CONVENIENCE RETAIL ASIA LIMITED
利亞零售有限公司

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

RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

Financial Highlights

	Change	**2018 HK$'000**	2017 HK$'000
• Revenue	+4.4%	**5,320,077**	5,094,032
• Core operating profit	+17.5%	**214,498**	182,594
• Profit attributable to shareholders of the Company	+21.9%	**183,203**	150,311
• Basic earnings per share (HK cents)	+21.7%	**24.03**	19.75
• Dividend per share (HK cents)			
Final	+21.4%	**17.00**	14.00
Full year	+22.2%	**22.00**	18.00

Operation Highlights

- Turnover increased 4.4% to HK$5,320 million mainly due to 2.9% growth in comparable store sales for the convenience store business and sales at new business Zoff
- The Group's online-to-offline (O2O) customer relationship management (CRM) programmes continued to propel marketing strategy; membership totals for Circle K's "OK Stamp It" and Saint Honore's "Cake Easy" reached 1.2 million and 0.5 million, respectively, as at year-end
- Circle K O2O business model awarded by the National Association of Convenience Stores (NACS) as the "Asian Convenience Industry Leader of the Year 2018"
- Effective eCRM programmes and category management led to core operating profit and net profit growth of 17.5% and 21.9%, respectively
- Trendy fast-fashion eyewear chain Zoff continued to expand, contributing to the Group's top-line and net profit growth
- The Board of Directors has resolved to declare a final dividend of 17 HK cents per share
- The Group maintains a strong financial position with net cash of HK$508 million and no bank borrowings

Number of Stores as of 31 December 2018

Circle K Stores	
Hong Kong	**337**
Franchised Circle K Stores	
Guangzhou	61
Macau	32
Zhuhai	13
Subtotal	**106**
Total number of Circle K Stores	**443**
Saint Honore Cake Shops	
Hong Kong	91
Macau	9
Guangzhou	31
Total number of Saint Honore Cake Shops	**131**
Zoff Eyewear Stores	
Hong Kong	**6**
Total number of Stores under Convenience Retail Asia	**580**

Chairman's Statement

I am pleased to present Convenience Retail Asia's annual results for 2018. This past year was once again full of opportunities seized and challenges overcome. The Group built upon the success of previous years by further expanding its online-to-offline (O2O) customer relationship management (CRM) programmes for Circle K and Saint Honore, continuing to introduce compelling marketing promotions and category management initiatives, and accelerating growth momentum for its promising new fast-fashion eyewear business, Zoff. These efforts, together with efficient operations and production, have supported our top-line and bottom-line growth and helped the Group generate record-high revenue and core operating profit over the past year. Meanwhile, our on-going pursuits in areas such as sustainability, corporate social responsibility and employee engagement continued to enhance the reputations of our brands in the communities where we operate.

A mixed year for retail

The overall Hong Kong retail market enjoyed a fairly strong year, growing 8.8% by value and 7.6% by volume[note] compared to 2017. However, the supermarket segment, which includes convenience stores (CVS), posted just 1.2% growth in value terms while suffering a 1.9% decrease in volume[note].

In the second half of 2018, trade conflicts between the US and China resulted in a decrease in spending by visitors from the Chinese Mainland, which compose roughly three quarters of Hong Kong's tourists and form a valuable customer source for the city's retail industry. Local demand was stagnant, which also contributed to weaker consumer sentiment. Meanwhile, the depreciation of the renminbi in the latter half of the year impacted visitation as well as spending for staple supermarket and convenience store items such as food and beverage. However, it also resulted in lower production costs for the Group's bakery business, and the reduction in tourists had a positive indirect effect on rental costs.

CRA setting the standard

Despite the external challenges of 2018, CRA still outperformed the CVS segment. We achieved strong sales in product categories that experienced market downturns elsewhere, demonstrating our ability to identify high-potential items and promote them effectively. We captured opportunities by launching timely seasonal offerings and campaigns centred on major events such as the World Cup and Oktoberfest beer festival, generating strong revenue and brand buzz.

We also continued to benefit from our hugely successful O2O CRM programmes, Circle K's "OK Stamp It" and Saint Honore's "Cake Easy". In today's digitalised age, where mobile-savvy consumers face more demands on their time and attention than ever, "OK Stamp It" and "Cake Easy" provide us with direct links to our customers. These technologically advanced apps deliver instant, relevant news about our hottest products and services, giving customers what they want, when they want it. By converting online and mobile orders to convenient in-store fulfilment, they also boost foot traffic while driving sales.

In 2018, "OK Stamp It" and "Cake Easy" helped generate strong revenue growth for the Group. These two cutting-edge programmes boast memberships of well over 1.2 million and 0.5 million, respectively, providing us with strong customer bases built for the long term. O2O retailing is the cornerstone of the Group's business, setting the agenda for our strategies and creating marketing synergies across our brands, products and services.

The Group is proud to be the only licensee for the Zoff franchise in the world. This fast-fashion eyewear chain, with its eye-catching blue-and-white branding, is highly regarded among Hong Kong's young generation. Under the Group's guidance, Zoff has truly energised the Hong Kong eyewear market since entering in late 2017. We continue to introduce attractive new items, collaborating with popular brands and designers to ensure that Zoff's collections are always fresh and compelling. As at the end of 2018, the Group operated six stores, with more soon to open.

Outlook

As always, the Group's future performance will be influenced to some degree by external factors. Macroeconomic uncertainties such as the US-China trade dispute could continue to place drags on consumer sentiment and tourist travel, both of which are important elements for our businesses. However, given the Group's proven ability to succeed even in difficult circumstances, improvements in external market conditions would leave us very well positioned for a strong year ahead. A weakened renminbi would also contribute to healthier margins and bottom-line growth.

With the rise of the internet+ era, the Group's pioneering O2O business model has become its lifeblood. Over the past two years, our innovative "OK Stamp It" and "Cake Easy" O2O CRM programmes have proven incredibly effective at recruiting members, creating loyal customers, and promoting the quality offerings that can be found at Circle K and Saint Honore stores – all via platforms that are "EFS", or easy, fast and simple. They will continue to be the foundation of our sales and marketing efforts and create valuable synergies with our new businesses.

