
Depreciation of right-of-use assets	**40,535**	**–**	**40,535**
Capital expenditure			
– segment	**9,066**	**14,244**	**23,310**
– unallocated			**–**
			23,310*

Year ended 31 March 2025

	Restaurant, food and hotel *HK$'000*	Property investment and development *HK$'000*	Total *HK$'000*
Segment revenue *(note 3)*			
Revenue from external customers	472,523	104,998	577,521
Intersegment revenue	1,558	6,307	7,865
	474,081	111,305	585,386
Reconciliation:			
Elimination of intersegment revenue			(7,865)
Total revenue			577,521
Segment results	(22,539)	(34,802)	(57,341)
Reconciliation:			
Bank interest income			2,234
Unallocated other income and gains, net			8,334
Corporate and unallocated expenses			(32,287)
Finance costs			(107,860)
Loss before tax			(186,920)
Other segment information			
Fair value loss on investment properties, net	–	57,583	57,583
Share of losses of associates	–	56,075	56,075
Other interest income	–	(6,180)	(6,180)
Impairment of trade receivables, net	74	–	74
Reversal of impairment of other receivables, net	–	(161)	(161)
Write-off of other receivable	–	9,893	9,893
Depreciation of property, plant and equipment			
– segment	42,664	17,025	59,689
– unallocated			2,471
			62,160
Depreciation of right-of-use assets	35,414	–	35,414
Capital expenditure			
– segment	17,755	5,552	23,307
– unallocated			17
			23,324*

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

Geographical information

(a) Revenue from external customers

	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**186,863**	197,603
Mainland China	**365,105**	379,918
	551,968	577,521

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**734,968**	769,581
Mainland China	**3,744,210**	3,565,542
	4,479,178	4,335,123

Information about major customers

No revenue from any single external customer accounted for 10% or more of the Group's total revenue for the years ended 31 March 2026 and 2025.

3. REVENUE

An analysis of revenue is as follows:

	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers		
Income from restaurant, food and hotel businesses	**414,429**	472,523
Proceeds from the sale of properties, property management service income and commission income	**45,788**	2,127
	460,217	474,650
Revenue from other sources		
Gross rental income	**91,751**	102,871
	551,968	577,521

4. FINANCE COSTS

An analysis of finance costs is as follows:

	2026	2025
	HK$'000	*HK$'000*
Interest on bank borrowings	**76,327**	100,773
Interest on convertible bonds	**5,726**	2,041
Interest on lease liabilities	**3,785**	5,046
Total	**85,838**	107,860

5. LOSS BEFORE TAX

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

	2026	2025
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment	**60,992**	62,160
Depreciation of right-of-use assets	**40,535**	35,414
Impairment/(reversal of impairment) of		
– trade receivables, net*	**120**	74
– other receivables, net*	**35,646**	(161)
– property, plant and equipment and right-of-use assets*	**–**	5,264
Write-off of other receivables*	**–**	9,893
Fair value (gain)/loss on investment properties, net*	**(23,113)**	57,583
Fair value change on financial assets at fair value through profit or loss*	**(3,025)**	(7,131)
(Gain)/loss on modification of convertible bonds*	**(1,798)**	2,763
Bank interest income	**(954)**	(2,234)
Investment interest income	**(2,239)**	(247)
Other interest income	**(7,763)**	(6,180)
Dividend income from financial assets at fair value through profit or loss	**(306)**	(1,075)
Loss on disposal/write-off of items of property, plant and equipment, net*	**3,631**	350
Gain on early termination of lease*	**(106)**	–

* Included in "Other gains and expenses, net", in the consolidated statement of profit or loss.

6. 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%). Taxes on profits assessable in Mainland China have been calculated at the relevant rates of tax prevailing in Mainland China in which the Group operates.

