



# 2023 Half-Year Results Presentation

10 August 2023

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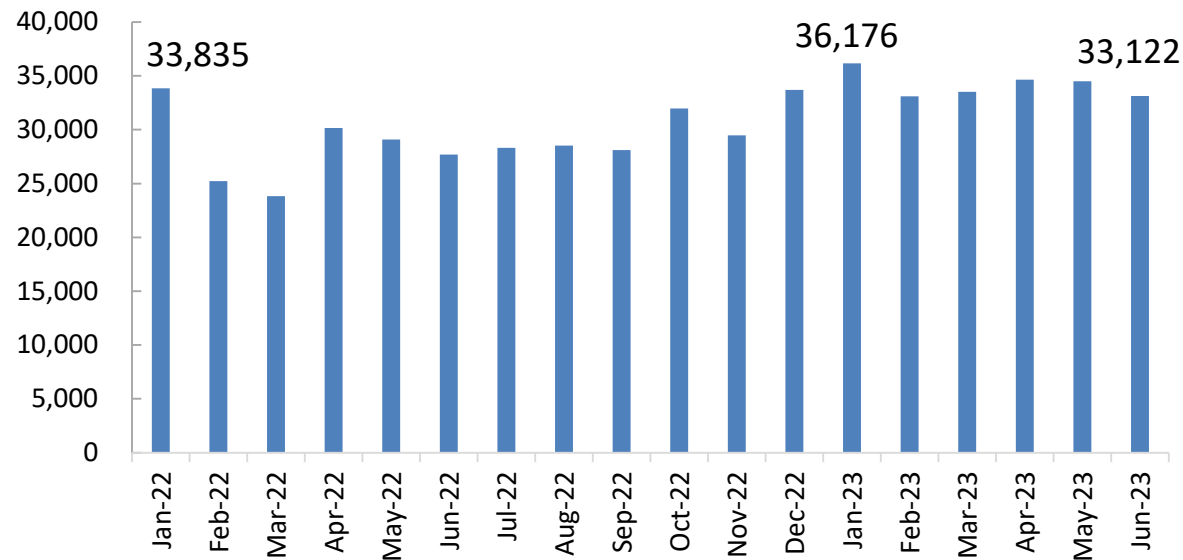
# Agenda

- Hong Kong Retail Market Key Highlights
- 1H2023 Business Highlights
- 1H2023 Financial Results Highlights
- 2H2023 Key Initiatives
- Q&A

# Hong Kong Retail Market Key Highlights

# 1H2023 Hong Kong Retail Market

Total Retail Sales (HKD'm)

