



Convenience Retail Asia Limited

利亞零售有限公司

(Stock Code: 831.HK)

2024 Interim Results Presentation

August 2024

Presentation Disclaimer

This Document (the “Document”) is for information purposes only. This Document is not intended to form the basis of any investment decision nor does it constitute a recommendation or advice as to how the reader should act on any matter.

The information in this Document is an overview only and does not contain or purport to contain information necessary for investment decisions. In making any investment decision, investors should rely on their own examination of Convenience Retail Asia and consult with their own legal, tax, business and/or financial advisors in connection with any acquisition of securities.

The information contained in this Document has been prepared in good faith by Convenience Retail Asia and it may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to Convenience Retail Asia’s businesses and operations, market conditions, results of operational and financial conditions, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to rely on these forward looking statements. Convenience Retail Asia does not undertake any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Convenience Retail Asia’s control. Past performance is not a reliable indication of future performance.

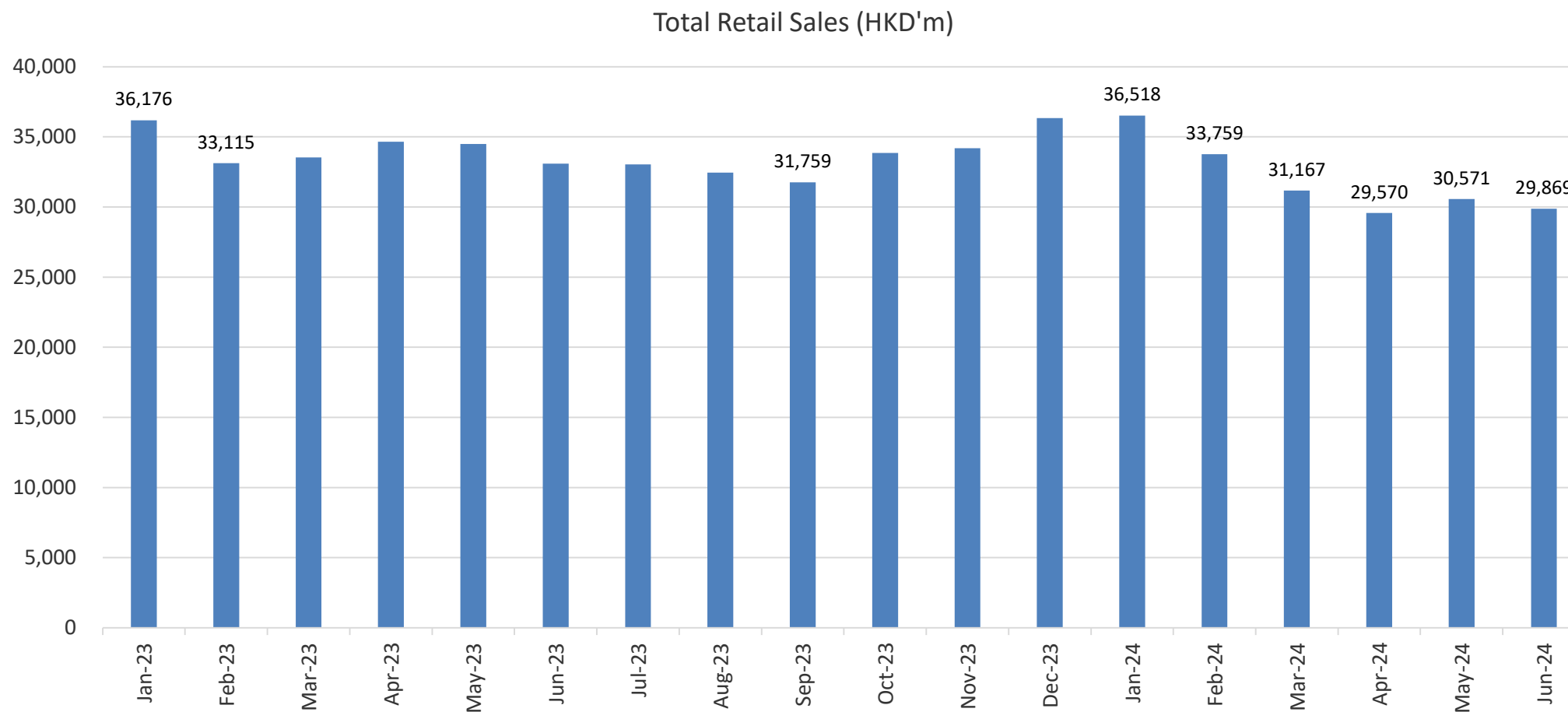
This Document does not constitute or contain an offer for purchase or invitation to purchase any securities and neither this Document nor anything contained herein shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

