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## **Future Bright Holdings Limited**

**佳景集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 703)**

### **PROFIT WARNING FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024 AND BUSINESS UPDATE OF THE GROUP FOR THE THIRD QUARTER OF 2024**

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (“Board”) of directors of Future Bright Holdings Limited (“Company” and together with its subsidiaries called “Group”) wishes to inform the shareholders of the Company and potential investors of a profit warning for the nine months ended 30 September 2024 (“Period”). Based on its unaudited management accounts, the Group has recorded an unaudited profit attributable to owners of the Company of some HK\$6.8 million for the third quarter of 2024 (“Third Quarter”), as compared to an unaudited profit attributable to owners of the Company of some HK\$10.4 million for the third quarter of 2023. The Group has also recorded an unaudited profit attributable to owners of the Company of some HK\$7.3 million for the Period as compared to an unaudited profit attributable to owners of the Company of some HK\$34.7 million for the same period of 2023, representing a period-on-period decrease of approximately 79.0%.

**The Board wishes to remind investors that the information and operational data contained in this announcement are based on the unaudited management accounts of the Group which have not been reviewed, confirmed or audited by the Company’s auditors, and as such, the data may be subject to adjustment and is for investors’ reference only.**

**Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.**

\* For identification purpose only

This announcement is made by the Company pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

## PROFIT WARNING

The Board wishes to inform the shareholders of the Company and potential investors of a profit warning for the Period. Based on its unaudited management accounts, the Group has recorded the following results attributable to the owners of the Company for the Period:

	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	(Unaudited)	
<b>PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
First quarter	<b>8.7</b>	11.4	-23.7%
Second quarter	<b>(8.2)</b>	12.9	N/A
Third quarter	<b>6.8</b>	10.4	-34.6%
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The Period	<b>7.3</b>	34.7	-79.0%
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In the Period, the Group has recorded a decrease of some 3.1% in its turnover due to a decrease in per-capita spending of visitors, although there was an increase in the level of visitor arrivals to Macau and Hong Kong. The unaudited profit attributable to owners of the Company was some HK\$7.3 million for the Period which has been mainly attributable to (i) a loss of some HK\$1.2 million from its food and catering business, (ii) a profit of some HK\$6.7 million from its food souvenir business and (iii) a profit of some HK\$5.8 million from its property investment business. The decrease in profit attributable to owners of the Company for the Period was largely due to decreased turnover.

During the Period, the Group has not recorded any fair value gain/loss (2023: nil) in respect of its commercial building (“Key Investment Property”) located at the prime tourist location near Centro Commercial E Turistico “S. Paulo”, Largo da Companhia de Jesus, Macau (澳門耶穌會紀念廣場2號牌坊廣場購物旅遊中心).

## OPERATIONAL FINANCIALS

The Board is to give an update on the Group's performance for the Third Quarter. Details of the Group's unaudited turnover breakdown for the Third Quarter are as follows:

	For the three months ended 30 September		
	2024 <i>HK\$'million</i> (Unaudited)	2023 <i>HK\$'million</i> (Unaudited)	Change %
<b>TURNOVER</b>			
Restaurants:			
Japanese restaurants	23.1	29.2	-20.9%
Chinese restaurants	6.7	8.3	-19.3%
Western restaurants	1.7	1.9	-10.5%
Food court counters	34.6	31.8	+8.8%
Franchise restaurants ( <i>note 1</i> )	15.0	17.4	-13.8%
	<u>81.1</u>	<u>88.6</u>	-8.5%
Industrial catering ( <i>note 2</i> )	1.6	1.9	-15.8%
Food wholesale	3.0	3.0	—
	<u>85.7</u>	<u>93.5</u>	-8.3%
Food and catering business	42.0	38.2	+9.9%
Food souvenir business	5.1	5.0	+2.0%
	<u>5.1</u>	<u>5.0</u>	+2.0%
Total	<u>132.8</u>	<u>136.7</u>	-2.9%

*Note 1:* The turnover of “Franchise restaurants” included turnover from the Group's Pacific Coffee shops, Pepper Lunch, Bari-Uma and Fu-Un-Maru restaurants.

*Note 2:* The turnover of “Industrial catering” included turnover from canteen at International School of Macau and lunch box catering service.

