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Best Mart 360 Holdings Limited
優品360控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2360)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

HIGHLIGHTS

- For the six months ended 30 June 2025, the revenue recorded by the Group amounted to approximately HK\$1,436,576,000, representing an increase of approximately 3.1% as compared to approximately HK\$1,393,691,000 for the six months ended 30 June 2024.
- Profit attributable to owners of the Company for the six months ended 30 June 2025 was approximately HK\$120,652,000, representing a decrease of approximately 0.9% as compared to approximately HK\$121,756,000 for the six months ended 30 June 2024.
- Earnings per share attributable to owners of the Company for the six months ended 30 June 2025 was approximately HK12.1 cents (six months ended 30 June 2024: HK12.2 cents).
- The Board recommended the payment of an interim dividend of HK11.0 cents per share for the six months ended 30 June 2025 (six months ended 30 June 2024: HK11.0 cents per share).

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Best Mart 360 Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2025, together with the comparative figures for the six months ended 30 June 2024, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited) (Restated)
Revenue	5	1,436,576	1,393,691
Cost of sales		<u>(918,399)</u>	<u>(885,753)</u>
Gross profit		518,177	507,938
Other income and other gains, net	6	1,938	3,687
Selling and distribution expenses		(325,491)	(313,440)
Administrative and other expenses		<u>(40,767)</u>	<u>(42,548)</u>
Operating profit		153,857	155,637
Finance costs	7	<u>(8,877)</u>	<u>(8,936)</u>
Profit before income tax	8	144,980	146,701
Income tax expenses	9	<u>(24,328)</u>	<u>(24,945)</u>
Profit for the period attributable to owners of the Company		<u>120,652</u>	<u>121,756</u>
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of overseas operations		<u>7</u>	<u>674</u>
Other comprehensive income for the period, net of tax		<u>7</u>	<u>674</u>
Total comprehensive income for the period		<u>120,659</u>	<u>122,430</u>
Earnings per share attributable to owners of the Company during the period:			
– Basic and diluted (HK cents)	11	<u>12.1</u>	<u>12.2</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025	31 December 2024
	Notes	HK\$'000 (Unaudited)	HK\$'000 (Audited) (Restated)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		462,993	440,367
Deposits		50,947	46,891
Deposits paid for purchase of property, plant and equipment		466	3,519
Deferred tax assets		4,840	4,772
		<u>519,246</u>	<u>495,549</u>
Current assets			
Inventories		261,942	339,513
Trade receivables	12	8,830	8,947
Deposits, prepayments and other receivables		53,954	64,462
Cash and bank balances		184,096	159,510
		<u>508,822</u>	<u>572,432</u>
Total assets		<u>1,028,068</u>	<u>1,067,981</u>
Current liabilities			
Trade payables	13	72,636	119,018
Accruals and other payables	13	65,825	65,610
Bank borrowing		20,341	73,246
Lease liabilities		167,441	149,661
Dividend payable		3	1
Income tax payable		29,156	16,265
		<u>355,402</u>	<u>423,801</u>
Net current assets		<u>153,420</u>	<u>148,631</u>
Total assets less current liabilities		<u>672,666</u>	<u>644,180</u>

		30 June 2025	31 December 2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Audited) (Restated)
Non-current liabilities			
Accruals and other payables	13	6,065	5,995
Lease liabilities		<u>113,003</u>	<u>105,246</u>
		<u>119,068</u>	<u>111,241</u>
Net assets		<u>553,598</u>	<u>532,939</u>
EQUITY			
Equity attributable to the owners of the Company			
Share capital	14	10,000	10,000
Reserves		<u>543,598</u>	<u>522,939</u>
Total equity		<u>553,598</u>	<u>532,939</u>

NOTES

For the six months ended 30 June 2025

1. GENERAL

Best Mart 360 Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 24 January 2018. The address of the Company’s registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business in Hong Kong is 11th Floor, C-Bons International Center, No. 108 Wai Yip Street, Kowloon, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in retailing of food and beverage, household and personal care products under the “Best Mart 360° (優品360°)” and “FoodVille” branded stores in the Hong Kong Special Administrative Region (“**Hong Kong**”), the Macau Special Administrative Region (“**Macau**”) and the People’s Republic of China (the “**PRC**”) and wholesaling in Hong Kong.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT

These unaudited interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”), issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure provisions of Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). These unaudited interim condensed consolidated financial statements were authorised for issue on 28 August 2025, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2024.

The preparation of these unaudited interim condensed consolidated financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. The areas where significant judgements and estimates have been made in preparing financial statements and their effects are disclosed in note 4 to the unaudited condensed consolidated financial information in the interim report.