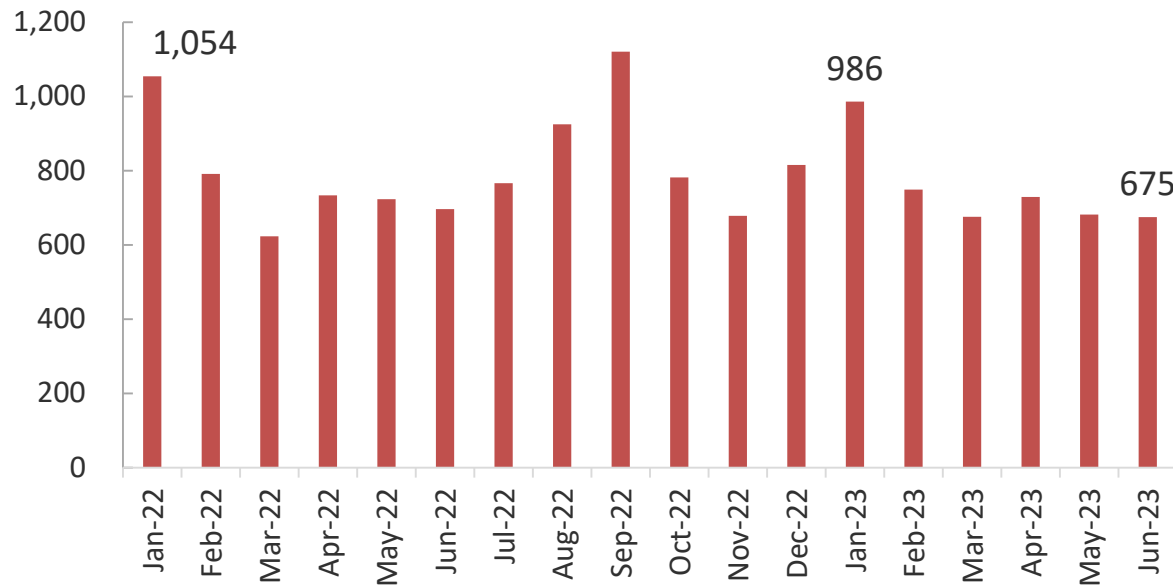


- Overall retail sales for 1H23 vs 1H22 increased by 20.7%.
- Since full resumption of travel in February 2023, Hong Kong residents have been active travelling, especially during long weekends.
- Landlords have been aggressive to raise rents on the back of increasing mall foot traffic.
- Labour shortage has led to higher staff costs in the retail sector.
- Business started to pick up after Easter holiday break.

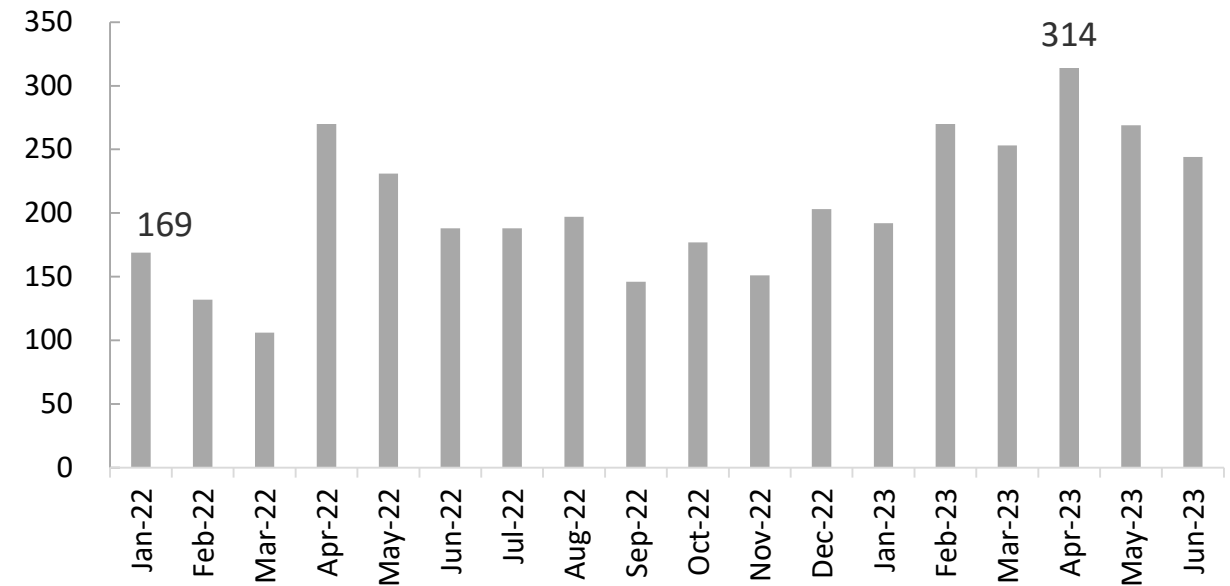
Source: Census & statistics Department HKSAR

# 1H2023 Hong Kong Retail Market

Total Bread, pastry, confectionery (HKD'm)



