Convenience Retail Asia Limited
利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 00831

INTERIM REPORT 2026

A Fung Retailing Company

Contents

Corporate Information

Executive Directors	Terence FUNG Yue Ming # *(Vice Chairman)* Michael TANG Tsz Kin *(Chief Executive Officer)*
Non-executive Directors	William FUNG Kwok Lun #+ *(Chairman)* Richard YEUNG Lap Bun Sabrina FUNG Wing Yee Tiffany Daisy LEE Pei Ming
Independent Non-executive Directors	Anthony LO Kai Yiu #+* *(Lead Independent Non-executive Director)* Terrence TSANG Diao-Long #+* Lillian KIANG Shin Ping #*
Group Chief Compliance and Risk Management Officer	Jason YEUNG Chi Wai
Company Secretary	CHU Wai Ling
Registered Office	P.O. Box 31119 Grand Pavilion Hibiscus Way, 802 West Bay Road Grand Cayman KY1-1205 Cayman Islands
Head Office and Principal Place of Business	15th Floor, LiFung Centre 2 On Ping Street Siu Lek Yuen Shatin New Territories Hong Kong
Website	www.cr-asia.com
Legal Advisers	Johnson Stokes & Master (as to Hong Kong Law) Conyers Dill & Pearman, Cayman (as to Cayman Islands Law)

Nomination Committee members
\+ *Remuneration Committee members*
* *Audit Committee members*

Auditor	PricewaterhouseCoopers *Certified Public Accountants* *Registered Public Interest Entity Auditor*
Principal Share Registrar and Transfer Office	Vistra (Cayman) Limited P.O. Box 31119 Grand Pavilion Hibiscus Way, 802 West Bay Road Grand Cayman KY1-1205 Cayman Islands
Hong Kong Branch Share Registrar and Transfer Office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Bankers	The Hongkong and Shanghai Banking Corporation Limited Bank of China (Hong Kong) Limited
Stock Code	00831

Highlights

Financial Highlights

		Six months ended 30 June	
		2026	2025
	Change	**HK$'000**	HK$'000
Revenue	+3.9%	**715,213**	688,139
Core operating profit	+23.0%	**21,352**	17,365
Profit attributable to shareholders of the Company	+16.5%	**17,538**	15,060
Basic earnings per share (HK cents)	+21.1%	**2.3**	1.9
Interim dividend per share (HK cent)		**1.0**	1.0

Operation Highlights

- First-half retail bakery sales improved as a result of successful product launches and effective marketing strategies despite sluggish recovery in the local market
- The Group's wholesale bakery business continued to grow on the back of new product launches with existing customers and new customer wins
- Operating margin was adversely affected by rising staff cost, logistics cost and Renminbi appreciation
- The Group maintained a healthy financial position in the first half of 2026 with net cash of HK$174 million and no bank borrowings
- The Board of Directors has resolved to declare an Interim dividend of 1 HK cent per share

Number of Stores

	30 June 2026	31 December 2025
Saint Honore Bakery		
Hong Kong & Macau	**122**	122
Guangzhou	**3**	3
Subtotal	**125**	125
Pâtisserie Mon cher		
Hong Kong	**7**	7
Total number of Stores under Bakery Group	**132**	132
Zoff Eyewear		
Hong Kong	**17**	17
Singapore	**–**	3
Subtotal	**17**	20
Total number of Stores under Convenience Retail Asia	**149**	152

Chairman's Statement

The period under review saw Convenience Retail Asia protect market share for its key retail brands while achieving double-digit growth in its wholesale bakery business, despite external challenges such as soft consumer confidence, cost pressures, and lower weekend foot traffic due to northbound travel by local residents. Sales benefitted from the Group's good product quality and customer service along with successful online-to-offline marketing. Behind the scenes, on-going investments in modern manufacturing processes and digitalisation took us closer to achieving our goal of building an efficient, Innovation and Technology ("I&T")-empowered organisation that is agile, future-ready and optimised for sustainable growth.

Delivering Results in a Difficult Environment

Hong Kong's overall retail performance improved in the first half of 2026 on the back of generally improved sentiment in the local financial and real estate markets. The HKSAR Government's promotion of Hong Kong as a global financial market and trade centre has attracted investment and immigration to the city, driving increased consumption that has broadly benefitted local retailers.

However, the bread, pastry, confectionery and biscuit segment lagged behind some other retail categories as sales value and volume fell by -1.4% and -3.1%[note], respectively, compared to the first six months of last year. The industry has seen shrinkage, closures and consolidation in recent years due to a challenging operating environment as well as shifts in consumer preferences towards unique, higher-quality and healthier offerings. We have been actively monitoring and adapting to these trends, successfully developing and promoting on-trend products for our Saint Honore, Mon cher and Merci Moncher brands that are helping us lead the market, allowing us to grow at 4.6% for the period. Meanwhile, our bakery wholesale business, Callista, performed well during the period under review, welcoming high-profile new customers and building organic business with existing ones to achieve double-digit revenue growth.

One of the pillars of our new three-year plan is making strategic investments to boost our long-term competitiveness. We recently welcomed the opening of our new production facility in Tai Po, which will greatly enhance productivity and efficiencies for our Hong Kong bakery operations, particularly in the production of fresh products such as sandwiches and salads.

Zoff, our franchise of the popular Japanese fast-fashion eyewear brand, delivered another solid performance as sales in Hong Kong's optical segment rose 7.3% by value and 5.7% by volume[note]. Comparable store sales increased as a result of our on-going efforts in category management, marketing and promotion as well as our team's continuous delivery of quality service to each and every customer. As at the end of the review period, Zoff remained the market leader in its category, testament to the Group's ability to establish and grow successful brands.

Note: Published by the Census and Statistics Department, the Government of the Hong Kong Special Administrative Region on 4 August 2026

Outlook

We expect some degree of macroeconomic and geopolitical volatility to persist in the near term, placing pressure on retail operators in the form of inflation and price competition. Cross-boundary travel and changing consumer purchasing patterns are also likely to keep impacting Saint Honore and Mon cher as well as the wider bakery market. However, we believe that our fundamentals and financial strength put us in an advantageous position to continue to gain market share across our retail and wholesale operations. In the coming months, we will remain focused on our core competencies of delivering high-quality, on-trend products with exceptional customer service while leveraging our extensive online to offline capabilities to promote higher-margin categories, boost transaction values and drive growth across our business.

I would like to close by thanking my fellow Board members, our senior management and our colleagues everywhere for their efforts and dedication. I look forward to continuing working with them as we strive together to build a long-term future of sustained growth and success.

