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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold all your shares in Convenience Retail Asia Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



CONVENIENCE RETAIL ASIA LIMITED

利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08052)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at the Auditorium, 1st Floor, LiFung Tower, 888 Cheung Sha Wan Road, Kowloon, Hong Kong on Thursday, 5 May 2011 at 4:00 p.m. is set out on pages 11 to 14 of this circular. Whether or not you are able to attend the Annual General Meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong, as soon as possible and in any event, not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

This circular, for which the directors (“Directors”) of Convenience Retail Asia Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for 7 days from the date of its posting and on the website of the Company at www.cr-asia.com.

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company for the year ended 31 December 2010 to be held at the Auditorium, 1st Floor, LiFung Tower, 888 Cheung Sha Wan Road, Kowloon, Hong Kong on Thursday, 5 May 2011 at 4:00 p.m., notice of which is set out on pages 11 to 14 of this circular
“Board”	the board of Directors or a duly authorised committee thereof
“Company”	Convenience Retail Asia Limited
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22 March 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited



CONVENIENCE RETAIL ASIA LIMITED

利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08052)

Executive Directors:

Richard YEUNG Lap Bun (*Chief Executive Officer*)

PAK Chi Kin (*Chief Operating Officer*)

Non-executive Directors:

Dr. Victor FUNG Kwok King (*Chairman*)

Dr. William FUNG Kwok Lun

Godfrey Ernest SCOTCHBROOK

Jeremy Paul Egerton HOBBS

Louisa WONG Yuk Nor

Independent non-executive Directors:

Dr. Raymond CH'IEN Kuo Fung

Malcolm AU Man Chung

Anthony LO Kai Yiu

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Principal Place of Business:

5th Floor

LiFung Tower

888 Cheung Sha Wan Road

Kowloon

Hong Kong

24 March 2011

To Shareholders of the Company

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

THE GENERAL MANDATES

At the annual general meeting of the Company held on 10 May 2010, general and unconditional mandates were given to the Directors of the Company to:

- (a) allot, issue and deal with Shares of the Company not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at 10 May 2010;

LETTER FROM THE CHAIRMAN

- (b) repurchase Shares not exceeding 10% of the aggregate nominal value of the Shares of the Company in issue as at 10 May 2010; and
- (c) add to the general mandate to the Directors to allot, issue and deal with additional Shares set out in (a) above the number of Shares repurchased by the Company pursuant to the repurchase mandate set out in (b) above.

These general mandates will expire at the conclusion of the AGM to be held on 5 May 2011.

Approval is being sought from the Shareholders to grant a general mandate (the “General Mandate”) to the Directors to exercise the powers of the Company to allot, issue, and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the passing of the relevant resolution to be proposed at the AGM and adding to the General Mandate the number of Shares repurchased by the Company pursuant to the Repurchase Mandate (as defined below).

In addition, an ordinary resolution will be proposed at the AGM to approve the grant of a general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant resolution (the “Repurchase Mandate”).

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the Repurchase Mandate and pursuant to the GEM Listing Rules, in particular Rule 13.08, is set out in the Schedule to this letter. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Resolution 3 as contained in the notice convening the AGM relates to re-election of Directors. Mr. Pak Chi Kin (appointed on 10 March 2011) and Dr. Victor Fung Kwok King and Mr. Malcolm Au Man Chung (by rotation) will retire at the AGM pursuant to the Company’s Articles of Association and the Code on Corporate Governance Practices, and being eligible, will offer themselves for re-election. The re-election of Directors will individually be voted on by Shareholders.

Mr. Pak Chi Kin, Dr. Victor Fung Kwok King and Mr. Malcolm Au Man Chung have not entered into any service contract with the Company or any of its subsidiaries. Each Director of the Company is entitled to a director’s fee in such an amount as determined by the Board and approved by the Shareholders from time to time with reference to the range of remuneration of other companies listed on GEM with similar market capitalisation, pro rata to the period during which he/she has held office. For the year ended 31 December 2010, each executive and non-executive Director was paid a director’s fee of HK\$110,000 and each independent non-executive Director was paid a director’s fee of HK\$130,000, and an additional fee of HK\$50,000 was paid for serving as a member of each of the committees. Chairman of each of the committees was further paid an additional fee of HK\$60,000.