These unaudited interim condensed consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), unless otherwise stated. These unaudited interim condensed consolidated financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. These unaudited interim condensed consolidated financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with HKFRS Accounting Standards and should be read in conjunction with the 2024 consolidated financial statements.

2.1 Changes in Accounting Policy

In June 2022, the Hong Kong Government (the “**Government**”) gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”), which came into effect from 1 May 2025 (the “**Transition Date**”). Following the implementation of the Amendment Ordinance, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to MPF scheme to reduce the long service payment (“**LSP**”) in respect of an employee’s service from the Transition Date (the abolition of the “**offsetting mechanism**”). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee’s monthly salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides accounting guidance relating to the offsetting mechanism and the abolition of the mechanism. The Group had disclosed in its 2023 and 2024 annual financial statements that it was assessing the implications of the Amendment Ordinance and the HKICPA guidance on its accounting policies.

During the current period, the Group has changed its accounting policy for the recognition of LSP obligations in accordance with the requirements of HKAS 19 Employee Benefits. The change in accounting policy arises from ceasing to apply the practical expedient under HKAS 19 paragraph 93(b) to account for offsettable MPF benefits as deemed employee contributions. Instead, the deemed employee contributions are reattributed on a straight-line basis from the date when services by employees first lead to their entitlement to LSP in accordance with HKAS 19 paragraph 93(a).

This change in accounting policy has been applied retrospectively in accordance with HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the comparative figures for the prior year have been restated, with corresponding adjustments to retained earnings. The change has no material impact on the opening balance as at 1 January 2024.

The effects of the retrospective application on the consolidated statement of financial position for the year ended 31 December 2024 and the condensed consolidated statement of profit or loss and other comprehensive income for the period ended 30 June 2024 are summarised as follows:

Condensed consolidated statement of profit or loss and other comprehensive income

	For the period ended 30 June 2024		
	(As previously reported) <i>HK\$'000</i>	Effect of change <i>HK\$'000</i>	(As restated) <i>HK\$'000</i>
Selling and distribution expenses	(312,745)	(695)	(313,440)
Administrative and other expenses	<u>(42,432)</u>	<u>(116)</u>	<u>(42,548)</u>
	<u><u>(355,177)</u></u>	<u><u>(811)</u></u>	<u><u>(355,988)</u></u>

Consolidated statement of financial position

As at 31 December 2024			
	(As previously reported)	Effect of change	(As restated)
	HK\$'000	HK\$'000	HK\$'000
Non-current liabilities			
Accruals and other payables	<u>4,374</u>	<u>1,621</u>	<u>5,995</u>
Equity			
Reserves	<u>524,560</u>	<u>(1,621)</u>	<u>522,939</u>

* The change in accounting policy has no impact on the Group's cash flows for the current or prior periods.

The change in accounting policy affected the following items in the condensed consolidated statement of profit or loss and other comprehensive income for the period ended 30 June 2025 and the condensed consolidated statement of financial position as at 30 June 2025:

Condensed consolidated statement of profit or loss and other comprehensive income

For the period ended 30 June 2025			
	(Under previous accounting policy)	Effect of change	(As reported)
	HK\$'000	HK\$'000	HK\$'000
Selling and distribution expenses	(325,055)	(436)	(325,491)
Administrative and other expenses	<u>(40,698)</u>	<u>(69)</u>	<u>(40,767)</u>
	<u>(365,753)</u>	<u>(505)</u>	<u>(366,258)</u>

Condensed consolidated statement of financial position

	As at 30 June 2025		
	(Under previous accounting policy) HK\$'000	Effect of change HK\$'000	(As reported) HK\$'000
Non-current liabilities			
Accruals and other payables	<u>3,939</u>	<u>2,126</u>	<u>6,065</u>
Equity			
Reserves	<u>545,724</u>	<u>(2,126)</u>	<u>543,598</u>

3. MATERIAL ACCOUNTING POLICY INFORMATION

Application of new and amendments to HKFRSs

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements. In the current accounting period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2025:

Amendments to HKAS 21 Lack of exchangeability

The application of amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial information.

The Group has not early adopted any new and amendments to HKFRS Accounting Standards that has been issued but not yet effective in the current accounting period.

4. SEGMENT INFORMATION

During the six months ended 30 June 2025 and 30 June 2024, the Group operated one reportable and operating segment which is the retailing of food and beverage, household and personal care products under the "Best Mart 360° (優品360°)" and "FoodVille" branded stores in Hong Kong, Macau and the PRC and wholesaling in Hong Kong. The Group determines its operating segment based on information reported to executive directors of the Company who are also the chief operating decision-makers that are used to make strategic decisions. Accordingly, the Group does not present separate segment information.

Geographical segment

The Group's geographical segments are based on the locations of the Group's assets. Revenue to external customers disclosed in geographical segments are based on the geographical location of its customers.