	2026	2025
	HK$'000	*HK$'000*
Current		
– Enterprise income tax	**(39,584)**	(43,243)
– Land appreciation tax	**13,126**	–
Deferred	**5,581**	(1,777)
Total tax credit for the year	**(20,877)**	(45,020)

7. DIVIDEND

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

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,571,359,420 (2025: 1,571,359,420) outstanding during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 March 2026 and 2025 in respect of a dilution as the impact of the convertible bonds and share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

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

	2026	2025
	HK$'000	*HK$'000*
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation	**(30,283)**	(135,187)

	Number of shares	
	2026	2025
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic and dilutive loss per share calculation	**1,571,359,420**	1,571,359,420

9. TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**60,481**	53,524
Impairment	**(28,354)**	(27,183)
	32,127	26,341

For restaurant, bakery and hotel operations, the Group's trading terms with its customers are mainly on demand or credit card settlements. For sale of food products, customers are generally given credit terms of 30 to 90 days, except for new customers or certain food products, where payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

Generally, the Group does not hold any collateral or other credit enhancements over its trade receivable 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 30 days	**14,299**	10,679
31 to 60 days	**2,933**	3,761
61 to 90 days	**4,507**	4,389
Over 90 days	**10,388**	7,512
	32,127	26,341

10. TRADE PAYABLES

An ageing analysis of the 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	**22,318**	20,227
31 to 60 days	**6,973**	6,507
61 to 90 days	**6,586**	3,876
Over 90 days	**28,287**	17,754
	64,164	48,364

The trade payables are non-interest-bearing and are normally settled within the normal operating cycle.

OTHER INFORMATION

Extract from Independent Auditor's Report

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2026.

Opinion (Extract)

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Extract of an Emphasis of Matter paragraph in the auditor's report

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$40,037,000 during the year ended 31 March 2026 and as at 31 March 2026, the Group had net current liabilities of HK$780,621,000, cash and cash equivalents of HK$86,751,000 and interest-bearing borrowings of HK$1,230,665,000 which have been classified as current liabilities. These conditions, along with other matters as set forth in note 2.1 to the consolidated financial statements, indicate that a material uncertainty exists that 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 (refer to "Opinion (Extract)" above).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

PROPERTY

Turnover of property segment for the year ended 31 March 2026 was HK$137,539,000 (2025: HK$104,998,000), an increase of 31.0% from last year. The increase was mainly attributable to the increase in sales of properties of HK$43,530,000 during the year. The Group's rental income from investment properties for the year was HK$91,751,000 (2025: HK102,871,000), an decrease of 10.8% from last year. There was no major change in the investment property portfolio of the Group for the year. Segment profit for the year was HK$77,680,000 (2025: segment loss of HK$34,802,000). The turnaround was mainly attributable to the combined effect of: (i) the recognition of gross profit of the sales of properties of HK$34,824,000 (2025: nil); and (ii) the recognition of fair value gain on investment properties, net of HK$23,113,000 (2025: fair value loss of HK$57,583,000).

The Group's 50% owned Dongguan Home Town project is in full operation, comprising the east tower of home furniture and building materials centre and the west and north towers of community and shopping mall. The west tower had been transformed into an outlet shopping mall during the year and officially opened on 14 June 2025. As Dongguan's first urban-level outlet, it will introduce over 200 well-known domestic and international brands, becoming a new growth point for urban consumption. At the same time, it will perfectly integrate various business formats, including outlet retail, dining, entertainment, and culture, aiming to create the most distinctive "Outlet Life +" experience center in the Greater Bay Area.

The Guangzhou South Station Property, a high grade commercial tower comprising the ground floor lobby, all office units from 3rd to 13th floors and 75 car parking spaces at the basement level with a total gross floor area of the office units of 9,203 sq.m., continued to contribute to the Group in rental income for the year. The office building has achieved a monthly average of 88.6% occupancy for the year ended 31 March 2026.

The Group's 50% owned Haitan Street re-development project, which is situated at 223-225A Haitan Street, Sham Shui Po, Hong Kong has completed its construction and obtained the occupation permit. The project comprises a site area of 4,729 sq.ft., buildable gross floor area of 42,500 sq.ft., and saleable floor area of approximately 34,400 sq.ft.. The residential building comprises 115 residential units and 2 floors of commercial shops. All of the residential units have been sold as at year end date.

The Group's another 50% owned Castle Peak Road redevelopment project, which is situated at 300-306 Castle Peak Road, Sham Shui Po, Hong Kong has also commenced its construction stage of development. The project comprises a site area of 4,709 sq.ft., buildable gross floor area of 42,400 sq.ft., and saleable floor area of approximately 34,300 sq.ft.. Site investigation and demolition works have completed in April 2024. Previously, affected by the downturn of the real estate market, the Group reassessed the land development strategy to maintain operational flexibility and competitiveness. Currently, the demand for small-family housing in the market is rising and the turnover continues to recover. Relying on the financing support of banks and financial institutions, the Group will grasp the favorable window of the market to speed up project development and seize the dividend of the sales market.

