**FOUR SEAS MERCANTILE HOLDINGS LIMITED**

**四洲集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code : 374)

# ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2026

## RESULTS

The board of directors (the "Board") of Four Seas Mercantile Holdings Limited (the "Company") announce the preliminary 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 | **3,743,051** | 3,625,422 |
| Cost of sales | | **(2,881,230)** | (2,757,137) |
| Gross profit | | **861,821** | 868,285 |
| Other income and gains, net | 4 | **14,179** | 15,717 |
| Selling and distribution expenses | | **(431,990)** | (444,065) |
| Administrative expenses | | **(349,804)** | (349,928) |
| Other operating expenses, net | | **(19,634)** | (13,778) |
| Finance costs | 5 | **(55,037)** | (58,103) |
| Share of profits and losses of joint ventures | | **8,083** | (610) |
| Share of profits and losses of associates | | **6,004** | 6,932 |
| **PROFIT BEFORE TAX** | 3 & 6 | **33,622** | 24,450 |
| Income tax expense | 7 | **(19,369)** | (15,661) |
| **PROFIT FOR THE YEAR** | | **14,253** | 8,789 |
| Attributable to: | | | |
| Equity holders of the Company | | **13,075** | 10,164 |
| Non-controlling interests | | **1,178** | (1,375) |
| | | **14,253** | 8,789 |
| **EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY** | | | |
| – Basic and diluted | 9 | **HK3.4 cents** | HK2.7 cents |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*Year ended 31 March 2026*

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **PROFIT FOR THE YEAR** | **14,253** | 8,789 |
| **OTHER COMPREHENSIVE INCOME/(LOSS)** | | |
| *Other comprehensive income that may be reclassified to profit or loss in subsequent periods:* | | |
| Exchange differences: | | |
| Exchange differences on translation of foreign operations | **31,868** | 10,677 |
| Release of exchange fluctuation reserve for voluntary liquidation of foreign operations | **–** | (6,577) |
| Share of other comprehensive income/(loss) of associates | **2,372** | (456) |
| *Net other comprehensive income that may be reclassified to profit or loss in subsequent periods* | **34,240** | 3,644 |
| *Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:* | | |
| Financial assets at fair value through other comprehensive income: | | |
| – Changes in fair value | **1,314** | 9,664 |
| – Income tax effect | **(1,866)** | (3,311) |
| Defined benefit obligations: | | |
| – Gains on remeasurement | **32** | 286 |
| – Income tax effect | **(27)** | (98) |
| *Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods* | **(547)** | 6,541 |
| **OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX** | **33,693** | 10,185 |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | **47,946** | 18,974 |
| Attributable to: | | |
| Equity holders of the Company | **46,102** | 20,551 |
| Non-controlling interests | **1,844** | (1,577) |
| | **47,946** | 18,974 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*31 March 2026*

| | Notes | 2026 HK$'000 | 2025 HK$'000 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | | **859,411** | 896,547 |
| Investment properties | | **32,507** | 33,957 |
| Goodwill | | **100,432** | 101,871 |
| Other intangible assets | | **33,654** | 39,249 |
| Investments in joint ventures | | **29,381** | 12,362 |
| Investments in associates | | **194,362** | 186,995 |
| Financial assets at fair value through profit or loss | | **13,502** | 16,964 |
| Financial assets at fair value through other comprehensive income | | **15,933** | 24,877 |
| Prepayments, deposits and other receivables | | **24,609** | 28,132 |
| Tax recoverable | | **16,310** | 20,743 |
| Deferred tax assets | | **12,534** | 10,810 |
| Total non-current assets | | **1,332,635** | 1,372,507 |
| **CURRENT ASSETS** | | | |
| Inventories | | **315,815** | 330,127 |
| Trade receivables | 10 | **620,811** | 592,404 |
| Prepayments, deposits and other receivables | | **169,864** | 159,568 |
| Tax recoverable | | **3,456** | 2,571 |
| Financial assets at fair value through profit or loss | | **97,962** | 83,611 |
| Cash and cash equivalents | | **663,357** | 631,977 |
| Total current assets | | **1,871,265** | 1,800,258 |
| **CURRENT LIABILITIES** | | | |
| Trade payables, other payables and accruals | 11 | **478,655** | 461,790 |
| Interest-bearing bank borrowings | | **997,321** | 979,841 |
| Lease liabilities | | **113,747** | 111,943 |
| Tax payable | | **3,798** | 5,325 |
| Total current liabilities | | **1,593,521** | 1,558,899 |
| **NET CURRENT ASSETS** | | **277,744** | 241,359 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **1,610,379** | 1,613,866 |

## **CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (continued)

*31 March 2026*

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **NON-CURRENT LIABILITIES** | | |
| Interest-bearing bank borrowings | **272,272** | 271,231 |
| Lease liabilities | **90,951** | 104,938 |
| Other payables and accruals | **2,105** | 2,182 |
| Defined benefit obligations | **4,798** | 5,881 |
| Deferred tax liabilities | **9,184** | 9,763 |
| Total non-current liabilities | **379,310** | 393,995 |
| Net assets | **1,231,069** | 1,219,871 |
| **EQUITY** | | |
| **Equity attributable to equity holders of the Company** | | |
| Issued capital | **38,003** | 38,012 |
| Reserves | **1,168,940** | 1,159,117 |
| | **1,206,943** | 1,197,129 |
| **Non-controlling interests** | **24,126** | 22,742 |
| Total equity | **1,231,069** | 1,219,871 |

# 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 and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, which have been measured at fair value. The financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

### 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.

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.