Details of the Group's unaudited turnover breakdown by geographical locations for the Third Quarter are as follows:

	For the three months ended 30 September		
	2024 <i>HK\$'million</i> (Unaudited)	2023 <i>HK\$'million</i> (Unaudited)	Change %
<b>TURNOVER</b>			
Macau	108.3	100.8	+7.4%
Hong Kong	24.5	29.4	-16.7%
Mainland China	—	6.5	-100.0%
	<u>132.8</u>	<u>136.7</u>	-2.9%
Total	<u>132.8</u>	<u>136.7</u>	-2.9%

A summary of the Group's unaudited operational financials for the Third Quarter is as follows:

	For the three months ended 30 September		
	2024 <i>HK\$'million</i> (Unaudited)	2023 <i>HK\$'million</i> (Unaudited)	Change %
Turnover	<b>132.8</b>	136.7	-2.9%
Cost of sales	<b>(40.1)</b>	(40.2)	-0.2%
Gross margin	<b>92.7</b>	96.5	-3.9%
Direct operating expenses	<b>(63.2)</b>	(61.7)	+2.4%
Gross operating profit	<b>29.5</b>	34.8	-15.2%
Gross operating profit margin (%)	<b>22.3%</b>	25.5%	-3.2%

Details of the Group's same store performance (note 3) of restaurants, industrial catering business and food souvenir business in terms of turnover for the Third Quarter are as follows:

	For the three months ended 30 September		
	2024 <i>HK\$'million</i> (Unaudited)	2023 <i>HK\$'million</i> (Unaudited)	Change %
<b>SAME STORE TURNOVER</b>			
Restaurants:			
Japanese restaurants	<b>23.1</b>	27.0	-14.4%
Chinese restaurants	<b>6.7</b>	6.8	-1.5%
Food court counters	<b>34.1</b>	22.8	+49.6%
Franchise restaurants	<b>15.0</b>	15.0	–
Industrial catering	<b>78.9</b>	71.6	+10.2%
	<b>1.6</b>	1.9	-15.8%
Restaurants and industrial catering business	<b>80.5</b>	73.5	+9.5%
Food souvenir business	<b>36.5</b>	38.2	-4.5%
Total	<b>117.0</b>	111.7	+4.7%

*Note 3:* Same store performance is compared on the basis of those restaurants/shops/outlets which were in place in the same periods of 2024 and 2023 only.

Details of the Group's unaudited results attributable to owners of the Company for the Third Quarter are as follows:

	<b>For the three months ended 30 September</b>		
	<b>2024</b>	<b>2023</b>	<b>Change</b>
	<b>HK\$'million</b>	<b>HK\$'million</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Food and catering business	<b>3.0</b>	4.6	-34.8%
Food souvenir business	<b>3.3</b>	4.8	-31.3%
Property investment business	<b>1.8</b>	2.0	-10.0%
Other revenue, corporate payroll and unallocated expenses	<b>(1.3)</b>	(1.0)	+30.0%
Total	<b>6.8</b>	10.4	-34.6%

Details of the Group's unaudited results attributable to owners of the Company breakdown by geographical locations for the Third Quarter are as follows:

	<b>For the three months ended 30 September</b>		
	<b>2024</b>	<b>2023</b>	<b>Change</b>
	<b>HK\$'million</b>	<b>HK\$'million</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Macau	<b>5.1</b>	10.8	-52.8%
Hong Kong	<b>1.7</b>	2.3	-26.1%
Mainland China	<b>–</b>	(2.7)	-100.0%
Total	<b>6.8</b>	10.4	-34.6%

The Group has also recorded the following unaudited revenue/expenses in the Third Quarter as follows:

	<b>For the three months ended 30 September</b>		
	<b>2024</b>	<b>2023</b>	<b>Change</b>
	<b>HK\$'million</b>	<b>HK\$'million</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
Impairment loss on property, plant and equipment	<b>–</b>	(0.3)	-100.0%
Other revenue, gains and losses:			
– Others (note 4)	<b>2.2</b>	1.5	+46.7%
Administrative expenses	<b>(17.6)</b>	(17.4)	+1.1%
Finance costs	<b>(5.4)</b>	(5.0)	+8.0%

Note 4: This item comprised mainly management fee income, bank interest income and exchange gains/losses.

Details of the Group's unaudited turnover breakdown, same store performance, operational financials and unaudited results attributable to owners of the Company for the first quarter and the second quarter are set out in 2024 interim report.