RESTAURANT, FOOD AND HOTEL

Restaurant turnover for the year was HK$216,426,000 (2025: HK$264,749,000), a decrease of 18.3% from last year. The decrease was mainly attributable to the decrease in turnover of the restaurants in Mainland China, due to the factors such as economic weakness, increasingly intense market competition, customers' pursuit of products with higher value for money and changes in consumption patterns. Management has implemented various strategic adjustments, including developing new dishes, offering limited time meal promotions and improving customer service quality, etc. to address the challenges.

The Group's integrated food segment includes food processing business in the mainland and bakery business in Hong Kong, and the overall operation shows a trend of divergence and improvement. The annual turnover was HK$191,931,000 (2025: HK$190,641,000), an increase of 0.7% from last year. Among them, the annual turnover of the mainland food business was HK$55,513,000 (2025: HK$58,260,000), a slight decrease of 4.7% compared with last year. The slight adjustment in revenue was mainly due to the cautious market consumption atmosphere and more conservative public consumption decisions: while the Hong Kong bakery business developed steadily, with a turnover of HK$136,418,000 for the current period (2025: HK$132,381,000), an increase of 3.1% from last year, achieving steady income growth and effectively hedging short-term revenue fluctuations in the mainland food business.

The advanced Hainan food factory has a site area of 29,968 sq.m.. and a total floor area of 58,114 sq.m.. The sophisticated automatic moon cake production line is in full operation. Besides, the factory is expected to produce packaged Hainan style food and Chinese-style dry meat products. Management believes that the food business will continue to contribute to the Group's profitability and growth.

Hotel business has recorded a turnover of HK$6,072,000 (2025: HK$17,133,000), which mainly derived from one (2025: two) hotel(s) in the Mainland, a decrease of 64.6% from last year. The decrease was mainly attributable to the proactive disposal of 益陽佳寧娜國際酒店管理有限公司 (Yiyang Carrianna International Hotel Management Company Limited#), optimizing the hotel's asset structure and focusing on strategic adjustments to core main businesses.

For identification purpose only

OUTLOOK

Global economy faced significant uncertainty mainly due to the geopolitical instability in the Middle East, impact of the trade tariff imposed by the U.S., the risk of heightened policy, and the pressures of the inflation. It continuously weakened consumer confidence, and will likely be depressed in the immediate future. While the governments of China and Hong Kong actively implemented numerous stimulus policies to maintain steady economic growth, Government support policies have helped to temper the downturn. To address these challenges, the Group will implement a series of measures. First, we will continue to optimize cost management, enhance operational efficiency, and improve financial control to reduce operational risks. Second, we will strengthen market research to timely understand changes in consumer demand and adjust our product and service strategies accordingly. Third, we will expand online sales channels and enhance our digital transformation capabilities to adapt to market changes. We will further enhance our brand image and consumer trust. Through these comprehensive measures, the Group aims to effectively navigate economic fluctuations and achieve sustained growth in our operating markets in Hong Kong and the Mainland.

Despite these challenges, the Group remains cautiously optimistic about the economic outlook for the coming year. With the implementation of the enhanced business management and cost control, the performance will be gradually improved.

Management will continue to focus its business development in the Greater Bay Area. Management is of the view that demand and consumer spending will remain strong and sustainable in the area. The Group will leverage on its established branding and reputation of the "Carrianna" Chao Zhou and "Shun Yi" Shunde cuisine and will continue to expand its restaurant business steadily in the region. In addition, the management will also focus on assessing and will close the stores that are continuously operating at a loss to increase revenue and reduce expenditure. Combining with the development mode of catering, we can optimize the product structure of catering and achieve product strength improvement for customers. With precise marketing methods, we can further deepening of Carrianna Chaozhou cuisine to develop new Chaozhou cuisine and enhance innovation. At the same time, we will increase the application of artificial intelligence in the industry, focusing on strengthening the promotion of artificial intelligence to the industry in the next year for the empowerment of the industry. We have also planned to introduce some experimed artificial intelligence experts to solve the problems of the industry. By embracing the new artificial intelligence with the Internet, dividends will be distributed to traditional industries.

