SAN MIGUEL BREWERY
HONG KONG LTD.
香港生力啤酒廠有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 236)

ANNOUNCEMENT OF THE 2026 INTERIM RESULTS

INTERIM RESULTS

The Board of Directors (the "Board") of San Miguel Brewery Hong Kong Limited (the "Company") submit herewith the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026. The interim results are unaudited, but have been reviewed by the Company's Audit Committee.

CONSOLIDATED INCOME STATEMENT — UNAUDITED

(Expressed in Hong Kong dollars)

		Six months ended 30 June	
	Note	**2026** ***$'000***	2025 *$'000*
Revenue	*3*	**316,927**	390,286
Cost of sales		**(200,314)**	(234,559)
Gross profit		**116,613**	155,727
Other net income		**31,989**	33,530
Selling and distribution expenses		**(89,608)**	(86,553)
Administrative expenses		**(37,755)**	(35,748)
Other operating expenses		**(4,970)**	(5,207)
Profit from operations		**16,269**	61,749
Finance costs	*4(a)*	**(196)**	(185)
Profit before taxation	*4*	**16,073**	61,564
Income tax expense	*5*	**(4,687)**	(10,475)
Profit for the period		**11,386**	51,089
Attributable to:			
Equity shareholders of the Company		**10,339**	49,644
Non-controlling interests		**1,047**	1,445
Profit for the period		**11,386**	51,089
Earnings per share			
— Basic (cents)	*7(a)*	**2.8**	13.3
— Diluted (cents)	*7(b)*	**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME — UNAUDITED

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Profit for the period	**11,386**	51,089
Other comprehensive income for the period (after tax):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong and monetary items that form part of the net investment in subsidiaries outside Hong Kong	**3,967**	1,391
Total comprehensive income for the period	**15,353**	52,480
Attributable to:		
Equity shareholders of the Company	**15,140**	51,396
Non-controlling interests	**213**	1,084
Total comprehensive income for the period	**15,353**	52,480

CONSOLIDATED STATEMENT OF FINANCIAL POSITION — UNAUDITED

(Expressed in Hong Kong dollars)

	Note	**At 30 June 2026 $'000**	At 31 December 2025 $'000
Non-current assets			
Property, plant and equipment		**258,098**	257,440
Investment properties		**92,157**	94,527
		350,255	351,967
Intangible assets		**4,771**	4,771
Other receivables		**37,080**	29,795
Deferred tax assets		**22,862**	24,216
		414,968	410,749
Current assets			
Inventories		**73,721**	72,468
Trade and other receivables	*8*	**35,955**	41,285
Amounts due from holding companies and fellow subsidiaries		**41,419**	7,902
Amount due from a related company		**1,448**	1,353
Current tax recoverable		**263**	—
Cash and bank balances		**258,386**	285,713
		411,192	408,721
Current liabilities			
Trade and other payables	*9*	**(84,317)**	(67,198)
Loan from a related company		**(3,734)**	(3,592)
Amounts due to holding companies and a fellow subsidiary		**(4,283)**	(5,408)
Amounts due to related companies		**(10,104)**	(9,438)
Lease liabilities		**(1,348)**	(1,441)
Current tax payable		**—**	(1,431)
		(103,786)	(88,508)
Net current assets		**307,406**	320,213
Total assets less current liabilities		**722,374**	730,962

CONSOLIDATED STATEMENT OF FINANCIAL POSITION — UNAUDITED *(Continued)*

(Expressed in Hong Kong dollars)

	Note	**At 30 June 2026** *$'000*	At 31 December 2025 *$'000*
Non-current liabilities			
Retirement benefit liabilities		**(5,518)**	(7,446)
Other payables		**(25,739)**	(25,041)
Lease liabilities		**(1,619)**	(1,916)
		(32,876)	(34,403)
NET ASSETS		**689,498**	696,559
CAPITAL AND RESERVES			
Share capital		**252,524**	252,524
Other reserves		**457,494**	464,768
Total equity attributable to equity shareholders of the Company		**710,018**	717,292
Non-controlling interests		**(20,520)**	(20,733)
TOTAL EQUITY		**689,498**	696,559

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT:

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting,* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 27 July 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains 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 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited but has been reviewed by the Company's Audit Committee.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance. The company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the manufacture and distribution of bottled, canned and draught beers.

As the Group's revenue is entirely attributable to these activities, no analysis by activity is provided.

