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英皇鐘錶珠寶有限公司
EMPEROR WATCH & JEWELLERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 887)

2026 INTERIM RESULTS ANNOUNCEMENT

The board of directors (“**Board**” or “**Directors**”) of Emperor Watch & Jewellery Limited (“**Company**”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as “**Group**”) for the six months ended 30 June 2026 (“**Period**”).

FINANCIAL HIGHLIGHTS	For the six months ended 30 June		Changes
	2025	2026	
	HK\$ million	HK\$ million	
Total revenue	2,794	2,934	+ 5.0 %
Gross profit	840	969	+ 15.4 %
<i>Gross profit margin</i>	<i>30.1 %</i>	33.0 %	+ 2.9pp
Adjusted EBITD*	297	448	+ 50.8 %
Net profit	194	318	+ 63.9 %
Basic earnings per share	HK2.73 cents	HK4.28 cents	+ 56.8 %
Interim dividend per share	HK0.55 cents	HK0.90 cents	+ 63.6 %
* Adjusted EBITD represents earnings before interest, tax and depreciation charge on the self-owned flagship store, which reflects the Group’s core operating performance.			

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

During the Period, the Group's total revenue increased by 5.0% to HK\$2,934 million (2025: HK\$2,794 million). Revenue from Hong Kong increased by 11.1% to HK\$1,771 million (2025: HK\$1,594 million), accounting for 60.4% (2025: 57.1%) of total revenue, and revenue from the Chinese Mainland increased by 20.7% to HK\$873 million (2025: HK\$723 million), accounting for 29.8% (2025: 25.9%) of total revenue. Revenue from the watch segment increased by 9.8% to HK\$1,866 million (2025: HK\$1,700 million), accounting for 63.6% (2025: 60.8%) of the total revenue.

The Group's gross profit increased by 15.4% to HK\$969 million (2025: HK\$840 million) with an improved gross profit margin of 33.0% (2025: 30.1%). As a result, the Group's net profit increased significantly by 63.9% to HK\$318 million (2025: HK\$194 million) during the Period. Basic earnings per share was HK4.28 cents (2025: HK2.73 cents). The Board declared an interim dividend of HK0.90 cents (2025: HK0.55 cents) per share.

BUSINESS REVIEW

The Group is a leading retailer which mainly engages in the sale of European-made internationally renowned watches, together with jewellery products under its own brand, ***“Emperor Jewellery”***. The Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since July 2008.

The Group has established a retail network across Hong Kong, Chinese Mainland, Macau, Singapore and Malaysia, as well as several online shopping platforms. With a history of over 80 years, the Group carries a balanced and comprehensive watch dealership list. The target customers range from middle to high income groups worldwide. The Group's core strategy focuses on maintaining its position as the leading watch and jewellery retailing group in Greater China, coupled with an eye on expansion beyond the region.

Expanding the Jewellery Business

Since 2025, the Group has partnered with Mr. Chan Sai Cheong (**“Mr. Chan”**), an influential and highly respected jewellery industry veteran with over 40 years of experience, to expand the Group's jewellery business in the Chinese Mainland.

The Group has formulated a product development plan which include the following: (1) launches more themed gold jewellery collections, representing harmonious fusions of modern elegance and craftsmanship, in order to capitalise on the strong demand for fine gold products in the youth market; (2) creates affordable luxury products with unique designs, and explore collaborations with intellectual property (IP) products, to cater to the lifestyles and independent nature of the Group's targeted segments of “millennials” and “Gen Z” consumers; (3) building on the Group's product research and development efforts, promotes both modern gold products together with antique-style gold products with traditional cultural elements, thus expanding its product offerings; and (4) explores market opportunities and enhances product design sophistication by integrating culture, innovation and commercial value.

During the Period, the Group opened eight jewellery stores in the Chinese Mainland, which mainly in established first-tier or new first-tier cities. As at 30 June 2026, the Group had 16 jewellery stores in the Chinese Mainland, nine of which were franchise stores.

Regarding online presence: the Group has been strengthening its presence in apps such as Xiaohongshu, Douyin, and WeChat mini-program operations, which helped with increasing brand visibility and driving sales capacity through an online to offline sales model, to effectively reach out to Chinese customers. The Group also plans to engage live e-commerce broadcasting, for enhancing market exposure.