The following table presents revenue regarding the Group's geographical segments for the six months ended 30 June 2025 and 30 June 2024 and certain non-current assets information as at 30 June 2025 and 31 December 2024.

	Hong Kong <i>HK\$'000</i>	Macau <i>HK\$'000</i>	PRC <i>HK\$'000</i>	Total <i>HK\$'000</i>
30 June 2025 (unaudited)				
Revenue	<u>1,402,123</u>	<u>34,068</u>	<u>385</u>	<u>1,436,576</u>
Non-current assets*	<u>455,360</u>	<u>8,099</u>	<u>–</u>	<u>463,459</u>
30 June 2024 (unaudited)				
Revenue	<u>1,362,267</u>	<u>31,404</u>	<u>20</u>	<u>1,393,691</u>
31 December 2024 (audited)				
Non-current assets*	<u>437,362</u>	<u>6,524</u>	<u>–</u>	<u>443,886</u>

* Excludes financial instruments and deferred tax assets.

Information about major customers

Since none of the Group's sales to a single customer amounted to 10% or more of the Group's total revenue for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil), no information about major customers in accordance with HKFRS 8 Operating Segments is presented.

5. REVENUE

The Group principally engages in retailing of food and beverage, household and personal care products under the “Best Mart 360° (優品360°)” and “FoodVille” branded stores in Hong Kong, Macau and the PRC and wholesaling in Hong Kong. All revenue of the Group is recognised at a point in time.

Revenue from the Group’s principal activities during the period is as follows:

	Six months ended	
	30 June	
	2025	2024
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Revenue from		
Retail sales	1,412,157	1,378,150
Wholesale	42,381	33,540
Less: Sales discounts	(17,962)	(17,999)
	<u>1,436,576</u>	<u>1,393,691</u>

6. OTHER INCOME AND OTHER GAINS, NET

	Six months ended	
	30 June	
	2025	2024
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Interest income from bank deposits	1,787	3,254
(Losses) gains on written-off/disposal of property, plant and equipment, net	(96)	248
Others	247	185
	<u>1,938</u>	<u>3,687</u>

7. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest expenses on bank borrowing	671	1,188
Interest expenses on lease liabilities	8,206	7,748
	<u>8,877</u>	<u>8,936</u>

8. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited) (Restated)
Directors' emoluments	978	1,026
Staff cost:		
– Wages, salaries and other benefits	134,166	134,570
– Contributions to defined contribution pension plans	5,555	5,777
Depreciation of property, plant and equipment	109,232	109,784
Exchange differences, net	525	(1,085)
Costs of inventories recognised as expenses (excluding written-off of inventories)	914,983	881,834
Written-off of inventories	3,416	3,919
Operating lease payments in respect of retail stores		
– Short-term lease expenses	8,139	8,242
– Contingent rents	9,394	10,027
	<u>17,533</u>	<u>18,269</u>

9. INCOME TAX EXPENSES

The income tax expenses in the condensed consolidated statement of profit or loss and other comprehensive income during the period represents:

	Six months ended	
	30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current income tax		
– Hong Kong Profits Tax	23,897	25,511
– Macau Complementary Income Tax (“MCIT”)	499	540
	24,396	26,051
Deferred income tax	(68)	(1,106)
Income tax expense	24,328	24,945

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is not subject to income tax in the Cayman Islands.

During the six months ended 30 June 2025 and 30 June 2024, under the two-tiered profits tax rates regime, the first HK\$2 million of estimated assessable profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of other group entities incorporated in Hong Kong that do not qualify for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

MCIT has been provided at the progressive rate on the estimated assessable profits. The maximum tax rate is 12% for the six months ended 30 June 2025 and 30 June 2024.

No provision of the PRC Corporate Income tax (“CIT”) has been made as the Group has no assessable profit for CIT for the six months ended 30 June 2025 and 30 June 2024.

10. DIVIDENDS

On 24 May 2024, a final dividend of HK\$6.0 cents per share for the nine months ended 31 December 2023 was approved by the Company's shareholders ("**2023 Final Dividend**"). The 2023 Final Dividend of HK\$60,000,000 was paid during the year ended 31 December 2024.

On 27 August 2024, the Board has resolved to pay an interim dividend of HK11.0 cents per share, amounting to a total dividend of HK\$110,000,000 ("**2024 Interim Dividend**"), in respect of the six months ended 30 June 2024. The 2024 Interim Dividend of HK\$109,999,000 was paid during the year ended 31 December 2024.

On 28 May 2025, a final dividend of HK\$10.0 cents per share for the year ended 31 December 2024 was approved by the Company's shareholders ("**2024 Final Dividend**"). The 2024 Final Dividend of HK\$99,998,000 was paid during the period ended 30 June 2025.

