CONVENIENCE RETAIL ASIA LIMITED
利亞零售有限公司

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

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

Financial Highlights

	Change	**2026 HK$'000**	2025 HK$'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

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 (小红书), 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.

Condensed Consolidated Profit and Loss Account
For the six months ended 30 June 2026

	Note	(Unaudited) Six months ended 30 June **2026** **HK$'000**	2025 HK$'000
Revenue	*3*	**715,213**	688,139
Cost of sales	*5*	**(370,056)**	(332,698)
Gross profit		**345,157**	355,441
Other income	*3*	**4,444**	3,715
Other gain	*4*	**543**	-
Selling expenses	*5*	**(230,676)**	(243,081)
Distribution costs	*5*	**(36,178)**	(37,188)
Administrative expenses	*5*	**(59,031)**	(58,462)
Core operating profit		**24,259**	20,425
Interest expenses, net	*6*	**(1,100)**	(1,065)
Share of results of an associated company	*7*	**(527)**	-
Profit before income tax		**22,632**	19,360
Income tax expenses	*8*	**(5,094)**	(4,300)
Profit attributable to shareholders of the Company		**17,538**	15,060
Earnings per share (HK cents)	*9*		
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		**357,465**	359,257
Fixed assets		**157,842**	168,066
Right-of-use assets		**167,184**	190,535
Investment properties		**4,911**	5,027
Lease premium for land		**59,505**	60,979
Associated company	*7*	**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	*11*	**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		**78,214**	77,742
Reserves		**566,801**	571,701
Total equity		**645,015**	649,443
Liabilities			
Non-current liabilities			
Lease liabilities		**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	*12*	**73,425**	67,635
Other payables and accruals		**126,200**	138,174
Lease liabilities		**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

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.

2. **Basis of preparation (continued)**

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. **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

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

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.

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	**Eyewear**	**Group**
	HK$'000	**HK$'000**	**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)**

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

Segment information (continued)

	(Unaudited) Six months ended 30 June 2025		
	Bakery	Eyewear	Group
	HK$'000	HK$'000	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 6, as the reconciliation items are not included in the measure of the segments' performance by the management.

4. 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.

5. 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

6. 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)

7. 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**	-

8. 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

9. 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	2025
	HK$'000	HK$'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

10. 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.

11. 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	(Audited) 31 December 2025
	HK$'000	HK$'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

12. Trade payables

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

	(Unaudited) 30 June 2026	(Audited) 31 December 2025
	HK$'000	HK$'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

Corporate Governance

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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the six months ended 30 June 2026.

Compliance with Model Code

The Group has adopted a Code for Securities Transactions by Directors and Relevant Employees (the "Securities Code") governing Directors' securities transactions on terms no less exacting than those of the Model Code for Securities Transactions by Directors of Listed Issuers 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.

Review of Interim Results

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.

On behalf of the Board
Convenience Retail Asia Limited
Michael TANG Tsz Kin
Executive Director
& Chief Executive Officer

Hong Kong, 13 August 2026

As at the date of this announcement, Executive Directors of the Company are Mr Terence Fung Yue Ming and Mr Michael Tang Tsz Kin; Non-executive Directors are Dr William Fung Kwok Lun, Mr Richard Yeung Lap Bun, Ms Sabrina Fung Wing Yee and Ms Tiffany Daisy Lee Pei Ming; Independent Non-executive Directors are Mr Anthony Lo Kai Yiu, Mr Terrence Tsang Diao-Long and Ms Lillian Kiang Shin Ping.