William FUNG Kwok Lun
Chairman

Hong Kong, 13 August 2026

CEO's Statement

Over the first six months of the year, the Group achieved moderately higher sales in its retail bakery business with a slight increase in profit despite price competition as well as inflated costs resulting from geopolitical and macroeconomic uncertainties. Callista, our fast-growing bakery B2B enterprise, once again achieved double-digit sales growth and made a valuable contribution to our top line by winning high-potential new business and launching several successful new products for existing customers. Meanwhile, Zoff leveraged its industry-leading products and services to expand further in key growth segments and deliver solid results. Group-wide, we were pleased to retain our share of market in challenging and competitive retail environments while also making inroads towards achieving the objectives set out in our three-year plan, which include enhancing our production facilities and I&T capabilities to build a strong foundation for sustainable, long-term growth.

Operations Review

Retail Bakery Business

Over the first half of 2026, Saint Honore opened three stores and closed three in Hong Kong. Total retail bakery revenue increased by 4.6%, due in large part to successful launches that demonstrated not only our ability to develop attractive, high-quality products, but also to adjust quickly to prevailing market trends. Healthier choices such as our "sourdough series" and "Clean Label" packaged bread helped us meet modern demand and connect with a new group of customers. At the same time, customers also responded well to a series of new celebration cakes launched during Mother's Day and Father's Day.

We supported the launches of these and other products with effective marketing strategies to drive sales and transaction value. A key driver once again was Saint Honore's popular Cake Easy online-to-offline (O2O) customer relationship management (CRM) platform, which has now reached over 1.34 million members, including approximately 190,000 Gold members. Throughout the period, member recruitment campaigns, e-coupon promotions, online sales campaigns and more all helped strengthen member engagement, boost online platform usage and drive O2O conversion by increasing foot traffic at stores. Acknowledging the growing acceptance of food delivery services among customers and the potential of such platforms to help drive sales and increase brand visibility, we also launched on Keeta and foodpanda in April and May, respectively, quickly achieving positive results.

Overall, comparable store sales improved versus same period last year as we sought to maximise traffic and transaction value by launching healthy options, value-for-money products and attractive offers. Retail bakery profit improved slightly despite price competition intensified across the market, as the Group was able to counter this to a degree through disciplined cost management with emphasis on boosting operational efficiencies in supply chain management, category management, manufacturing and staffing. Throughout the period, we also continued to optimise our store network by closing underperforming outlets while seeking new locations with high traffic and favourable leasing terms. Our fifth-generation store model has been a great success, offering modern environments as well as new product experiences for customers that include frozen items, ready-to-eat baked goods and hot food.

Our premium Japanese pâtisserie, Mon cher, enjoyed improvements over the first six months of the year with healthy increases in net sales and comparable store sales. Store network optimisation, a strong performance in the festive cake category and continuous product development led to higher transactions and bigger basket sizes. One of the highlights during the period was the successful launch of a dark chocolate Dojima roll in collaboration with Amadei, a leading Italian chocolatier renowned for quality and craftsmanship. Celebrational cakes, artisanal sourdough series and new pastry selections also helped reinforce the brand's premium positioning. Meanwhile, our relentless marketing efforts continued to turn Mon cher into a household name for premium dessert and bakery products.

Wholesale Bakery Business

Our bakery B2B enterprise saw steady top-line growth driven by new customer activation as well as organic growth with major customers via successful new product launches. We continued to work closely with customers to understand their operational needs and have been able to shorten lead times considerably, boosting our reputation in the market for delivering quality with agility. The opening of our new production facility in Tai Po has been a key enabler for many new product launches and new customer activation, significantly strengthening our manufacturing capabilities in areas such as "Made in Hong Kong", souvenirs and gift giving products – a strategic differentiator for customers seeking premium, locally produced offerings. In Mainland China, our Shenzhen production facility has made inroads supplying a number of F&B channels, reinforcing our competitive strength in the Greater Bay Area. Across our manufacturing operations, we continued to optimise our raw material and packaging costs and were able to mitigate the impact from soaring fuel prices in the first half of the year.

Eyewear Business

It was another successful period for our Hong Kong franchise of Zoff, the popular Japanese fast-fashion eyewear brand, which delivered solid growth on the back of its extensive ranges of frames and lenses, top-notch professional service, and effective marketing strategies targeting customers of all ages. Two notable campaigns focused on children with myopia and seniors carrying health care vouchers, with both achieving strong segment growth. We also leveraged the increase in inbound traffic from Mainland China by strengthening our marketing efforts on RedNote (小紅書), efforts that resulted in double-digit growth in tourist transactions. Across our network, comparable store sales improved over the first half of the year, demonstrating the strength of the Zoff brand.

Zoff Hong Kong carries more than 1,000 SKUs, and its selection is updated regularly to reflect the latest fashions and trends. In 1H26, we launched new frames for the popular "Made in Japan" collection; collaborations with IP including Chiikawa, Winnie the Pooh, Peanuts, Disney and more; and new entries in the Zoff Galileo series, an innovative line of eyewear crafted in a completely metal-free design from full rubber materials for maximum durability and safety. We also added more photochromic and myopia control lens options, including the GEN S Transitions Lens 1.56, GEN S Transitions Color Touch and HOYA MiYOSMART iQ, staying ahead of competitors in the functional lens category.

Customers also prefer Zoff because of its expert services and cutting-edge optical examination equipment, differentiators that have helped the brand grow well beyond its core demographic of young, trendy consumers seeking Japanese style and quality. During the review period, we continued to enhance our examination capabilities by installing a new, fully automated non-mydriatic retinal camera and an AL-Scan M optical biometer at selected shops to expand our in-store professional services. Meanwhile, Zoff continued to build community relations through charitable activities such as donating eyewear coupons to the Make-A-Wish Hong Kong Charity Raffle 2026.

Since taking over the Zoff Singapore business in 2024, we have managed well in a highly competitive market and won many new customers. However, we also acknowledge that full success will require much more time and resources. As such, we have agreed to transfer the business to our franchisor and will instead channel all our team's resources to strengthening our leading position in Hong Kong.

Future Prospects

The second half of the year will likely see a continuation of the current retail and macroeconomic conditions, especially if certain geopolitical tensions persist, alongside ongoing cost pressures from Renminbi appreciation. However, the Group has demonstrated its ability to deliver performance and shareholder value in difficult operating environments before. Moving forward, we will continue to focus on growing our core segments while keeping a close eye on headwinds that could impact our business, relying on our trademark agility, operational excellence and financial prudence to drive results. Having a robust balance sheet in a challenging and highly competitive environment also puts us in a good position to win more share in the retail and wholesale bakery spaces.