The Group remains bullish about the prospects for Zoff. Despite a number of competitors entering the market, our first-mover status and Hong Kongers' affinity for the famous Zoff brand continue to drive healthy growth. We shall continue expanding Zoff's store network in the coming year.

The Group has every reason to be excited about the future. However, we would not have arrived at the place we are today without our talented people. I would like to take this moment to thank everyone – from our board, to our senior management, to our frontline staff – for all their achievements of the past year, and for creating a culture and environment that will ensure the Group's future prosperity.

Victor FUNG Kwok King
Chairman

Hong Kong, 13 March 2019

Note:

Published by the Census and Statistics Department, the Government of the Hong Kong Special Administrative Region in January 2019

CEO's Statement

Today's consumers live, work and socialise digitally. More than ever, they are also going online to shop, both at home and while on the move. The Group recognised this trend years ago and began transforming its business model to address the needs of this dynamic new consumer accordingly. Today, our online-to-offline (O2O) customer relationship management (CRM) programmes are setting the standard for the Hong Kong, Macau and Southern China retail industries. They reach people instantly with news about the Group's hottest items and offers. Their large membership bases form a solid foundation upon which to build our future growth. They also provide strong data about preferences and trends, helping us tailor our business to customers' needs and keeping our brands fresh and relevant.

Operations Review – Circle K

As at 31 December 2018, the total number of Circle K stores in Hong Kong was 337. The Group opened nine new Circle K stores and closed four during the year.

The Group's proprietary "OK Stamp It" CRM programme allows consumers to download a special app containing news about Circle K products and promotions, an e-stamp redemption platform, special-offer coupons, fun games, social sharing features and more. The app's offers also drive in-store traffic and deepen the brand experience. "OK Stamp It" has been a huge success: In 2018, the Group was proud to receive a Silver award in the "Best Idea – Mobile" category at Marketing Magazine's MARKies Awards, which celebrate the most innovative and effective marketing campaigns in Hong Kong; meanwhile, the National Association of Convenience Stores (NACS), the world's largest organisation for convenience store operators, named Circle K Hong Kong the "Asian Convenience Industry Leader of the Year 2018".

In 2018, "OK Stamp It" members were treated to another banner year of attractive, exclusive products and offers. Summertime marked the first collaboration between Circle K and Zoff, with 1,000 pairs of Zoff sunglasses being offered as prizes to members who purchased all nine selected flavours of Circle K's new line of imported Japanese and Korean ice cream. In October, the Group rolled out an exclusive, innovative game for "OK Stamp It" members where they could use the app to "mine" for gold e-coins and win cash prizes totalling HK$1 million; a second phase gave members the chance to instantly win one of 50 new iPhone Xs. In November, during an annual two-week appreciation event, "OK Stamp It" members received exclusive buy-one-get-one-free offers on 20 attractive items each week. The event was a huge success, with promotional products achieving 10- to 100-fold sales increases.

Partnerships with financial institutions once again played key roles in the Group's marketing calendar. One example was a Circle K promotion that encouraged customers to make mobile payments with Bank of China Visa credit cards, enabling them to enjoy a HK$10 instant discount with spending of over HK$25. Another promotion offered Circle K customers a HK$5 discount for spending HK$10 or more using Alipay.

In category management, the Group continued to demonstrate its in-depth knowledge of the tastes and preferences of Hong Kong consumers. From August to October, Circle K brought new excitement to its customers with the launches of exclusive ice cream products from around the world. Late November saw the priority launch of the world-renowned Magnum ice cream brand. And just in time for Oktoberfest, beer enthusiasts received the refreshing news that Circle K was featuring cold beers and mixed drinks from around the world.

Behind the scenes, the Group continued to enhance its service capabilities with a series of new training programmes for all frontline Circle K staff. Employees also continued to show their care for the community. In partnership with Foodlink, Circle K donated food and sent groups of volunteers to visit elderly care homes during festive and holiday seasons. Circle K was proud to be the sole convenience store providing a "pure cash back" service for the elderly, helping improve quality of life for senior citizens across the city. Sustainability was also once again a key area of focus for the Group. In 2018, for the fifth consecutive year, Circle K was recognised with the Joint Energy Saving Award from CLP Power.

Operations Review – Saint Honore Cake Shop

As at 31 December 2018, the Group had opened four new stores in Hong Kong and Macau and closed six for a total of 100. The number of Saint Honore stores in Guangzhou at year-end was 31.

The bakery business recorded single-digit turnover growth compared to 2017. Sales of bread items increased, particularly in the family pack and "grab-and-go" segments. Cake sales rose due to the successful launches of creative new cakes such as Lava Chocolate and Matcha, as well as cakes based on licensed, child-friendly characters including "Peppa Pig", "My Little Pony" and "Transformers". During Mid-Autumn Festival, Saint Honore introduced new lava milk yolk mooncakes, which received a tremendous reception from customers and drove sales volume during the festive season.

Saint Honore's "Cake Easy" O2O CRM programme offers members exclusive promotions along with digital payment and in-store pickup options. The programme already has over 500,000 members, and online cake sales are showing particularly strong growth.

The appreciation of the renminbi in the first half of 2018 affected gross profit margin. Though there was a correction in the second half of the year due to the US-China trade dispute, it was not enough for the Group to overcome the negative impact already incurred. During the year, the Group implemented enhancement projects including product category rationalisation, process streamlining, equipment upgrades, improved labour productivity and stronger procurement management. The Group also continued to enhance its brand image with the continued roll-out of the new 4G store model that was introduced last year, which is designed to make the customer journey more enjoyable and user-friendly.

In Guangzhou, Saint Honore enhanced its CRM offerings for VIP members with a number of initiatives, including e-coupons to drive in-store traffic, a new stamp card feature, payment promotions with Alipay and more. The Pandora Cake Series, launched in October, broke the mold for traditional cakes by creatively representing themes of wishing, romance, innocence and blessing. Featuring artistic new shapes and delicious new flavours to accentuate the cakes' meanings, the Pandora line also used frozen mousse so that customers could enjoy them within just four hours of ordering.