On 28 August 2025, the Board has resolved to pay an interim dividend of HK11.0 cents per share, amounting to a total dividend of HK\$110,000,000 ("**2025 Interim Dividend**"), in respect of the six months ended 30 June 2025. The 2025 Interim Dividend has not been recognised as a liability in this unaudited interim condensed consolidated financial statements.

11. EARNINGS PER SHARE

The basic earnings per share attributable to owners of the Company for the period is calculated based on the profit for the period attributable to owners of the Company of approximately HK\$120,652,000 (six months ended 30 June 2024 (Restated): approximately HK\$121,756,000) and the weighted average number of ordinary shares of 1,000,000,000 (six months ended 30 June 2024: 1,000,000,000 shares) in issue. The Company did not have any potential dilutive shares for the six months ended 30 June 2025 and 30 June 2024. Accordingly, the diluted earnings per share are the same as the basic earnings per share.

12. TRADE RECEIVABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables	<u>8,830</u>	<u>8,947</u>

As at 30 June 2025, the gross amount of trade receivables arising from contracts with customers amounted to approximately HK\$8,830,000 (31 December 2024: HK\$8,947,000).

Trade receivables mainly represented the outstanding amounts receivable by the Group from Octopus Cards Limited and credit card companies. The settlement terms with credit card companies and octopus card sales are usually within two business days after the date on which the sales are made. No credit term has been granted to any customers of the retail stores.

The Group allows an average credit period of 30 days to its wholesale customers with trading history, or otherwise sales on cash terms are required.

Included in the trade receivables are amounts due from the Group's related parties of approximately HK\$95,000 (31 December 2024: HK\$96,000), which is repayable on credit terms similar to the wholesale customers of the Group.

The ageing analysis of the Group's trade receivables based on invoice date is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
0–30 days	8,329	7,732
31–60 days	501	1,033
61–90 days	–	95
Over 90 days	–	87
	<u>8,830</u>	<u>8,947</u>

13. TRADE PAYABLES AND ACCRUALS AND OTHER PAYABLES

(a) Trade payables

The ageing analysis of the Group's trade payables based on invoice date is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
0–30 days	61,513	105,670
31–60 days	9,440	13,144
61–90 days	1,537	202
Over 90 days	146	2
	<u>72,636</u>	<u>119,018</u>

Included in the trade payables are of approximately HK\$2,164,000 (31 December 2024: HK\$2,074,000) due to related parties which are repayable within 90 days, which represents credit terms similar to those offered by the related parties to their major customers.

(b) **Accruals and other payables**

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited) (Restated)
Current:		
Accruals for employee benefit expenses	34,171	42,283
Accruals for rental expenses	4,045	5,483
Accruals for logistic expenses	16,964	7,810
Contract liabilities in relation to cash coupon	293	244
Provision for reinstatement costs	2,421	1,826
Receipt in advance	1,524	2,047
Accruals for operating expenses and other payables	6,407	5,917
	65,825	65,610
Non-current:		
Provision for long service payments	2,126	1,621
Provision for reinstatement costs	3,939	4,374
	6,065	5,995

Included in the accruals and other payables are of approximately HK\$4,333,000 (31 December 2024: HK\$1,022,000) due to related parties, which represents lease terms similar to those offered by the related parties to their major tenants.

14. SHARE CAPITAL

	Number	Amount <i>HK\$'000</i>
Authorised:		
At 31 December 2024, 1 January 2025 and 30 June 2025	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
Ordinary shares of HK\$0.01 each		
At 31 December 2024, 1 January 2025 and 30 June 2025	<u>1,000,000,000</u>	<u>10,000</u>

15. CAPITAL COMMITMENTS

	30 June 2025 <i>HK\$'000</i> (Unaudited)	31 December 2024 <i>HK\$'000</i> (Audited)
Commitments for acquisition of property, plant and equipment contracted but not provided for	<u>331</u>	<u>1,392</u>

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a leisure food retailer operating chain retail stores under the brands “Best Mart 360°” and “FoodVille” in Hong Kong and Macau. The Group offers a wide selection of imported pre-packaged leisure foods and other grocery products principally from overseas, which can be broadly categorised into (i) chocolates and confectioneries; (ii) nuts and dried fruits; (iii) packaged bakery products and snacks; (iv) biscuits and pastries; (v) cereals and milk; (vi) beverages and wine; (vii) rice, noodles and groceries; (viii) frozen and chilled food; and (ix) other products, such as personal care products and daily items. It is the Group’s business objective to offer “Best Quality” and “Best Price” products to customers through continuous efforts on global procurement, with a mission to provide comfortable shopping environment and pleasurable shopping experience to customers.