At Saint Honore, we will emphasise our “Always Something New” brand proposition by strengthening and innovating our product portfolio while deepening customer engagement via our powerful O2O CRM platform and leveraging scalable new sales channels to support sustainable business development. We recently appointed a new brand ambassador to help widen Saint Honore’s appeal among younger generations and help build a new cohort of loyal customers. We also expect the upcoming festive seasons to provide solid top-line growth. In our wholesale bakery business, our strong product development team, integrated supply chain support, and new production facility in Hong Kong complementing our high-volume Shenzhen factory leave us optimistic about winning new projects in future and evolving into one of the region’s leading operations.

The Hong Kong retail eyewear industry is off to a strong start for the year. This positive momentum is a strong indicator that Zoff can continue to grow despite the macro challenges ahead. Corresponding with the occasion of Zoff Hong Kong’s 10-year anniversary, we will launch exciting new marketing campaigns highlighting our professional services and equipment plus back-to-school promotions for HOYA MiYOSMART iQ and our extensive range of children’s products.

Our proven capabilities, strong balance sheet, and comprehensive digitalisation and efficiency enhancement initiatives put us in good position to build and expand, even in an operating environment with so many uncertainties. I believe we are carrying positive momentum into the rest of the year and beyond as we seek to achieve the objectives of our three-year plan and continue our growth story as a leading specialty retailer.

Michael TANG Tsz Kin
Chief Executive Officer

Hong Kong, 13 August 2026

Discussion and Analysis

Financial Review

During the first six months of 2026, the Group’s turnover increased by 3.9% to HK$715 million. Turnover for the bakery business increased by 4.6% to HK$643 million. B2B sales demonstrated continued growth across both existing and new customer bases. Turnover for the Zoff eyewear business decreased by 2.0% to HK$72 million. This decrease was driven by the disposal of the Singapore Zoff business in June 2026, partially offset by a growth of 4.8% in Hong Kong store sales during the period.

Gross margin as a percentage of turnover decreased by 3.4 percentage points to 48.3%. The appreciation of Renminbi and inflationary pressure on raw material, labour and manufacturing costs significantly increased the production cost of bakery products and adversely affected bakery sales margins. During the review period, competitive promotions were offered to retail customers to increase market share.

Operating expenses as a percentage of turnover decreased from 49.2% to 45.6%. Stringent cost control measures were implemented to lower our operating expenses in view of the current retail environment. Store renewals were tightly controlled together with lease negotiation with landlords. Store opening hours as well as duty roster were adjusted to enhance productivity in the frontline. Outsourced service contracts were reviewed to identify cost saving opportunities. All these measures together enabled the reduction of selling and distribution expenses during the review period.

Core operating profit before interest expenses on lease liabilities increased by 18.8% to HK$24 million. Including interest expenses on lease liabilities, core operating profit increased by 23.0% to HK$21 million. Net profit increased by 16.5%, from HK$15 million to HK$18 million. Basic earnings per share increased by 21.1% to 2.3 HK cents from 1.9 HK cents. Diluted earnings per share increased by 15.8% to 2.2 HK cents from 1.9 HK cents.

As at 30 June 2026, the Group had a net cash balance of HK$174 million, generated mainly from daily business operations. The Group had no bank borrowings. Most of the Group’s cash and bank deposits were in its operating currencies and deposited with major banks in Hong Kong and Mainland China. The majority of the Group’s assets, liabilities, revenues and payments were held in either Hong Kong dollars, Renminbi or Japanese yen. The Group had foreign exchange exposure as the Group’s trade suppliers transact in Renminbi and Japanese yen. The Group is subject to interest rate risks on the interest income earned from bank deposits. The Group will place surplus cash in term deposits denominated in its operating currencies and United States dollars, with appropriate maturity periods to meet the operating requirements and capital expenditure requirements in the future. The Group has standby banking facilities of HK$73 million in support of treasury planning and management.

The Board of Directors has resolved to declare an interim dividend of 1 HK cent per share.

Employees

As at 30 June 2026, the Group had a total of 2,716 employees, with 1,499, or 55%, based in Hong Kong and 1,217, or 45%, based in Macau, Guangzhou and Shenzhen. Part-time staff accounted for 23% of total headcount. Total staff cost for the six months ended 30 June 2026 was HK$258 million compared with the HK$245 million recorded over the same period last year.

The Group offers competitive remuneration schemes for eligible employees, including salary packages supplemented by discretionary bonuses and share options based on individual and company performance. It also provides career growth opportunities through comprehensive job-related skill enhancement programmes and customer service training for frontline staff. Saint Honore was once again named a “Super MD” in the Employees Retraining Board Manpower Developer Award Scheme for the years 2025–2030 for its efforts in manpower training and development.

The Group places great value on workplace satisfaction and staff retention. Each year, the Social Team coordinates a variety of initiatives under the HEARTS (Happy, Energised, Achievements, Respect, Training and Success) employee engagement programme to help colleagues succeed professionally and foster a warm and supportive work environment, including career development programmes, events promoting work-life balance and social activities. Over the first half of 2026, the Group and its staff organised and/or participated in food donation drives, outreach engagements for the elderly, recycling and food waste reduction programmes, carbon reduction initiatives, and more.

Sustainability and Corporate Social Responsibility

As a member of the Fung Group, the Group adheres to the United Nations Global Compact on human rights, labour, anti-corruption efforts, environmental protection and sustainability. The Group is also committed to achieving sustainability in its operations wherever possible, striving to protect the environment, conserve natural resources and save costs through the “three Rs” of reducing, reusing and recycling. It also uses energy-efficient equipment and low-carbon fuels to minimise its carbon footprint.

The Group prides itself on giving back to the communities where it operates. In environmental conservation, our Hong Kong store network once again participated in the Earth Hour campaign organised by the World Wide Fund for Nature and the Environment and Ecology Bureau’s “Charter on External Lighting Campaign”. We also supported several NGOs by donating unsold bread to those in need and participating in volunteer campaigns across the city for the benefit of several worthy social causes.

Saint Honore proudly received the “15 Years Plus Caring Company Logo” from the Hong Kong Council of Social Service while Zoff Hong Kong was awarded with the “5 Years Plus Caring Company Logo”, reflecting our commitment to the community. Further information about our environmental, social and governance policies and performance will be provided in a separate report on the Group’s website.

