CONVENIENCE RETAIL ASIA LIMITED
利亞零售有限公司

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

CONNECTED TRANSACTION

TENANCY AGREEMENTS

The Board is pleased to announce that on 29 June 2026, KWL entered into Tenancy Agreements with FPL in respect of the leasing of the Premises for a term of three years commencing from 29 June 2026 to 28 June 2029 (both days inclusive).

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16 "Leases", the Group is required to recognise the Premises as a right-of-use asset, in which a value of HK$8,044,000 will be recognised by the Group in its consolidated statement of financial position and depreciated over the term of the Tenancy Agreements. The rent payable under the Tenancy Agreements is capital in nature and the entering into of the Tenancy Agreements and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group.

At the date of this announcement, Dr William Fung Kwok Lun, a Non-executive Director, is a substantial Shareholder by virtue of his deemed interest in approximately 39.86% and personal interest in approximately 9.59% of the issued share capital of the Company. As FPL is a company indirectly wholly-owned by Dr William Fung Kwok Lun who is a substantial Shareholder, FPL is a connected person of the Company. Accordingly, the transaction contemplated under the Tenancy Agreement constitutes a one-off connected transaction for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transaction contemplated under the Tenancy Agreements calculated in accordance with the Listing Rules, with reference to the value of the right-of-use asset to be recognised by the Group in connection with the Tenancy Agreements exceeds 0.1% but is less than 5%, the transaction contemplated under the Tenancy Agreements is subject to the reporting and announcement requirements but exempt from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board announces that on 29 June 2026, KWL entered into Tenancy Agreements with FPL in respect of the leasing of the Premises for a term of three years commencing from 29 June 2026 to 28 June 2029 (both days inclusive).

PRINCIPAL TERMS OF THE TENANCY AGREEMENTS

Date	:	29 June 2026
Landlord	:	FPL, a company indirectly wholly-owned by Dr William Fung Kwok Lun
Tenant	:	KWL, an indirect wholly-owned subsidiary of the Company
Premises	:	(i) 9/F LiFung Tower, No. 868 Cheung Sha Wan Road, Kowloon, Hong Kong; and (ii) 9/F LiFung Tower, No. 888 Cheung Sha Wan Road, Kowloon, Hong Kong The two Premises are adjoining office units and are intended to be used together as a single head office of the Group. The Tenancy Agreements are entered into contemporaneously, are for the same lease term, and contain substantially identical principal terms. The two Tenancy Agreements are regarded as one transaction under Chapter 14A of the Listing Rules.
Term	:	Three years from 29 June 2026 to 28 June 2029 (both days inclusive)
Usage	:	Office
Rent	:	1. HK$249,013 per month for the period from 29 June 2026 to 31 May 2028 2. Prevailing open market rent of the Premises as at the commencement of the third year of the Term for the period from 1 June 2028 to 28 June 2029 including Government rent but excluding management fee and other outgoings
Rent free period	:	Two months, from 29 June 2026 to 28 August 2026 (both days inclusive)

Pricing basis	:	The terms of the Tenancy Agreements are determined under arm's length basis, on normal commercial terms and in the ordinary and usual course of business. The rental agreed between KWL and FPL is benchmarked to (i) the prevailing market rates or at rates no less favourable to the Group than those available to any other independent third parties; and (ii) the open market rent of comparable properties. The parties have also taken into account a number of factors such as various conditions of the Premises including the size and location, as well as the facilities and management services associated with the Premises so as to ensure that the terms offered by FPL to KWL are fair, reasonable and competitive.
Payment term	:	The rental will be paid in cash by KWL to FPL pursuant to the terms of the Tenancy Agreements

VALUE OF THE RIGHT-OF-USE ASSETS

In accordance with the requirement of HKFRS 16 "Leases", the total value of the right-of-use asset to be recognised by the Group in respect of the leasing of the Premises under the Tenancy Agreements is HK$8,044,000.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Premises provide suitable office accommodation for the Group, conveniently located within the same building as the Group's headquarters. This arrangement facilitates coordination and administrative efficiency.

Dr William Fung Kwok Lun, being a substantial Shareholder and the beneficial owner of FPL, is considered to have a material interest in the transaction contemplated under the Tenancy Agreements, and therefore abstained from voting on the relevant Board resolutions approving the Tenancy Agreements.

The Directors (including the Independent Non-executive Directors but excluding Dr William Fung Kwok Lun who had abstained from voting on the relevant Board resolutions) are of the view that the Tenancy Agreements was entered into in the ordinary and usual course of business of the Group, and that the terms of the Tenancy Agreements are negotiated on arm's length basis and are on normal commercial terms, and the terms of the Tenancy Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

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 patisserie 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 (iv) a wholesale business providing bakery and festive products to corporate customers in Hong Kong, Macau and Mainland China.

FPL is principally engaged in holding of investment properties and provision of management service.

LISTING RULES IMPLICATIONS

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At the date of this announcement, Dr William Fung Kwok Lun, a Non-executive Director, is a substantial Shareholder by virtue of his deemed interest in approximately 39.86% and personal interest in approximately 9.59% of the issued share capital of the Company. As FPL is a company indirectly wholly-owned by Dr William Fung Kwok Lun who is a substantial Shareholder, FPL is a connected person of the Company. Accordingly, the transaction contemplated under the Tenancy Agreement constitutes a one-off connected transaction for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transaction contemplated under the Tenancy Agreements calculated in accordance with the Listing Rules, with reference to the value of the right-of-use asset to be recognised by the Group in connection with the Tenancy Agreements exceeds 0.1% but is less than 5%, the transaction contemplated under the Tenancy Agreements is subject to the reporting and announcement requirements but exempt from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

"**Board**"	the board of Directors
"**Company**"	Convenience Retail Asia Limited, a company incorporated in the Cayman Islands whose Shares are listed on the Main Board of the Stock Exchange
"**connected person(s)**", "**percentage ratio(s)**" **and "subsidiary(ies)"**	each has the meaning ascribed to it in the Listing Rules
"**Directors**"	the directors of the Company
"**FPL**"	Fung Properties (LT) Limited, a company incorporated in Hong Kong
"**Group**"	the Company and its subsidiaries from time to time
"**HK$**"	Hong Kong dollars, the lawful currency of Hong Kong
"**HKFRS 16 "Leases"**"	Hong Kong Financial Reporting Standard 16 "Leases" issued by the Hong Kong Institute of Certified Public Accountants
"**Hong Kong**"	the Hong Kong Special Administrative Region of the People's Republic of China

"**KWL**"	Kingdom Wise Limited, a company incorporated in Hong Kong
"**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 Tenancy Agreements" 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
"Tenancy Agreements"	the Tenancy Agreements entered into by KWL with FPL on 29 June 2026 in relation to the lease of the Premises
"%"	per cent

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

Hong Kong, 30 June 2026

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