Agenda

- Hong Kong Retail Market Key Highlights
- Business Highlights
 - Bakery Segment
 - Eyewear Segment
- Financial Highlights
- Q&A

Hong Kong Retail Market Key Highlights

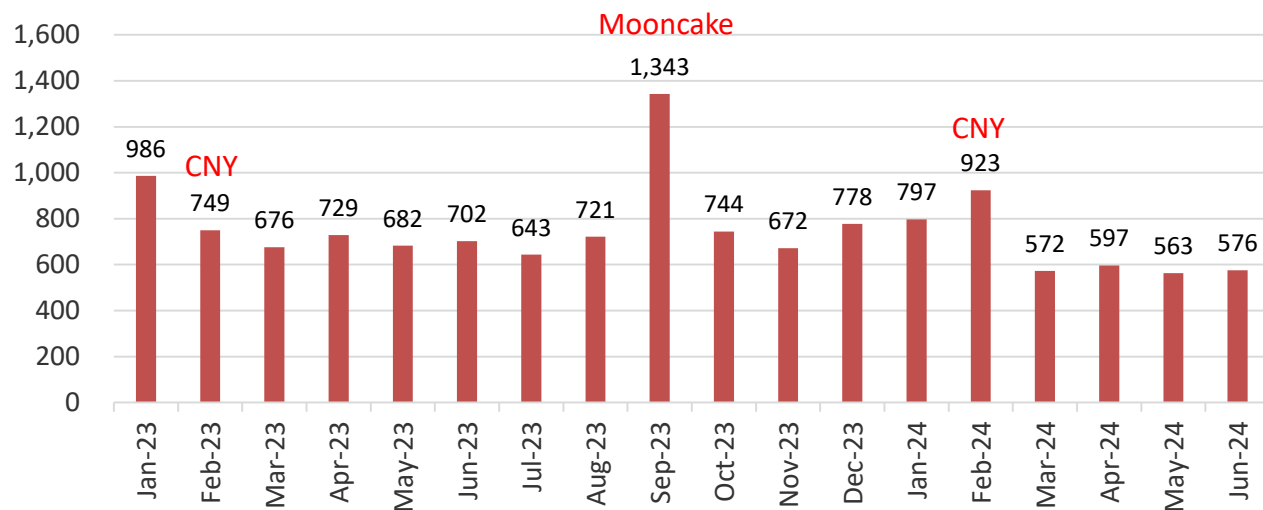
2023/24 Hong Kong Retail Market



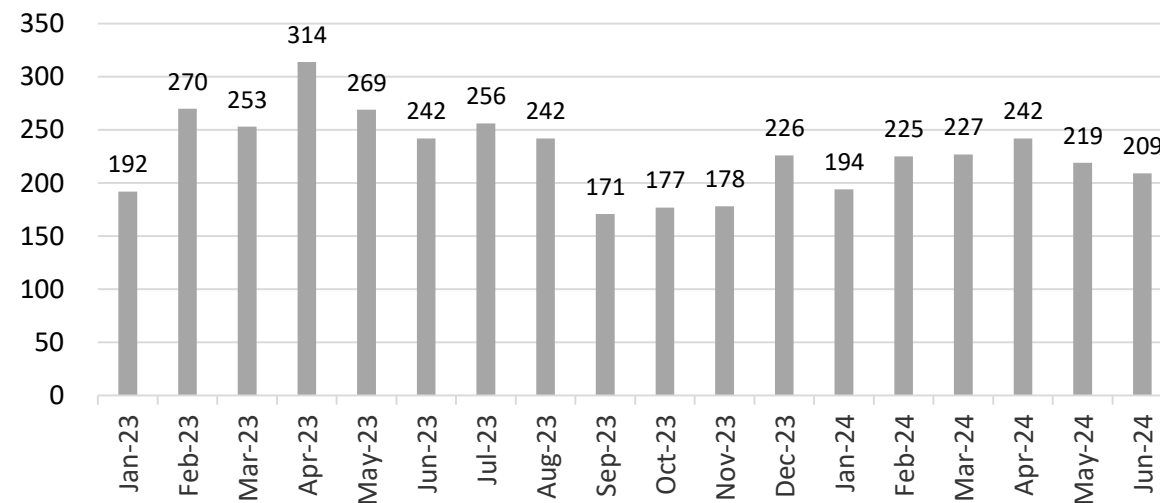
Source: Census & statistics Department HKSAR