Saint Honore received a number of awards during the year under review. These included the "My Favourite Cake Shop" award at U Magazine's U Favourite Food Awards 2018; the "Best AdWords Ecomm Campaign" award at the Asia eCommerce Awards 2018; and "Quality e-Shop" recognition from the Hong Kong Retail Management Association.

Operations Review – Developing Operations

Zoff

The Group's fast-fashion eyewear business, Zoff, has enjoyed remarkable success since its launch in November 2017. During the period under review, Zoff added five new stores to go with its first store at Cityplaza in Taikoo Shing. All are high-traffic locations with trendy young clientele. The grand opening for the Langham Place store was a high-profile event, with actress and model Ms Kiko Mizuhara serving as opening guest alongside Mr Teruhiro Ueno, President of Zoff Japan.

Zoff stores offer customers a constantly refreshed range of frames to suit all styles, plus high quality, affordable prices and fast turnaround time – ideal for a new generation of consumers who are always on the go. Stores carry a combined total of more than 2,500 different frames and new items are introduced biweekly, offering a variety unmatched by competitors. Thematic promotions in 2018 included the Tokyo Map Autumn collection, the Kiko Mizuhara Selection, collections themed on Disney, Star Wars and Andy Warhol, collaborations with fashion designers and more.

During the year, the Group also invested strongly in brand awareness for Zoff. This included placing outdoor advertisements; holding a “Crazy Summer Promotion” for students by giving away 1,000 coupons worth HK$480 each; rolling out a 1st Anniversary Celebration lucky draw that gave customers who purchased Zoff frames within the promotion period a chance to win the top prize of a free flight to Tokyo; and organising partnerships with shopping malls as well as companies within the Fung Group.

FingerShopping.com

Beauty and Health Care category once again turned in the top sales performance and accounted for roughly 63% of FingerShopping.com’s gross merchandising volume. During the year, the Hong Kong Retail Management Association presented the Group with the “2018 Top 10 Quality e-Shop Award – Best Contract Fulfillment” for FingerShopping.com and recognised the site as a “Quality e-Shop 2018”.

With the latest business development, the Group decided to be more focused on the existing core business operations and sold all rights, titles and interests attaching to FingerShopping.com to an independent third party on 1 March 2019.

Future Prospects

The Group will continue to lead the way for the retail industry by enhancing its digital offerings, investing in awareness-building to further grow its membership bases, and devising promotions that can be marketed digitally and synergistically across its businesses. It will also continue to emphasise the three “Plus” strategies – focusing on internet-savvy customers (internet+); emphasising products, promotion, place and pricing, plus great customer experience (4P’s+); and expanding its O2O (bricks-and-mortar+) retail model – to deliver strong results and ensure future success.

The rental market in Hong Kong has seen a downward adjustment due to macroeconomic uncertainty, but the Group will continue to take a careful approach to store openings. We will also monitor the movement of the renminbi and its effects on material costs, employing foreign exchange hedging where necessary to reduce risk. Elsewhere, labour costs remain high and the unemployment rate is low. As such, we will continue to lean on our HEARTS (Happy, Energised, Achievements, Respect, Training, Success) employee engagement programme to retain talented staff and attract others to join our successful, growing company.

Richard YEUNG Lap Bun
Chief Executive Officer

Hong Kong, 13 March 2019

Management Discussion and Analysis

Financial Review

In 2018, the Group's turnover increased 4.4% to HK$5,320 million. Turnover for the convenience store business increased 3.6% to HK$4,207 million, with comparable store sales growing 2.9% compared to the same period in 2017. Turnover for the bakery business increased 2.6% to HK$1,120 million, with stagnant growth in comparable store sales in Hong Kong.

Gross margin and other income as a percentage of turnover increased 1.2% to 38.1% despite keen competition in the retail market and high manufacturing costs. Primary contributors were the Group's effective eCRM programmes – especially "OK Stamp It" – strong sales momentum for Circle K's packaged drinks and ice cream, and the developing business Zoff. The depreciation of the renminbi in the second half of the year had a positive effect on costs, but this could not overcome the negative impact of the currency's appreciation in the first half, resulting in an unfavourable impact on full-year gross margin for the Saint Honore business. Operating expenses as a percentage of turnover increased from 33.3% to 34.1% for the year against 2017 as a result of escalating rentals and labour costs. Overall, the Group's core operating profit increased by 17.5% to HK$214 million.

Net profit increased 21.9% to HK$183 million. Basic earnings per share increased 21.7%, from 19.75 HK cents to 24.03 HK cents.

As at 31 December 2018, the Group had a net cash balance of HK$508 million, which was mainly generated from daily business operations. The Group had no bank borrowings. Most of the Group's cash and bank deposits were in its operating currencies and deposited with major banks in Hong Kong and on the Chinese Mainland. The majority of the Group's assets, liabilities, revenues and payments were held in either Hong Kong dollars or renminbi. The Group had some foreign exchange exposure in renminbi as a result of its business operations on the Chinese Mainland. The Group is also subject to interest rate risks on the interest income earned from bank deposits. The Group will continue its policy of placing surplus cash in bank deposits denominated in its operating currencies, with appropriate maturity periods to meet the funding requirements of any acquisition projects in the future.

The Board of Directors has resolved to declare a final dividend of 17 HK cents per share.

Business Model and Corporate Strategy

The Group, a member of the Fung Retailing Group, has the exclusive right to the Circle K brand name for convenience store retailing in Hong Kong and Macau and on the Chinese Mainland. It also owns the famous Saint Honore Cake Shop bakery chain, operating stores in Hong Kong, Macau and throughout the Pearl River Delta region. There are approximately 600 Circle K and Saint Honore stores in total in Hong Kong, Macau, Guangzhou and Zhuhai.

In 2017, the Group secured the Hong Kong, Macau and Southern China franchise for Zoff, Japan's leading fast-fashion eyewear chain and a highly popular brand among the young, internet+ generation. There are currently six Zoff stores in high-traffic commercial locations in Hong Kong. The Group also operates FingerShopping.com, an online-to-offline (O2O) retail platform that enables customers to place orders for quality, genuine merchandise online, then pick up and pay for purchases at a Circle K store of their choice.