LETTER FROM THE CHAIRMAN

We set out below the biographical details of the retiring Directors:

Pak Chi Kin

Mr. Pak, aged 52, has over 20 years of experience in the retailing and food distribution business. He is currently the Chief Operating Officer of the Group responsible for overseeing the Circle K operations of Hong Kong and providing strategic guidance, leadership support and advice to the operations of the Group jointly with the Chief Executive Officer. Prior to joining the Group in May 1999, Mr. Pak was the senior manager at HAVI Food Services Group in charge of the distribution of food products and logistics services to McDonald's Restaurants. Mr. Pak graduated from the University of Hong Kong with a Bachelor's degree of Science in Engineering, and also holds a Master's degree of Science in Engineering from the University of Hong Kong. Mr. Pak is a member of the executive committee of the Hong Kong Retail Management Association and also a member of the Retail Industry Training Advisory Committee – Qualifications Framework.

Apart from serving as director of certain subsidiaries of the Group, Mr. Pak does not hold any other position with the Group and save as disclosed above, does not hold any directorships in any other listed public companies in Hong Kong or overseas in the last three years and has no other relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

Pursuant to the term of his employment, Mr. Pak is entitled to a basic salary and other benefits in kind in the total sum of about HK\$2.05 million per annum. He will also be paid an incentive bonus, the computation of which is based on the Company's consolidated profit before tax and may, at the discretion of the Board, be also granted share options pursuant to the share option schemes as part of the remuneration package. The remuneration of Mr. Pak is determined on the basis of his relevant experience, responsibility and contribution to the business development of the Group.

Mr. Pak is interested in 800,000 Shares and share option with the right to subscribe for 2,900,000 Shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

Save as disclosed above, there is no other information which needs to be disclosed pursuant to Rule 17.50(2) subparagraphs (h) to (v) of GEM Listing Rules nor is there any other matters which needs to be brought to the attention of the Shareholders.

Dr. Victor Fung Kwok King

Dr. Fung, aged 65, brother of Dr. William Fung Kwok Lun, has been a non-executive Director of the Company since January 2001. Dr. Fung is Group Chairman of the Li & Fung group of companies including Hong Kong publicly listed Li & Fung Limited, Trinity Limited, the Company and the formerly listed Integrated Distribution Services Group Limited (which was privatised in October 2010). He is also a director of King Lun Holdings Limited, Li & Fung (1937) Limited and Li & Fung (Retailing) Limited (substantial Shareholders of the Company). Dr. Fung holds Bachelor and Master degrees in Electrical Engineering from the Massachusetts Institute of Technology, and a Doctorate in Business Economics from Harvard University. Dr. Fung is an independent non-executive director of BOC Hong Kong (Holdings) Limited in Hong Kong and Baosteel Group Corporation in the People's Republic of China. Formerly, he was an independent non-executive director of Orient Overseas (International) Limited from July 1996 to April 2009, a non-executive director of Hup Soon Global Corporation Limited from April 2007 to April 2009 and also an independent non-executive director of CapitaLand Limited from May 2005 to April 2010. In public service,

LETTER FROM THE CHAIRMAN

Dr. Fung became Honorary Chairman of the International Chamber of Commerce in July 2010 following two years as its Chairman. He is also Chairman of the Greater Pearl River Delta Business Council, a member of the Chinese People's Political Consultative Conference, a member of the Commission on Strategic Development of the Hong Kong Government, and a vice chairman of China Centre for International Economic Exchanges. From 1991 to 2000, Dr. Fung was Chairman of the Hong Kong Trade Development Council and from 1996 to 2003, he was the Hong Kong representative on the APEC Business Advisory Council. He was Chairman of the Hong Kong Airport Authority from June 1999 to May 2008, Chairman of The Council of The Hong Kong University from September 2001 to November 2009 and Chairman of the Hong Kong – Japan Business Co-operation Committee from September 2004 to September 2010. In 2003 and 2010, the Hong Kong Government awarded Dr. Fung the Gold Bauhinia Star and the Grand Bauhinia Medal respectively for his distinguished service to the community.

Save as disclosed above, Dr. Fung does not hold any other position with the Group nor hold any directorships in other listed public companies in Hong Kong or overseas in the last three years and has no other relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

The interests of Dr. Fung in the securities of the Company are provided in the 2010 Annual Report of the Company sent to the Shareholders together with this circular in the section – “Directors’ Report – Interests and short positions of Directors in the shares, underlying shares and debentures of the Company and certain major associated corporations”.