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

**Basis of consolidation** (continued)

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 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 the 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 and associates 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 geographical areas and has three reportable operating segments as follows:

(i) the Hong Kong segment is engaged in the manufacturing and trading of snack foods, confectionery, beverages, frozen food products, ham and ham-related products, noodles and the retailing of snack foods, confectionery and beverages, provision of catering services, and the operations of restaurants;

(ii) the Chinese Mainland segment is engaged in the manufacturing and trading of snack foods, confectionery, beverages, frozen food products, ham and ham-related products, noodles, and the operations of restaurants; and

(iii) the Japan segment is engaged in the wholesaling and distribution of snack foods and confectionery.

## 3. OPERATING SEGMENT INFORMATION (continued)

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 profit before tax except that interest income, dividend income and unallocated gains/losses, non-lease-related finance costs, share of profits and losses of joint ventures and associates and corporate and other unallocated expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, investments in joint ventures and associates, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, tax payable and deferred tax 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)

**2026**

| | **Hong Kong** | **Chinese Mainland** | **Japan** | **Total** |
|---|---|---|---|---|
| | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** |
| **Segment revenue:** | | | | |
| Sales to external customers* | **1,776,395** | **629,845** | **1,336,811** | **3,743,051** |
| Intersegment sales | **44,669** | **183,029** | **33,609** | **261,307** |
| Total segment revenue | **1,821,064** | **812,874** | **1,370,420** | **4,004,358** |
| *Reconciliation:* | | | | |
| Elimination of intersegment sales | | | | **(261,307)** |
| Total revenue | | | | **3,743,051** |
| **Segment results** | **84,048** | **(12,273)** | **17,622** | **89,397** |
| *Reconciliation:* | | | | |
| Interest income | | | | **3,246** |
| Dividend income and unallocated gains, net | | | | **2,770** |
| Finance costs (other than interest on lease liabilities) | | | | **(43,690)** |
| Share of profits and losses of joint ventures | | | | **8,083** |
| Share of profits and losses of associates | | | | **6,004** |
| Corporate and other unallocated expenses | | | | **(32,188)** |
| Profit before tax | | | | **33,622** |

## 3. OPERATING SEGMENT INFORMATION (continued)

**2025**

| | Hong Kong | Chinese Mainland | Japan | Total |
|---|---|---|---|---|
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Segment revenue:** | | | | |
| Sales to external customers* | 1,774,086 | 586,546 | 1,264,790 | 3,625,422 |
| Intersegment sales | 42,433 | 191,931 | 38,606 | 272,970 |
| Total segment revenue | 1,816,519 | 778,477 | 1,303,396 | 3,898,392 |
| *Reconciliation:* | | | | |
| Elimination of intersegment sales | | | | (272,970) |
| Total revenue | | | | 3,625,422 |
| **Segment results** | 89,682 | (10,570) | 13,866 | 92,978 |
| *Reconciliation:* | | | | |
| Interest income | | | | 4,572 |
| Dividend income and unallocated gains, net | | | | 1,033 |
| Finance costs (other than interest on lease liabilities) | | | | (46,074) |
| Share of profits and losses of joint ventures | | | | (610) |
| Share of profits and losses of associates | | | | 6,932 |
| Corporate and other unallocated expenses | | | | (34,381) |
| Profit before tax | | | | 24,450 |

## 3. OPERATING SEGMENT INFORMATION (continued)

**2026**

| | Hong Kong *HK$'000* | Chinese Mainland *HK$'000* | Japan *HK$'000* | Total *HK$'000* |
|---|---|---|---|---|
| **Segment assets** | **1,402,052** | **649,033** | **462,718** | **2,513,803** |
| *Reconciliation:* | | | | |
| Elimination of intersegment receivables | | | | **(356,700)** |
| Investments in joint ventures | | | | **29,381** |
| Investments in associates | | | | **194,362** |
| Corporate and other unallocated assets | | | | **823,054** |
| Total assets | | | | **3,203,900** |
| **Segment liabilities** | **479,323** | **263,980** | **303,653** | **1,046,956** |
| *Reconciliation:* | | | | |
| Elimination of intersegment payables | | | | **(356,700)** |
| Corporate and other unallocated liabilities | | | | **1,282,575** |
| Total liabilities | | | | **1,972,831** |
| **Other segment information:** | | | | |
| Impairment of trade receivables | **1,283** | **1,034** | **103** | **2,420** |
| Write-down/(reversal of write-down) of slow-moving inventories, net | **(224)** | **2,621** | **258** | **2,655** |
| Depreciation and amortisation, except right-of-use assets | **25,815** | **25,086** | **8,205** | **59,106** |
| Depreciation of right-of-use assets | **113,220** | **15,062** | **6,799** | **135,081** |
| Impairment of items of property, plant and equipment, except right-of-use assets | **1,044** | **–** | **–** | **1,044** |
| Impairment of right-of-use assets | **475** | **–** | **–** | **475** |
| Loss on disposal/write-off of items of property, plant and equipment | **1,944** | **740** | **54** | **2,738** |
| Fair value loss/(gain) on investment properties | **–** | **2,096** | **(569)** | **1,527** |
| Capital expenditure** | **21,103** | **5,661** | **2,020** | **28,784** |
| Non-current assets*** | **483,254** | **338,921** | **203,829** | **1,026,004** |