Other Information

Interests and Short Positions of Directors in Shares, Underlying Shares and Debentures

As at 30 June 2026, the Directors and chief executives of the Company and their associates had the following interests in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and/or the Code for Securities Transactions by Directors and Relevant Employees (the "Securities Code") adopted by the Company:

Long positions in shares and underlying shares of the Company

	Number of shares				
Name of Directors	**Personal interests**	**Corporate/ Trust interests**	**Equity derivatives (share options)**	**Total interests**	**Approximate percentage of interests**
William Fung Kwok Lun	75,000,000 *(Note 2)*	311,792,000 *(Note 1)*	–	386,792,000	49.45%
Sabrina Fung Wing Yee	–	311,792,000 *(Note 1)*	–	311,792,000	39.86%
Richard Yeung Lap Bun	24,396,000	–	–	24,396,000	3.12%
Michael Tang Tsz Kin	3,000,000	–	15,130,000 *(Note 3)*	18,130,000	2.32%
Anthony Lo Kai Yiu	2,276,000	–	–	2,276,000	0.29%

Notes:

(1) King Lun Holdings Limited ("King Lun") through its indirect wholly-owned subsidiary, Fung Retailing Limited ("FRL") (a wholly-owned subsidiary of Fung Holdings (1937) Limited ("FH 1937")) held 311,792,000 shares in the Company. 50% of the issued share capital of King Lun is owned by HSBC Trustee (C.I.) Limited, the trustee of a trust established for the benefit of the family members of Dr Victor Fung Kwok King, the remaining 50% is owned by Dr William Fung Kwok Lun. Ms Sabrina Fung Wing Yee is the daughter of Dr Victor Fung Kwok King. Therefore, Dr William Fung Kwok Lun (by virtue of his interests in King Lun) and Ms Sabrina Fung Wing Yee (as family member of Dr Victor Fung Kwok King) are deemed to have interests in 311,792,000 shares of the Company.

(2) Dr William Fung Kwok Lun has personal interests of 75,000,000 shares in the Company.

(3) These interests represented the interests in the share options (being regarded as unlisted physically settled equity derivatives) granted by the Company to the Director as beneficial owner, the details of which are set out in the section headed "Share Options" below.

Save as disclosed above, as at 30 June 2026, none of the Directors, chief executives of the Company and their associates had any other interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations. Besides, save as disclosed above, at no time during the period, the Directors and chief executives of the Company (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company or its associated corporations required to be disclosed pursuant to the SFO.

Interests and Short Positions of Shareholders in Shares and Underlying Shares

As at 30 June 2026, other than the interests of the Directors or chief executives of the Company as disclosed above, the following persons had notified the Company of their interests in shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Interests in shares of the Company

Name of shareholders	Number of shares	Nature of interests/ Holding capacity	Approximate percentage of interests
HSBC Trustee (C.I.) Limited	311,792,000	Trustee *(Note)*	39.86%
King Lun Holdings Limited	311,792,000	Interest of controlled corporation *(Note)*	39.86%
Kihm Lutz Hans Michael	39,386,000	Beneficial owner	5.04%

Note:

These shares were held by FRL. King Lun indirectly owns 100% interests in FRL through its wholly-owned subsidiary, FH 1937. All of HSBC Trustee (C.I.) Limited, King Lun, FH 1937 and FRL are deemed to have interests in these shares pursuant to the SFO. Please refer to Note 1 in the above section headed "Interests and Short Positions of Directors in Shares, Underlying Shares and Debentures".

Save as disclosed above, as at 30 June 2026, the Company had not been notified of any other interests or short positions in shares or underlying shares of the Company being held by any other shareholders as recorded in the register required to be kept under section 336 of the SFO.

Share Schemes

Share Options

On 29 April 2020, the 2020 Share Option Scheme was approved and adopted by the shareholders at the annual general meeting of the Company for the purpose of providing incentives and/or rewards to eligible persons as defined in the scheme.

Details of the movements of share options under the 2020 Share Option Scheme during the six months ended 30 June 2026 are as follows:

	Number of share options									
Grantees	**As at 1/1/2026**	**Granted** *(Note 1)*	**Exercised** *(Note 4)*	**Lapsed** *(Note 5)*	**Expired** *(Note 6)*	**As at 30/6/2026**	**Exercise price** HK$	**Grant date**	**Vesting period**	**Exercisable period**
Director										
Michael Tang Tsz Kin	4,130,000	–	–	–	–	4,130,000	0.64	28/3/2024	28/3/2024–31/3/2025	1/4/2025–31/3/2028
	7,000,000	–	(3,000,000)	–	–	4,000,000	0.32	28/3/2025	28/3/2025–31/3/2026	1/4/2026–31/3/2029
	–	7,000,000	–	–	–	7,000,000	0.365	31/3/2026	31/3/2026–31/3/2027	1/4/2027–31/3/2030
Continuous contract employees	9,032,000	–	–	(66,000)	(8,966,000)	–	0.764	11/11/2021	11/11/2021–31/3/2023	1/4/2023–31/3/2026
	5,118,000	–	–	(100,000)	–	5,018,000	0.64	28/3/2024	28/3/2024–31/3/2025	1/4/2025–31/3/2028
	12,200,000	–	(1,720,000)	(150,000)	–	10,330,000	0.32	28/3/2025	28/3/2025–31/3/2026	1/4/2026–31/3/2029
	–	9,800,000	–	–	–	9,800,000	0.365	31/3/2026	31/3/2026–31/3/2027	1/4/2027–31/3/2030
	37,480,000	16,800,000	(4,720,000)	(316,000)	(8,966,000)	40,278,000				

Notes:

1. *During the period, share options to subscribe for a total of 16,800,000 shares were granted on 31 March 2026. The closing price of the shares immediately before the date on which the share options were granted was HK$0.365. There is no performance target attached to the share options.*

2. *The above options granted are recognised as expenses in the consolidated financial statements in accordance with the Company's accounting policy as set out in the annual audited financial statements for the year ended 31 December 2025.*

3. *The value of the options granted during the period is HK$744,240 based on the Black-Scholes Valuation model. The significant inputs into the model were share price of HK$0.365 at the grant date, exercise price shown above, standard deviation of expected share price returns of 28.8%, expected life of options of three years, expected dividend paid out rate of 6.2% and annual risk-free interest rate of 2.2%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices over the last three years. The Black-Scholes Valuation model is developed to estimate the fair value of European share options. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.*

4. *Share options to subscribe for 3,000,000 shares and 1,720,000 shares were exercised by Mr Michael Tang Tsz Kin and continuous contract employees during the period. The respective weighted average closing market price per share immediately before the date on which the said options were exercised were approximately HK$0.38 and HK$0.385 respectively.*

5. *Share options to subscribe for 316,000 shares under the 2020 Share Option Scheme lapsed during the period following the cessation of employment of certain grantees.*

6. *Share options to subscribe for 8,966,000 shares under the 2020 Share Option Scheme expired during the period following the expiry of the options.*

7. *No share options under the 2020 Share Option Scheme was cancelled during the period.*

The number of shares that may be issued in respect of share options granted under the 2020 Share Option Scheme during the period divided by the weighted average number of ordinary shares in issue of the Company for the period is approximately 3.01%.