BUSINESS REVIEW

For the six months ended 30 June 2025 (the “**Period under Review**”), external market uncertainties continued to evolve, presenting adjustment challenges for both global and local economies. The business environment and consumer sentiment remained sluggish. According to visitor statistics published by the Hong Kong Tourism Board, the number of visitors to Hong Kong exceeded 23 million for the first half of 2025, representing a year-on-year increase of approximately 11.7%. However, due to fundamental changes in local consumption patterns, Hong Kong residents increasingly favoured northbound consumption and shopping in Mainland China. Meanwhile, visitors to Hong Kong placed greater emphasis on in-depth experiences, and the trend of consumption downgrading exerted certain pressure on the local retail market. According to the Census and Statistics Department of Hong Kong, the total retail sales value in Hong Kong for the first half of 2025 was provisionally estimated at HK\$185,144 million, representing a year-on-year decrease of 3.3%.

During the Period under Review, the Group adopted a cautious approach to address changes in the retail market, flexibly adjusted its product portfolio, and introduced a variety of Mainland China and international speciality products that were well-received by local consumers. Additionally, the Group benefited from the lagged effect of newly opened stores and the increased store turnover in the tourist areas, resulting in year-on-year growth in both revenue and gross profit of the Group for the period.

During the Period under Review, the Group recorded revenue of approximately HK\$1,436,576,000, representing an increase of approximately 3.1%, as compared to approximately HK\$1,393,691,000 for the six months ended 30 June 2024. During the Period under Review, the Group's gross profit was approximately HK\$518,177,000 and gross profit margin was approximately 36.1%, representing a year-on-year increase of approximately 2.0% and decrease of approximately 0.3 percentage point, as compared to gross profit of approximately HK\$507,938,000 and gross profit margin of approximately 36.4% for the same period last year. As overall consumption remained sluggish, major retailers intensified their discounting and promotion efforts, further escalating market competition. This exerted pressure on the profit margin of the Company, resulting in a decline in the gross profit margin for the current period.

Profit attributable to owners of the Company for the Period under Review amounted to approximately HK\$120,652,000 (six months ended 30 June 2024: approximately HK \$121,756,000), representing a year-on-year decrease of approximately 0.9%.

CHAIN RETAIL STORES

As at 30 June 2025, the Group operated a total of 178 chain retail stores, comprising 172 chain retail stores in Hong Kong (30 June 2024: 168 stores) and 6 chain retail stores in Macau (30 June 2024: 7 stores). During the Period under Review, the Group continued to adopt its store optimisation strategy by continuously improving the product display, store appearance and procurement arrangements, to provide customers with a better shopping environment and experience, and to showcase the Company's further diversified product portfolio and good brand image.

In 2021, the Group launched the brand-new global wine and food shop, "FoodVille", targeting mid-to-high end and global quality food products. These include fine wines, premium chocolates, health foods, cheese, Western sauces and ingredients from various countries and regions, catering to the market's pursuit of high-quality living and expanding the Group's customer base. As at 30 June 2025, the Group operated a total of 8 stores under the relevant retail brand (30 June 2024: 7 stores).

During the Period under Review, the ratio of rental expenses (on a cash basis) to sales revenue of the Group's retail stores was approximately 9.6% (for the six months ended 30 June 2024: approximately 9.5%).

PRODUCTS

During the Period under Review, the Group adhered to the global procurement strategy and strived to provide customers with a wide range of products from all over the world with diversified choices. During the Period under Review, the Group sold over 1,050 brands and more than 2,870 stock keeping units (“SKUs”) of products in total, offering customers a diversified range of choices. The Group continued to optimise its product portfolio, phasing out older items for new products and flavours, staying abreast of changes in customer demands.

To enrich our product mix and maintain effective control over product qualities and supplies and profitability, the Group continued to actively develop its private label products during the period. During the Period under Review, sales derived from private label products amounted to approximately HK\$251,203,000 (for the six months ended 30 June 2024: approximately HK\$234,630,000), accounted for approximately 17.5% of the Group’s overall revenue for the Period under Review. The Group had a total of 12 private labels and approximately 259 SKUs of products, including masks, canned Chinese delicacies, cereals, milk, honey, nuts and dried fruits as well as a wide range of leisure food products.

MEMBERSHIP SCHEME AND MARKETING & PROMOTIONAL ACTIVITIES

The retail business of the Group has always been customer-driven. The Group established a membership scheme since April 2015 to promote customer loyalty, drive sales as well as expand its customer base. In order to deepen customer stickiness and expand customers’ coverage, the Group launched its membership mobile app 2.0 in June 2020. Through the use of big data analysis, the Group redeveloped its market strategies and optimised and enhanced its membership reward scheme, including APP e-point programme, special offers for selected products, access to latest market information and more membership benefits, etc., so as to attract more customers to become our members, strengthen ties between members and the Group, gain repeated patronage from members and drive sustainable business growth.