On the property development side, the investment property portfolio in the Mainland and Hong Kong continues to provide steady income flow to the Group. With the government lifted market cooling measures, the management believes that according to the attributes of the site on Castle Peak Road and the current consumer preferences, the development of the project will be accelerated and the market dividends of the current real estate, especially the small-scale entry-level properties will be achieved.

Regarding Carrianna food segement, we will focus on developing year-round food products, building upon existing foundations. In-depth research is currently carried out on the product structure and business model for year-round food products, and a high-quality team has been engaged in to further develop and implement this segment. Seasonal food and gifts will be fully integrated with the Carrianna brand, promotion and e-commerce will be developed and improved. The management firmly believes that relying on superior product quality and brand influence, we will obtain new development opportunities.

FINANCIAL REVIEW

Overall Results

For the year ended 31 March 2026, the Group's turnover was HK$551,968,000 (2025: HK$577,521,000), decreased by 4.4% as compared to last year. The decrease in turnover was mainly attributable to the decrease in the restaurant, food and hotel business turnover, which partly compensated by the increase in the property investment and development business turnover during the year. The Group's loss attributable to shareholders was HK$30,283,000 (2025: HK$135,187,000), decreased by 77.6% as compared to last year. The decrease in loss attributable to shareholders was mainly due to the combined effect of (i) the decrease in other gains and expenses, net mainly due to the recognition of fair value gain of investment properties; (ii) the decrease in finance cost due to the decrease of interest on bank borrowings; and (iii) the decrease in share of losses of associates during the year.

Liquidity and Financial Resources

As at 31 March 2026, the Group's consolidated net assets after deduction of non-controlling interests was HK$3,057,012,000 (31 March 2025: HK$2,917,783,000) and consolidated net assets after deduction of non-controlling interests per share was HK$1.95 (31 March 2025: HK$1.86).

As at 31 March 2026, the Group's cash and bank balances amounted to HK$86,751,000 (2025: HK$162,534,000), which were denominated in Hong Kong dollars, Renminbi and United States dollars of HK$27,011,000, HK$59,686,000 and HK$54,000, respectively. The Group's free cash and bank balances amounted to HK$86,751,000 (2025: HK$162,534,000).

As at 31 March 2026, the Group's bank borrowings and convertible bonds amounted to HK$1,470,276,000 (2025: HK$1,552,677,000) and HK$69,518,000 (2025: HK$69,127,000) respectively. All interest-bearing bank borrowings bear interest at floating rates. Netting off cash deposits pledged for borrowings, the Group's net borrowings were HK$1,520,168,000 (2025: HK$1,588,082,000). Net borrowings less free cash and bank balances were HK$1,433,417,000 (2025: HK$1,425,548,000).

The Group's gearing ratio, which was defined as the Group's interest-bearing bank borrowings and convertible bonds, net of cash and bank balances, and pledged time deposits as a percentage of the Group's total equity net of debit reserves, was approximately 40.8% (2025: 40.5%).

The Group adopts a conservative treasury policy in cash and financial management. The objective of the Group's treasury policy is to maintain a sound financial position by holding an appropriate level of cash to meet its operating requirements and long-term business development needs.

The Group generally funds the operations from internal resources, investment income and bank borrowings. The liquidity needs mainly comprise general working capital, capital expenditure and investment, and repayment of bank borrowings and interest.

During the year under review, management closely monitored the cash position of the Group from time to time to ensure that it was adequate to finance the financial and operational requirements. With the increase in the level of cash balance, management will utilize it for appropriate investments in accordance with the Group's strategies and directions from the Board.

Contingent liabilities

As at the end of the reporting period, the Group had no contingent liabilities relating to guarantees given to banks for mortgage loan facilities granted to purchasers of properties (2025: Nil).

Charges on the Group's assets

As at the end of the reporting period, certain of the Group's property, plant and equipment, investment properties, time deposits and financial assets at fair value through profit or loss with a total carrying value of approximately HK$2,420,575,000 (2025: HK$2,021,713,000) were pledged to secure general banking, trade finance and other facilities granted to the Group. In addition, rental income generated in respect of certain investment properties of the Group was assigned to banks to secure loan facilities granted to the Group.