2023/24 Hong Kong Retail Market

Total Bread, pastry, confectionery (HKD'm)

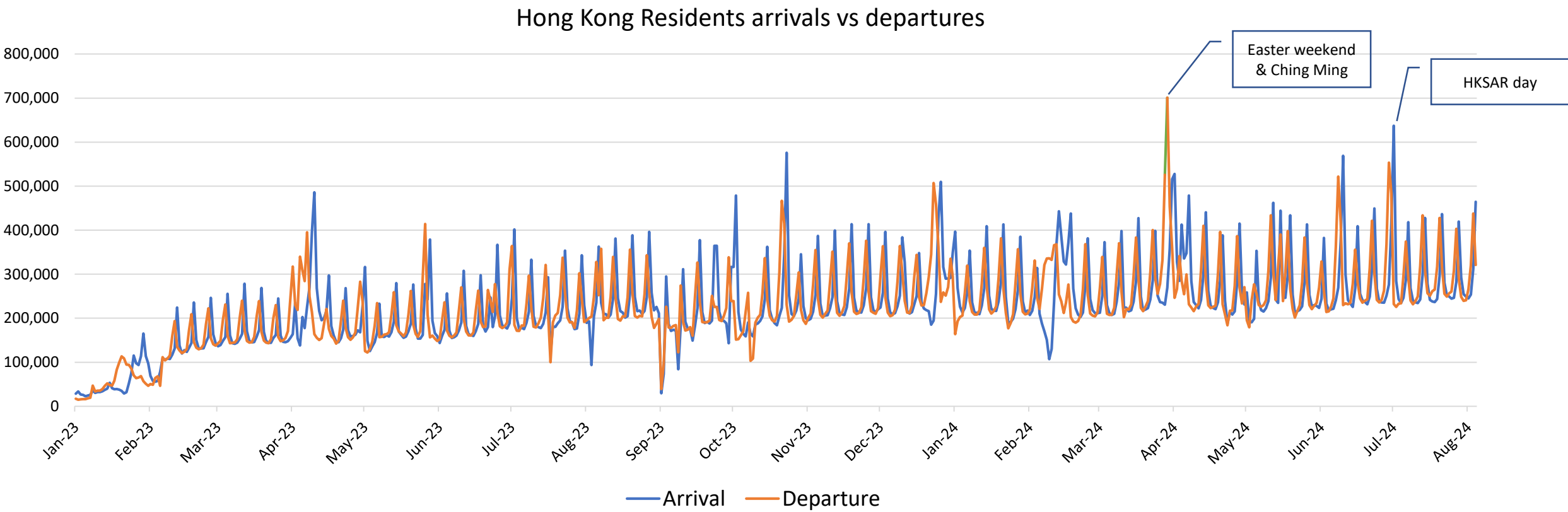


Total optical shops (HKD'm)