Number of share options available for grant under the 2020 Share Option Scheme as at 1 January 2026 and 30 June 2026 are as follows:

	30 June 2026	1 January 2026
Share options under the mandate limit	**21,123,897**	37,607,897

Save as disclosed above, as at 30 June 2026, none of the Directors, chief executives or substantial shareholders of the Company or their respective associates had been granted any other share options.

Restricted Share Unit ("RSU")

On 14 May 2026, the 2026 Restricted Share Unit Scheme (the "2026 RSU Scheme") was approved and adopted by the shareholders at the annual general meeting of the Company for the purpose of providing incentives and/or rewards to eligible persons as defined in the scheme. Since its adoption and up to 30 June 2026, no RSUs have been granted, vested, exercised, lapsed, expired or cancelled under the 2026 RSU Scheme.

Number of RSUs available for grant under the 2026 RSU Scheme as at 1 January 2026 and 30 June 2026 are as follows:

	30 June 2026	1 January 2026
RSUs under the mandate limit	**77,913,697** *(note)*	–

Note: The scheme mandate limit of 77,913,697 new shares was shared across all share schemes of the Company.

Change in Director's Information

Pursuant to Rule 13.51B(1) of the Listing Rules, change of Director's information since the publication of the Company's 2025 Annual Report are set out below:

Name of Director	**Change**
William Fung Kwok Lun	He retired as an Independent Non-executive Director of The Hongkong and Shanghai Hotels, Limited with effect from 13 May 2026

Compliance with Corporate Governance Code

The Company has been in full compliance with all of the code provisions set out in the Corporate Governance Code contained in part 2 of Appendix C1 of the Listing Rules for the six months ended 30 June 2026.

Compliance with Model Code

The Group has adopted the Securities Code governing Directors' securities transactions on terms no less exacting than those of the Model Code as set out in Appendix C3 of the Listing Rules. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with the Securities Code.

Specific confirmation of compliance has been obtained from each Director and relevant employee for the six months ended 30 June 2026. No incident of non-compliance by Directors and relevant employees was noted by the Company for the period under review.

Audit Committee and Review of Interim Results

The Audit Committee currently comprises three Independent Non-executive Directors. It is primary responsible for reviewing the Group's financial reporting, risk management, internal controls and corporate governance matters, and making relevant recommendations to the Board. The committee includes members who possess appropriate professional qualifications, accounting or related financial management expertise as required under the Listing Rules.

The Audit Committee has authority to investigate any activity within its terms of reference and has full access to and the cooperation of management. It has direct access to Corporate Governance Division and the external auditor, and full discretion to invite any management to attend its meetings.

The Audit Committee has reviewed with senior management the unaudited interim financial information for the six months ended 30 June 2026 before recommending it to the Board for approval.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period.

Interim Dividend

The Board of Directors has resolved to declare an interim dividend for the six months ended 30 June 2026 of 1 HK cent (2025: 1 HK cent) per share to the shareholders of the Company.

Closure of Register of Members

The Register of Members of the Company will be closed from 31 August 2026 to 1 September 2026, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled to the interim dividend, all transfers accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 28 August 2026. Dividend warrants will be despatched on 10 September 2026.

Condensed Consolidated Profit and Loss Account

For the six months ended 30 June 2026

		(Unaudited) Six months ended 30 June	
		2026	2025
	Note	**HK$'000**	HK$'000
Revenue	*4*	**715,213**	688,139
Cost of sales	*6*	**(370,056)**	(332,698)
Gross profit		**345,157**	355,441
Other income	*4*	**4,444**	3,715
Other gain	*5*	**543**	–
Selling expenses	*6*	**(230,676)**	(243,081)
Distribution costs	*6*	**(36,178)**	(37,188)
Administrative expenses	*6*	**(59,031)**	(58,462)
Core operating profit		**24,259**	20,425
Interest expenses, net	*7*	**(1,100)**	(1,065)
Share of results of an associated company	*8*	**(527)**	–
Profit before income tax		**22,632**	19,360
Income tax expenses	*9*	**(5,094)**	(4,300)
Profit attributable to shareholders of the Company		**17,538**	15,060
Earnings per share (HK cents)	*10*		
Basic		**2.3**	1.9
Diluted		**2.2**	1.9

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Profit attributable to shareholders of the Company	**17,538**	15,060
Other comprehensive (loss)/income:		
Item that may be reclassified subsequently to profit or loss		
Exchange differences	**(150)**	343
Release of reserve for the disposal of a subsidiary	**(188)**	–
Total comprehensive income attributable to shareholders of the Company	**17,200**	15,403

Condensed Consolidated Balance Sheet

As at 30 June 2026

	Note	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Assets			
Non-current assets			
Intangible assets	*14*	**357,465**	359,257
Fixed assets	*12*	**157,842**	168,066
Right-of-use assets	*13*	**167,184**	190,535
Investment properties	*15*	**4,911**	5,027
Lease premium for land		**59,505**	60,979
Associated company		**1,174**	1,701
Loan receivables		**4,000**	4,000
Deferred tax assets		**5,602**	5,582
Rental and other long-term deposits		**52,798**	37,040
		810,481	832,187
Current assets			
Inventories		**35,985**	32,863
Rental deposits		**18,127**	19,438
Trade receivables	*16*	**69,087**	63,726
Other receivables, deposits and prepayments		**32,727**	23,648
Derivative financial instrument		**660**	660
Taxation recoverable		**2,075**	957
Restricted bank deposit		**1,088**	1,050
Short-term bank deposit		**–**	15,857
Cash and cash equivalents		**173,356**	190,795
		333,105	348,994
Total assets		**1,143,586**	1,181,181
Equity			
Share capital	*19*	**78,214**	77,742
Reserves		**566,801**	571,701
Total equity		**645,015**	649,443
Liabilities			
Non-current liabilities			
Lease liabilities	*18*	**76,739**	90,870
Long service payment liabilities		**18,278**	16,784
Deferred tax liabilities		**7,923**	8,040
		102,940	115,694
Current liabilities			
Trade payables	*17*	**73,425**	67,635
Other payables and accruals		**126,200**	138,174
Lease liabilities	*18*	**100,628**	112,987
Taxation payable		**7,415**	3,730
Cake coupons		**87,963**	93,518
		395,631	416,044
Total equity and liabilities		**1,143,586**	1,181,181