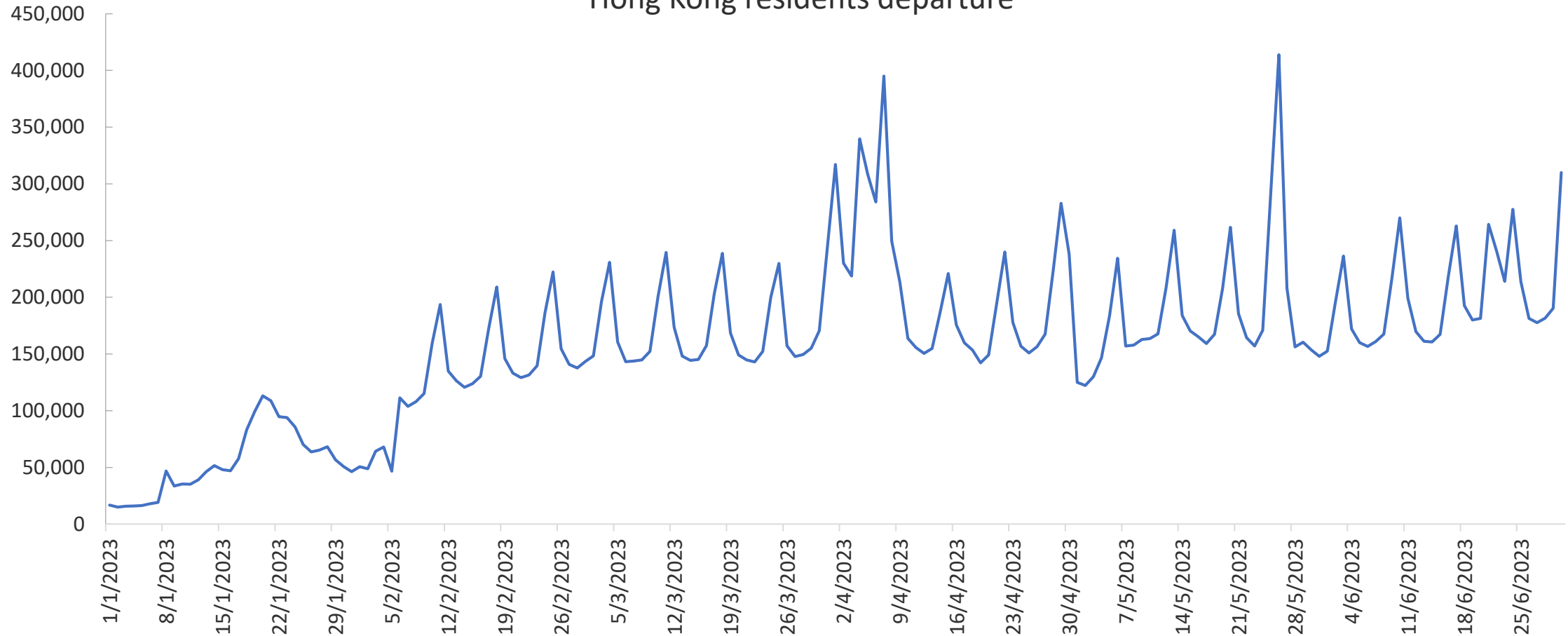
Total optical shops (HKD'm)



