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 REPORT

CONTENTS

RESULTS HIGHLIGHTS

The board of directors ("**Board**" or "**Directors**") of Emperor Watch & Jewellery Limited ("**Company**") presents 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**").

	For the six months ended 30 June		Changes
	2025 HK$ million	**2026** **HK$ million**	
Total revenue	2,794	**2,934**	**+ 5.0%**
Gross profit	840	**969**	**+ 15.4%**
Gross profit margin	*30.1%*	***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 ("**Stock Exchange**") 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, 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, 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 ("**RMB**"). 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 Period, 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 this interim report.

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 Monday, 7 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 Friday, 4 September 2026 to Monday, 7 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 Thursday, 3 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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	2026 (unaudited) HK$'000	2025 (unaudited) HK$'000
		Six months ended 30 June	
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

	Notes	As at 30 June 2026 (unaudited) HK$'000	As at 31 December 2025 (audited) HK$'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
		1,887,123	1,917,426
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	10	**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
		5,306,839	5,001,595
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	10	**4,457**	18,920
Gold loans	11	**137,126**	207,745
Taxation payable		**144,780**	85,233
		844,332	837,417
Net current assets		**4,462,507**	4,164,178

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	As at 30 June 2026 (unaudited) HK$'000	As at 31 December 2025 (audited) HK$'000
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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company								
	Share capital HK$'000	**Merger reserve** HK$'000	**Other reserve** HK$'000	**Capital reserve** HK$'000	**Translation reserve** HK$'000	**Retained profits** HK$'000	**Subtotal** HK$'000	**Non-controlling interests** HK$'000	**Total** HK$'000
As at 1 January 2025 (audited)	3,484,152	(373,003)	(26,195)	2,529	(41,230)	2,167,837	5,214,090	-	5,214,090
Exchange differences arising on translation of foreign operations	-	-	-	-	16,858	-	16,858	542	17,400
Profit/(loss) for the period	-	-	-	-	-	196,474	196,474	(2,152)	194,322
Total comprehensive income/(expense) for the period	-	-	-	-	16,858	196,474	213,332	(1,610)	211,722
Issue of shares *(note i)*	79,701	-	-	-	-	-	79,701	-	79,701
Transaction costs attributable to issue of shares *(note i)*	(360)	-	-	-	-	-	(360)	-	(360)
Deemed disposal of subsidiaries to a non-controlling shareholder *(note ii)*	-	-	(84,695)	-	-	-	(84,695)	278,013	193,318
Final dividend recognised and paid for 2024 *(note 6)*	-	-	-	-	-	(32,655)	(32,655)	-	(32,655)
As at 30 June 2025 (unaudited)	3,563,493	(373,003)	(110,890)	2,529	(24,372)	2,331,656	5,389,413	276,403	5,665,816
As at 1 January 2026 (audited)	**3,563,493**	**(373,003)**	**(109,704)**	**2,529**	**(19,660)**	**2,553,706**	**5,617,361**	**268,437**	**5,885,798**
Exchange differences arising on translation of foreign operations	**-**	**-**	**-**	**-**	**31,212**	**-**	**31,212**	**7,002**	**38,214**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**310,433**	**310,433**	**7,298**	**317,731**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**31,212**	**310,433**	**341,645**	**14,300**	**355,945**
Capital contribution from non-controlling shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,264**	**12,264**
Final dividend recognised and paid for 2025 *(note 6)*	**-**	**-**	**-**	**-**	**-**	**(82,726)**	**(82,726)**	**-**	**(82,726)**
As at 30 June 2026 (unaudited)	**3,563,493**	**(373,003)**	**(109,704)**	**2,529**	**11,552**	**2,781,413**	**5,876,280**	**295,001**	**6,171,281**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Note i: On 9 January 2025, the Company entered into a placing agreement to issue 477,250,000 placing shares to investors who were independent third parties at HK$0.167 per share and completed the placement on 21 January 2025. The net proceeds from this placement after deducting related transaction costs were approximately HK$79.3 million.

Note ii: During the period ended 30 June 2025, certain wholly-owned subsidiaries issued shares to a non-controlling shareholder. This issuance of shares resulted in a deemed disposal of 49% interests in the subsidiaries, thereby converting them from wholly-owned subsidiaries to non-wholly owned subsidiaries. As a result, other reserve of HK$84,695,000 arose, representing the difference between the consideration received from the non-controlling shareholder and the carrying amount of the net assets attributable to the disposed of 49% interests.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Net cash from operating activities	**105,917**	495,930
Net cash from (used in) from investing activities	**297,521**	(405,019)
Net cash (used in) from financing activities	**(207,247)**	99,891
Net increase in cash and cash equivalents	**196,191**	190,802
Cash and cash equivalents at the beginning of the period	**1,292,104**	916,360
Effect of foreign exchange rate changes	**16,676**	4,546
Cash and cash equivalents at the end of the period	**1,504,971**	1,111,708

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* 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.