The Group aims to be the most innovative, customer-preferred retail chain operator in the markets where it operates, employing a multi-pronged strategy including:

- Innovative product offerings through its O2O operational and marketing platforms
- Customer-centric business focus
- Excellence in customer service
- Convenient store locations
- Highly motivated, engaged employees
- Maximised efficiency through the adoption of the latest information technology
- Synchronised supply chain management infrastructure and processes
- Continuous investment in brand-building, store network, people development, eCRM platforms and supply chain infrastructure

The Group strives to achieve sustainable, long-term value for shareholders through a total commitment to its customers, employees and businesses. Its keys to success are excellent customer focus, innovation, execution of the O2O business model, ethical business practices and strong partnerships with quality suppliers, as well as prudent, professional management of its growth and profitability.

The Board and management play proactive roles in the development of the Group's business model and pursue new ventures to maintain competitiveness and drive sustainable long-term growth.

Employees

As at 31 December 2018, the Group had a total of 6,500 employees, with 5,000, or 77%, based in Hong Kong and 1,500, or 23%, based in Macau, Guangzhou and Shenzhen. Part-time staff accounted for 40% of total headcount. Total staff costs for the year amounted to HK$908 million compared to HK$844 million in 2017.

The Group offers its staff competitive remuneration schemes, with eligible employees receiving salary packages supplemented by discretionary bonuses and share options based on individual and company performance. The Group also offers career advancement opportunities as well as training in job-related skills and customer service.

During the year under review, the Activity Organising Board (AOB) continued to emphasise the HEARTS (Happy, Energised, Achievements, Respect, Training, Success) employee engagement programme by organising activities centred on creating a happy working environment, caring for employees' families and ensuring work-life balance. In November, Group employees attended a seminar about Chinese tui-na for therapy and relaxation. In line with the Group's emphasis on continuous learning, employees were also encouraged to take part in the Recognition of Prior Learning programme under the Vocational Training Council's Qualifications Framework (QF). More than 400 Group colleagues received recognitions, Circle K and Saint Honore were both presented with Certificates of Appreciation, and Circle K received one of just seven commendations as a "QF Top Employer".

This year, Circle K and Saint Honore were named "Meritorious Family-Friendly Employers 2017/18" and also received "Special Mention 2017/18 (Gold)" and "Breastfeeding Support 2017/18" awards in the Corporations category of the Family-Friendly Employers Award Scheme 2017/18. These awards recognise companies that demonstrate family-friendly employment practices and raise awareness of the importance of family as a core value.

Health and Safety

The Group places high priority on the health of its customers and employees, adhering to world-class safety and hygiene practices that strictly comply with local laws and regulations. Saint Honore's factories in Hong Kong and Shenzhen are both ISO 9001-accredited. The Shenzhen factory has also earned Hazard Analysis and Critical Control Points (HACCP) food safety accreditation, and its in-house microbiological laboratory is certified by the China National Accreditation Services (CNAS) for conformity assessment.

Employees receive training in food safety, hygiene and basic work safety and are provided with protective clothing and equipment where necessary. The Group carries out regular inspections at its factories and stores to ensure compliance and best practices. The Group also emphasises workplace organisation and culture, training managers and employees on the "5S" principles of "sort, straighten, shine, standardise and sustain".

Sustainability and Corporate Social Responsibility

As part of the Fung Retailing Group, Convenience Retail Asia acts in accordance with the United Nations Global Compact's principles on human rights, labour, anti-corruption efforts, environmental protection and sustainability. The Group also conducts itself according to a comprehensive voluntary framework for proactive sustainability, community outreach and employment strategies, which covers areas such as carbon reduction, promoting environmental awareness in the community, expanding the Group's social and community outreach programmes, and ensuring a safe, healthy, balanced and empowering workplace. In addition, the Group partners only with suppliers who comply with its Supplier Code of Conduct, which sets out principles and practices relating to labour, ethical conduct, work safety and environmental protection.

The year under review marked another active time for the Group's environmental conservation and sustainability programmes. The "Bring Your Own Lunch Box" initiative encouraged colleagues to bring reusable lunch boxes for their takeaway meals and reduce white pollution caused by plastic waste. The Group invited a speaker from EcoDrive to talk about why plastic has become such a big problem in today's world and what people can do to reduce their use of plastic. As in previous years, the Group also supported Earth Hour 2018 by turning off non-essential lights and electrical appliances, promoting the importance of energy conservation and carbon reduction.

Community volunteering is an important part of the Group's corporate social responsibility efforts. During Christmas, colleagues made a visit to one of Tung Wah Group of Hospitals' elderly centres, where they played games, sang songs and took part in performances with residents. Colleagues also presented the senior citizens with gift bags containing scarves and hats they had personally made during a previously held, Group-organised workshop on knitting skills.

In 2018, Circle K Convenience Stores (HK) Limited and Saint Honore Cake Shop Limited received the "15 Years Plus Caring Company Logo" and "5 Years Plus Caring Company Logo", respectively, from the Hong Kong Council of Social Service. Saint Honore was recognised as a "Social Cooperative Partner" by the Evangelical Lutheran Church of Hong Kong Login Club for New Arrivals for its support of the elderly, low-income families, those with intellectual disabilities and children with special education needs.

In addition, Convenience Retail Asia was the first company awarded a Special Mention in the Non-Hang Seng Index (Small Market Capitalisation) Category of the Hong Kong Institute of Certified Public Accountants' Best Corporate Governance Awards 2018. Further environmental, social and governance information will be provided in a separate report on the Company's website.

Results

The Board of Directors (the “Board”) is pleased to announce the audited results of Convenience Retail Asia Limited (the “Company”) and its subsidiaries (together the “Group”) for the year ended 31 December 2018, together with the audited comparative figures for the corresponding year ended 31 December 2017. The annual results have been reviewed by the Company’s Audit Committee and agreed by the Company’s auditor.