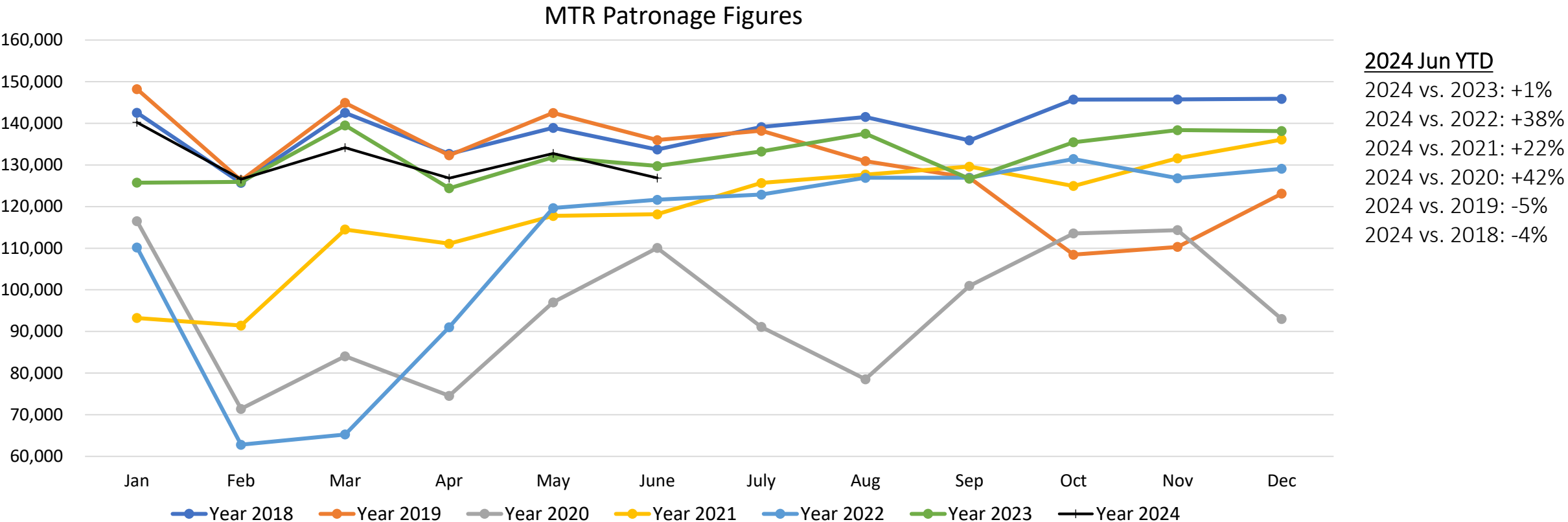
Source: Census & statistics Department HKSAR

Inbound & Outbound figures



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

MTR Patronage Figures



Source: MTR Website

2024 Business update

Bakery Segment

- Weekday sales are improving while weekend and public holidays remain challenging
- Cake sales across most operators have dropped reflecting major structural change
- Customer engagement via Cake Easy to generate new members and retain market share
- Growing demand from B2B customers seeking bespoke bakery solutions



Bakery Network Expansion



■ Pier 3, Central (Mar-24)



■ Tung Chung 2 (July-24)

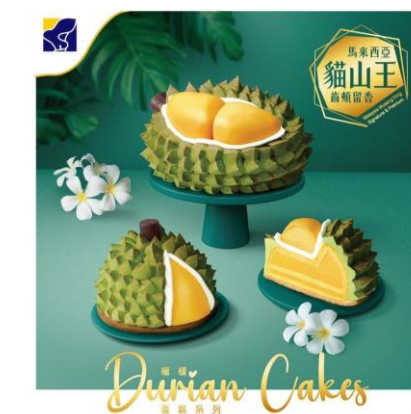


■ The Southside (Jun-24)

Online Branding and Marketing Campaigns



New Product Development – Saint Honore



New Product Development – Mon cher



2024 Key Initiatives

Bakery

- 1 Protect market share in core categories with attractive offerings (“wow Fridays”)
- 2 Expand product offering to increase basket size and give consumers a reason to trade up
- 3 Continue to expand into new categories such as chilled items
- 4 New store concept design under development



Eyewear segment

- Shops in New Territories are more impacted by Shenzhen competitors
- GBA pricing is disruptive to local market
- Weaker Yen and strong dollar has also caused consumers to buy Zoff in Japan instead of Hong Kong
- Brand marketing campaign to be launched in 2H24
- Source differentiated products for Hong Kong and Singapore market
- Fine tune Singapore operations and prepare for store expansion in 2H24

Eyewear Network Expansion (Hong Kong)



■ Sheung Shui Centre (Jan-24)



■ The Southside (Jun-24)

New Product Launches

Zoff

ZOFF COLLECTIONS



CHARACTER / DISNEY



2024 Financial Results Highlights

Interim Results 2024

Reported revenue:

\$721.7m

(1H23: \$701.8m)
+2.8%

Gross profit %:

53.7%

(1H23: 52.1%)

Core operating profit:

\$17.4m

(1H23: \$21.6m)
-19.4%

Basic earnings per share:

HK1.6 cents

(1H23: HK 2.0 cents)

Bakery Turnover:

\$648.7m

(1H23: \$629.1m)
+3.1%

Eyewear Turnover:

\$73.0m

(1H23: \$72.7m)
+0.4%

Net profit after tax:

\$12.8m

(1H23: \$15.2m)
-15.8%

Interim dividend per share:

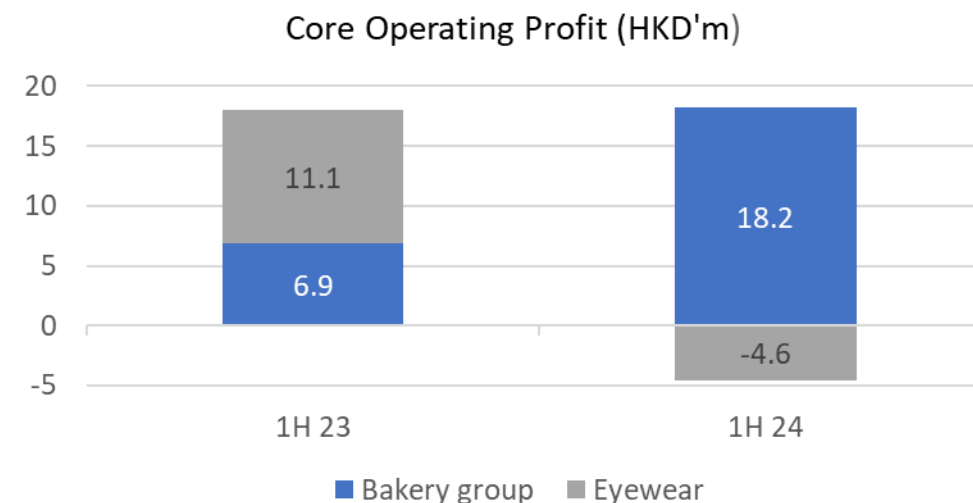
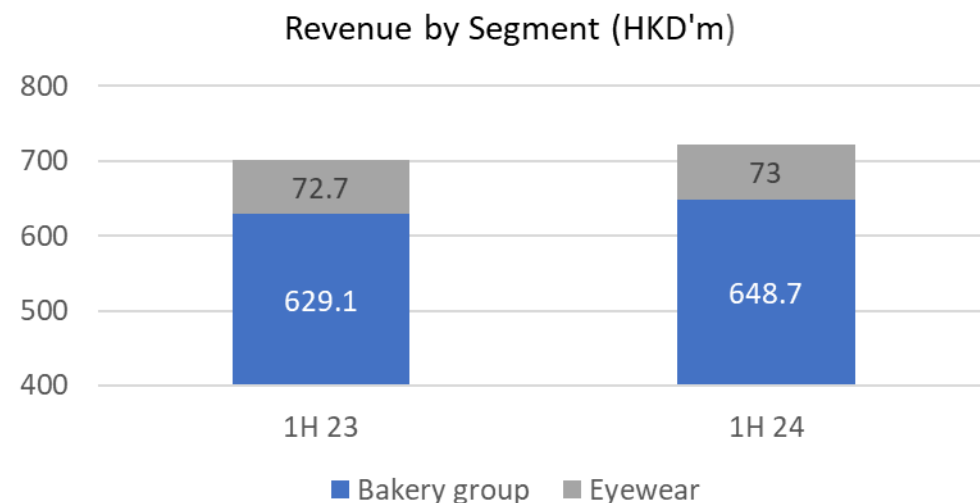
HK 2 cents

(1H23: HK 2 cents)

Prudent store network expansion

	31 Dec 23	30 Jun 24	Net change
Bakery segment	161	154	(7)
• <i>Saint Honore – HK&MC</i>	134	130	(4)
• <i>Saint Honore – Mainland China</i>	21	18	(3)
• <i>Patisserie Mon cher</i>	6	6	-
Eyewear segment	15	21	6
• <i>Zoff – Hong Kong</i>	15	16	1
• <i>Zoff – Singapore</i>	-	5	5
CRA Group	176	175	(1)

Resilient despite adverse market conditions



Q&A