## 3. OPERATING SEGMENT INFORMATION (continued)

**2025**

| | Hong Kong *HK$'000* | Chinese Mainland *HK$'000* | Japan *HK$'000* | Total *HK$'000* |
|---|---|---|---|---|
| **Segment assets** | 1,399,619 | 667,855 | 479,423 | 2,546,897 |
| *Reconciliation:* | | | | |
| Elimination of intersegment receivables | | | | (365,042) |
| Investments in joint ventures | | | | 12,362 |
| Investments in associates | | | | 186,995 |
| Corporate and other unallocated assets | | | | 791,553 |
| Total assets | | | | 3,172,765 |
| **Segment liabilities** | 480,528 | 276,168 | 295,080 | 1,051,776 |
| *Reconciliation:* | | | | |
| Elimination of intersegment payables | | | | (365,042) |
| Corporate and other unallocated liabilities | | | | 1,266,160 |
| Total liabilities | | | | 1,952,894 |
| **Other segment information:** | | | | |
| Impairment of trade receivables | 944 | 2,118 | 6 | 3,068 |
| Write-down of slow-moving inventories | 7 | 2,800 | 148 | 2,955 |
| Depreciation and amortisation, except right-of-use assets | 24,510 | 41,150 | 8,993 | 74,653 |
| Depreciation of right-of-use assets | 116,119 | 17,409 | 7,221 | 140,749 |
| Impairment of items of property, plant and equipment, except right-of-use assets | 593 | – | – | 593 |
| Impairment of right-of-use assets | 1,646 | – | – | 1,646 |
| Loss/(gain) on disposal/write-off of items of property, plant and equipment | (313) | 8 | 1,639 | 1,334 |
| Fair value loss on investment properties | – | 432 | 51 | 483 |
| Capital expenditure** | 249,146 | 21,618 | 344 | 271,108 |
| Non-current assets*** | 498,398 | 355,157 | 218,069 | 1,071,624 |

* The revenue information above is based on the locations of the customers, except for a subsidiary within the Japan segment whose sales to external customers of HK$93,665,000 (2025: HK$69,821,000) arising from Chinese Mainland.

** Capital expenditure consists of additions to property, plant and equipment, excluding right-of-use assets arising from leased buildings, furniture, fixtures and equipment, plant and machinery and motor vehicles.

*** The non-current assets information above is based on the locations of the assets, except for a subsidiary within the Japan segment whose non-current assets of HK$112,000 (2025: HK$46,000) is based in Chinese Mainland, and excludes financial instruments, deferred tax assets, tax recoverable and investments in joint ventures and associates.

## 4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| *Revenue from contracts with customers* | | |
| Sale of goods | **3,743,051** | 3,625,422 |

**Revenue from contracts with customers**

(i) Disaggregated revenue information

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| *Primary geographical markets:* | | |
| Hong Kong | **1,776,395** | 1,774,086 |
| Chinese Mainland | **629,845** | 586,546 |
| Japan* | **1,336,811** | 1,264,790 |
| Total revenue | **3,743,051** | 3,625,422 |
| *Timing of revenue recognition:* | | |
| At a point in time | **3,743,051** | 3,625,422 |

* Including revenue from contracts with customers of approximately HK$93,665,000 (2025: HK$69,821,000) arising from Chinese Mainland.

The amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period are as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Sale of goods | **2,583** | 2,118 |

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

**Revenue from contracts with customers** (continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

*Sale of goods*

The performance obligation is satisfied upon delivery of the goods and payment is generally due within one to three months, extending up to four to five months for major customers, from delivery, except for new customers, where payment in advance is normally required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March are as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Amounts expected to be recognised as revenue: | | |
| Within one year | **2,275** | 2,583 |

The amounts of transaction prices allocated to remaining performance obligations are expected to be recognised as revenue within one year.

An analysis of other income and gains, net is as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Other income** | | |
| Bank interest income | **3,246** | 4,572 |
| Dividend income | **1,696** | 1,569 |
| Rental income from investment properties operating leases: | | |
| Other lease payments, including fixed payments | **2,870** | 2,959 |
| Others | **6,820** | 7,636 |
| Total other income | **14,632** | 16,736 |
| **Gains/(losses), net** | | |
| Net fair value losses on investment properties | **(1,527)** | (483) |
| Net fair value gains/(losses) on financial assets at fair value through profit or loss | **1,074** | (536) |
| Total losses, net | **(453)** | (1,019) |
| Total other income and gains, net | **14,179** | 15,717 |

## 5. FINANCE COSTS

An analysis of finance costs is as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Interest on bank and trust receipt loans | **43,690** | 46,074 |
| Interest on lease liabilities | **11,347** | 12,029 |
| Total | **55,037** | 58,103 |

## 6. PROFIT BEFORE TAX

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

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Cost of inventories sold | **2,878,575** | 2,754,182 |
| Depreciation of items of property, plant and equipment, except right-of-use assets | **55,228** | 70,813 |
| Depreciation of right-of-use assets | **135,081** | 140,749 |
| Amortisation of other intangible assets | **3,878** | 3,840 |
| Loss on disposal/write-off of items of property, plant and equipment, net* | **2,738** | 1,334 |
| Gain on derecognition of right-of-use assets, net | **(255)** | (224) |
| Impairment of items of property, plant and equipment, except right-of-use assets* | **1,044** | 593 |
| Impairment of right-of-use assets* | **475** | 1,646 |
| Foreign exchange differences, net | **(5,841)** | 599 |
| Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties | **828** | 1,000 |
| Impairment of trade receivables* | **2,420** | 3,068 |
| Gain on voluntary liquidation of subsidiaries* | **–** | (6,577) |
| Write-down of slow-moving inventories, net** | **2,655** | 2,955 |