Consolidated Profit and Loss Account

	Note	**2018 HK$’000**	2017 HK$’000
Revenue	*2*	**5,320,077**	5,094,032
Cost of sales	*3*	**(3,409,248)**	(3,320,189)
Gross profit		**1,910,829**	1,773,843
Other income	*2*	**115,672**	107,912
Store expenses	*3*	**(1,428,956)**	(1,342,132)
Distribution costs	*3*	**(164,071)**	(152,250)
Administrative expenses	*3*	**(218,976)**	(204,779)
Core operating profit		**214,498**	182,594
Interest income	*4*	**2,355**	1,542
Profit before income tax		**216,853**	184,136
Income tax expenses	*5*	**(33,650)**	(33,825)
Profit attributable to shareholders of the Company		**183,203**	150,311
Earnings per share (HK cents)			
Basic	*6*	**24.03**	19.75
Diluted	*6*	**24.03**	19.75

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2018

	2018 **HK$'000**	2017 HK$'000
Profit attributable to shareholders of the Company	**183,203**	150,311
Other comprehensive income/(loss):		
Item that will not be reclassified subsequently to profit or loss		
Actuarial losses on post employment benefit obligation, net of tax	**-**	(3,985)
Item that may be reclassified subsequently to profit or loss		
Exchange differences	**(1,566)**	3,145
Total comprehensive income attributable to shareholders of the Company	**181,637**	149,471

Consolidated Balance Sheet
As at 31 December 2018

	Note	**2018 HK$'000**	2017 HK$'000
Assets			
Non-current assets			
Fixed assets		**349,965**	357,173
Investment properties		**25,363**	26,561
Lease premium for land		**32,216**	35,180
Intangible assets		**357,465**	357,465
Available-for-sale financial asset		**-**	1,895
Financial asset at fair value through other comprehensive income		**1,895**	-
Rental and other long-term deposits		**97,216**	96,993
Deferred tax assets		**14,114**	16,385
		878,234	891,652
Current assets			
Inventories		**198,866**	192,603
Rental deposits		**58,289**	47,705
Trade receivables	*8*	**73,939**	82,017
Other receivables, deposits and prepayments		**91,329**	91,075
Restricted bank deposit		**-**	963
Cash and cash equivalents		**507,694**	450,776
		930,117	865,139
Total assets		**1,808,351**	1,756,791
Equity			
Share capital		**76,253**	76,246
Reserves		**614,557**	574,429
Total equity		**690,810**	650,675
Liabilities			
Non-current liabilities			
Long service payment liabilities		**14,949**	16,084
Deferred tax liabilities		**10,160**	10,067
		25,109	26,151
Current liabilities			
Trade payables	*9*	**662,784**	669,710
Other payables and accruals		**247,207**	219,927
Taxation payable		**13,268**	10,426
Cake coupons		**169,173**	179,902
		1,092,432	1,079,965
Total equity and liabilities		**1,808,351**	1,756,791

Consolidated Statement of Changes in Equity
For the year ended 31 December 2018

	Attributable to shareholders of the Company							
	Share capital HK$'000	Share premium HK$'000	Merger reserve HK$'000	Capital reserves HK$'000	Employee share-based compensation reserve HK$'000	Exchange reserve HK$'000	Retained earnings HK$'000	Total equity HK$'000
At 1 January 2017	75,530	379,697	177,087	19,316	17,173	(3,109)	144,028	809,722
Profit attributable to shareholders of the Company	-	-	-	-	-	-	150,311	150,311
Exchange differences	-	-	-	-	-	3,145	-	3,145
Actuarial losses on post employment benefit obligation								
Gross	-	-	-	-	-	-	(4,990)	(4,990)
Tax	-	-	-	-	-	-	1,005	1,005
Total comprehensive income for the year	-	-	-	-	-	3,145	146,326	149,471
Issue of new shares	716	22,360	-	-	-	-	-	23,076
Employee share option benefit	-	4,236	-	-	(1,728)	-	1,353	3,861
Transfer to capital reserves	-	-	-	686	-	-	(686)	-
Dividends paid	-	(205,848)	-	-	-	-	(129,607)	(335,455)
	716	(179,252)	-	686	(1,728)	-	(128,940)	(308,518)
At 31 December 2017	76,246	200,445	177,087	20,002	15,445	36	161,414	650,675
At 1 January 2018	**76,246**	**200,445**	**177,087**	**20,002**	**15,445**	**36**	**161,414**	**650,675**
Profit attributable to shareholders of the Company	**-**	**-**	**-**	**-**	**-**	**-**	**183,203**	**183,203**
Exchange differences	**-**	**-**	**-**	**-**	**-**	**(1,566)**	**-**	**(1,566)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(1,566)**	**183,203**	**181,637**
Issue of new shares	**7**	**182**	**-**	**-**	**-**	**-**	**-**	**189**
Employee share option benefit	**-**	**23**	**-**	**-**	**2,658**	**-**	**509**	**3,190**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**-**	**(144,881)**	**(144,881)**
	7	**205**	**-**	**-**	**2,658**	**-**	**(144,372)**	**(141,502)**
At 31 December 2018	**76,253**	**200,650**	**177,087**	**20,002**	**18,103**	**(1,530)**	**200,245**	**690,810**

Notes to the Consolidated Financial Statements

1. Basis of preparation and accounting policies

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") and under historical cost convention as modified by the revaluation of financial assets at fair value through other comprehensive income.

As at 31 December 2018, the Group had net current liabilities of HK$162,315,000 (2017: HK$214,826,000). In preparing these financial statements, the Group's management has taken into account all information that could reasonably be expected to be available and has ascertained that the Group has obtained adequate financial resources to support the Group to continue in operational existence for the foreseeable future. Based on the Group's history of its operating performance, availability of banking facilities and its expected future working capital requirements, the Group's management is of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and therefore have prepared the financial statements on a going concern basis.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The Group has adopted the following new and amended standards and interpretation of HKFRS which are mandatory for accounting periods beginning on or after 1 January 2018 and relevant to its operations:

HKAS 40 Amendment	Transfers of Investment Property
HKFRS 2 Amendment	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 Amendment	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HKFRS 15 Amendment	Clarifications to HKFRS 15
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration
Annual Improvements Project	Annual Improvements 2014-2016 Cycle

The adoption of new and amended standards and interpretation of HKFRS does not have material impact on the consolidated financial statements and does not result in substantial changes to the Group's accounting policies, except the impacts of the adoption of HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers".

The Group has not early adopted the following new and amended standards and interpretation of HKFRS that have been issued and are mandatory for the Group's accounting periods beginning on or after 1 January 2019.