The financial information relating to the year ended 31 December 2025 that is included in these unaudited condensed consolidated financial statements for the six months ended 30 June 2026 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that 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 six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

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.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

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.

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
	1,912,172	221,219	873,256	76,712	(149,312)	2,934,047

* Inter-segment sales are charged at cost

Segment profit	285,234	64,749	147,268	5,533	-	502,784
Other income						16,195
Corporate expenses						(144,580)
Other gains or losses						24,511
Finance costs						(9,100)
Profit before taxation						389,810

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
	1,690,942	194,454	723,002	309,673	(124,430)	2,793,641

* Inter-segment sales are charged at cost

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

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 **(unaudited)** **HK$'000**	2025 (unaudited) HK$'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

4. PROFIT BEFORE TAXATION *(Continued)*

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	HK$'000
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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. TAXATION

	Six months ended 30 June	
	2026 (unaudited) HK$'000	2025 (unaudited) HK$'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.

5. TAXATION *(Continued)*

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 (unaudited) HK$'000	2025 (unaudited) HK$'000
Interim dividend declared: HK0.90 cents (2025: HK0.55 cents) per share	**65,310**	39,912
2025 final dividend paid: HK1.14 cents (2024: HK0.45 cents) per share	**82,726**	32,655

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	**310,433**	196,474

	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	**7,256,708,129**	7,203,973,322

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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)
	21,574	22,534
Other receivables, deposits and prepayments	**94,752**	69,210
Rental deposits	**97,143**	95,477
PRC Value-Added Tax ("**VAT**") recoverable	**29,675**	37,466
	243,144	224,657
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
	243,144	224,657

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

8. RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

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.

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
	22,129	23,062

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
	274,632	276,064

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).

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 2026 (unaudited) HK$'000	31 December 2025 (audited) HK$'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.

10. AMOUNTS DUE FROM (TO) RELATED COMPANIES

The amounts due from related companies mainly represent prepayment of operating expenses.

The amounts due to related companies mainly represent the service charge payable to related companies. These amounts are unsecured, interest-free and repayable on demand.

The related companies represent companies which are controlled by a Director or private trusts of which another Director is one of the eligible beneficiaries.

11. GOLD LOANS

All gold loans are denominated in the RMB and carried fixed interest rates, with original maturity of 12 months (31 December 2025: 12 months) from date of inception.

Gold loans are measured at fair value at the end of each reporting period. During the period ended 30 June 2026, net gain on gold loans of HK$11,890,000 (30 June 2025: HK$Nil) have been recognised in other gains or losses in the consolidated statement of profit or loss and other comprehensive income.

Deposits amounting to HK$128,899,000 (31 December 2025: HK$195,518,000) have been pledged to secure gold loans and are therefore classified as current assets. The pledged bank deposits will be released upon the settlement of gold loans.

12. CAPITAL COMMITMENT

	As at	
	30 June 2026 (unaudited) HK$'000	31 December 2025 (audited) HK$'000
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	**28,386**	47,227

13. RELATED PARTY TRANSACTIONS

During the Period, other than disclosed in Note 10, the Group had the following transactions with related parties:

	Six months ended 30 June	
	2026 (unaudited) HK$'000	2025 (unaudited) HK$'000
(1) Sales of goods to Directors, their close family members and related companies	**1,189**	1,823
(2) Cost of consigned items paid or payable to a related party	**439**	234
(3) Electricity and air-conditioning expenses paid and payable to related companies	**24**	109
(4) Service charge in respect of information system and administrative work paid and payable to related companies	**6,545**	8,407
(5) Advertising and marketing expenses paid and payable to related companies	**2,940**	2,419
(6) Financial advisory fee paid and payable to a related company	**90**	159
(7) Referral fee paid and payable to related companies	**-**	1
(8) Interest expenses on lease liabilities to related companies	**802**	1,900
(9) Variable lease payments to related companies	**78**	1,496

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13. RELATED PARTY TRANSACTIONS *(Continued)*

The key management personnel of the Company are the Directors and senior management. The remuneration paid to them during the Period was as follows:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Salaries and other short-term employee benefits	**7,188**	8,070
Service fee	**1,320**	1,080
Retirement benefits costs	**150**	140
	8,658	9,290

Notes:

(a) The related companies are controlled by a Director or private trusts of which another Director is one of the eligible beneficiaries.

(b) Other than the expenses under items (2), (7), (8) and (9), all other transactions are connected transactions exempt from announcement, reporting and independent shareholders' approval requirements under Rule 14A.33 of the Listing Rules.

As at 30 June 2026, deposits paid to related companies amounting to HK$10,415,000 (31 December 2025: HK$12,548,000) was included in rental deposits under non-current assets.