As at 30 June 2025, the number of the Group’s registered fans and members was approximately 2,243,198 (30 June 2024: approximately 2,214,680). The number of mobile app members has reached approximately 1,238,775 as of 30 June 2025 (30 June 2024: approximately 1,112,031).

The Group conducted various marketing and promotional activities during the Period under Review, including the launch of the “Best Price (至優價)”, “Monday Reward (狂賞星期一)”, “Wednesday Reward (週三即日賞)”, “Instant Redemption Upon Purchase (一買即換)” and other promotional campaign, which continuously provided customers with a series of special offers for selected quality products to express our gratitude for our customers’ support and to enhance customer loyalty. Meanwhile, the Group continued to advertise through television, newspapers, social media platforms and other media channels, which successfully obtained repeat customers, attracted new customers and greatly promoted the discussions about the Group in the market.

Employees

As at 30 June 2025, the number of full-time and part-time employees of the Group was 1,187 (31 December 2024: 1,230). The year-on-year decrease was primarily due to an increase in full-time staff alongside a reduction in part-time staff, aimed at enhancing the service quality in stores. In order to retain staff and to suitably incentivise employees of the Group so as to increase staff cohesion and loyalty, the Group regularly reviews and updates its employee benefit plans and remuneration packages with reference to labour market supply and labour cost trend, as well as individual performance. Staff costs (excluding Directors’ emoluments) of the Group accounted for approximately 9.7% of revenue during the Period under Review (for the six months ended 30 June 2024: approximately 10.0%).

Prospects

Amid escalating global geopolitical conditions, economic prospects remain fraught with uncertainties. Coupled with the changes in consumer spending patterns in recent years, the growing popularity of cross-border consumption has further hindered the recovery of the retail industry in Hong Kong. The Group anticipates that the retail business environment will remain challenging this year. The Group will remain prudent in conducting business, actively explore new products and new markets, and explore opportunities for diversified development. Simultaneously, the Group will continue to enhance internal operational efficiency, promote and refine management practices, optimise business processes, and control costs. The Group will closely monitor factors affecting its operations, flexibly adjust and implement relevant strategies timely to deliver the best returns for shareholders and investors.

Looking ahead, the Group will seize market opportunity to expand its store network of its major retail brands, namely the “Best Mart 360° (優品360°)” and “FoodVille”. By leveraging the “dual brand” model, the Group aims to meet the needs of different customer segments for quality food. The Group will review the operation of existing retail outlets regularly to adjust its operational strategy as needed. In addition, in June this year, the Group officially joined the foodpanda mall platform, enabling customers to purchase products online conveniently, expanding sales channels and boosting revenue.

The Group remains committed to its business mission of “Best Quality” and “Best Price”. It will actively seek upstream suppliers to enrich its product portfolio while maintaining a competitive edge in pricing. On the other hand, the Group will continue to actively explore different categories of food products globally to enhance the development of its own brand products to meet the market demand for daily necessities and provide customers with a more diversified range of choices.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately HK\$1,436,576,000, representing an increase of approximately 3.1% compared to approximately HK\$1,393,691,000 for the six months ended 30 June 2024. The increase in revenue was primarily driven by the expansion in the number of stores.

Profit attributable to Owners of the Company

Profit attributable to owners of the Company for the six months ended 30 June 2025 amounted to approximately HK\$120,652,000, representing a decrease of approximately 0.9% compared to approximately HK\$121,756,000 for the six months ended 30 June 2024. The decline in profit attributable to owners of the Company was mainly attributed to a slight reduction in average revenue per store as well as gross profit margin, which in turn affected profitability.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2025, the gross profit of the Group was approximately HK\$518,177,000, representing an increase of approximately 2.0% from approximately HK\$507,938,000 for the six months ended 30 June 2024, while the gross profit margin for the six months ended 30 June 2025 was approximately 36.1%, representing a decrease of approximately 0.3 percentage point from approximately 36.4% for the six months ended 30 June 2024. The decline in gross profit margin during the Period under Review was primarily attributable to the strategic implementation of an enhanced promotional campaign, aimed at addressing the ongoing trend of consumption downgrading and intensified market competition.

Other Income and Other Gains, Net

For the six months ended 30 June 2025, the Group recorded net other income and other gains of approximately HK\$1,938,000 (six months ended 30 June 2024: approximately HK\$3,687,000), which mainly comprised (i) interest income from bank deposits of approximately HK\$1,787,000 (six months ended 30 June 2024: approximately HK\$3,254,000) and (ii) net losses on written-off or disposal of property, plant and equipment of approximately HK\$96,000 (six months ended 30 June 2024: net gains on written-off or disposal of property, plant and equipment of approximately HK\$248,000).