Source: Census & statistics Department HKSAR

# Recent Consumer Behaviour

Hong Kong residents departure

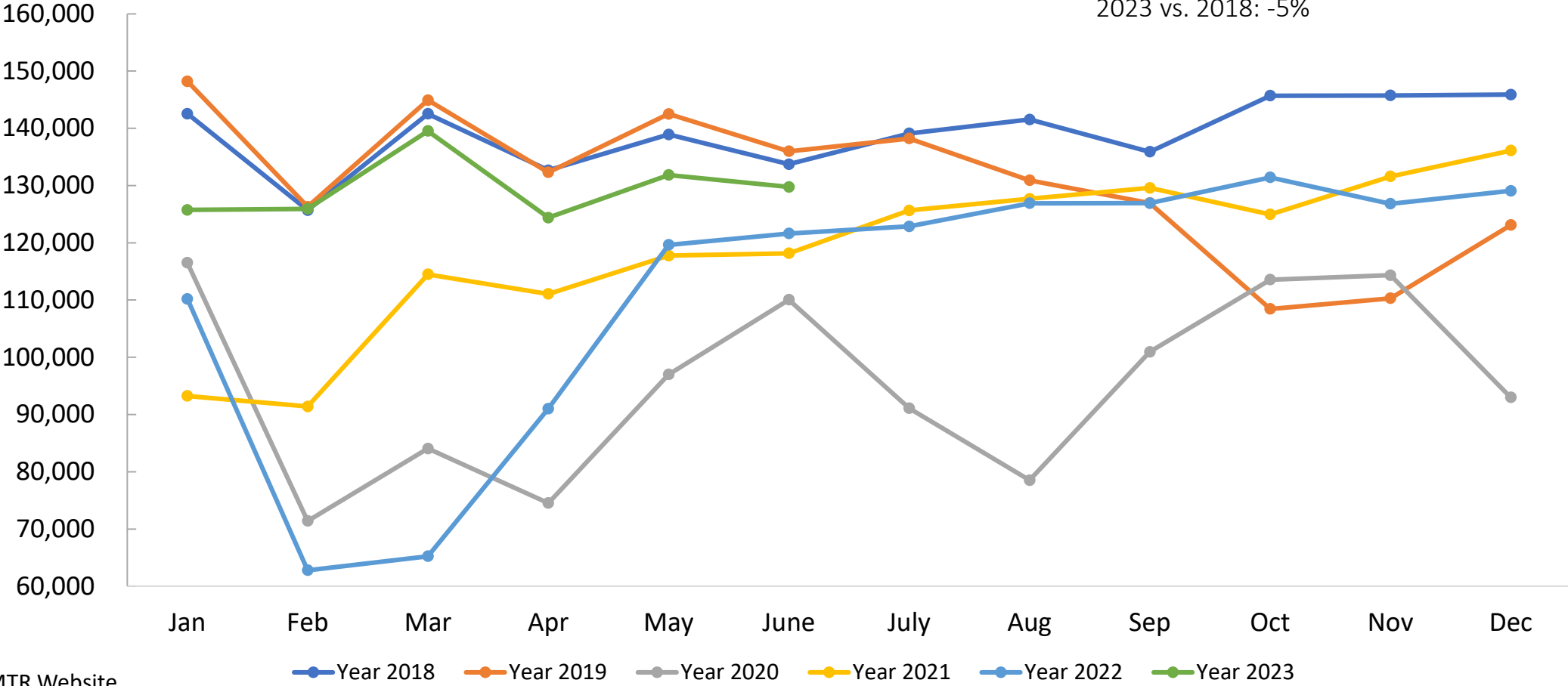


Source: <https://www.immd.gov.hk/eng/facts/passenger-statistics-menu.html>

# MTR Patronage Figures

2023 June YTD  
 2023 vs. 2022: +36%  
 2023 vs. 2021: +20%  
 2023 vs. 2020: +40%  
 2023 vs. 2019: -6%  
 2023 vs. 2018: -5%

MTR Patronage Figures (000's)



Source: MTR Website



# 1H2023 Business Highlights

# Bakery Retail and B2B

- Retail demand was soft in Q1 and slowly picked up in Q2 after Easter break
- B2B vertical strengthening with new accounts and wider SKU mix
- Over 1.25 million CakeEasy members across Hong Kong and Macau
- Guangzhou flagship store's performance improved after re-fit
- Mon cher sales impacted by consumers travelling abroad more during weekends
- Taskforce formed for setting up new production lines to support B2B vertical