The Group also actively collaborates with commercial partners to deepen customer engagement through curated events and co-marketing initiatives, including joint promotions with leading Hong Kong payment platforms. The Group is also expanding sales channels beyond physical stores, exploring opportunities such as inflight retail, tourist attractions and major e-commerce platforms, with a view to broadening customer touchpoints and enhancing sales momentum.

A Leading Position in the Watch Industry

With its long-standing history, the Group is a trusted partner of and maintains solid relationships with major high end luxury Swiss watch brand suppliers, thereby continuing to hold a comprehensive portfolio of watch dealerships and maintaining its leading position, especially in Hong Kong. The Group leverages its strong customer database to organise unique co-marketing campaigns and events with the watch brands, highlighting new products and delivering professional services and special customer experiences in a personalised way, in order to understand and engage the customers.

Currently, the Group's official website showcases a diverse range of watch brands, with a focus on **Patek Philippe**, **Rolex**, **Tudor** and **Cartier**, helping to promote the brands and their signature collections. The Group will continue identifying opportunities for collaboration with other watch brands.

Presence in Prime Retail Locations

As at 30 June 2026, the Group had a total of 69 stores in Hong Kong, Chinese Mainland, Macau, Singapore and Malaysia. The distribution was as follows:

	Number of stores
Hong Kong	29
Chinese Mainland	26
Macau	9
Singapore	3
Malaysia	2
Total	69

These stores include self-branded “**Emperor Jewellery**” stores, dedicated watch boutiques and multi-brand watch stores (with or without jewellery counters). Over the years, the Group has built a strategic sales network in prime shopping areas as well as popular residential districts, spanning Hong Kong, Chinese Mainland, Macau, Singapore and Malaysia, thus establishing its footprint and brand exposure within Greater China and beyond.

During the Period, apart from the jewellery stores, a multi-brand watch store was opened on Canton Road in Tsim Sha Tsui, Hong Kong. Subsequent to the Period, a multi-storey **Rolex** boutique was opened on Canton Road in Tsim Sha Tsui, further strengthening the Group's leadership position in the market.

PROSPECTS

Thanks to several favourable factors – including the Hong Kong government's endeavour to bolster the tourism sector, a continued rebound in the stock market, relaxation of tariffs imposed by the United States and increasing visitor arrivals from both the Chinese Mainland and overseas alongside higher tourist spending, it is expected that the Hong Kong economy will remain resilient in the second half of 2026. Meanwhile, the luxury space has gained momentum from an improved economic environment and revived consumption sentiment in the Chinese Mainland. Nevertheless, headwinds such as geopolitical tensions plus fluctuating interest rates and gold price are still weighing on the macro economy. Hence the Group will closely monitor the development of the Chinese Mainland market, and adjust its business strategy accordingly.

In recent years, consumer behaviours have become more sophisticated, especially in the luxury market. Personalised and premium customer services as well as luxurious shopping environments are expected. In this regard, the Group has opened multi-storey **Rolex** boutiques in Beijing in the Chinese Mainland and Tsim Sha Tsui in Hong Kong, aiming to enhance its customers' shopping experience and strengthen its foothold in the luxury watch market. In respect of the jewellery business, the Group has been actively exploring IP collaboration opportunities, with an aim to tap into the younger consumer market. Meanwhile, gold jewellery has gained immense popularity among consumers and is gradually transforming into daily wearable accessories, in addition to serving as an alternative investment. The Group will therefore continue expanding its jewellery business segment, to seize market opportunities and elevate the brand presence.

FINANCIAL AND OTHER INFORMATION

Capital Structure, Liquidity and Financial Resources

Bank balances and cash on hand of the Group as at 30 June 2026 was HK\$1,573 million (31 December 2025: HK\$1,610 million), which were mainly denominated in Hong Kong dollars and Renminbi. As at 30 June 2026, the Group had gold loans of HK\$137 million (31 December 2025: HK\$208 million) at a fixed interest rate, in order to reduce the operational risk of valuation of inventory arising from gold price fluctuations. Save for gold loans, the Group did not have any bank borrowings (31 December 2025: nil). As at 30 June 2026, the Group's net cash, being bank balances and cash on hand and pledged bank deposit less gold loans, was HK\$1,565 million (31 December 2025: 1,598 million), hence its net gearing ratio (calculated on the basis of bank borrowings and gold loans less cash and cash equivalents over net asset value) was zero (31 December 2025: zero). The Group also had available unutilised banking facilities of approximately HK\$219 million.

