



CONVENIENCE RETAIL ASIA LIMITED

利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00831)

Convenience Retail Asia announces 2025 interim results

		Six months ended 30 June	
		2025	2024
	Change	HK\$'000	HK\$'000
• Revenue	-4.6%	688,139	721,654
• Core operating profit	+17.3%	20,425	17,419
• Core operating profit (included interest expenses on lease liabilities)	+27.7%	17,365	13,598
• Profit attributable to shareholders of the Company	+18.0%	15,060	12,767
• Basic earnings per share (HK cents)	+18.8%	1.9	1.6
• Interim dividend per share (HK cent(s))	-50.0%	1.0	2.0

Number of Stores

	30 June 2025	31 December 2024
Saint Honore Cake Shops		
Hong Kong	110	111
Macau	14	14
Guangzhou	3	4
Subtotal	127	129
Pâtisserie Mon cher		
Hong Kong	7	7
Total number of Stores under Bakery Group	134	136
Zoff Eyewear Stores		
Hong Kong	16	16
Singapore	5	5
Subtotal	21	21
Total number of Stores under Convenience Retail Asia	155	157

During the first six months of 2025, the Group's turnover decreased by 4.6% to HK\$688 million. Turnover for the bakery business decreased by 5.2% to HK\$615 million. Turnover for the Zoff eyewear business maintained at HK\$73 million, representing a soft increase of 0.3%. Including interest expenses on lease liabilities, core operating profit increased by 27.7% to HK\$17 million. Net profit increased by 18.0%, from HK\$13 million to HK\$15 million. Basic earnings per share increased by 18.8% to 1.9 HK cents from 1.6 HK cents. The Board of Directors has resolved to declare an interim dividend of 1 HK cent per share.

Operations Review – Bakery Business

Over the first six months of the year, total revenue across Hong Kong and Macau saw a mid-single-digit drop, reflecting generally soft consumer spending that was compounded by the trend among local residents to travel to Mainland China for weekends, holidays and festive periods. However, by maintaining stringent cost controls, developing innovative new products with higher margins, and launching effective promotional and category management initiatives, we were able to offset some of these pressures on same-store sales and gross margin and improve our profitability on a year-on-year basis.

We regularly reviewed Saint Honore's store network, renegotiating leases where possible, closing lower-performing locations and opening new outlets only when presented with the opportunity to access desirable, high-traffic areas at reasonable rents.

The B2B segment continues to find great success due to its high-quality output and new rising demand from corporate customers seeking bespoke bakery solutions but lacking product ideas and manufacturing capacity and/ or capability. Over the first six months of 2025, sales grew double digits on the back of higher organic sales and a growing customer base that includes some of the biggest names in the local F&B and convenience industries.

A key development in the first half of the year was finalising a long-term lease that allows us to relocate parts of our Hong Kong factory operations to an upgraded facility in Tai Po. This move represents an investment in our future, one that will greatly increase our production capacity and efficiency, especially in growth areas such as chilled products.

At Mon cher, the Group's Hong Kong franchise of the famous Japanese pâtisserie brand, new product launches and a loyal customer following helped us maintain steady comparable store sales despite the changing travel and consumption patterns that continue to impact the local retail market and bakery segment. In December 2024, we soft-opened the first "Merci Moncher", a mid-market pâtisserie blending Japanese elements and French bakery and dessert items. The flagship outlet is located in Causeway Bay. We continue to refine the operating model as this new concept gains traction in the market; product feedback and promotional response have been encouraging so far.

Operations Review – Eyewear Business

The Group's Hong Kong franchise of Zoff, Japan's leading fast-fashion eyewear chain, grew by a low single digit over the first half of the year. Leveraging its market-leading product range and unsurpassed customer service professionalism, it outperformed Hong Kong's optical segment that continued to contract during the review period.

Zoff's selection of over 1,400 SKUs remains unparalleled in Hong Kong, and its product line is constantly updated to reflect changing style trends and new technologies. During the review period, we also launched an online and in-store campaign highlighting our "intraocular pressure measurement service" – a test that can aid in the treatment of glaucoma and a key differentiator from other major Japanese competitors. Our implementation of the healthcare voucher payment collection method at all fully equipped stores has provided added convenience for customers, especially the elderly.

Our new franchise operations in Singapore, which we acquired in January 2024, faced a variety of challenges during the period under review as comparable store sales declined by a mid-single digit. Zoff Singapore sought to achieve cost savings where possible, streamlining its marketing activities and cutting operational costs by more than 10% compared to the first half of 2024, mainly through reductions in store staff and rent. The Group also sought to integrate more activities of the Zoff Hong Kong and Singapore teams for added efficiencies.

Future Prospects

The Group is prudently optimistic about second-half revenue growth, though it must be noted that this would be against the relatively low base of comparison that was set last year. Our solid performance to date in 2025 and the coming Mid-Autumn Festival and Christmas holidays are reasons for optimism, but we are still taking a somewhat cautious approach given the persistent challenges of the retail market. The first six months of the year did see the closures of certain competitors, presenting opportunities for industry players like the Group to seize more market share.

Overall, the Group remains 100 percent dedicated to its mission of being a leading specialty retailer in the region. Despite difficult retail operating environments, the commitments to quality and innovation, competitive advantages, and financial strength have positioned us well for future success.

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About CRA

Convenience Retail Asia Limited (CRA, SEHK stock code: 00831), a member of Fung Retailing Group, is principally engaged in the operation of the Saint Honore Cake Shop bakery chain, the Mon cher premium pâtisserie chain, Zoff eyewear stores and the wholesale distribution of bakery and festive products in Southern China, including Hong Kong and Macau, and also in Singapore.

As at 30 June 2025, there were a total of 127 Saint Honore stores in Hong Kong, Macau and Guangzhou. Together with 7 Mon cher stores in Hong Kong and 21 Zoff eyewear stores in Hong Kong and Singapore, the Group operates a total store network of 155 outlets.

CRA website: www.cr-asia.com

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