Save as disclosed above, there is no other information which needs to be disclosed pursuant to Rule 17.50(2) sub-paragraphs (h) to (v) of GEM Listing Rules nor is there any other matters which needs to be brought to the attention of the Shareholders.

Malcolm Au Man Chung

Mr. Au, aged 61, is an independent non-executive Director of the Company since January 2001. Mr. Au holds a Bachelor of Science degree in Chemical Engineering and a Master of Science degree in Food Science both from the University of Wisconsin, USA and a Master of Business Administration degree from the University of Toronto, Canada. Mr. Au is also a non-executive director of China-Hongkong Photo Products Holdings Limited, a listed company in Hong Kong and Eu Yan Sang International, a listed company in Singapore.

Save as disclosed above, Mr. Au does not hold any other position with the Group nor hold any directorships in any other listed public companies in Hong Kong or overseas in the last three years and has no other relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

Mr. Au does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Future Ordinance.

Save as disclosed above, there is no other information which needs to be disclosed pursuant to Rule 17.50(2) sub-paragraphs (h) to (v) of GEM Listing Rules nor is there any other matters which needs to be brought to the attention of the Shareholders.

LETTER FROM THE CHAIRMAN

FINAL DIVIDEND

The Board has recommended a final dividend of 8.5 HK cents per Share subject to Shareholders' approval at the AGM.

The Register of Members of the Company will be closed from 1 May 2011 to 5 May 2011 (both days inclusive) during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 29 April 2011.

THE ANNUAL GENERAL MEETING

The following are the details of the AGM:

Date : 5 May 2011

Time : 4:00 p.m.

Venue : Auditorium, 1st Floor, LiFung Tower, 888 Cheung Sha Wan Road, Kowloon, Hong Kong

The notice convening the AGM is set out on pages 11 to 14 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the branch share registrar of the Company, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM. The completion of a form of proxy will not preclude you from attending and voting at the AGM in person.

In order to enhance Shareholder's rights as well as to comply with the requirements of the GEM Listing Rules that any vote of shareholders at a general meeting of a listed issuer must be taken by poll, the Chairman will demand a poll, pursuant to Article 66 of the Company's Articles of Association, on each of the questions submitted for determination at the AGM. The results of the poll will be published on the Company's and the Stock Exchange's websites on the business day following the AGM.

RECOMMENDATION

The Directors are of the opinion that the grant of the General Mandate and the Repurchase Mandate, the re-election of retiring Directors and the final dividend as referred to in this circular are in the best interests of the Company and the Shareholders and recommend you to vote in favour of all the resolutions to be proposed at the AGM.

On behalf of the Board
Victor FUNG Kwok King
Chairman

SCHEDULE TO LETTER FROM CHAIRMAN

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM authorising the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules which is set out as follows:

1. REGULATIONS OF THE GEM LISTING RULES

(a) Shareholders' approval

All repurchase of securities on the GEM by a company with its primary listing on the GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

(b) Source of funds

Any repurchase must be financed out of funds legally available for the purpose in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

(c) Trading restrictions

The shares to be repurchased by a company must be fully paid up. A company is authorised to repurchase on the GEM or on any other stock exchange recognised for this purpose by the Securities and Futures Commission in Hong Kong and the Stock Exchange the total number of shares which represents up to a maximum of 10% of the existing issued share capital of that company and warrants to subscribe for or purchase shares in the company representing up to 10% of the amount of warrants outstanding at the date of the passing of the relevant resolution granting the repurchase mandate. A company may not issue or announce a proposed issue of new securities of the type that has been repurchased for a period of 30 days immediately following a repurchase of securities whether on the GEM or otherwise (except pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. A company is also prohibited from making securities repurchases on the GEM if the result of the repurchase would be that the number of that company's listed securities which are in the hands of the public would fall below the relevant prescribed minimum percentage for that company as determined by the Stock Exchange. A company shall not purchase its shares on the GEM if the purchase price is higher by 5% or more than the average closing market price for the 5 preceding trading days on which its shares were traded on the GEM.