The unaudited gross operating profit (being turnover less food costs and direct operating costs) margins of the Group's food and catering business and food souvenir business for the first, second and third quarters of 2024 and 2023 were as follows:

	<b>2024</b> <b>(Unaudited)</b>	2023 (Unaudited)	Change %
Gross operating profit margin of food and catering business:			
First quarter	<b>23.7%</b>	23.6%	+0.1%
Second quarter	<b>12.3%</b>	25.0%	-12.7%
Third quarter	<b>19.7%</b>	23.0%	-3.3%
The Period	<b>18.9%</b>	23.9%	-5.0%
Gross operating profit margin of food souvenir business:			
First quarter	<b>20.7%</b>	28.1%	-7.4%
Second quarter	<b>18.7%</b>	26.1%	-7.4%
Third quarter	<b>19.0%</b>	22.0%	-3.0%
The Period	<b>19.4%</b>	24.3%	-4.9%

The Group's restaurants performance has improved in the Third Quarter as compared to the Second Quarter, however it has weakened as compared to the third quarter of 2023. It is mainly attributable to a decrease in per-capita spending of visitors to Macau, although there was an increase in the level of visitor arrivals to Macau in the Third Quarter. The Group has in the Third Quarter recorded a gross margin ratio of some 69.8% with an EBITDA at some HK\$28.8 million as against a gross margin ratio of some 70.6% with an EBITDA at some HK\$29.4 million for the same quarter of 2023.

The performance details of different restaurants in different food types in the Third Quarter are set out above. The Group's food and catering and food souvenir businesses in Macau in the Third Quarter have performed in line with the increase in the level of visitor arrivals to Macau. The level of visitor arrivals to Macau has increased by 11.09% to 9,200,931 visitors in the Third Quarter as compared to 8,282,291 visitors in the same quarter of 2023.

Details of the Group's unaudited turnover breakdown for the Period are as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	(Unaudited)	
<b>TURNOVER</b>			
<b>Restaurants:</b>			
Japanese restaurants	<b>72.2</b>	96.7	-25.3%
Chinese restaurants	<b>23.6</b>	31.0	-23.9%
Western restaurants	<b>1.7</b>	5.9	-71.2%
Food court counters	<b>101.6</b>	76.9	+32.1%
Franchise restaurants ( <i>note 1</i> )	<b>43.4</b>	51.6	-15.9%
	<b>242.5</b>	262.1	-7.5%
Industrial catering ( <i>note 2</i> )	<b>10.8</b>	12.5	-13.6%
Food wholesale	<b>8.6</b>	8.9	-3.4%
	<b>261.9</b>	283.5	-7.6%
Food souvenir business	<b>81.0</b>	70.8	+14.4%
Property investment business	<b>15.1</b>	15.0	+0.7%
	<b>358.0</b>	369.3	-3.1%
<b>Total</b>	<b>358.0</b>	369.3	-3.1%

*Note 1:* The turnover of "Franchise restaurants" included turnover from the Group's Pacific Coffee shops, Pepper Lunch, Bari-Uma and Fu-Un-Maru restaurants.

*Note 2:* The turnover of "Industrial catering" included turnover from canteen at International School of Macau and lunch box catering service.

Details of the Group's unaudited turnover breakdown by geographical locations for the Period are as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	(Unaudited)	
<b>TURNOVER</b>			
Macau	<b>278.6</b>	271.0	+2.8%
Hong Kong	<b>79.4</b>	77.9	+1.9%
Mainland China	<b>–</b>	20.4	-100.0%
	<b>358.0</b>	369.3	-3.1%
<b>Total</b>	<b>358.0</b>	369.3	-3.1%

A summary of the Group's unaudited operational financials for the Period is as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	(Unaudited)	
Turnover	<b>358.0</b>	369.3	-3.1%
Cost of sales	<b>(96.2)</b>	(100.9)	-4.7%
Gross margin	<b>261.8</b>	268.4	-2.5%
Direct operating expenses	<b>(182.6)</b>	(169.0)	+8.0%
Gross operating profit	<b>79.2</b>	99.4	-20.3%
Gross operating profit margin (%)	<b>22.1%</b>	26.9%	-4.8%

Details of the Group's same store performance (note 3) of restaurants, industrial catering business and food souvenir business in term of turnover for the Period are as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	(Unaudited)	
<b>SAME STORE TURNOVER</b>			
<b>Restaurants:</b>			
Japanese restaurants	<b>72.2</b>	89.2	-19.1%
Chinese restaurants	<b>20.4</b>	17.5	+16.6%
Food court counters	<b>91.5</b>	55.2	+65.8%
Franchise restaurants	<b>43.4</b>	44.4	-2.3%
Industrial catering	<b>227.5</b>	206.3	+10.3%
	<b>10.8</b>	12.5	-13.6%
Restaurants and industrial catering business	<b>238.3</b>	218.8	+8.9%
Food souvenir business	<b>72.3</b>	70.8	+2.1%
Total	<b>310.6</b>	289.6	+7.2%

*Note 3:* Same store performance is compared on the basis of those restaurants/shops/outlets which were in place in the same periods of 2024 and 2023 only.