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

** The write-down of slow-moving inventories, net 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%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Current – Hong Kong | **13,029** | 11,265 |
| Current – Elsewhere | **7,854** | 7,774 |
| Deferred | **(1,514)** | (3,378) |
| Total tax charge for the year | **19,369** | 15,661 |

## 8. DIVIDENDS

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Interim – HK3.0 cents (2025: HK3.0 cents) per ordinary share | **11,401** | 11,466 |
| Proposed final dividend – HK6.5 cents (2025: HK6.5 cents) per ordinary share | **24,702** | 24,706 |
| | **36,103** | 36,172 |

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

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

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in outstanding during the year.

The calculation of basic earnings per share are based on:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Earnings** | | |
| Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculation | **13,075** | 10,164 |

| | **Number of shares** | |
|---|---|---|
| | **2026** | 2025 |
| **Shares** | | |
| Weighted average number of ordinary shares outstanding during the year used in the basic and diluted earnings per share calculation | **380,059,015** | 383,081,059 |

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

## 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 for a period of one to three months, extending up to four to five months for major customers.

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 | **318,727** | 326,173 |
| 1 to 2 months | **115,314** | 110,462 |
| 2 to 3 months | **79,231** | 68,909 |
| Over 3 months | **107,539** | 86,860 |
| Total | **620,811** | 592,404 |

## 11. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Included in trade payables, other payables and accruals is trade payables balance of HK$267,853,000 (2025: HK$258,832,000). An ageing analysis of the trade payables at the end of the reporting period, based on the invoice date, is as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 1 month | **200,701** | 193,224 |
| 1 to 2 months | **48,858** | 51,425 |
| 2 to 3 months | **10,126** | 12,054 |
| Over 3 months | **8,168** | 2,129 |
| Total | **267,853** | 258,832 |

The trade payables are non-interest-bearing and are normally settled on 30-day to 60-day terms. Other payables are non-interest-bearing and have an average term of three months.

## PROPOSED FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK6.5 cents in cash per ordinary share for the year ended 31 March 2026. Subject to the approval by the shareholders of the Company at the forthcoming annual general meeting of the Company to be held on Monday, 31 August 2026 (the "AGM"), the said final dividend will be paid in cash on Monday, 28 September 2026 to shareholders of the Company whose names appear on the register of members of the Company as at the close of business on Tuesday, 8 September 2026. Together with the interim dividend of HK3.0 cents per ordinary share, the total dividends per ordinary share for the financial year ended 31 March 2026 are HK9.5 cents (2025: HK9.5 cents).

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods, and no transfer of shares will be registered during such periods:

(i) from Tuesday, 25 August 2026 to Monday, 31 August 2026, both days inclusive, for the purpose of ascertaining shareholders' eligibility to attend and vote at the AGM. 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 should ensure that all transfer documents accompanied by the relevant share certificates must be lodged 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 not later than 4:30 p.m. on Monday, 24 August 2026; and

(ii) from Friday, 4 September 2026 to Tuesday, 8 September 2026, both days inclusive, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend for the year ended 31 March 2026. The record date will be Tuesday, 8 September 2026. In order to qualify for the said proposed final dividend, unregistered holders of shares of the Company should ensure that all transfer documents accompanied by the relevant share certificates must be lodged 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 not later than 4:30 p.m. on Thursday, 3 September 2026. The proposed final dividend is subject to the shareholders' approval at the AGM. The record date for entitlement to the proposed final dividend is Tuesday, 8 September 2026 and the payment of final dividend will be made on Monday, 28 September 2026.

## BUSINESS REVIEW AND PROSPECTS

During the year under review, the global economy remained volatile, with ongoing supply-chain pressures. Nevertheless, a more accommodative interest-rate environment, together with rapid technological advancement and progress in artificial intelligence, supported overall economic growth. Amid the challenges posed by an increasingly uncertain operating environment, the Group maintained steady progress by leveraging its extensive market experience, solid foundation, strong brand, and proactive planning. Through the introduction of new products, the launch of new marketing initiatives, and the formation of new business partnerships, the Group continues to develop steadily, sustain its market leadership, and create opportunities for the future.

The Group remained proactive and adaptable in responding to market challenges through continuous innovation and product development. In Hong Kong, the Group built on the strengths of its new flagship store, "Seas of Flavour", in Causeway Bay, to launch a range of new products that introduced exciting new flavours to consumers. These included Japan's first tofu pudding developed in collaboration with Imuraya, which generated overwhelming market demand; milk cream puff cakes launched together with Fujiya, which received a favourable market response; House Tongari (Seaweed) Corn introduced in partnership with House Foods and porippy chocolate coated peanuts in collaboration with Denroku, which proved highly popular among consumers. In addition, the Group collaborated with the movie "Back to the Past" to launch the "Back to the Past Four Seas Biscuit Sticks" product series. The campaign successfully captured market attention, set new trends, and achieved strong sales within a short period of time. It even experienced stockouts at one stage, creating the market legend of "Back to the Past Four Seas Biscuit Sticks". This represents another landmark achievement following the launch of the Group's "Four Seas Good Luck Biscuit". In the Chinese Mainland, the Group has broadened its distribution channels through collaboration with large warehouse clubs. For instance, by producing exclusive products tailored for Costco, thereby extending the customer base and attracting consumers seeking distinctive product offerings. In Japan, the Group continued to leverage the strengths of Miyata Co., Ltd. ("Miyata") in products, platforms, pricing, and market positioning. Beyond introducing high-quality Japanese products to Hong Kong and Chinese Mainland, the Group implemented new strategic initiatives to enable its manufacturing facilities in Chinese Mainland to serve overseas markets. By producing food products for the Japanese market, the Group not only met local consumer demand but also improved operational efficiency and competitiveness through greater synergies across its business operations.