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	(Unaudited) Attributable to shareholders of the Company						
	Share capital HK$'000	Share premium HK$'000	Capital reserves HK$'000	Employee share-based compensation reserve HK$'000	Exchange reserve HK$'000	Retained earnings HK$'000	Total equity HK$'000
At 1 January 2026	**77,742**	**888**	**20,002**	**1,837**	**(2,592)**	**551,566**	**649,443**
Profit attributable to shareholders of the Company	**–**	**–**	**–**	**–**	**–**	**17,538**	**17,538**
Exchange differences	**–**	**–**	**–**	**–**	**(338)**	**–**	**(338)**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**(338)**	**17,538**	**17,200**
Issue of new shares	**472**	**1,179**	**–**	**(140)**	**–**	**–**	**1,511**
Employee share option benefit	**–**	**–**	**–**	**(533)**	**–**	**858**	**325**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(23,464)**	**(23,464)**
	472	**1,179**	**–**	**(673)**	**–**	**(22,606)**	**(21,628)**
At 30 June 2026	**78,214**	**2,067**	**20,002**	**1,164**	**(2,930)**	**546,498**	**645,015**
At 1 January 2025	77,742	888	20,002	1,406	(2,763)	538,147	635,422
Profit attributable to shareholders of the Company	–	–	–	–	–	15,060	15,060
Exchange differences	–	–	–	–	343	–	343
Total comprehensive income for the period	–	–	–	–	343	15,060	15,403
Employee share option benefit	–	–	–	260	–	36	296
Dividends paid	–	–	–	–	–	(7,774)	(7,774)
	–	–	–	260	–	(7,738)	(7,478)
At 30 June 2025	77,742	888	20,002	1,666	(2,420)	545,469	643,347

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2026

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Cash flows from operating activities		
Cash generated from operations	**66,053**	65,319
Hong Kong profits tax paid	**(1,871)**	(1,801)
Overseas income tax paid	**(794)**	(1,991)
Net cash generated from operating activities	**63,388**	61,527
Cash flows from investing activities		
Disposal of subsidiary	**1,028**	–
Purchase of fixed assets	**(9,714)**	(20,068)
Decrease in rental deposits	**1,048**	2,308
Decrease/(increase) in short-term bank deposit	**15,857**	(15,700)
Interest received	**1,771**	2,288
Net cash generated from/(used in) investing activities	**9,990**	(31,172)
Cash flows from financing activities		
Proceeds from issuance of shares	**1,511**	–
Payment of lease liabilities	**(68,965)**	(78,788)
Dividends paid	**(23,464)**	(7,774)
Net cash used in financing activities	**(90,918)**	(86,562)
Decrease in cash and cash equivalents	**(17,540)**	(56,207)
Cash and cash equivalents at 1 January	**190,795**	206,016
Effect of foreign exchange rate changes	**101**	59
Cash and cash equivalents at 30 June	**173,356**	149,868

Notes to the Condensed Consolidated Interim Financial Information

1. General information

Convenience Retail Asia Limited (the "Company") and its subsidiaries (together the "Group") are principally engaged in the operation of (i) a chain of bakeries under the brand name of Saint Honore in Hong Kong, Macau and Mainland China; (ii) a chain of premium pâtisserie under the brand name of Mon cher in Hong Kong – one of Japan's most popular pâtisserie and cake brands; (iii) a chain of fast-fashion eyewear stores under the brand name of Zoff in Hong Kong; and (iv) a wholesale business providing bakery and festive products to corporate customers in Hong Kong, Macau and Mainland China.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands and its principal place of business is 15th Floor, LiFung Centre, 2 On Ping Street, Siu Lek Yuen, Shatin, New Territories, Hong Kong.

The Company's shares are currently listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

This condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated. This condensed consolidated interim financial information have been approved for issue by the Board of Directors on 13 August 2026.

2. Basis of preparation

The unaudited condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange.

This condensed consolidated interim financial information should be read in conjunction with the 2025 consolidated financial statements which have been prepared in accordance with HKFRS Accounting Standards as issued by HKICPA.

The accounting policies and methods of computation used in the preparation of this condensed consolidated interim financial information are consistent with those used and described in the 2025 consolidated financial statements.

The Group has adopted new and amended standards and interpretation of HKFRS Accounting Standards which are mandatory for the accounting periods beginning on or after 1 January 2026 and relevant to its operations. The adoption of such new and amended standards and interpretation does not have material impact on the condensed consolidated interim financial information and does not result in substantial changes to the Group's accounting policies.

3. Financial risk management

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and interest rate risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the 2025 consolidated financial statements, and should be read in conjunction with the 2025 consolidated financial statements.

There have been no changes in the risk management policies since the year end.

4. Revenue, other income and segment information

The Group is principally engaged in the operation of bakeries and eyewear business. Revenues recognised during the period are as follows:

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Revenue		
Bakery sales revenue	**643,490**	614,920
Eyewear sales revenue	**71,723**	73,219
	715,213	688,139
Other income		
Service items and miscellaneous income	**4,444**	3,715

Segment information

Management has determined the operating segments based on the reports reviewed by the executive director that are used to make strategic decisions.

Management consider the business primarily from the perspective of product/service and geographic. For bakery segment, revenues are mainly comprised of sale of bakery and festival products under the brand names of Saint Honore and Mon cher. For eyewear segment, revenues are mainly derived from the sale of eyewear products under the brand name of Zoff. Accordingly, the Group has identified only two operating segments, and the segment information has been presented in a manner consistent with the way in which information is reported internally to the Group's senior executive management (the Chief Operating Decision Maker) for the purpose of resource allocation and performance assessment.