Selling and Distribution Expenses

For the six months ended 30 June 2025, selling and distribution expenses of the Group amounted to approximately HK\$325,491,000, representing an increase of approximately 3.8% from approximately HK\$313,440,000 for the six months ended 30 June 2024. The increase in selling and distribution expenses during the Period under Review was mainly attributable to higher rental expenses and other store operating costs resulting from the expansion of the Group's retail store network.

Administrative and Other Expenses

For the six months ended 30 June 2025, administrative and other expenses of the Group amounted to approximately HK\$40,767,000, representing a decrease of approximately 4.2% from approximately HK\$42,548,000 for the six months ended 30 June 2024. The decrease in administrative and other expenses was primarily due to our commitment to implementing stringent cost control measures.

Financial Position, Liquidity and Financial Resources

As at 30 June 2025, the Group's total cash and bank balances (including cash and cash equivalents) were approximately HK\$184,096,000 (31 December 2024: approximately HK\$159,510,000), representing an increase of approximately HK\$24,586,000 which was mainly generated from operating activities. The Group's cash and cash equivalents are mainly held in Hong Kong dollars. The current ratio (calculated by current assets divided by current liabilities) of the Group remained relatively stable at approximately 1.4 and 1.4 as at 31 December 2024 and 30 June 2025 respectively.

As at 30 June 2025, the Group had total bank borrowings of approximately HK\$20,341,000, representing a decrease of approximately 72% as compared to approximately HK\$73,246,000 as at 31 December 2024. The total unutilised banking facility extended by commercial banks as at 30 June 2025 amounted to approximately HK\$240,133,000 (31 December 2024: approximately HK\$239,821,000). The carrying amounts of the Group's borrowings are denominated in Hong Kong dollars, secured and approximate to their fair value.

As at 30 June 2025, the Group had a gross gearing ratio (i.e., gross debt divided by total equity) of approximately 3.7% (31 December 2024: approximately 13.7%). For this purpose, gross debt is defined as total interest-bearing borrowings excluding lease liabilities. The decrease in the gross gearing ratio was primarily due to the repayment of bank loans during the Period under Review.

The Group financed its liquidity and working capital requirements through a combination of various sources, including but not limited to cash generated from the Group's operations, bank borrowings, and other external equity and debt financings as and when appropriate.

Capital Structure

The capital structure of the Company comprises issued share capital and reserves. As at 30 June 2025, the Company had 1,000,000,000 shares in issue.

The capital structure of the Group as at 30 June 2025 in terms of debt profile was mainly bank borrowings and as at 30 June 2025, the Group had outstanding bank borrowings repayable within one year or contain a repayment on demand clause of approximately HK\$20,341,000 (31 December 2024: approximately HK\$73,246,000). Bank borrowings bear interest at floating interest rates. The effective interest rate of the Group's bank borrowings was 2.9% per annum for the six months ended 30 June 2025.

Capital Commitments

Details of the capital commitments are set out in note 15 to the unaudited interim condensed consolidated financial statements in this announcement.

Charge on Group Assets

As at 30 June 2025, the bank borrowings and other banking facilities of the Group were secured by:

- a corporate guarantee provided by the Company and a subsidiary; and
- property, plant and equipment of office premises of the Group with carrying amount of approximately HK\$155,127,000 (31 December 2024: approximately HK\$157,623,000).

Foreign Currency Risk

The Group mainly operates in Hong Kong and is exposed to foreign exchange risk from (i) the purchase of products from various overseas suppliers, which are primarily settled in foreign currencies, mainly USD, JPY, EUR, GBP, AUD, SGD and RMB; and (ii) the revenue generated from the operation in Macau. Nevertheless, taking into account the retail industry practice, the Group's current operation, the stable exchange rate of Macau Pataca historically is considered to be not material, the Directors do not consider that the Group is subject to material foreign exchange risk. The Group will take proactive measures and monitor closely its exposure to such currencies movement.

Treasury Policies

The Group adopts prudent treasury management policies and does not engage in any highly leveraged or speculative derivative products. Cash balances are mostly placed in Hong Kong dollars bank deposit with appropriate maturity period for meeting future funding requirements.

EMPLOYEES REMUNERATION POLICY

The Company continuously strives to achieve an optimal balance between full-time and part-time employees to enhance store operations. The total number of employees within the Group decreased from 1,230 (excluding 12 Directors) as at 31 December 2024 to 1,187 (excluding 12 Directors) as at 30 June 2025. This decline was primarily attributed to a reduction in part-time staff, partially offset by an increase in full-time employees. The staff costs (excluding Directors' emoluments) for the six months ended 30 June 2025 was approximately HK\$139,721,000 (six months ended 30 June 2024: approximately HK\$140,347,000).