During the Year, the Group was not exposed to significant foreign exchange rates as most of the Group's assets, liabilities and transactions were transacted at and denominated in the functional currency of that region.

As at 30 June 2026, the Group's current assets and current liabilities were approximately HK\$5,307 million (31 December 2025: HK\$5,002 million) and HK\$844 million (31 December 2025: HK\$837 million), respectively. Current ratio and quick ratio of the Group were 6.3 (31 December 2025: 6.0) and 2.2 (31 December 2025: 2.3), respectively.

In view of the Group's financial position as at 30 June 2026, the Directors considered that the Group had sufficient working capital for its operations and future development plans.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had 566 (2025: 567) salespersons and 249 (2025: 171) office staff. Total staff costs (including Directors' remuneration) were HK\$204 million (2025: HK\$200 million) for the Period. Employees' remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performance as well as market pay levels. Staff benefits include medical and life insurance, retirement benefits and other competitive fringe benefits.

To provide incentive or rewards to staff, the Company has adopted a share option scheme, particulars of which will be set out in the section headed "Share Options" of the interim report of the Company.

INTERIM DIVIDEND

The Board declared an interim dividend of HK0.90 cents (2025: HK0.55 cents) per share for the Period ("**Interim Dividend**"), amounting to approximately HK\$65,310,000 (2025: HK\$39,912,000). The Interim Dividend will be payable on Friday, 18 September 2026 to shareholders of the Company whose names appear on the register of members of the Company on Thursday, 3 September 2026 (record date).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the purpose of determining shareholders' entitlement to the Interim Dividend from Wednesday, 2 September 2026 to Thursday, 3 September 2026 (both days inclusive) during which no transfer of shares will be registered.

In order to qualify for the Interim Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 1 September 2026.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
	Notes	HK\$'000	HK\$'000
Revenue	3	2,934,047	2,793,641
Cost of sales		(1,965,221)	(1,953,291)
Gross profit		968,826	840,350
Other income		16,195	14,792
Selling and distribution expenses		(514,807)	(502,855)
Administrative expenses		(95,815)	(86,642)
Other gains or losses		24,511	(14,388)
Finance costs		(9,100)	(10,466)
Profit before taxation	4	389,810	240,791
Taxation	5	(72,079)	(46,469)
Profit for the period		317,731	194,322
Other comprehensive income for the period			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of foreign operations		38,214	17,400
Total comprehensive income for the period		355,945	211,722
Profit/(loss) for the period attributable to:			
Owners of the Company		310,433	196,474
Non-controlling interests		7,298	(2,152)
		317,731	194,322
Total comprehensive income/(expense) for the period attributable to:			
Owners of the Company		341,645	213,332
Non-controlling interests		14,300	(1,610)
		355,945	211,722
Earnings per share – Basic	7	HK4.28 cents	HK2.73 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

		As at	
		30 June 2026	31 December 2025
		(unaudited)	(audited)
	Notes	HK\$'000	HK\$'000
Non-current assets			
Property, plant and equipment		1,365,743	1,424,352
Right-of-use assets		379,699	371,548
Rental deposits	8	97,143	95,447
Deposits paid for acquisition of property, plant and equipment	8	37,157	18,786
Deferred tax assets		7,381	7,293
		<u>1,887,123</u>	<u>1,917,426</u>
Current assets			
Inventories		3,488,706	3,078,227
Right to returned goods asset		7,167	6,897
Receivables, deposits and prepayments	8	108,844	110,424
Amounts due from related companies		272	258
Pledged bank deposits		128,899	195,518
Time deposits with original maturity over three months		67,980	318,167
Cash and cash equivalents		1,504,971	1,292,104
		<u>5,306,839</u>	<u>5,001,595</u>
Current liabilities			
Payables and accrued charges	9	274,632	276,064
Lease liabilities		233,363	210,715
Contract liabilities		39,433	28,602
Refund liabilities		10,541	10,138
Amounts due to related companies		4,457	18,920
Gold loans		137,126	207,745
Taxation payable		144,780	85,233
		<u>844,332</u>	<u>837,417</u>
Net current assets		<u>4,462,507</u>	<u>4,164,178</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*At 30 June 2026*