Revenue represents the invoiced value of products sold, net of discounts, returns, value added tax and consumption tax.

(b) Segment reporting

(i) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the periods ended 30 June 2026 and 2025 is set out below:

	Six months ended 30 June					
	Hong Kong		Mainland China		Total	
	2026	2025	**2026**	2025	**2026**	2025
	$'000	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*
Revenue from external customers	**184,309**	250,054	**132,618**	140,232	**316,927**	390,286
Inter-segment revenue	**—**	110	**—**	—	**—**	110
Reportable segment revenue	**184,309**	250,164	**132,618**	140,232	**316,927**	390,396
Reportable segment profit from operations (adjusted EBIT)	**3,997**	37,357	**7,584**	18,277	**11,581**	55,634

3 REVENUE AND SEGMENT REPORTING *(Continued)*

(b) Segment reporting *(Continued)*

(i) Segment results, assets and liabilities (Continued)

	Hong Kong		Mainland China		Total	
	At 30 June 2026	At 31 December 2025	**At 30 June 2026**	At 31 December 2025	**At 30 June 2026**	At 31 December 2025
	$'000	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*
Reportable segment assets	**907,749**	912,595	**145,666**	131,653	**1,053,415**	1,044,248
Reportable segment liabilities	**89,072**	82,410	**297,707**	289,495	**386,779**	371,905

(ii) Reconciliation of reportable segment revenue, profit, assets and liabilities

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Revenue		
Reportable segment revenue	**316,927**	390,396
Elimination of inter-segment revenue	**—**	(110)
Consolidated revenue	**316,927**	390,286
Profit		
Reportable segment profit from operations	**11,581**	55,634
Interest income from bank deposits	**3,823**	3,692
Net foreign exchange gains	**797**	2,355
Interest expense on loan from a related company	**(61)**	(77)
Interest on lease liabilities	**(67)**	(40)
Consolidated profit before taxation	**16,073**	61,564

3 REVENUE AND SEGMENT REPORTING *(Continued)*

(b) Segment reporting *(Continued)*

(ii) Reconciliation of reportable segment revenue, profit, assets and liabilities (Continued)

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Assets		
Reportable segment assets	**1,053,415**	1,044,248
Elimination of inter-segment receivables	**(250,117)**	(248,994)
	803,298	795,254
Deferred tax assets	**22,862**	24,216
Consolidated total assets	**826,160**	819,470
Liabilities		
Reportable segment liabilities	**386,779**	371,905
Elimination of inter-segment payables	**(250,117)**	(248,994)
Consolidated total liabilities	**136,662**	122,911

3 **REVENUE AND SEGMENT REPORTING** *(Continued)*

(b) **Segment reporting** *(Continued)*

(iii) Geographic information

The following table sets out information about the geographic location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets ("specified non-current assets"). The geographic location of customers is based on the country of establishment of each customer. The geographic location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and investment properties and the location of the operation to which they are allocated, in the case of intangible assets.

	Revenue from external customers Six months ended 30 June		**Specified non-current assets**	
	2026	2025	**At 30 June 2026**	At 31 December 2025
	$'000	*$'000*	***$'000***	*$'000*
Hong Kong (place of domicile)	**110,331**	112,136	**313,340**	315,460
Mainland China	**37,722**	32,045	**41,686**	41,278
Philippines	**162,463**	240,960	**—**	—
Others	**6,411**	5,145	**—**	—
	206,596	278,150	**41,686**	41,278
	316,927	390,286	**355,026**	356,738

4 PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Profit before taxation is arrived at after charging:		
(a) Finance costs		
Interest expense on loan from a related company	**67**	77
Interest on lease liabilities	**61**	40
Bank charges	**68**	68
	196	185
(b) Staff costs		
Retirement costs		
— Contributions to defined contribution retirement plans	**5,070**	4,430
— Expenses in respect of defined benefit plans		
— ORSO plan	**1,200**	1,408
— Long service payments	**140**	—
	6,410	5,838
Salaries, wages and other benefits	**75,428**	71,876
	81,838	77,714
(c) Other items:		
Depreciation		
— Owned property, plant and equipment	**4,014**	3,468
— Right-of-use assets	**7,221**	6,871
Cost of inventories	**198,847**	233,419
Net provision for impairment of trade and other receivables	**120**	150

5 INCOME TAX

Taxation in the consolidated income statement represents:

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Current tax — Mainland China		
— Provision for the period	**3,066**	4,601
Deferred tax		
— Origination and reversal of temporary differences	**1,621**	5,874
	4,687	10,475

No provision for Hong Kong Profits Tax has been made for the Company and other Hong Kong subsidiaries for 2026 and 2025 because the accumulated tax losses brought forward exceed the estimated assessable profits or the entities sustain losses for taxation purposes.