Foreign exchange exposure

The Group mainly operates in Hong Kong and Mainland China. Most of the Group's monetary assets, liabilities and transactions as at 31 March 2026 and for the year then ended principally denominated in Hong Kong dollars and Renminbi. Majority of the sales, purchases and expenditure incurred by the operating units of the Group during the year were denominated in the units' functional currencies and as a result, the Group does not anticipate significant transactional currency exposures. The Group has not used any derivative to hedge its exposure to foreign currency risk.

EMPLOYEE AND REMUNERATION POLICY

The Group's staff consists of approximately 256 employees in Hong Kong and approximately 736 employees outside Hong Kong (Mainland China). Employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Disposal of the entire equity interest in Profit Share Investments Limited

On 13 February 2026 (after trading hours), Carrianna Land Development Limited (the "Vendor"), a direct wholly-owned subsidiary of the Company, Silver Chaser Holdings Limited (the "Purchaser") and the Company (as the Vendor's guarantor) entered into a sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to acquire 100% equity interest in Profit Share Investments Limited (the "Target Company"), wholly-owned by the Vendor as at the date of the Sale and Purchase Agreement for the total consideration of HK$45,000,000 (the "Disposal").

All the conditions precedent under the Sale and Purchase Agreement have been fulfilled. The completion of the Disposal took place on 8 May 2026 in accordance with the terms and conditions of the Sale and Purchase Agreement. Upon completion of the Disposal, the Target Company will cease to be a subsidiary of the Company and the financial results of the Target Company will cease to be consolidated into the Group's consolidated financial statements.

Save as disclosed above, the Group had no significant investment, material acquisition and disposal of subsidiaries, associates and joint ventures during the year ended 31 March 2026.

FINAL DIVIDEND

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

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company will be held at Carrianna (Chiu Chow) Restaurant, 1st Floor, 151 Gloucester Road, Wanchai, Hong Kong on Monday, 28 September 2026 at 11:00 a.m. The notice of the annual general meeting will be published on the website of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the website of the Company (http://www.carrianna.com).

For the purpose of ascertaining the Company's shareholders' right to attend and vote at the annual general meeting, the register of members of the Company will be closed from Wednesday, 23 September 2026 to Monday, 28 September 2026, both days inclusive, during which period no transfer of shares will be effected. The record date for determining the eligibility of the shareholders of the Company to attend and vote at the annual general meeting of the Company will be Monday, 28 September 2026. In order for a shareholder of the Company to be eligible to attend and vote at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 22 September 2026.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive directors of the Company, namely Mr. Wong See King (Chairman), Mr. Cheung Wah Fung, Christopher and Miss Liu Ling Ling, Samantha.

The Audit Committee has reviewed with management the annual results, and the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the Group's financial statements for the year ended 31 March 2026.

SCOPE OF WORK OF THE COMPANY'S AUDITOR IN RESPECT OF THIS PRELIMINARY ANNOUNCEMENT

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 this preliminary announcement have been agreed by the Company's auditors, ZHONGHUI ANDA CPA Limited ("ZHONGHUI"), to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 March 2026. The work performed by ZHONGHUI in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI on this preliminary announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

In the opinion of the directors of the Company, the Company has complied with the applicable code provisions set out in Part 2 of the Corporate Governance Code in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the year ended 31 March 2026.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules as the code for securities transactions by the directors of the Company. Following specific enquiry by the Company, the directors have confirmed that they have complied with the required standard under the Model Code for the year ended 31 March 2026.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2026.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT

The annual results announcement of the Company for the year ended 31 March 2026 is published on the websites of the Company (http://www.carrianna.com) and the Stock Exchange (https://www.hkex.com.hk) respectively. The annual report 2026 of the Company will be despatched to the shareholders of the Company and available on the same websites in due course.

APPRECIATION

The Board takes this opportunity to express hearty gratitude to business partners, shareholders, and loyal and diligent staff.

For and on behalf of the Board
Carrianna Group Holdings Company Limited
Dr. Ma Kai Yum
Chairman

Hong Kong, 30 June 2026

As at the date of this announcement, the Board comprises Mr. Ma Kai Cheung (Honorary Chairman), Mr. Ma Kai Yum (Chairman), Mr. Liang Rui and Mr. Ma Hung Man as executive directors; Mr. Ma Hung Ming, John as non-executive director; and Mr. Wong See King, Mr. Cheung Wah Fung, Christopher and Miss Liu Ling Ling, Samantha as independent non-executive directors.