	As at	
	30 June	31 December
	2026	2025
	(unaudited)	(audited)
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities		
Deferred tax liabilities	1,292	794
Lease liabilities	177,057	195,012
	178,349	195,806
Net assets	6,171,281	5,885,798
Capital and Reserves		
Share capital	3,563,493	3,563,493
Reserves	2,312,787	2,053,868
Equity attributable to owners of the Company	5,876,280	5,617,361
Non-controlling interests	295,001	268,437
Total equity	6,171,281	5,885,798

Notes:

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosures required under Appendix 16 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The financial information relating to the year ended 31 December 2025 that is included in this preliminary announcement of interim results 2026 does not constitute the Company’s statutory annual consolidated financial statements for the year but is derived from those financial statements. Further information relating to these statutory financial statements required is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to the Hong Kong Companies Ordinance (“**CO**”).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports and did not contain a statement under sections 406(2), 407(2) or (3) of the CO.

2. SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the Period are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual periods beginning on or after 1 January 2026 for the preparation of the Group’s unaudited condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

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

3. REVENUE AND SEGMENT INFORMATION

Revenue represents sales of products to retail customers and franchisees in the wholesales market as well as commission income from services provided.

For sales of products to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail shop. Payment of the transaction price is due immediately at the point the customer purchases the goods.

For wholesales of products, the Group sells a range of jewellery products to the franchisees. Sales are recognised when control of the products is transferred to franchisees. Control is transferred when the risks of obsolescence and loss have been transferred to the franchisees.

For commission income, revenue is recognised when the Group is entitled in exchange for arranging for the specified goods provided by the other party to the customers at the retail shop (i.e. the Group is an agent).

All revenue are recognised at a point in time.

The Group operates a customer loyalty programme for sales through the retail shops, where retail customers are awarded points for purchases made which entitle them to redeem award points as sales discounts in the future. The transaction price is allocated to the product and the award points on a relative stand-alone selling price basis. The customer loyalty award points expire every year and customers can redeem the award points any time before the specified expiration date. Revenue from the award points is recognised when the award points are redeemed or expired. Contract liabilities are recognised until the award points are redeemed or expired.

Revenue is recognised for sales which are considered highly probable and where a significant reversal of the cumulative revenue recognised will not occur. A refund liability is recognised for sales in which revenue has not yet been recognised.

Information reported to the chief operating decision maker (“**CODM**”), the Executive Director and Chief Executive of the Group, for the purposes of resource allocation and assessment of segment performance focuses on the locations of the operations. This is also the basis upon which the Group is arranged and organised. The Group’s operating segments under HKFRS 8 *Operating Segments* are operations located in Hong Kong, Macau, Chinese Mainland and other regions in Asia Pacific (representing Singapore and Malaysia). The revenue generated by each of the operating segments is mainly derived from sales of watch and jewellery. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

All the sales of products and commission income are completed within one year. As permitted under HKFRS 15 *Revenue from Contracts with Customers*, the transaction price allocated to these unsatisfied contracts is not disclosed.

3. REVENUE AND SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results by reportable and operating segment:

For the six months ended 30 June 2026

	Hong Kong (unaudited) HK\$'000	Macau (unaudited) HK\$'000	Chinese Mainland (unaudited) HK\$'000	Other regions in Asia Pacific (unaudited) HK\$'000	Elimination (unaudited) HK\$'000	Consolidated (unaudited) HK\$'000
Revenue						
External sales	1,753,797	203,799	873,256	76,712	–	2,907,564
Inter-segment sales*	141,346	7,966	–	–	(149,312)	–
Commission income	17,029	9,454	–	–	–	26,483
	<u>1,912,172</u>	<u>221,219</u>	<u>873,256</u>	<u>76,712</u>	<u>(149,312)</u>	<u>2,934,047</u>
* Inter-segment sales are charged at cost						
Segment profit	<u>285,234</u>	<u>64,749</u>	<u>147,268</u>	<u>5,533</u>	<u>–</u>	502,784
Other income						16,195
Corporate expenses						(144,580)
Other gains or losses						24,511
Finance costs						<u>(9,100)</u>
Profit before taxation						<u>389,810</u>