# Eyewear Retail

- Brand awareness continues to be strong resulting in positive comparable store sales growth
- Focused marketing campaign via social media supported by Zoff Japan
- First fast fashion eyewear retailer to launch MiYOSMART\* targeted for children
- Actively pursuing new locations in right catchment areas
- New shop at The Wai opened in July saw strong footfall in residential area
- Preparing for regional expansion

\*Lens to slow down myopia progression (*nearsightedness*)

# Continuing to Expand Store Network

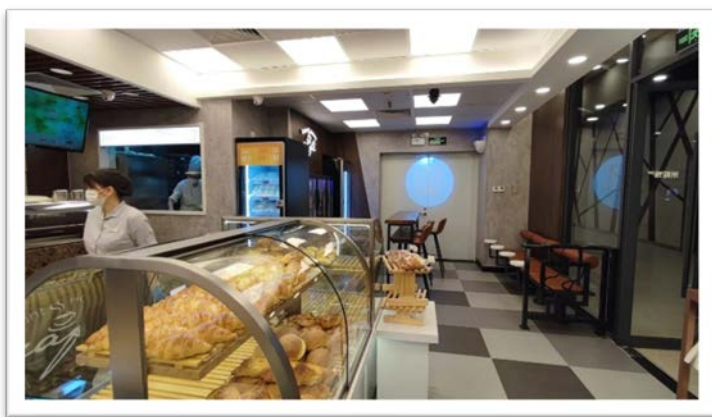


- New store at Choi Ming Centre, TKO
- Opened on 4 January 2023

- New store at Heung Sze Wai Square, Tai Po
- Opened on 1 February 2023

- New store at Ho Shun Fook Building, Yuen Long
- Opened on 9 March 2023

# Refit of Foshan Aeon Mall (April 2023)



# CakeEasy has over 1.25 million members



# New Product Development



# New Product Development





# New Product Development



## ZOFF COLLECTIONS

室內 室外

隨光暗調整鏡片顏色  
感光變色太陽眼鏡

ZF231002\_14E1 HK3796    ZA231001\_14E1 HK3796    ZF230003\_14E1 HK3796

### Zoff SPORTS

一體成型  
一體成型，不易滑落。融合了特殊材料和Zoff技術的異性能型號。

ZJ231003\_81A1 \$1,098

ZJ231003\_11A1 \$1,098

ZS191001\_72A1 \$1,098

### Zoff SMART

全球總銷量突破 740 萬副

ZJ231003\_81A1 \$1,098

ZS191001\_72A1 \$1,098

BLUE LIGHT CUT 約 35%

BLUE LIGHT CUT 約 50%

Zoff PC

made in Japan

Zoff made in Japan series

日本製 鯖江産

high-quality model

Sabae City, Fukui Prefecture

### 2023 SUMMER STYLE

TREND FRAME × LIGHT COLOR LENS

### Zoff CLASSIC

是光學眼鏡 也是太陽眼鏡

Zoff NIGHT&DAY

## CHARACTER / DISNEY

THE LOULI

PEANUTS GANG GLASSES HOLLIC

Zoff | 鬼滅之刃

Zoff | ちいかわ

Disney Collection for KIDS

## FASHION

Zoff | UNITED ARROWS Wellness

Zoff | nanako

Zoff | D&D

# 1H2023 Financial Results Highlights

# Interim Results 2023

Reported revenue:

**\$702m**

(1H22: \$674m)  
+4.1%

Gross profit %:

**52.1%**

(1H22: 48.6%)

Core operating profit:

**\$21.6m**

(1H22: \$22.4m)  
-3.5%

Basic earnings per share:

**\$2 cents**

(1H22: \$2.2 cents)

Bakery Turnover:

**\$629m**

(1H22: \$608m)  
+3.4%

Eyewear Turnover:

**\$73m**

(1H22: \$66m)  
+10.3%

Net profit after tax:

**\$15.2m**

(1H22: \$16.7m)  
-8.9%

Interim dividend per share:

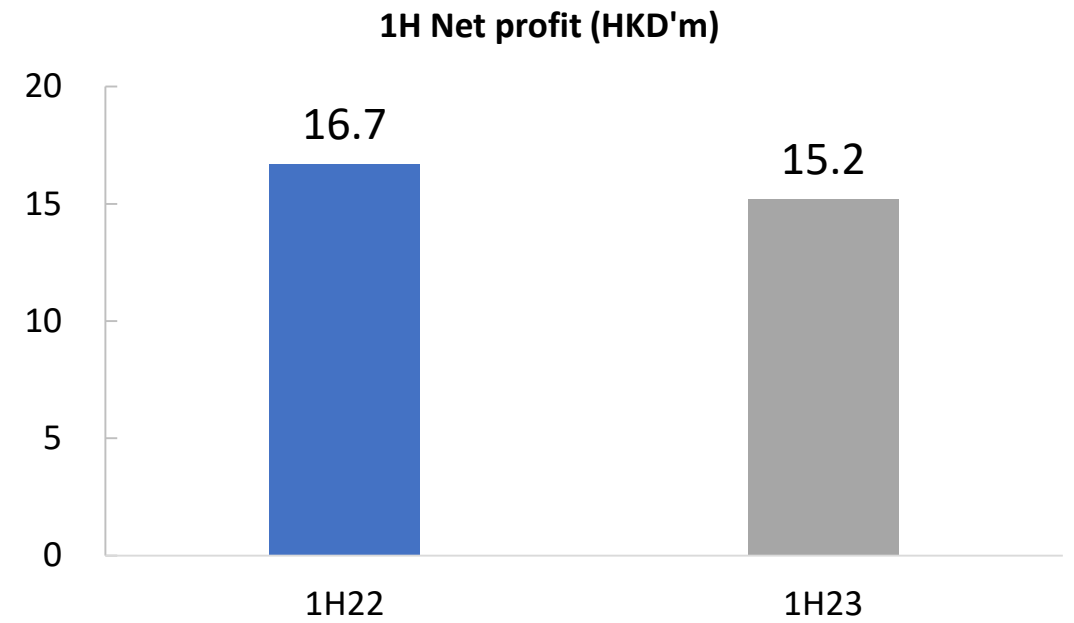
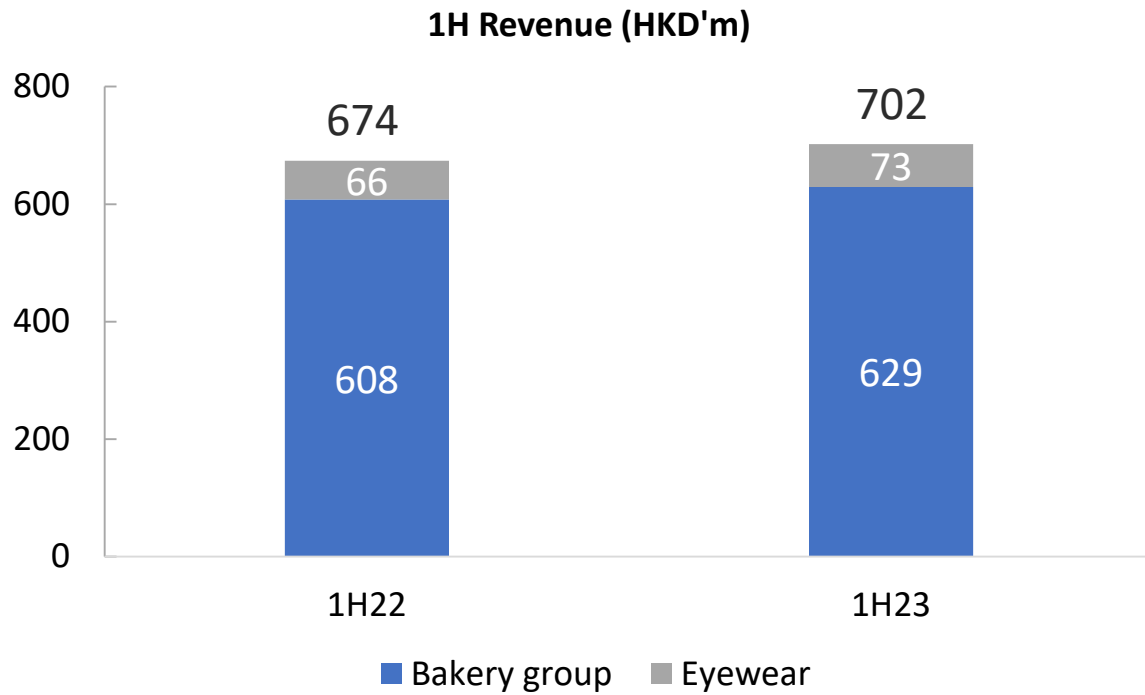
**\$2 cents**