## RESULTS

In the annual results for the year ended 31 March 2026, the Group's consolidated revenue was HK$3,743,051,000 (2025: HK$3,625,422,000). The profit for the year attributable to equity holders of the Company was HK$13,075,000 (2025: HK$10,164,000).

## BUSINESS REVIEW AND PROSPECTS (continued)

### RESULTS (continued)

During the year under review, consumer markets in Hong Kong, Chinese Mainland, and Japan were broadly stable. The Group maintained its competitiveness and delivered promising results across various business segments. Over the past few years, the Group has actively expanded its ice cream business and strengthened its market position by introducing a diversified portfolio of imported brands and flavours. This has given consumers a continuous sense of novelty and supported a steady increase in market share in Hong Kong. The Group also collaborated with travel agencies and financial institutions to drive customer traffic to "Seas of Flavour", its flagship store in Causeway Bay, which spans over 20,000 square feet. These efforts created additional business opportunities. Meanwhile, intense competition in Hong Kong's retail market, including promotional activities by major supermarket chains and online sales platforms, helped stimulate product demand and supported sales growth while preserving profitability. In addition, the Japanese yen remained weak against the Hong Kong dollar, supporting the Group's performance.

#### Hong Kong

Sales derived from the Hong Kong segment amounted to HK$1,776,395,000 (2025: HK$1,774,086,000), accounting for 47% of the Group's total sales. Hong Kong continued to face challenges arising from cross-border consumption and dining activities. Nevertheless, the increase in visitor arrivals and the gradual recovery of the retail market, partly offsetting the challenging environment, provided support to the Group's diversified businesses in food distribution, wholesale, retail and catering.

#### Chinese Mainland

Sales in Chinese Mainland were HK$629,845,000 (2025: HK$586,546,000), accounting for 17% of the Group's total turnover. In terms of Renminbi, sales in Chinese Mainland were RMB571,133,000 (2025: RMB543,299,000). Despite intense market competition in Chinese Mainland, the Group maintained stable revenue performance in the region. This was attributable to the effective utilisation of local resources as well as the strong Renminbi during the review period, resulting in a corresponding increase when converted to Hong Kong dollars.

#### Japan

Sales in Japan were HK$1,336,811,000 (2025: HK$1,264,790,000), accounting for 36% of the Group's total turnover. In terms of Japanese yen, revenue in Japan was JPY25,857 million (2025: JPY24,703 million). During the review period, the Group adjusted its resource allocation in response to growing demand in Japan for products manufactured in Chinese Mainland. These measures helped lower costs, boost sales and support steady business growth.

## BUSINESS REVIEW AND PROSPECTS (continued)

## BUSINESS REVIEW

### Distribution Business

Food distribution is the Group's core business. Through decades of dedicated development, the Group has successfully established a comprehensive one-stop sales network and cultivated long-term, stable partnerships with renowned food manufacturers from around the world, including Japan, Korea, Thailand, Indonesia, Malaysia, Singapore, France, Germany, the Netherlands, the United States, and Chinese Mainland. These partnerships are supported by an extensive distribution network, covering department stores, supermarkets, convenience stores, fast-food chains, wholesalers, retailers, restaurants, bars, hotels, airlines, as well as the Group's flagship store, "Seas of Flavour", its "Okashi Land" Japanese snack stores, "YOKU MOKU" cookie stores, and "Japanese Ice Cream House". Together, this network enables the Group to offer consumers a wide range of quality food products.

The Group continues to focus on developing high-quality, everyday food products. Japanese eggs, Japanese dairy products, tofu, and Japanese rice remained highly popular and have become daily essential items for consumers, delivering outstanding sales performance. Looking ahead, the Group will continue to drive innovation and carefully source a wide range of high-quality products to meet consumers' diverse needs. Food categories include ice cream, biscuits, cakes, candies, chocolates, chips, snacks, instant noodles, beverages, alcohol, soy sauce, seasonings, ham and sausages. These products provide consumers with a comprehensive selection of international culinary offerings.

### Manufacturing Business

The Group has always placed great emphasis on food quality and hygiene to safeguard consumer health, achieving the goal of "Safe and Happy Eating". The Group's food quality meets international standards and is highly praised, receiving multiple quality food certifications, including "HACCP", "ISO 9001", "ISO 22000" and "GMP" system certifications, the "Q-Mark License" of the Hong Kong Q-Mark Certification Scheme for over 30 years, and the "HKQAA Hong Kong Registration – Oil" from the Hong Kong Quality Assurance Agency. The Group's unwavering commitment to food safety has strengthened consumer confidence, and recognition and support from the public.