4. Revenue, other income and segment information (continued)

Segment information (continued)

The segment information provided to the management for the reportable segments for the six months ended 30 June 2026 and 2025 are as follows:

	(Unaudited) Six months ended 30 June 2026		
	Bakery HK$'000	**Eyewear HK$'000**	**Group HK$'000**
Revenue from external customers	**643,490**	**71,723**	**715,213**
Other income	**3,413**	**1,031**	**4,444**
	646,903	**72,754**	**719,657**
Core operating profit	**22,873**	**1,386**	**24,259**
Core operating profit (included interest expenses on lease liabilities)	**20,444**	**908**	**21,352**
Depreciation	**(73,131)**	**(14,024)**	**(87,155)**
Depreciation (excluded depreciation on right-of-use assets)	**(18,330)**	**(2,856)**	**(21,186)**

4. Revenue, other income and segment information (continued)

Segment information (continued)

	(Unaudited) Six months ended 30 June 2025		
	Bakery HK$'000	Eyewear HK$'000	Group HK$'000
Revenue from external customers	614,920	73,219	688,139
Other income	2,616	1,099	3,715
	617,536	74,318	691,854
Core operating profit/(loss)	22,714	(2,289)	20,425
Core operating profit/(loss) (included interest expenses on lease liabilities)	20,204	(2,839)	17,365
Depreciation	(80,748)	(18,261)	(99,009)
Depreciation (excluded depreciation on right-of-use assets)	(20,280)	(3,458)	(23,738)

The revenue from external parties is derived from numerous external customers and the revenue reported to the management is measured in a manner consistent with that of the condensed consolidated profit and loss account. The management assesses the performance of the operating segments based on a measure of core operating profit (included interest expenses on lease liabilities).

The reconciliation of the total reportable segments' core operating profit (included interest expenses on lease liabilities) to the profit before income tax can be referred to the condensed consolidated profit and loss account and interest expenses, net in note 7, as the reconciliation items are not included in the measure of the segments' performance by the management.

4. Revenue, other income and segment information (continued)

Segment information (continued)

The segment assets and liabilities as at 30 June 2026 and 31 December 2025 are as follows:

	(Unaudited) As at 30 June 2026		
	Bakery HK$'000	**Eyewear HK$'000**	**Group HK$'000**
Total segment assets	**984,645**	**61,686**	**1,046,331**
Total segment assets include:			
Additions to segment non-current assets	**66,342**	**7,686**	**74,028**
Total segment liabilities	**451,260**	**31,973**	**483,233**

	(Audited) As at 31 December 2025		
	Bakery HK$'000	Eyewear HK$'000	Group HK$'000
Total segment assets	956,117	73,121	1,029,238
Total segment assets include:			
Additions to segment non-current assets	151,398	14,100	165,498
Total segment liabilities	472,171	47,797	519,968

The amounts provided to the management with respect to total assets and total liabilities are measured in a manner consistent with that of the condensed consolidated balance sheet. These assets and liabilities are allocated based on the operations of the segment.

4. Revenue, other income and segment information (continued)

Segment information (continued)

Reportable segment assets are reconciled to total assets as follows:

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Segment assets for reportable segments	**1,046,331**	1,029,238
Unallocated:		
Associated company	**1,174**	1,701
Loan receivables	**4,000**	4,000
Derivative financial instrument	**660**	660
Deferred tax assets	**5,602**	5,582
Taxation recoverable	**2,075**	957
Corporate bank deposits	**83,744**	139,043
Total assets per condensed consolidated balance sheet	**1,143,586**	1,181,181

Reportable segment liabilities are reconciled to total liabilities as follows:

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Segment liabilities for reportable segments	**483,233**	519,968
Unallocated:		
Deferred tax liabilities	**7,923**	8,040
Taxation payable	**7,415**	3,730
Total liabilities per condensed consolidated balance sheet	**498,571**	531,738

4. Revenue, other income and segment information (continued)

Segment information (continued)

The Group is domiciled in Hong Kong. The result of its revenue from external customers in Hong Kong is HK$643,507,000 (2025: HK$608,568,000), and the total of its revenue from other regions is HK$71,706,000 (2025: HK$79,571,000) for the six months ended 30 June 2026.

The total of non-current assets other than investment in associate, loan receivables and deferred tax assets located in Hong Kong is HK$753,175,000 (as at 31 December 2025: HK$759,175,000), and the total of these non-current assets located in other regions is HK$46,530,000 (as at 31 December 2025: HK$61,729,000) as at 30 June 2026.

5. Other Gain

In June 2026, the Group completed its disposal of the entire interests of the wholly-owned subsidiary, Zoff I Singapore Pte. Ltd. to a third party at SGD500,000. Accordingly, the gain on disposal have been presented as other gain in the condensed financial statements for the period ended 30 June 2026.

6. Expenses by nature

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Cost of inventories sold	**206,506**	184,306
Delivery charges	**17,887**	18,643
Depreciation of fixed assets	**19,596**	22,148
Depreciation of right-of-use assets	**65,969**	75,271
Depreciation of investment properties	**116**	117
Depreciation of lease premium for land	**1,474**	1,473
Employee benefit expense	**257,771**	245,205
Short-term and variable lease payments	**12,420**	8,513
Utilities	**23,101**	21,374
Other expenses	**91,101**	94,379
Total cost of sales, selling expenses, distribution costs and administrative expenses	**695,941**	671,429

7. Interest expenses, net

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Interest income on bank deposits	**1,758**	1,995
Interest income on loan receivables	**49**	–
Interest expenses on lease liabilities	**(2,907)**	(3,060)
	(1,100)	(1,065)

8. Associated company

On 1 July 2025, the Group acquired a 20% stake in a HK company which is a food importer, manufacturer and distributor.

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Beginning of the period	**1,701**	–
Share of results of an associated company	**(527)**	–
End of the period	**1,174**	–

9. Income tax expenses

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for 2026 and 2025. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates prevailing in the countries in which the Group operates.

The amount of income tax expenses charged to the condensed consolidated profit and loss account represents:

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Current income tax		
Hong Kong profits tax	**6,675**	3,920
Overseas profits tax	**(1,450)**	1,692
Deferred income tax	**(131)**	(1,312)
	5,094	4,300

10. Earnings per share

The calculation of the Group's basic and diluted earnings per share is based on the unaudited profit attributable to shareholders of the Company for the corresponding period.

The basic earnings per share is based on the weighted average number of ordinary shares in issue during the corresponding period.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options as dilutive potential ordinary shares. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	(Unaudited) Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Profit attributable to shareholders of the Company	**17,538**	15,060
	Number of Shares	Number of shares
Weighted average number of ordinary shares in issue	**778,803,051**	777,416,974
Adjustment for:		
Share options	**1,542,330**	136,047
Weighted average number of ordinary shares for diluted earnings per share	**780,345,381**	777,553,021

11. Dividend

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Interim dividend, declared of 1 HK cent (2025: 1 HK cent) per share	**7,821**	7,774

At a meeting held on 13 August 2026, the Directors declared an interim dividend and it is not reflected as dividend payable in this condensed consolidated interim financial information.