(1H22: \$2 cents)

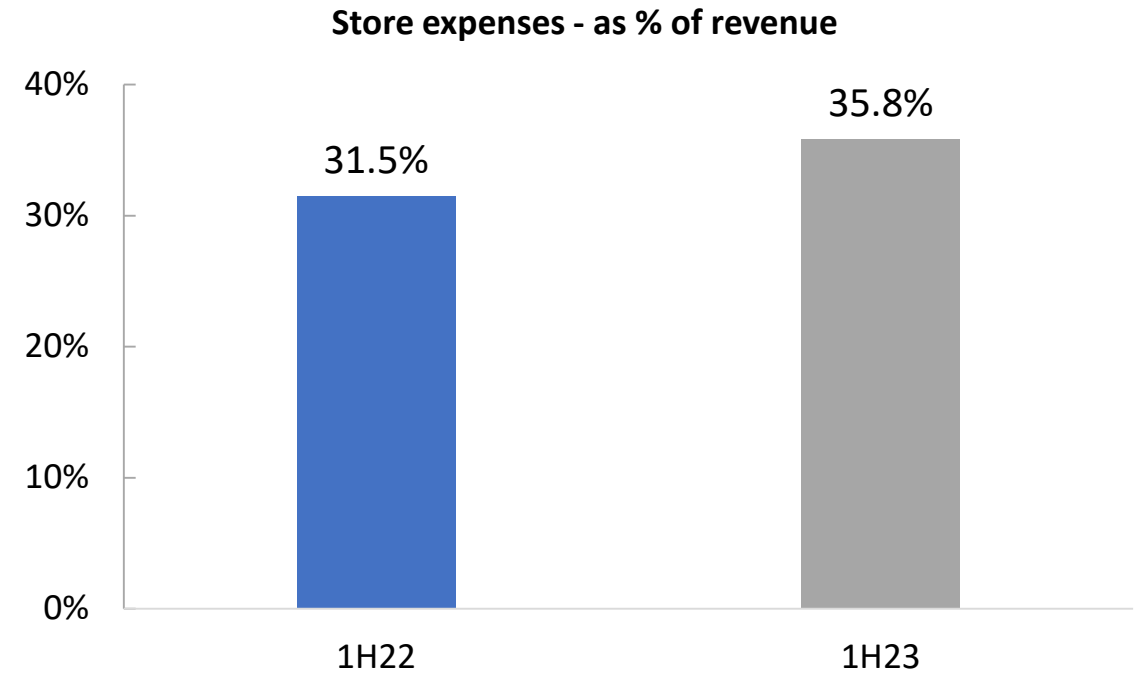
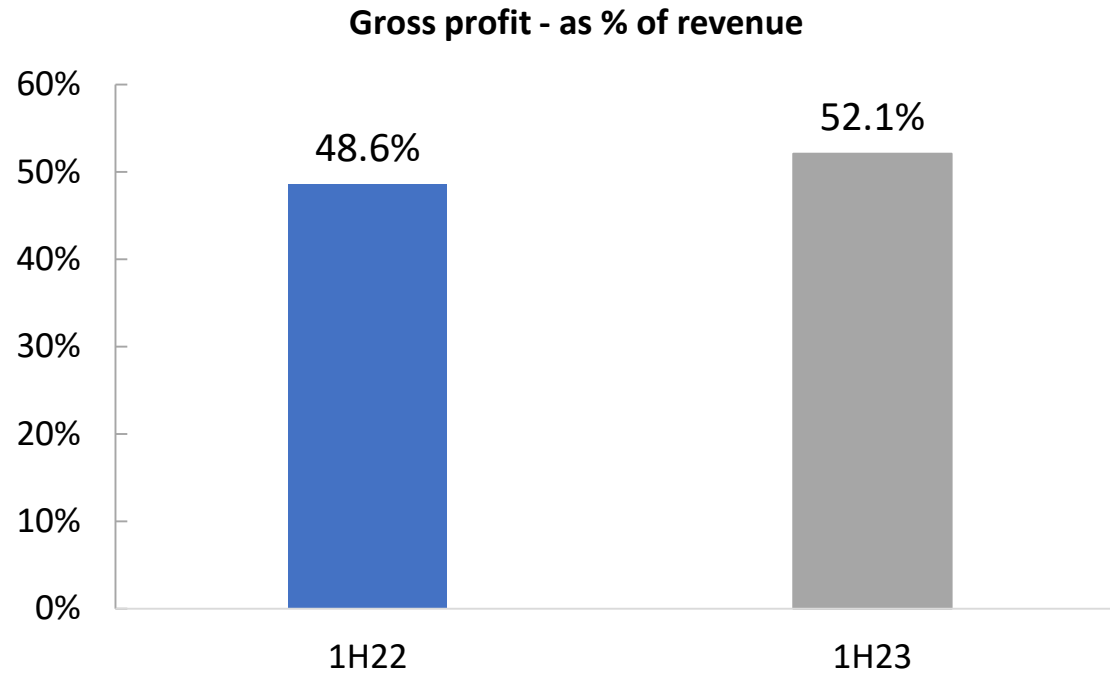
# Number of Stores

