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新煮意控股有限公司
FOOD IDEA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8179)

PROFIT WARNING

In the Announcement, the Company disclosed that the Group is expected to record a loss before tax of approximately HK\$288 million for the year ended 31 December 2016 compared to a profit before tax of approximately HK\$140 million for the year ended 31 December 2015 in the investment segment. The factors attributable to the abovementioned loss for the year ended 31 December 2016 in the investment segment are mainly due to (i) the decrease in fair value of certain financial assets at FVTPL; and (ii) an increase in realised loss on disposal of financial assets at FVTPL.

The Board wishes to further inform its shareholders and potential investors that the Group is expected to record a loss of approximately HK\$35 million from the share of loss of an associate in the catering services segment.

Included in the interest in an associate of approximately HK\$146 million for the intangible asset represented the trademarks licensing rights “Lucky Dessert 發記甜品”, the exclusive rights to use and to grant the license to third parties for using the trademarks to conduct dessert catering business in the PRC for 15 years commencing from 29 September 2014.

However, the opening progress of dessert catering restaurants cannot keep pace with the original plan. As a result, the Group is expected to recognise a share of loss of an associate of approximately HK\$35 million for the year ended 31 December 2016, which was mainly due to the impairment and amortisation of the trademarks licensing rights, after netting off against their corresponding deferred tax credit.

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and Rule 17.10 of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 13 January 2017 (the “**Announcement**”) in relation to the Group’s preliminary financial results based on the unaudited management accounts of the Group. Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

In the Announcement, the Company disclosed that the Group is expected to record a loss before tax of approximately HK\$288 million for the year ended 31 December 2016 compared to a profit before tax of approximately HK\$140 million for the year ended 31 December 2015 in the investment segment. The factors attributable to the abovementioned loss for the year ended 31 December 2016 in the investment segment are mainly due to (i) the decrease in fair value of certain financial assets at FVTPL; and (ii) an increase in realised loss on disposal of financial assets at FVTPL.

The Board wishes to further inform its shareholders and potential investors that the Group is expected to record a loss of approximately HK\$35 million from the share of loss of an associate in the catering services segment.

Included in the interest in an associate of approximately HK\$146 million for the intangible asset represented the trademarks licensing rights “Lucky Dessert 發記甜品”, the exclusive rights to use and to grant the license to third parties for using the trademarks to conduct dessert catering business in the PRC for 15 years commencing from 29 September 2014.

However, the opening progress of dessert catering restaurants cannot keep pace with the original plan. As a result, the Group is expected to recognise a share of loss of an associate of approximately HK\$35 million for the year ended 31 December 2016, which was mainly due to the impairment and amortisation of the trademarks licensing rights, after netting off against their corresponding deferred tax credit.

Since the financial results of other segments of the Group are not yet available to the Company, the Board wishes to further inform its shareholders and potential investors that the overall results may be affected by the business performance of other segments. Shareholders of the Company and potential investors should note that the final results of the Group for the year ended 31 December 2016 will also include, amongst other things, the results from other businesses and other items of costs and expenses.

As at the date hereof, the Company is still in the process of finalising its final results of the Group for the year ended 31 December 2016. The information contained in this announcement represents only a preliminary assessment by the Board based on the information currently available to the Company and the unaudited financial information of the Group for the year ended 31 December 2016, which have not been reviewed by the Company’s audit committee and are subject to audit adjustment. The Company may issue further announcement(s) to update its shareholders and potential investors if the overall performance of the Group is significantly different from expected.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Food Idea Holdings Limited
Wong Hoi Yu
Chairman and executive Director

Hong Kong, 21 March 2017

As at the date of this announcement, the Board comprises Mr. Wong Hoi Yu and Mr. Yu Ka Ho as executive Directors, and Mr. Li Fu Yeung, Mr. Kwan Wai Yin, William and Mr. Tam Lok Hang as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the website of the Company at <http://www.foodidea.com.hk>.