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CONVENIENCE RETAIL ASIA LIMITED

利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00831)

DISCLOSEABLE TRANSACTION

IN RELATION TO THE CONSTRUCTION PROJECT

The Board announce that on 8 October 2025, CFL (an indirect wholly-owned subsidiary of the Company) entered into a Term Sheet with the Contractor, pursuant to which the Contractor has undertaken to provide the Works on the Premises for the Construction Project at the Contract Sum of HK\$18,800,000.00, and on further terms and conditions to be agreed by CFL and the Contractor in the Construction Contract.

The Term Sheet is legally binding in nature.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Term Sheet for the Construction Project exceeds 5% but are less than 25%, the transaction contemplated under the Term Sheet constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the circular and the independent Shareholders' approval requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that on 8 October 2025, CFL (an indirect wholly-owned subsidiary of the Company) entered into a Term Sheet with the Contractor, pursuant to which the Contractor has undertaken to provide the Works on the Premises for the Construction Project at the Contract Sum of HK\$18,800,000.00, and on further terms and conditions to be agreed by CFL and the Contractor in the Construction Contract.

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PRINCIPAL TERMS OF THE TERM SHEET

Date	:	8 October 2025
Principal	:	CFL, an indirect wholly-owned subsidiary of the Company
Contractor	:	KAMUI Cold Chain Engineering & Service Limited
Premises	:	Entire 2nd Floor of Precision Manufacturing Centre, No. 3 Dai Hei Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong
Construction Period	:	<ul style="list-style-type: none">i) The Contractor shall complete all Works within 180 days from the commencement date. The construction period includes public holidaysii) Exact commencement date will be based on the time schedule agreed by CFL and the Contractor
Contract Sum	:	HK\$18,800,000.00
Payment and Settlement Terms	:	<ul style="list-style-type: none">i) 25% of the Contract Sum shall be paid within 5 days after signing the Term Sheet and following the commencement date confirmed in writing by CFL and the Contractorii) 25% of the Contract Sum shall be paid within 5 days after magnesium oxide boards and air-conditioning equipment have been delivered and the quantities verified to be correctiii) 25% of the Contract Sum shall be paid within 14 days upon completion of the main works and issuance of an acceptance certificate by CFL (including partitions, ceiling, refrigeration, water, electricity, lighting, and unfinished polyurethane flooring), and once the site is ready for installation and commissioning of production equipmentiv) 20% of the Contract Sum shall be paid within 14 days upon 100% completion of the Works, rectification of any defects, and final acceptancev) A retention sum equivalent to 5% of the Contract Sum shall be paid in full within 14 days upon expiry of the warranty period
Guarantee	:	20% of the Contract Sum shall be paid upon 100% completion of the Works
Warranty	:	A retention sum equivalent to 5% of the Contract Sum. The warranty period shall be one year, commencing from the date of final acceptance of the Works by both CFL and the Contractor

BASIS OF DETERMINATION OF THE CONSIDERATION

The Contractor for the Construction Project was determined following a comprehensive evaluation process. The Construction Project was awarded based on an objective assessment of (i) the Contractor's relevant job experiences and competency in handling similar scale projects; (ii) the Construction Project design proposal; (iii) the Contractor's responsiveness and engagement during the Construction Project discussion stage; and (iv) the prevailing market prices for construction of comparable scale and complexity. The Board considers the Contract Sum to be fair and reasonable. The Contract Sum will be financed by the Group's internal resources.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TERM SHEET

Upon completion of the Construction Project, the Group anticipates several key benefits, including expansion in baking production capacity and efficiency through the use of modern baking equipment. These improvements are expected to enhance the Group's business opportunities, product offerings, market competitiveness, and operational efficiency.

Taking into account the abovementioned factors, the Directors are of the view that the Term Sheet was entered into in the ordinary and usual course of business of the Group, and that the terms of the Term Sheet are negotiated on arm's length basis and are on normal commercial terms, and the terms of the Term Sheet are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE COMPANY

The Company is a company incorporated in the Cayman Islands with limited liability and is an investment holding company operating its business through its subsidiaries. The principal businesses of the Group are 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; (iii) a chain of fast-fashion eyewear stores under the brand name of Zoff in Hong Kong and Singapore; and (iv) a wholesale business providing bakery and festive products to corporate customers in Hong Kong, Macau and Mainland China.

CFL is principally engaged in design and production of bakery products to corporate customers.

INFORMATION OF THE CONTRACTOR

The Contractor is a subsidiary of Reitar Logtech Holdings Limited, a company listed on the NASDAQ stock exchange. The Contractor is a Hong Kong-based company providing mechanical and electrical services and warehouse solutions. It also provides one-stop construction solution in the overall project implementation, including project planning, coordination, monitoring and supervision for the whole construction period until completion.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Contractor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“CFL”	Callista Foods Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Company”	Convenience Retail Asia Limited, a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Construction Contract”	the formal agreement to be entered into between CFL and the Contractor setting out the detailed terms and conditions of the Works under the Construction Project
“Construction Project”	the construction project for the renovation of a food production site in Hong Kong
“Contract Sum”	fixed lump sum of HK\$18,800,000.00
“Contractor”	KAMUI Cold Chain Engineering & Service Limited, a company incorporated in Hong Kong with limited liability
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Premises”	the premises set out in the section headed “Principal Terms of the Term Sheet” in this announcement

“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term Sheet”	the binding term sheet entered into by CFL with the Contractor on 8 October 2025 in relation to the provision of the Works on the Premises for the Construction Project
“Works”	the construction works for the renovation of a food production site, including demolition, building, electrical (including power upgrades), air-conditioning, fresh air & ventilation system, plumbing and drainage system, fire service system, extra-low voltage and internet of things of the Premises of the food production facility in the Construction Project
“%”	per cent

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

Hong Kong, 8 October 2025

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, Dr Sarah Mary Liao Sau Tung and Mr Terrence Tsang Diao-Long.