Details of the unaudited results attributable to owners of the Company for the Period are as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Food and catering business	<b>(1.2)</b>	22.8	N/A
Food souvenir business	<b>6.7</b>	8.9	-24.7%
Property investment business	<b>5.8</b>	6.0	-3.3%
Other revenue, corporate payroll and unallocated expenses	<b>(4.0)</b>	(3.0)	+33.3%
	<u><b>7.3</b></u>	<u>(3.0)</u>	
Total	<u><b>7.3</b></u>	<u>34.7</u>	-79.0%

Details of the breakdown of the unaudited results attributable to owners of the Company by geographical locations for the Period are as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Macau	<b>4.4</b>	37.2	-88.2%
Hong Kong	<b>2.9</b>	1.7	+70.6%
Mainland China	<b>–</b>	(4.2)	-100.0%
	<u><b>7.3</b></u>	<u>(4.2)</u>	
Total	<u><b>7.3</b></u>	<u>34.7</u>	-79.0%

The Group has also recorded the following unaudited revenue/expenses for the Period as follows:

	<b>For the nine months ended 30 September</b>		
	<b>2024</b>	2023	Change
	<i>HK\$'million</i>	<i>HK\$'million</i>	%
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
Impairment loss on property, plant and equipment	<b>(2.2)</b>	(0.5)	+340.0%
Other revenue, gains and losses:			
– Gain on lease modification	–	1.1	-100.0%
– Others ( <i>note 4</i> )	<b>4.0</b>	6.0	-33.3%
Administrative expenses	<b>(52.9)</b>	(50.8)	+4.1%
Finance costs	<b>(16.7)</b>	(14.2)	+17.6%

*Note 4:* This item comprised mainly management fee income, bank interest income and exchange gains/losses.

## **BUSINESS UPDATE**

The Group has recorded an unaudited profit attributable to the owners of some HK\$7.3 million in the Period which was mainly attributable to (i) the loss attributable to owners of the Group's food and catering business of some HK\$1.2 million; (ii) the profit attributable to owners of the Group's food souvenir business of some HK\$6.7 million and (iii) the profit attributable to owners of the Group's property investment business of some HK\$5.8 million.

The Group has also recorded for the Period a gross margin ratio of some 73.1% with an EBITDA at some HK\$73.7 million as against a gross margin ratio of some 72.7% with an EBITDA at some HK\$91.0 million for the same period of 2023.

As at 30 June 2024, the Key Investment Property has been valued by an independent professional valuer at some HK\$558.0 million (31 December 2023: HK\$558.0 million). The Group has not recorded any fair value gain/loss in respect of the Key Investment Property during the Period.

The profit attributable to owners of the Company excluding any net fair value gain/loss of the investment properties ("Net Ordinary Operating Profit") for the Period was HK\$7.3 million, as against a Net Ordinary Operating Profit of some HK\$34.7 million for the same period of 2023. Such decrease in profit has been largely due to decreased turnover.

In the Period, the Group's food and catering business in Macau has underperformed as compared to an increase in the level of visitor arrivals to Macau, whereas the Group's food souvenir business has performed in line with the increase in the level of visitor arrivals to Macau. In the Period, a total of 25,920,914 visitors to Macau have been recorded with an increase of 30.07%, as compared to 19,928,168 visitors in the same period of 2023.

The Group has opened 1 western restaurant in Macau and 2 food court counters in Hong Kong in the Third Quarter. The Group's Japanese restaurant in the Venetian Macau and franchise restaurant Bari-Uma in Hong Kong will undergo some refurbishment work in November 2024 for around one month as required by the relevant landlords.

The Group's business, along with the food and catering industry as a whole is currently faced with challenges which has affected our Group's profitability for the Period. These challenges include decline in visitors' spending, changing consumer preferences resulting from northbound travel and consumption in Mainland China by Hong Kong and Macau residents, intense competition and rising operating costs. The per-capita spending of visitors to Macau has declined for the Period as compared to the same period of 2023. Management is closely monitoring the market condition and adjusting its business strategies to improve its competitiveness and market position given changes in consumer sentiment and behaviour.

**The Board wishes to remind investors that the information and operational data contained in this announcement are based on the unaudited management accounts of the Group which have not been reviewed, confirmed or audited by the Company's auditors, and as such, the data may be subject to adjustment and is for investors' reference only. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.**

By order of the Board of  
**Future Bright Holdings Limited**  
**Chan Chak Mo**  
*Managing Director*

Hong Kong, 11 November 2024

*As at the date hereof, the members of the board of directors of the Company comprise (i) Mr. Chan Chak Mo, the managing Director, (ii) Mr. Chan See Kit, Johnny, the Chairman and executive Director, (iii) Ms. Leong In Ian, the executive Director and (iv) Mr. Yu Kam Yuen, Lincoln, Mr. Chek Kuong Fong and Mr. Vong Hou Piu, the independent non-executive Directors.*