The Group fully leverages its food processing plants located across Chinese Mainland and Hong Kong to produce a range of specialty foods. With a one-stop production capability and a flexible sales strategy, the Group is able to target different market needs. For example, when demand for the "Back to the Past Four Seas Biscuit Sticks" product series surged, the Group's biscuit manufacturing facility in Huizhou promptly increased production capacity to meet consumer demand. In addition, the Group's two major production plants operated by Calbee Four Seas Co., Ltd. in the Tseung Kwan O Industrial Estate in Hong Kong and Shantou in Chinese Mainland produce popular snacks such as potato chips, shrimp strips, and corn sticks, which are in high demand in both Hong Kong and Chinese Mainland. As demand for snack foods in Japan continues to rise, the Group has further expanded the manufacturing capacity of its food processing facilities in Chinese Mainland to serve overseas markets and meet Japan's growing food demand.

## BUSINESS REVIEW AND PROSPECTS (continued)

## BUSINESS REVIEW (continued)

### Retail and Catering Businesses

The Group's Chinese and Japanese restaurants are highly praised in Guangdong and Hong Kong, maintaining a stable performance during the review period. Its brands include "Shiki • Etsu" Japanese restaurant, "Kung Tak Lam" Shanghai vegetarian restaurant, "Noble Chiu Chow Restaurant", "Gyumai by Beefar's" and "The CHOYA Ginza BAR" in Hong Kong, as well as "Sushi Oh" conveyor belt sushi restaurants and the renowned "Panxi Restaurant" in Guangzhou. These establishments continued to receive favourable customer feedback and support. During the year under review, the Group further expanded into new catering businesses through the launch of "Café Aobi", a Japanese-style light dining café in Central, and enriched the Group's catering business with fresh momentum. In addition, Murray Catering Company Limited, a subsidiary specialising in the provision of lunch box and tuck shop services for schools in Hong Kong, continued to achieve satisfactory operating results and gained broad recognition.

The Group's retail stores are located across Hong Kong. Among them, the 20,000-square-foot "Seas of Flavour" in Causeway Bay is not only Hong Kong's first large-scale food brand experience centre but also a new landmark of local snack culture. The centre showcases quality food products distributed and manufactured by the Group over the past 50 years, featuring numerous products sourced from various countries and regions. In addition, the Group's brands – such as "Okashi Land" Japanese snack special stores, "Japanese Ice Cream House" Japanese speciality ice cream and snack stores, "Miyata Store", "YOKU MOKU" cookie stores and "Family Shop". With distinctive positioning and offerings, these retail brands cater to consumers of different age groups and preferences, further strengthening the Group's presence in Hong Kong's food retail market.

## BRAND DEVELOPMENT

Established in 1971, the Group proudly celebrates its 55th anniversary this year. Growing alongside Hong Kong, the Group has been well-known among households, consistently pursuing excellence and embracing innovation. As a leader in the local snack and food market, the Group was listed on the Stock Exchange of Hong Kong in 1993, consistently expanding from wholesale distribution to food manufacturing and catering, achieving comprehensive diversification across the supply chain and showcasing remarkable growth.

Committed to keeping pace with changing market trends, the Group continues to expand its business with Hong Kong as its headquarters, and customers as the centre of its development strategy. By actively exploring opportunities in Chinese Mainland and overseas markets, the Group has broadened its customer base and enhanced its international service capabilities. At the same time, the Group has played an important role as a snack diplomat, with the footprint of the Group's products extends to many parts of the world.

## BUSINESS REVIEW AND PROSPECTS (continued)

### BRAND DEVELOPMENT (continued)

With the vision of promoting cross-border snack consumption, the Group is committed to fostering the exchange and integration of global food cultures, enabling consumers around the world to conveniently enjoy quality food products from different countries and regions. Following the acquisition of Miyata, a Japanese company with over 90 years of history, the Group successfully integrated three major food distribution platforms in Chinese Mainland, Hong Kong and Japan, not only realising the "interconnection" of food and facilitating the introduction and promotion of food products from various regions, but also creating new growth drivers for the Group. Furthermore, the Group is able to optimise resource allocation across markets and provide mutual support among its operations in different regions, creating cross-regional and cross-brand synergies and a mutually beneficial business ecosystem.

## CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL PROTECTION

The Group upholds the spirit of "Taking from Society, Giving Back to Society", actively contributing to Hong Kong's social development through welfare initiatives, volunteer efforts, and youth programmes. By embedding sustainability into every facet of its operations, the Group supports diverse causes, including beach clean-ups and the annual Hong Kong Tree Planting Day. Under its "Four Seas with Love" motto, the Group works with communities to build a sustainable future for Hong Kong.

During the year under review, the Group's various businesses have been widely acknowledged by both the industry and the community. Calbee Four Seas Company Limited was awarded the "Best All-round MPF Employer" by the Mandatory Provident Fund Schemes Authority. It also received the "Caring Company Award" from the Hong Kong Council of Social Services for 21 consecutive years. In addition, the Group was honoured with the "Good Mood@Healthy Workplace Award" under the Occupational Safety and Health Council's "Outstanding Organisation Award" scheme, and received the "Super MD" accolade from the Employees Retraining Board for the period 2023–2028. On the market front, due to the outstanding performance of the Group's sales of HARIBO products in the Chinese Mainland market, the Group received "Excellence Award 2025 (Market Turnaround)" from HARIBO. Furthermore, the Group's brands garnered multiple honours from major retail stores, such as "Calbee" received 7-Eleven "2025 TOP BRAND Award for Outstanding Sales Performance (Potato Chips & Snacks Category)"; "Four Seas" brand products won "Star-grade Supermarket Brand (Snacks)" and "Outstanding Partner" at the "ParknShop Super Brand Awards 2025"; "Back to the Past Four Seas Biscuit Sticks" was recognized as the "Most Market-Influential New Product"; and "Lotte Japan" was awarded "Star-grade Supermarket Brand (Ice Cream)". These honours fully demonstrate the strong resilience and market leadership of the Group's brands in the face of adversity.