HKAS 1 and HKAS 8 Amendments	Definition of Material
HKAS 19 Amendment	Plan Amendment, Curtailment or Settlement
HKAS 28 Amendment	Investments in Associates and Joint Ventures
HKAS 3 Amendment	Definition of a Business
HKFRS 9 Amendment	Prepayment Features with Negative Compensation
HKFRS 10 and HKAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
HKFRS 16	Leases
HKFRS 17	Insurance Contracts
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Annual Improvements Project	Annual Improvements 2015-2017 Cycle

None of the above is expected to have a significant effect on the consolidated financial statements of the Group, except HKFRS 16 "Leases".

HKFRS 16 will affect primarily the accounting for the Group's operating leases. It will result in all leases being recognised on the consolidated balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right of use the leased item) and a financial liability to pay rentals are recognised. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Based on the current assessment, it is estimated that the change in accounting for the Group's operating leases will result in the recognition of right-of-use assets and lease liabilities of approximately HK$681,000,000 respectively as at 1 January 2019.

2. Revenue, other income and segment information

The Group is principally engaged in the operation of chains of convenience stores and bakeries, and developing businesses including e-commerce and eyewear businesses. Revenues recognised during the year are as follows:

	2018	2017
	HK$'000	HK$'000
Revenue		
Merchandise sales revenue	**4,206,751**	4,058,921
Bakery sales revenue	**1,036,115**	1,017,343
Developing businesses revenue	**77,211**	17,768
	5,320,077	5,094,032
Other income		
Service items and miscellaneous income	**115,672**	107,912

Segment information

Management has determined the operating segments based on the reports reviewed by the executive directors that are used to make strategic decisions and has undergone transformation of its reporting structures during the year.

The management considers the business principally from the perspective of product/service and geographic. From a product/service perspective, management assesses the performance of convenience store, bakery and developing businesses. For convenience store segment, revenues are mainly derived from a broad range of merchandise sales. For bakery segment, revenues are mainly comprised of sale of bakery and festival products. For developing businesses segment, revenues are mainly derived from the provision of online trading platform and sale of eyewear products. Geographically, the management considers the performance of retailing business in Hong Kong and others, and on the Chinese Mainland.

The segment information provided to the management for the reportable segments for the years ended 31 December 2018 and 2017 are as follows:

	2018				
	Convenience Store	**Bakery**		**Developing Businesses**	
	HK	**HK & Others**	**Chinese Mainland**	**HK**	**Group**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
Total segment revenue	**4,206,751**	**1,051,326**	**116,367**	**77,211**	**5,451,655**
Inter-segment revenue	**-**	**(131,578)**	**-**	**-**	**(131,578)**
Revenue from external customers	**4,206,751**	**919,748**	**116,367**	**77,211**	**5,320,077**
Total segment other income	**110,626**	**10,723**	**2,328**	**140**	**123,817**
Inter-segment other income	**(4,303)**	**(3,832)**	**-**	**(10)**	**(8,145)**
Other income	**106,323**	**6,891**	**2,328**	**130**	**115,672**
	4,313,074	**926,639**	**118,695**	**77,341**	**5,435,749**
Core operating profit/(loss)	**172,022**	**48,669**	**(5,203)**	**(990)**	**214,498**
Depreciation and amortisation	**(28,398)**	**(38,650)**	**(7,039)**	**(1,948)**	**(76,035)**

	2017				
	Convenience Store	Bakery		Developing Businesses	
	HK	HK & Others	Chinese Mainland	HK	Group
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total segment revenue	4,058,921	1,016,649	129,795	17,768	5,223,133
Inter-segment revenue	-	(129,101)	-	-	(129,101)
Revenue from external customers	4,058,921	887,548	129,795	17,768	5,094,032
Total segment other income	101,643	8,030	2,684	228	112,585
Inter-segment other income	(2,470)	(2,203)	-	-	(4,673)
Other income	99,173	5,827	2,684	228	107,912
	4,158,094	893,375	132,479	17,996	5,201,944
Core operating profit/(loss)	155,284	46,181	(5,414)	(13,457)	182,594
Depreciation and amortisation	(29,595)	(36,544)	(7,550)	(723)	(74,412)

The revenue from external parties is derived from numerous external customers and the revenue reported to the management is measured in a manner consistent with that of the consolidated profit and loss account. The management assesses the performance of the operating segments based on a measure of core operating profit.

The reconciliation of the total reportable segments' core operating profit to the profit before income tax can be referred to the consolidated profit and loss account, as the reconciliation items are not included in the measure of the segments' performance by the management.

The inter-segment revenue includes inter-product segment revenue of HK$83,969,000 (2017: HK$74,676,000) and inter-geographic segment revenue of HK$47,609,000 (2017: HK$54,425,000).

The segment assets and liabilities as at 31 December 2018 and 2017 are as follows:

	2018				
	Convenience Store	**Bakery**		**Developing Businesses**	
	HK	**HK & Others**	**Chinese Mainland**	**HK**	**Group**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
Total segment assets	**745,659**	**739,014**	**51,741**	**31,974**	**1,568,388**
Total segment assets include:					
Additions to segment non-current assets	**26,091**	**34,584**	**353**	**11,899**	**72,927**
Total segment liabilities	**782,731**	**276,633**	**16,386**	**18,363**	**1,094,113**

	2017				
	Convenience Store	Bakery		Developing Businesses	
	HK	HK & Others	Chinese Mainland	HK	Group
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total segment assets	679,005	751,258	66,445	11,604	1,508,312
Total segment assets include:					
Additions to segment non-current assets	34,876	51,159	7,667	2,198	95,900
Total segment liabilities	741,996	314,873	17,099	11,655	1,085,623

The amounts provided to the management with respect to total assets and total liabilities are measured in a manner consistent with that of the consolidated balance sheet. These assets and liabilities are allocated based on the operations of the segment.