	30 Jun 2022	31 Dec 2022	Opened	Closed	30 Jun 2023
Bakery segment	151	160	3	(4)	159
■ <i>Saint Honore – Hong Kong</i>	107	115	3	(2)	116
■ <i>Saint Honore – Macau</i>	12	12	-	-	12
■ <i>Saint Honore – China</i>	26	26	-	(2)	24
■ <i>Patisserie Mon cher</i>	6	7	-	-	7
Eyewear segment – Zoff	13	14	-	-	14
<b>CRA Group</b>	<b>164</b>	<b>174</b>	<b>3</b>	<b>(4)</b>	<b>173</b>

# Revenue and Net Profit



# Operating Margin



## 2H2023 Key Initiatives

# 2H2023 Key Initiatives

## Bakery

- 1 Protect market share in core categories with tactical promotion and new product development
- 2 Broaden product offering in cakes segment and marketing activities to capture market share
- 3 Improve GP margin using new equipment and review alternative raw materials
- 4 Store network expansion to commercial district and areas with higher consumption power
- 5 Selected sites in prominent locations will be re-fitted to boost customer experience and lift brand image



# 2H2023 Key Initiatives

## Eyewear

- 1 Store network expansion to new catchment areas
- 2 Marketing campaign to promote MiYOSMART
- 3 Increase marketing efforts to target new customers and inbound tourists from China
- 4 Penetrate network via collaboration with MNCs or local corporates
- 5 Formulate overseas expansion plans

# Q&A

Thank You