The Group's operations in the PRC are subject to Corporate Income Tax Law of the PRC. The standard PRC Corporate Income Tax rate is 25%.

6 DIVIDENDS

(i) Dividend payable to equity shareholders of the Company attributable to the interim period

The Board has resolved that no interim dividends will be declared for 2026. (2025: Nil)

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Final dividend in respect of the previous financial year, approved and paid during the interim period of $0.06 per ordinary share (six months ended 30 June 2025: $0.05 per ordinary share)	**22,414**	18,679

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company for the six months ended 30 June 2026 of $10,339,000 (six months ended 30 June 2025: $49,644,000) and on 373,570,560 ordinary shares (2025: 373,570,560 ordinary shares), being the number of ordinary shares in issue throughout the period.

(b) Diluted earnings per share

Diluted earnings per share are not presented as the Company does not have dilutive potential ordinary shares for both periods presented.

8 TRADE AND OTHER RECEIVABLES

The ageing of trade receivables (net of loss allowance) as at the end of the reporting period is as follows:

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Current (not past due)	**26,789**	28,653
Less than 1 month past due	**852**	1,372
1 to 3 months past due	**277**	343
3 to 6 months past due	**47**	286
More than 6 months but less than 12 months past due	**124**	193
	28,089	30,847

According to the Group's credit policy, customers are granted a credit period that generally requires payment by the end of the month following the month in which sales take place. Therefore, all the current balances disclosed above are aged within two months from the invoice date.

9 TRADE AND OTHER PAYABLES

The ageing of trade payables as at the end of the reporting period is as follows:

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Current and less than 1 month past due	**41,518**	33,813
1 to 3 months past due	**—**	57
3 to 6 months past due	**32**	7
More than 6 months but less than 12 months past due	**—**	6
	41,550	33,883

According to the credit terms provided by suppliers, the Group is generally required to settle within one to two months from the invoice date. Therefore, the current and less than 1 month past due balances disclosed above are mostly aged within two to three months from the invoice date.

FINANCIAL RESULTS

The Group recorded a consolidated profit of HK$11.4 million in the first half of 2026, down from HK$51.1 million in 2025. Accordingly, net profit attributable to equity shareholders for 2026 was HK$10.3 million, compared to HK$49.6 million the previous year.

The Group's consolidated revenue was HK$316.9 million, 18.8% lower than in 2025. Gross profit totaled HK$116.6 million, a 25.1% decrease from 2025, with a gross profit margin of 36.8%.

As of 30 June 2026, cash and cash equivalents and bank deposits amounted to HK$258.4 million (HK$285.7 million as of 31 December 2025).

As of 30 June 2026, loans totaled HK$3.7 million (HK$3.6 million as of 31 December 2025). Total net assets were at HK$689.5 million (HK$696.6 million as of 31 December 2025), with a loan-to-equity ratio of 0.01 (31 December 2025: 0.01).

DIVIDENDS

The Board resolved that no dividends will be declared for the six months ended 30 June 2026.

BUSINESS REVIEW

Hong Kong Operations

Hong Kong's economy grew 5.9% year-on-year in Q1 2026, driven by strong exports, particularly AI-related electronic products, and a recovery in domestic demand. However, the retail sector remained challenged, due to shifting consumer preferences, increased cross-border spending, and global economic uncertainty.

The Company's total domestic sales volume in the first half of the year was on par with last year, despite a 4% contraction in the Hong Kong beer market. However, export volumes fell sharply due to the Middle East conflict, which disrupted shipping, supply chains, and customer demand. Consequently, operating profit declined significantly due to lower export volumes and higher costs.

To sustain San Mig Light's growth momentum, the "Feel Light, Feel Good" campaign was amplified through commercial spots on Now TV and during English Premier League broadcasts, alongside market-wide promotions. This was supported by retail chain promotions, including supermarket gift packs and convenience-store gift-with-purchase offers. In the on-premises channel, seafood-themed roaming activities, dart competitions, and sponsorship of a Cantopop party were implemented to further enhance brand visibility and consumer engagement.