Reportable segment assets are reconciled to total assets as follows:

	2018 **HK$'000**	2017 HK$'000
Segment assets for reportable segments	**1,568,388**	1,508,312
Unallocated:		
Deferred tax assets	**14,114**	16,385
Corporate bank deposits	**225,849**	232,094
Total assets per consolidated balance sheet	**1,808,351**	1,756,791

Reportable segment liabilities are reconciled to total liabilities as follows:

	2018 **HK$'000**	2017 HK$'000
Segment liabilities for reportable segments	**1,094,113**	1,085,623
Unallocated:		
Deferred tax liabilities	**10,160**	10,067
Taxation payable	**13,268**	10,426
Total liabilities per consolidated balance sheet	**1,117,541**	1,106,116

The Group is domiciled in Hong Kong. The result of its revenue from external customers in Hong Kong is HK$5,048,341,000 (2017: HK$4,814,047,000), and the total of its revenue from other countries is HK$271,736,000 (2017: HK$279,985,000) for the year ended 31 December 2018.

The total of non-current assets other than financial asset at fair value through other comprehensive income/available-for-sale financial asset and deferred tax assets located in Hong Kong is HK$785,646,000 (2017: HK$784,820,000), and the total of these non-current assets located in other countries is HK$76,579,000 (2017: HK$88,552,000) as at 31 December 2018.

As of 31 December 2018, cake coupons related to contracts with customers is HK$169,173,000 (2017: HK$179,902,000). During the year, revenue recognised in the consolidated profit and loss account related to carried-forward cake coupons is HK$48,110,000 (2017: HK$31,471,000).

3. Expenses by nature

	2018 HK$'000	2017 HK$'000
Amortisation of lease premium for land	**1,230**	1,224
Auditor's remuneration		
Audit services	**2,080**	2,010
Non-audit services	**622**	723
Cost of inventories sold	**3,165,653**	3,091,353
Delivery charges	**91,663**	86,894
Depreciation of owned fixed assets	**73,829**	72,219
Depreciation of investment properties	**976**	969
Employee benefit expense	**908,028**	843,564
Losses on disposal of fixed assets	**3,652**	2,841
Gain on disposal of lease premium for land	**(2,947)**	-
Operating leases rental for land and buildings		
Minimum lease payment	**544,757**	520,074
Contingent lease payment	**4,967**	3,791
Utilities	**85,177**	82,537
Foreign exchange losses	**3,193**	799
Other expenses	**338,371**	310,352
Total cost of sales, store expenses, distribution costs and administrative expenses	**5,221,251**	5,019,350

4. Interest income

	2018 HK$'000	2017 HK$'000
Interest income on bank deposits	**2,355**	1,542

5. Income tax expenses

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for 2018 and 2017. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates prevailing in the countries in which the Group operates.

The amount of income tax expenses charged to the consolidated profit and loss account represents:

	2018	2017
	HK$'000	HK$'000
Current income tax		
Hong Kong profits tax	**25,783**	26,649
Overseas profits tax	**5,612**	6,120
Deferred income tax	**2,255**	1,056
	33,650	33,825

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of the home country of the Group as follows:

	2018	2017
	HK$'000	HK$'000
Profit before income tax	**216,853**	184,136
Calculated at a taxation rate of 16.5%	**35,781**	30,382
Effect of different taxation rates in other jurisdictions	**(1,172)**	(1,624)
Income not subject to taxation	**(2,700)**	(1,560)
Expenses not deductible for tax purposes	**3,073**	4,325
Tax losses not recognised	**2,138**	3,284
Reversal of previously recognised tax losses	**569**	-
Utilisation of tax losses previously not recognised	**(1,869)**	-
Over provision in prior year	**(2,170)**	(982)
	33,650	33,825

6. Earnings per share

The calculation of the Group's basic and diluted earnings per share is based on the profit attributable to shareholders of the Company for the corresponding year.

The basic earnings per share is based on the weighted average number of ordinary shares in issue during the corresponding year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options as dilutive potential ordinary shares. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2018	2017
	HK$'000	HK$'000
Profit attributable to shareholders of the Company	**183,203**	150,311

	Number of shares	Number of shares
Weighted average number of ordinary shares in issue	**762,508,913**	760,999,074
Adjustment for:		
Share options	**21,904**	53,345
Weighted average number of ordinary shares for diluted earnings per share	**762,530,817**	761,052,419

7. Dividends

	2018	2017
	HK$'000	HK$'000
Interim dividend, proposed of 5 HK cents (2017: 4 HK cents) per share	**38,127**	30,497
Final dividend, proposed of 17 HK cents (2017: 14 HK cents) per share	**129,630**	106,745
	167,757	137,242

At a meeting held on 13 March 2019, the Directors proposed a final dividend of 17 HK cents. This proposed dividend is not reflected as dividend payable in these consolidated financial statements.

8. Trade receivables

Majority of the Group's revenue are retail cash sales. The Group's credit terms on trade receivables on income from suppliers/customers mainly range from 30 days to 60 days. Trade receivables are non-interest bearing. The carrying amounts of trade receivables approximate their fair values. At 31 December 2018, the aging analysis by invoice date of trade receivables is as follows:

	2018 **HK$'000**	2017 HK$'000
0-30 days	**49,813**	59,460
31-60 days	**16,510**	7,829
61-90 days	**2,938**	6,972
Over 90 days	**4,678**	7,756
	73,939	82,017

9. Trade payables

At 31 December 2018, the aging analysis by invoice date of the trade payables is as follows:

	2018 **HK$'000**	2017 HK$'000
0-30 days	**424,278**	424,391
31-60 days	**146,618**	151,636
61-90 days	**60,915**	60,740
Over 90 days	**30,973**	32,943
	662,784	669,710

10. Event after the balance sheet date

On 1 March 2019, the Group completed the transactions with an independent third party for the sale of all rights, titles and interests attaching to FingerShopping.com including the brand name, goodwill, knowhow and the operating system platform and this disposal is expected to have an insignificant gain. After the transactions, the Group will be more focused on the existing core business operations and target to achieve next level of success.

Corporate Governance

The Board of Directors and management are committed to principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasise transparency, accountability and independence.

In order to enhance independence, accountability and responsibility, the role of the Chairman is separate from that of the Chief Executive Officer. Their respective responsibilities are clearly established and defined by the Board in writing.