As at 30 June 2026, the Group had recognised lease liabilities of approximately HK$26,676,000 (31 December 2025: HK$45,628,000) for the leases with related companies.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 30 June 2026, the following Director and chief executive of the Company ("**Chief Executive(s)**") had or was deemed or taken to have interests or short positions in the following shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer adopted by the Company ("**EWJ Securities Code**"):

(a) Long position interests in the Company

Ordinary shares of the Company ("Shares")

Name of Director	Capacity/ Nature of interests	Number of Shares interested	Approximate % of issued voting Shares
Ms. Cindy Yeung	Eligible beneficiary of a private discretionary trust	4,399,730,000	60.63

Note:

These Shares were held by Emperor Watch & Jewellery Group Holdings Limited ("**Emperor W&J Holdings**"), a wholly-owned subsidiary of Albert Yeung Watch & Jewellery Group Holdings Limited ("**AY W&J Group**"). AY W&J Group was in turn held by Primafides (Suisse) S.A. ("**Primafides**") in trust for a private discretionary trust of which Ms. Cindy Yeung is one of the eligible beneficiaries and had deemed interests in the same Shares.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

(b) Long position interests in associated corporations of the Company

Ordinary shares

Name of Directors	Name of associated corporations	Capacity/ Nature of interests	Number of shares interested	Approximate % of issued voting shares
Ms. Cindy Yeung	Emperor International Holdings Limited ("**Emperor International**")	Eligible beneficiary of a private discretionary trust	4,121,416,834 *(Note)*	74.71
	Emperor Entertainment Hotel Limited ("**Emperor E Hotel**")	- ditto -	636,075,041 *(Note)*	53.52
	Emperor Culture Group Limited ("**Emperor Culture**")	- ditto -	2,371,313,094 *(Note)*	73.80
	Ulferts International Limited ("**Ulferts**")	- ditto -	600,000,000 *(Note)*	75.00
	New Media Lab Limited ("**New Media Lab**")	- ditto -	315,000,000 *(Note)*	52.50
Ms. Fan Man Seung, Vanessa	Emperor International	Beneficial owner	15,750,000	0.29
	Emperor E Hotel	- ditto -	2,430,750	0.20

Note:

Emperor International, Emperor E Hotel, Emperor Culture, Ulferts and New Media Lab are companies with their shares listed on the Stock Exchange. These shares were ultimately owned by the respective private discretionary trusts which were founded by Dr. Yeung Sau Shing, Albert ("**Dr. Yeung**"). Ms. Cindy Yeung had deemed interests in the same shares by virtue of being one of the eligible beneficiaries of such trusts.

Save as disclosed above, as at 30 June 2026, none of the Directors nor Chief Executives had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to any Directors or Chief Executives, as at 30 June 2026, the persons or corporations (other than the Directors or Chief Executives) who had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO ("**DI Register**"), or as otherwise notified to the Company and the Stock Exchange, were as follows:

Long position in the Shares

Names	Capacity/ Nature of interests	Number of Shares interested	Approximate % of issued voting Shares
Emperor W&J Holdings	Beneficial owner	4,399,730,000	60.63
AY W&J Group	Interest in a controlled corporation	4,399,730,000	60.63
Primafides	Trustee of a private discretionary trust	4,399,730,000	60.63
Dr. Yeung	Founder of a private discretionary trust	4,399,730,000	60.63
Ms. Luk Siu Man, Semon	Interest of spouse	4,399,730,000	60.63

Note: These Shares were the same Shares of which Ms. Cindy Yeung had deemed interest as set out under Section (a) of "Directors' and Chief Executives' Interests in Securities" above. By virtue of being the spouse of Dr. Yeung, Ms. Luk Siu Man, Semon had deemed interests in the same Shares.

Save as disclosed above, as at 30 June 2026, no other persons or corporations had any interests or short positions in the Shares or underlying Shares as recorded in the DI Register, or as otherwise notified to the Company and the Stock Exchange.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE OPTIONS

The Company adopted a share option scheme on 23 May 2018 ("**Share Option Scheme**") to enable the Group to attract, retain and motivate talent participants to strive for future developments and expansion of the Group. No share options have been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption. The number of share options available for grant under the scheme mandate limit of the Share Option Scheme was 687,308,812 at both the beginning and the end of the Period.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Company has complied with all 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 EWJ Securities Code as its own code of conduct regarding securities transactions by Directors on no less exacting terms than the required standards as set out in Appendix C3 to the Listing Rules regarding the 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.

REVIEW OF INTERIM REPORT

The condensed consolidated financial statements of the Group for the Period as set out in this interim report 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 AND OTHER INFORMATION

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.

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

Hong Kong, 20 August 2026

As at the date of this interim report, 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