Meanwhile, San Miguel Pale Pilsen continued to cultivate its Hong Kong connection through the "So Hong Kong, So San Miguel" campaign, which was supported by truck promotions, gift-with-purchase, and bonus-pack promotions in retail chains. Its sponsorship of the Hong Kong International Dragon Boat Festival further reinforced its local relevance and strengthened brand affinity.

San Miguel Cerveza Blanca (SMCB) and San Miguel Cerveza Negra (SMCN) reinforced their premium appeal through a king can 4-pack packaging refresh, as well as co-branded on-premise roaming programs, food-pairing collaborations, and beer-chocolate bonbon promotions with Conspiracy Chocolate.

Red Horse in bottles was launched in select on trade and provisional stores in May, to boost volumes and strengthen its relevance in the strong beer segment.

The new Blue Ice Beer packaging design was launched across key retail chains to refresh its brand imagery. This was supported by a gift-with-purchase promotion in convenience stores and an instant win game in provisional stores.

Kirin continued to drive volume growth through seasonal product offerings, premium redemption programs at convenience stores, and targeted on-premise promotions.

South China Operations

China's economy grew 5.0% year-over-year in the first quarter, supported by resilient industrial output and improving consumer demand, indicating steady economic momentum despite external uncertainties.

In the first half of the year, San Miguel (Guangdong) Brewery Co., Ltd. ("SMGB") recorded an 8% increase in domestic sales volume. However, export sales declined due to the ongoing conflict in the Middle East, reducing total volumes. This, coupled with higher operating costs, adversely affected profitability, resulting in a decline in operating profit for the period.

SMGB continued to strengthen brand presence and drive consumer engagement through targeted marketing initiatives. Seasonal promotions were a key driver, including Chinese New Year incentive offers and festive merchandising campaigns for both the San Miguel and Dragon brands. The San Miguel Chinese New Year campaign covered 655 outlets and was supported by an interactive WeChat activation. Meanwhile, the Dragon brand's festive merchandising reached 214 outlets, complemented by a consumer promotion in 122 traditional off-premise outlets.

To further enhance brand visibility and sales, a market-wide San Miguel campaign was launched from May to September across all regions and channels. The Company also refreshed brand visuals across online platforms and outdoor signage, and rolled out football-themed campaigns to strengthen consumer engagement and reinforce the market presence of both the San Miguel and Dragon brands.

OUTLOOK

While the operating environment is expected to remain challenging in the second half of 2026 – amid continued geopolitical uncertainties, elevated cost pressures and cautious consumer spending – we remain focused on strengthening our volumes and driving sustainable growth.

In Hong Kong, we will continue to invest in brand-building initiatives, consumer engagement programs, and channel development, to support our core brands and capture opportunities in select market segments. In South China, we will continue to focus on expanding market coverage, enhancing brand visibility, and improving operational efficiency.

We will pursue measures to improve productivity and optimize resources, and keep a close eye on market developments and cost trends. Despite the uncertainties affecting export markets, we remain committed to protecting our profitability and strengthening the long-term competitiveness of our business.

In closing, we thank our employees, whose hard work continues to move our business forward; our Board, for its steady counsel and perspective; and our shareholders, consumers, customers, and business partners, whose confidence in us inspires us to keep raising the bar.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

CORPORATE GOVERNANCE

The Company has applied the principles and complied with the provisions set out in the Corporate Governance Code as contained in Appendix C1 of the Listing Rules during the six months ended 30 June 2026.

PUBLICATION OF DETAILED INTERIM RESULTS

A detailed results announcement containing all the information required by the Listing Rules will be published on the website of The Stock Exchange of Hong Kong Limited (*www.hkex.com.hk*) and the Company's website (*info.sanmiguel.com.hk*) in due course.

By order of the Board
Ramon S. Ang
Chairman

Hong Kong, 27 July 2026

(All monetary values in this announcement are expressed in Hong Kong Dollars unless stated otherwise.)

As at the date of this announcement, the Board of the Company comprises the executive director, Mr. Chan Weng Kheong, the non-executive directors, Mr. Ramon S. Ang (Chairman), Mr. Carlos Antonio M. Berba (Deputy Chairman), Ms. Aurora T. Calderon, Ms. May (Michelle) W. M. Chan, Mr. Tatsuya Nagafuji, Mr. Katsuhisa Nose and Mr. Fumiaki Ozawa; and the independent non-executive directors, Mr. Thelmo Luis O. Cunanan, Dr. the Hon. Sir David K. P. Li, Mr. Reynato S. Puno and Ms. Maria Aileen A. Sazon.