3. REVENUE AND SEGMENT INFORMATION (Continued)

For the six months ended 30 June 2025

	Hong Kong (unaudited) HK\$'000	Macau (unaudited) HK\$'000	Chinese Mainland (unaudited) HK\$'000	Other regions in Asia Pacific (unaudited) HK\$'000	Elimination (unaudited) HK\$'000	Consolidated (unaudited) HK\$'000
Revenue						
External sales	1,583,703	162,961	723,002	309,673	–	2,779,339
Inter-segment sales*	97,192	27,238	–	–	(124,430)	–
Commission income	10,047	4,255	–	–	–	14,302
	<u>1,690,942</u>	<u>194,454</u>	<u>723,002</u>	<u>309,673</u>	<u>(124,430)</u>	<u>2,793,641</u>

* Inter-segment sales are charged at cost

Segment profit	<u>215,206</u>	<u>31,505</u>	<u>83,807</u>	<u>52,640</u>	<u>–</u>	383,158
Other income						14,792
Corporate expenses						(132,305)
Other gains or losses						(14,388)
Finance costs						<u>(10,466)</u>
Profit before taxation						<u>240,791</u>

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies stated in the unaudited condensed consolidated financial statements. Segment profit represents the profit earned from each segment without allocation of other income, corporate expenses including depreciation charged on the self-owned flagship shop, other gains or losses and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

4. PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Profit before taxation has been arrived at after charging (crediting):		
Cost of inventories included in cost of sales (included write-down for inventories of HK\$5,132,000 (2025 interim: write-down for inventories of HK\$Nil))	1,958,803	1,947,872
Depreciation of property, plant and equipment		
– retail shops	76,067	73,643
– offices	1,541	1,268
	77,608	74,911
Depreciation of right-of-use assets		
– retail shops	119,607	126,283
– offices	5,839	6,862
	125,446	133,145
Staff costs including Directors' remuneration		
– salaries and other benefits costs	192,324	186,628
– retirement benefits scheme contributions	11,555	13,669
	203,879	200,297
Included in other gains or losses:		
Loss on disposal/write-off of property, plant and equipment	1,443	6,902
(Gain)/loss arising from termination/modification of leases	(185)	3,944
Net fair value gain on gold loans	(11,890)	–
Net exchange (gains)/losses	(13,879)	3,542
	(24,511)	14,388

5. TAXATION

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
The tax charge comprises:		
Profits tax:		
Hong Kong	45,780	25,681
Macau	11,186	4,243
Chinese Mainland	13,383	8,823
Other regions in Asia Pacific	1,706	7,722
	72,055	46,469
Deferred taxation	24	–
	72,079	46,469

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the condensed consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both periods.

The Macau Complementary Income Tax is calculated at 12% of the estimated assessable profits for both periods.

Under the Law of The People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company's subsidiaries in the Chinese Mainland is 25% for both periods.

Singapore Income Tax is calculated at 17% of the estimated assessable profits for both periods.

Malaysia Income Tax is calculated at 24% of the estimated assessable profits for both periods.

6. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Interim dividend declared: HK0.90 cents (2025: HK0.55 cents) per share	<u>65,310</u>	<u>39,912</u>
2025 final dividend paid: HK1.14 cents (2024: HK0.45 cents) per share	<u>82,726</u>	<u>32,655</u>

The Board declared an interim dividend of HK0.90 cents (2025: HK0.55 cents) per share for the financial year ending 31 December 2026, amounting to HK\$65,310,000 (2025: HK\$39,912,000).

7. EARNINGS PER SHARE – BASIC

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Earnings		
Earnings for the period attributable to owners of the Company for the purpose of basic earnings per share	<u>310,433</u>	<u>196,474</u>
	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Weighted average number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>7,256,708,129</u>	<u>7,203,973,322</u>

No diluted earnings per share in both periods was presented as there were no potential dilutive ordinary shares in issue during both periods.

8. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at	
	30 June 2026 (unaudited) HK\$'000	31 December 2025 (audited) HK\$'000
Trade receivables from contracts with customers	22,129	23,062
Less: Allowance for credit losses	(555)	(528)
	<u>21,574</u>	<u>22,534</u>
Other receivables, deposits and prepayments	94,752	69,210
Rental deposits	97,143	95,447
PRC Value-Added Tax ("VAT") recoverable	29,675	37,466
	<u>243,144</u>	<u>224,657</u>
Analysed as:		
Current	108,844	110,424
Non-current – rental deposits	97,143	95,447
Non-current – deposits paid for acquisition of property, plant and equipment	37,157	18,786
	<u>243,144</u>	<u>224,657</u>

As at 1 January 2025, trade receivable from contracts with customers amounted to HK\$46,170,000.

Retail sales are normally settled in cash or by credit cards with the settlement from the corresponding banks or other financial institutions within seven days. The credit term of receivables from retail sales in department stores are normally ranged between 15 to 45 days.

Included in other receivables, deposits and prepayments as at 30 June 2026 was rebate receivables of HK\$1,982,000 (31 December 2025: HK\$2,249,000). The remaining items are individually insignificant.

8. RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The following is an ageing analysis of trade receivables before impairment presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

	As at	
	30 June 2026 (unaudited) HK\$'000	31 December 2025 (audited) HK\$'000
Within 30 days	19,640	15,717
31-60 days	1,097	3,320
61-90 days	213	1,970
over 90 days	1,179	2,055
	<u>22,129</u>	<u>23,062</u>

Included in the trade receivables balance were receivables from department stores with aggregate carrying amount of HK\$1,884,000 (31 December 2025: HK\$6,769,000) which are past due at the reporting date for which the Group has not provided for impairment loss.

9. PAYABLES AND ACCRUED CHARGES

	As at	
	30 June 2026 (unaudited) HK\$'000	31 December 2025 (audited) HK\$'000
Trade payables	92,037	92,691
Other payables and accrued charges	179,280	170,250
PRC VAT payables	3,116	11,703
Singapore Goods and Services Tax payables	199	1,420
	<u>274,632</u>	<u>276,064</u>

Included in other payables and accrued charges as at 30 June 2026 were accrued bonus and incentive of HK\$23,067,000 (31 December 2025: HK\$30,221,000), accrued commission of HK\$7,909,000 (31 December 2025: HK\$10,653,000) and accrued for renovation cost of HK\$27,049,000 (31 December 2025: HK\$37,323,000).

9. PAYABLES AND ACCRUED CHARGES *(Continued)*

The ageing analysis of trade payables presented based on the invoice date at the end of the reporting period are as follows:

	As at	
	30 June	31 December
	2026	2025
	(unaudited)	(audited)
	HK\$'000	HK\$'000
Within 30 days	87,836	90,301
31 – 60 days	3,079	1,049
61 – 90 days	338	1,034
Over 90 days	784	307
	92,037	92,691

The Group normally receives credit terms granted by creditors of 30 to 60 days.

REVIEW OF INTERIM RESULTS

The condensed consolidated financial statements of the Group for the Period have not been reviewed nor audited by the Company's auditor, Messrs. Deloitte Touche Tohmatsu, but have been reviewed by the audit committee of the Company, which comprises three independent non-executive Directors.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Company complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding securities transactions by Directors ("**EWJ Securities Code**") on no less exacting terms than the required standards as set out in Appendix C3 to the Listing Rules regarding Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**"). Having made specific enquiry of the Directors, all of them confirmed that they have complied with the required standard of dealings as set out in the EWJ Securities Code throughout the Period.

Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines in line with the Model Code. No incident of non-compliance by relevant employees was noted throughout the Period.

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

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

PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.EmperorWatchJewellery.com>). The interim report of the Company for the Period will be published on the aforesaid websites in due course.

By order of the Board
Emperor Watch & Jewellery Limited
Cindy Yeung
Chairperson

Hong Kong, 20 August 2026

As at the date of this announcement, the Board comprises:

Executive Directors:

Ms. Cindy Yeung
Mr. Leung Ho Cheong, Larry
Ms. Fan Man Seung, Vanessa

Independent Non-executive Directors:

Mr. Liu Hing Hung
Mr. Law, Michael Ka Ming
Ms. Lai Ka Fung, May