The remuneration policy of the Group is aimed at rewarding the employees based on their performance, qualifications, experience and competence. The remuneration package typically comprises salary, contribution to pension schemes, discretionary annual bonus, performance-related bonus, sales target bonus and miscellaneous duties-related allowances. The Group conducts an annual review on the performance of the employees and makes reference to such performance review when assessing the award of discretionary annual bonuses, salary adjustments and promotion appraisals. The remuneration package of the executive Directors and senior management is determined with reference to those paid by comparable companies, time commitment and performance of the executive Directors and senior management and the performance of the Group. A remuneration committee is set up for reviewing the Group's emolument policy as well as the structure of all remuneration of the Directors and senior management of the Group with reference to their experience, responsibilities, workload and time devoted to the Group and performance of the Group.

The Company has adopted a share option scheme (the “**Share Option Scheme**”) on 18 December 2018 for the purpose of providing incentives and rewards to the participants for their contributions to the Group. As at the date of this announcement, no option has been granted under the Share Option Scheme.

The Group places great importance on the continuous development and training of the employees and is devoted to the continuous improvement in their skills and quality of service. The Group offers various in-house training programmes to newly recruited employees and frontline staff and management in various aspects, such as technical skills and knowledge, occupational safety and compliance with the laws. The Group is dedicated to continuously reviewing and expanding the range of training programmes offered to employees to ensure the effectiveness of these programmes.

SIGNIFICANT INVESTMENTS

The Group did not have any significant investments during the six months ended 30 June 2025.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisitions and disposals for the six months ended 30 June 2025.

CAPITAL EXPENDITURE

For the six months ended 30 June 2025, the Group spent approximately HK\$5,431,000 on purchase of property, plant and equipment (six months ended 30 June 2024: approximately HK\$9,516,000).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have other plans for material investments and capital assets as at 30 June 2025.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2025 and 31 December 2024.

INTERIM DIVIDEND

The Board has recommended the payment of an interim dividend of HK11.0 cents per share of the Company (the “**Share**”) for the six months ended 30 June 2025 (six months ended 30 June 2024: HK11.0 cents per Share), representing an aggregate amount of HK\$110,000,000 to the shareholders whose names appear on the register of members of the Company on Friday, 19 September 2025. The interim dividend is expected to be paid on or around Friday, 26 September 2025.

To ascertain shareholders’ entitlement to the interim dividend, the register of members of the Company will be closed from Tuesday, 16 September 2025 to Friday, 19 September 2025 (both days inclusive) during which no transfer of Shares will be effected. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 15, September 2025.

EVENTS AFTER THE END OF THE PERIOD UNDER REVIEW

No significant events affecting the Group have occurred since the end of the Period under Review and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed shares during the six months ended 30 June 2025 and up to the date of this announcement.

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 its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on the Directors, all Directors have confirmed that they had complied with the required standard set out in the Model Code during the six months ended 30 June 2025 and up to the date of this announcement.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance, to formulate good corporate governance practice for improvement of accountability and transparency in operations, and to strengthen the internal control system from time to time so as to ensure to meet with the expectations of the shareholders of the Company.

During the six months ended 30 June 2025 and up to the date of this announcement, the Company has adopted and complied with all applicable code provisions in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, save that:

Code Provision F.2.2 stipulates that the chairman of the Board should attend the annual general meeting. Mr. Li Guanpeng, the chairman of the Board, could not attend the annual general meeting held on 28 May 2025 (the “AGM”) due to other business engagements. Mr. Lu Rong, an executive Director, took chair of the AGM and answered questions from shareholders of the Company.

REVIEW OF UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Group’s unaudited interim condensed consolidated financial statements for the six months ended 30 June 2025 had been reviewed by the audit committee of the Company, which was of the opinion that the preparation of such unaudited interim condensed consolidated financial statements complied with the applicable accounting standards and requirements and that adequate disclosures were made. In addition, the Group’s unaudited interim condensed consolidated financial statements for the six months ended 30 June 2025 had been reviewed by SHINEWING (HK) CPA Limited, the auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement of the Company is published on the respective websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.bestmart360.com>). The interim report for the six months ended 30 June 2025 will be available on the above websites and despatched to shareholders in due course.

By order of the Board
Best Mart 360 Holdings Limited
Li Guanpeng
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Mr. Li Guanpeng, Mr. Hui Chi Kwan, Mr. Lu Rong, Ms. Jiang Hongmei, Mr. Liu Yunfeng, Mr. Huang Shengchao, Ms. Wang Kanglin and Mr. Lin Tsz Fung; and the independent non-executive Directors are Mr. Sze Irons, Ms. Choy So Yuk, Ms. Chan Yuen Sau Kelly and Dr. Gao Wei.