The Group embraces the philosophy of sustainable development, which is implemented across all facets of its business operations. Environmental responsibility is deeply embedded in the Group's values and business practices. It has dedicated resources towards minimising environmental impact through various initiatives and operational improvements. Further details of the Group's environmentally focused efforts are provided in our Environment, Social and Governance Report 2026.

## PROSPECTS AND GROWTH

The Group remains confident in its future development and will strive to enhance performance in pursuit of greater achievements. Despite challenges arising from uncertainties in global markets, it will continue to centre its business strategy on "Rooted in Hong Kong, Expanding to Chinese Mainland, and Reaching Out to the World." The Group will leverage its solid foundation and proactive planning to drive sustainable growth. It will diversify its food ranges, expand its customer reach, and strengthen its culinary footprint through innovative product development. The Group aims to bring customers from all regions novel flavours and brand-new experiences. These efforts will create fresh momentum and new drivers for growth, while sustaining the Group's leading position in the food industry. As a culinary paradise, Hong Kong seamlessly blends local and international flavours. The Group will further strengthen its role in international exchanges, acting as a super-connector and a super value-adder to introduce food delights from Hong Kong, Chinese Mainland, and Japan to the global stage.

### Business in Hong Kong

As a leading player in Hong Kong's food market, the Group will continue to drive market development and capture emerging business opportunities. It will further enhance the development of the "Seas of Flavour" platform by integrating exhibitions, marketing, and the retail of gourmet specialties into a comprehensive customer experience. Through these initiatives, the Group aims to elevate brand value, enrich customer experiences, and expand sales opportunities. The Group will also actively pursue cross-industry collaborations. For example, the Group will partner with Emperor Entertainment Group to launch Four Seas Sesame Filled Seaweed (Emperor Entertainment 25th Anniversary Edition). This collaboration will further expand the Group's customer base. In addition, the Group will seize business opportunities created by major international sporting events such as the FIFA World Cup and the Asian Games, held every four years to capture the rising demand for snacks among television audiences, thereby further enhancing sales performance. With the steady recovery of Hong Kong's economy and forward-looking business strategies in place, the Group is confident that its food distribution, food manufacturing, and retail and catering operations will sustain a stable growth momentum.

### Business in Chinese Mainland

This year marks the commencement of the National 15th Five-Year Plan. The Plan emphasises the expansion of domestic demand, the enhancement of the internal driving force and reliability of the domestic circulation, and the deepened cooperation of the Guangdong-Hong Kong-Macao Greater Bay Area. These policy directions provide substantial market opportunities and reinforce the Group's confidence in the long-term prospects. The close similarities between the food culture of the Greater Bay Area and that of Hong Kong bring significant potential for future growth in the region. The Group will continue to leverage favourable policy support and adapt to evolving consumer trends by integrating online and offline sales channels to drive business development. The Group has already established comprehensive e-commerce platforms in Chinese Mainland, including Taobao, Tmall and JD.com. Through diversified digital marketing initiatives and innovative promotional strategies, the Group continues to enhance brand awareness and stimulate sales growth. At the same time, the Group will further strengthen its offline distribution channels through major retail operators, including Costco, AEON and various regional chain retailers, expanding its brand awareness and increasing sales.

## PROSPECTS AND GROWTH (continued)

### Business in Chinese Mainland (continued)

This year marks the milestone of the 20th anniversary of the Group's acquisition of Panxi Restaurant. Through two decades of dedication and strategic nurturing, the Group has fully empowered Panxi Restaurant, transforming it not only into a premier garden restaurant highly acclaimed across the Mainland, Hong Kong, and Macau, but also into a shining emblem of Lingnan culinary culture. Spanning an area of 12,000 square meters, the restaurant is nestled along the shores of Liwan Lake in Xiguan, Guangzhou, boasting uniquely breathtaking and picturesque views. With its exceptional culinary quality, Panxi has repeatedly clinched top honors in international cooking competitions and garnered prestigious titles including "China Time-Honoured Brand", "National Platinum Five-Diamond Restaurant", "Guangzhou Famous Trademark" and "China Famous Restaurant". In February 2023, Panxi Restaurant was further inducted into the "7th Batch of China's 20th-Century Architectural Heritage" projects, while its unique "Pictorial Dim Sum" was rated as "Guangzhou Municipal Intangible Cultural Heritage". Renowned classic dishes such as the Golden Dragon Crispy Suckling Pig, Eight Treasure Winter Melon Soup, Panxi Five Delicacies, and Signature Golden Roast Goose, alongside dim sum like Green Rabbit Dumplings, Xishan Olive Longevity Turtle, Tangerine Peel Red Bean Chicken, and Panxi Water Chestnut Cake, remain timeless favorites embraced by food enthusiasts and tourists from home and abroad.