The Board is responsible for setting the overall strategy of the Group and making decisions on major operational and financial matters as well as investments. The Board has established the following committees with defined terms of reference (available on the Company's corporate website), which are in line with the Corporate Governance Code (the "CG Code") and Corporate Governance Report contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"):

- Audit Committee
- Remuneration Committee
- Nomination Committee

All the committees comprise a majority of Independent Non-executive Directors. Each of the Audit Committee and Remuneration Committee is chaired by an Independent Non-executive Director, and the Nomination Committee is chaired by the Non-executive Chairman.

The Group Chief Compliance and Risk Management Officer is invited to attend all Board and committee meetings to advise on corporate governance matters covering risk management, internal controls and compliance issues relating to business operations, mergers and acquisitions, accounting and financial reporting.

Full details of the Company's corporate governance practices are set out in the Company's 2018 Annual Report.

Audit Committee

The Audit Committee met four times in 2018 (with an average attendance rate of 90%) to consider and review with senior management, the Company's internal auditor under the Corporate Governance Division ("CGD") and external auditor various matters as set out in the Audit Committee's terms of reference, which included the following:

- Independence of external auditor, their related terms of engagement and fees;

- The Group's accounting policies and practices, compliance with the Listing Rules and statutory requirements, connected transactions, risk management and internal control systems, policies and practices on corporate governance, treasury and financial reporting matters (including the annual and interim financial statements before recommending to the Board for approval);

- Adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, financial reporting and internal audit functions; and

- Audit plans, findings and reports of external auditor and CGD, as well as their effectiveness.

The Group's annual results for the year ended 31 December 2018 have been reviewed by the Audit Committee.

Directors' and Relevant Employees' Securities Transactions

The Group has adopted a Code for Securities Transactions (the "Securities Code") governing Directors' securities transactions in compliance with the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with the Securities Code.

Specific confirmation of compliance has been obtained from each Director and each relevant employee. No incident of non-compliance by Directors and relevant employees was noted by the Company in 2018.

Risk Management and Internal Control

The Board is responsible for the Group's risk management and internal control systems and for reviewing their effectiveness and adequacy with the assistance of the Audit Committee.

The Board has delegated to management the design, implementation and ongoing monitoring of the risk management and internal control systems. Qualified personnel throughout the Group maintain and monitor these systems on an ongoing basis.

The Audit Committee, with delegated authority from the Board and the assistance of CGD, conducted an annual review of the effectiveness and adequacy of the Group's risk management and internal control systems for the year ended 31 December 2018 which has been confirmed by senior management by the completion of an Internal Control Self-Assessment Checklist in each material business unit across the Group.

Based on the above and the assessment made by CGD, and also taking into account the results of the work conducted by the external auditor for the purpose of their audit, the Audit Committee considered that for the year ended 31 December 2018:

- The risk management and internal control systems, as well as accounting systems of the Group remained in place and were functioning effectively and adequately, and were designed to provide reasonable assurance that material assets were protected, business risks attributable to the Group were identified and monitored, material transactions were executed in accordance with the Group's policies under management's authorisation, and the financial statements were reliable for publication.

- There was an ongoing process for identifying, evaluating and managing the significant risks faced by the Group.

- The resources, staff qualifications and experience, training programmes and budget of the Group's accounting, financial reporting and internal audit functions were adequate.

Compliance with the Corporate Governance Code

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code throughout the year ended 31 December 2018.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year.

Final Dividend

The Board of Directors recommended to pay to the shareholders of the Company a final dividend of 17 HK cents (2017: 14 HK cents) per share for the year ended 31 December 2018. Together with the interim dividend of 5 HK cents (2017: 4 HK cents) per share paid by the Company on 13 September 2018, the proposed final dividend make a total dividend of 22 HK cents (2017: 18 HK cents) per share for the year.

It is a policy of the Company that, on an annual basis, the Company will distribute, as normal dividend, not less than 50% of the Group's net profit to the shareholders. The actual distribution percentage will be considered and determined by the Board based on the operating results, cash flow, financial position, business prospects, statutory and regulatory restrictions relating to dividend distributions and other factors the Board considers appropriate.

Annual General Meeting

The Annual General Meeting of the Company will be held at 4:00 p.m. on Thursday, 9 May 2019 at Ground Floor, Hong Kong Spinners Industrial Building, Phases I & II, 800 Cheung Sha Wan Road, Kowloon, Hong Kong. The Notice of Annual General Meeting will be published on the Company's website at *www.cr-asia.com* and HKExnews website at *www.hkexnews.hk*, and despatched to the shareholders of the Company shortly.

Record Dates and Closure of Register of Members

	Hong Kong Time
	2019
For determining shareholder's right to attend and vote at Annual General Meeting:	
Latest time to lodge transfer documents with share registrar *(note i)*	4:30 p.m., 3 May
Record Date *(note ii)*	3 May
For determining shareholder's entitlement to the proposed final dividend:	
Latest time to lodge transfer documents with share registrar *(note i)*	4:30 p.m., 15 May
Closure of Register of Members *(note iii)*	16 to 17 May (both days inclusive)
Record Date *(note ii)*	17 May
Expected despatch date of dividend warrants	28 May

Notes:

(i) To be eligible to attend and vote at the Annual General Meeting, and to be entitled to the final dividend, all transfers accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than the respective latest time mentioned above.

(ii) Shareholders who are eligible to attend and vote at the Annual General Meeting are those whose names appear on the Register of Members of the Company as at the close of business on Friday, 3 May 2019. Shareholders who are entitled to the final dividend are those whose names appear on the Register of Members of the Company as at the close of business on Friday, 17 May 2019.

(iii) No transfer of shares will be registered during the closure of Register of Members.

On behalf of the Board
Convenience Retail Asia Limited
Victor FUNG Kwok King
Chairman

Hong Kong, 13 March 2019

As at the date of this announcement, Executive Directors of the Company are Mr Richard Yeung Lap Bun and Mr Pak Chi Kin; Non-executive Directors are Dr Victor Fung Kwok King, Dr William Fung Kwok Lun, Mr Godfrey Ernest Scotchbrook and Mr Benedict Chang Yew Teck; Independent Non-executive Directors are Mr Malcolm Au Man Chung, Mr Anthony Lo Kai Yiu, Mr Zhang Hongyi and Dr Sarah Mary Liao Sau Tung.