12. Fixed assets

	(Unaudited) 30 June 2026 HK$'000	(Unaudited) 30 June 2025 HK$'000
Opening net book amount	**168,066**	170,329
Additions	**9,714**	20,068
Disposal of subsidiary	**(199)**	–
Disposals	**(166)**	(156)
Depreciation	**(19,596)**	(22,148)
Exchange differences	**23**	188
Closing net book amount	**157,842**	168,281

13. Right-of-use assets

	(Unaudited) 30 June 2026 HK$'000	(Unaudited) 30 June 2025 HK$'000
Opening net book amount	**190,535**	223,541
Additions	**45,992**	46,955
Disposal of subsidiary	**(2,713)**	–
Disposals	**(496)**	(46)
Remeasurement	**(617)**	(1,703)
Depreciation	**(65,969)**	(75,271)
Exchange differences	**452**	1,200
Closing net book amount	**167,184**	194,676

14. Intangible assets

	Goodwill HK$'000	**Trademarks HK$'000**	**Licence HK$'000**	**Group HK$'000**
Cost and net book amount				
At 1 January 2026	**247,465**	**110,000**	**1,792**	**359,257**
Disposal of subsidiary	**–**	**–**	**(1,792)**	**(1,792)**
At 30 June 2026	**247,465**	**110,000**	**–**	**357,465**
At 1 January 2025	247,465	110,000	1,892	359,357
Amortisation	–	–	(50)	(50)
At 30 June 2025	247,465	110,000	1,842	359,307

15. Investment properties

	(Unaudited) 30 June 2026 HK$'000	(Unaudited) 30 June 2025 HK$'000
Opening net book amount	**5,027**	5,261
Depreciation	**(116)**	(117)
Closing net book amount	**4,911**	5,144

16. Trade receivables

Majority of the Group's revenue are retail cash sales. The Group's credit terms on trade receivables on income from corporate customers mainly range from 30 days to 60 days. Trade receivables are non-interest bearing. The carrying amounts of trade receivables approximate their fair values. At 30 June 2026, the aging analysis by invoice date of trade receivables is as follows:

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
0–30 days	**35,007**	33,543
31–60 days	**28,300**	26,109
61–90 days	**2,356**	2,460
Over 90 days	**3,424**	1,614
	69,087	63,726

17. Trade payables

At 30 June 2026, the aging analysis by invoice date of the trade payables is as follows:

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
0–30 days	**39,011**	36,611
31–60 days	**29,545**	27,407
61–90 days	**693**	588
Over 90 days	**4,176**	3,029
	73,425	67,635

18. Lease liabilities

	(Unaudited) 30 June 2026 HK$'000	(Unaudited) 30 June 2025 HK$'000
As at 1 January	**203,857**	233,751
Additions	**45,557**	46,425
Disposal of subsidiary	**(5,335)**	–
Disposals	**(535)**	(51)
Remeasurement	**(617)**	(1,703)
Payments	**(68,965)**	(78,788)
Interest expenses	**2,907**	3,060
Exchange differences	**498**	1,329
Closing net book amount	**177,367**	204,023
Current lease liabilities	**100,628**	117,152
Non-current lease liabilities	**76,739**	86,871
	177,367	204,023

19. Share capital

	(Unaudited) 30 June 2026 Shares of HK$0.10 each		(Audited) 31 December 2025 Shares of HK$0.10 each	
	No. of shares	**HK$'000**	No. of shares	HK$'000
Authorised:				
At end of the period	**2,000,000,000**	**200,000**	2,000,000,000	200,000
Issued and fully paid:				
At beginning of the period	**777,416,974**	**77,742**	777,416,974	77,742
Issue of shares on exercise of share option	**4,720,000**	**472**	–	–
At end of the period	**782,136,974**	**78,214**	777,416,974	77,742

20. Capital commitments

The Group had commitments to make payments in respect of the acquisition of fixed assets. Capital expenditure contracted but not yet provided as at 30 June 2026 is HK$40,249,000 (as at 31 December 2025: HK$17,489,000).

21. Related party transactions

Fung Retailing Limited ("FRL") is a substantial shareholder of the Company, which owns 39.86% of the Company's shares. All of the related party transactions of the Group are entered into with Fung Holdings (1937) Limited (the holding company of FRL and a substantial shareholder of the Company), its subsidiaries, associates, and an associate of the group.

The following is a summary of the significant related party transactions carried out in the normal course of the Group's business during the period:

(a) Related party transactions

		(Unaudited) Six months ended 30 June	
	Note	**2026 HK$'000**	2025 HK$'000
Income			
Sales of products	*(i)*		
Subsidiary/fellow subsidiary of a substantial shareholder		**–**	3
Associate		**18**	–
Service income			
Subsidiary/fellow subsidiary of a substantial shareholder		**176**	176
Associate		**32**	–
Interest income			
Associate		**49**	–
Charges			
Reimbursement of office and administrative expenses	*(ii)*		
Subsidiaries/fellow subsidiary of a substantial shareholder		**393**	398
Fellow subsidiary/associate of a substantial shareholder		**6**	3
Rental	*(iii)*		
Subsidiary of a substantial shareholder		**756**	711
Stock purchase			
Associate		**1,189**	–

21. Related party transactions (continued)

(b) Key management personnel compensation

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Fees	**1,301**	1,300
Bonuses	**2,171**	2,249
Salaries and other allowances	**4,037**	4,087
Employee share option benefit	**136**	184
Pension costs – defined contribution scheme	**38**	39
	7,683	7,859

21. Related party transactions (continued)

(c) Period-end balances with related parties

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Amounts due from:		
Fellow subsidiary of a substantial shareholder	**–**	157
Associate of a substantial shareholder	**–**	2
Associate	**4,151**	–
Amounts due to:		
Subsidiaries/fellow subsidiary of a substantial shareholder	**(308)**	(223)
Associate	**(579)**	–

The balances with the related parties included in other receivables and other payables are unsecured, interest free and repayable on demand.

Notes:

(i) Sales of products to subsidiary/fellow subsidiary of a substantial shareholder and an associate of the Group were carried out in ordinary course of business and terms mutually agreed between the Group, the subsidiary and an associate.

(ii) Reimbursements payable to subsidiaries/fellow subsidiary/associate of a substantial shareholder in respect of office and administrative expenses incurred are charged on an actual cost recovery basis.

(iii) Rentals are payable to a subsidiary of a substantial shareholder in accordance with the terms of agreements.

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