Looking ahead, the Group will further leverage Panxi's core strengths, transforming the historical and cultural heritage of this classic garden restaurant into a new engine to drive the brand's soaring success. The Group will adopt a dual-track strategy of "Cultural Revitalization and Innovation-Driven Growth." On one hand, we will delve deep into the roots of Xiguan's Lingnan culture, utilizing modern technology and aesthetics to reshape interactive garden landscape experiences, thereby crafting Panxi into a new urban landmark that integrates cultural tourism, intangible heritage experiences, and high-end dining. On the other hand, the Group will introduce internationalized modern management models and supply chain advantages. While steadfastly preserving the traditional, handmade techniques of intangible cultural heritage dim sum, we will actively explore experiential innovations and youthful expressions of refined Cantonese cuisine. Leveraging the Group's cross-border resource network, we will propel the "Panxi" brand onto a broader global stage. Fully empowered by the Group, Panxi Restaurant is not merely a guardian of history, but is poised to become a trailblazer leading the trend of new-era cultural tourism and dining, showcasing limitless development potential and commercial value.

## PROSPECTS AND GROWTH (continued)

### Business in Japan

The Group will continue to leverage Miyata's extensive procurement network to strengthen connectivity among the food distribution markets of Hong Kong, Chinese Mainland, and Japan. Through Miyata's established platform, thousands of Japanese food products will be introduced to Hong Kong and Chinese Mainland, while quality food products manufactured in Hong Kong and Chinese Mainland will be promoted and distributed in the Japanese market. At the same time, the Group will further foster connectivity in food manufacturing across Hong Kong, Chinese Mainland, and Japan to achieve synergistic benefits and optimise resource allocation. These initiatives will better position the Group to meet consumer demand while improving overall operating efficiency. They will also contribute positively to the Group's future business growth and financial performance. Meanwhile, the Group will continue to focus on the Japanese market through business integration, optimisation, and renewal initiatives, further enhancing its contribution to the Group's overall results.

## 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 held cash and cash equivalents of HK$663,357,000. As at 31 March 2026, the Group had banking facilities of HK$2,660,022,000 of which 48% had been utilised. The Group had a net debt gearing ratio of 50% as at 31 March 2026. This is expressed as the total bank borrowings less cash and cash equivalents divided by equity attributable to equity holders of the Company. Bank borrowings of the Group, denominated in Hong Kong dollars, Japanese yen and Renminbi, mainly comprise trust receipt loans and bank loans (the "Interest-Bearing Bank Borrowings") at prevailing market interest rates. The Interest-Bearing Bank Borrowings which are classified as current liabilities are repayable on demand or within one year. The Interest-Bearing Bank Borrowings which are classified as non-current liabilities are either repayable over one year or the Group has the right to roll over for another year.

## STAFF EMPLOYMENT AND REMUNERATION POLICIES

The total number of employees of the Group as at 31 March 2026 was approximately 2,300. 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

For the year ended 31 March 2026, the Company repurchased certain of its shares on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), details of which are set out as follows:

| Month of repurchase | Number of shares repurchased | Price per share Highest | Price per share Lowest | Aggregate consideration |
|---|---|---|---|---|
| | | *HK$* | *HK$* | *HK$* |
| August 2025 | 16,000 | 2.60 | 2.50 | 40,800 |
| September 2025 | 50,000 | 2.55 | 2.50 | 126,000 |
| October 2025 | 6,000 | 2.50 | 2.50 | 15,000 |
| | 72,000 | | | 181,800 |

As of the date of this announcement, the Company repurchased a total of 72,000 shares which were cancelled on 25 March 2026.

The repurchases of the Company's shares in (i) August 2025 and (ii) September and October 2025 were effected by the directors, pursuant to the mandates granted by shareholders at the annual general meetings held on (i) 29 August 2024 and (ii) 29 August 2025 respectively, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Group.

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) for the year ended 31 March 2026 (including sale of treasury shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"))). As at 31 March 2026, the Company did not hold any treasury shares (as defined under the Listing Rules).

## CORPORATE GOVERNANCE

The Group strives to maintain high standards of corporate governance to enhance shareholders' value and safeguard shareholders' interests. The Company's directors are of the view that the Company has met the code provisions listed in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules for the year ended 31 March 2026.

## 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 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 comprises all the three independent non-executive directors, namely Mr. Cheung Wing Choi (Chairman of the Audit Committee), Mr. Chan Yuk Sang, Peter and Mr. Tsunao Kijima. The Audit Committee has considered and 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 AUDITORS

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

The Company's 2026 annual results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website at www.fourseasgroup.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 in due course and despatched to shareholders upon request.

## APPRECIATION

The Board of the Company would like to take this opportunity to thank our shareholders and business partners for their continuous support and the fellow directors and our staff for their dedication and hard work throughout the reporting year.

## THE BOARD

As at the date of this announcement, the executive directors of the Company are Mr. TAI Tak Fung, Stephen, Ms. WU Mei Yung, Quinly, Mr. TAI Chun Kit, Mr. WU Wing Biu and Mr. TSE Siu Wan and the independent non-executive directors of the Company are Mr. CHAN Yuk Sang, Peter, Mr. Tsunao KIJIMA and Mr. CHEUNG Wing Choi.

On behalf of the Board
**Four Seas Mercantile Holdings Limited**
**TAI Tak Fung, Stephen,** *GBM, GBS, SBS, JP*
*Chairman*

Hong Kong, 29 June 2026