(d) Status of repurchased securities

The listing of all repurchased securities (whether on the GEM or otherwise) is automatically cancelled and the relative certificates must be cancelled and destroyed. Under Cayman Islands laws, a company's repurchased shares shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate nominal value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

SCHEDULE TO LETTER FROM CHAIRMAN

(e) Suspension of repurchase

A company shall not purchase its own securities after a price-sensitive development has occurred or has been the subject of a decision until the price-sensitive information is made publicly available. In particular, during the period of one month immediately preceding either the announcement of a company's annual or half-yearly or quarterly results, the company may not purchase its securities on the GEM unless the circumstances are exceptional. In addition, the Stock Exchange may prohibit repurchases of securities on the GEM if a company has breached the GEM Listing Rules.

(f) Reporting requirements

Repurchases of securities on the GEM or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which a company makes a repurchase of shares. In addition, a company's annual report and accounts are required to include a monthly breakdown of securities repurchases made during the financial year under review, showing the number of securities repurchased each month (whether on the GEM or otherwise), the purchase price per share or the highest and lowest prices paid for all such repurchases and the total price paid. The directors' report is also required to contain reference to the purchases made during the year and the directors' reasons for making such purchases. The company shall make arrangements with its broker who effects any such purchase to provide to the company in a timely fashion the necessary information in relation to the purchase made on behalf of the company to enable the company to report to the Stock Exchange. A company shall procure that any broker appointed by it to effect the purchase of securities shall disclose to the Stock Exchange such information with respect to purchases made on behalf of the company as the Stock Exchange may request.

(g) Connected persons

Under the GEM Listing Rules, a company shall not knowingly purchase shares from a connected person (as defined under the GEM Listing Rules) and a connected person shall not knowingly sell his shares to the company.

2. EXERCISE OF THE REPURCHASE MANDATE

Exercise in full of the Repurchase Mandate, if approved, on the basis of 731,761,974 Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue before the date of passing Resolution No. 6 as set out in the notice of the AGM, could result in up to 73,176,197 Shares being repurchased by the Company during the period from the passing of Resolution No. 6 up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

SCHEDULE TO LETTER FROM CHAIRMAN

3. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the applicable laws of the Cayman Islands. The Company may not purchase its own securities on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

5. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2010 Annual Report of the Company) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the Memorandum and Articles of Association of the Company and the applicable laws of the Cayman Islands.

7. THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Code"). As a result, a Shareholder, or a group of Shareholders acting in concert (within that term's meaning under the Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, Li & Fung (Retailing) Limited, which is a substantial Shareholder of the Company held approximately 51.07% of the Shares issued by the Company. In the event that the Directors exercised in full the power to repurchase Shares in accordance with the terms of the ordinary resolution to be proposed at the AGM, the total interests of Li & Fung (Retailing) Limited in the Shares would be increased to approximately 56.74% of the issued Shares and they would not be obliged to make a mandatory offer under Rule 26 of the Takeovers Code in this respect.

Saved as disclosed above, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases of Shares.

SCHEDULE TO LETTER FROM CHAIRMAN

8. SHARE PURCHASE MADE BY THE COMPANY

No purchases of Shares have been made by the Company since the granting of the repurchase mandate on 10 May 2010, whether on the Stock Exchange or otherwise.

9. CONNECTED PERSON

As at the Latest Practicable Date and to the best of the knowledge of the Directors having made all reasonable enquiries, none of the Directors or their respective associates (as defined in the GEM Listing Rules) has a present intention or has undertaken not, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

As at the Latest Practicable Date, no connected person (as defined in the GEM Listing Rules) has notified the Company that it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

10. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the GEM during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2010		
March	2.05	1.84
April	2.00	1.87
May	2.00	1.82
June	2.10	1.88
July	2.60	2.03
August	2.71	2.36
September	3.30	2.57
October	3.35	2.98
November	3.30	2.86
December	3.24	3.12
2011		
January	3.20	3.00
February	3.17	2.80
March (up to 22 March)	3.35	2.80



CONVENIENCE RETAIL ASIA LIMITED

利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08052)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Convenience Retail Asia Limited (the “Company”) will be held at the Auditorium, 1st Floor, LiFung Tower, 888 Cheung Sha Wan Road, Kowloon, Hong Kong on Thursday, 5 May 2011 at 4:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the Directors and the Auditor of the Company and its subsidiaries for the year ended 31 December 2010.
2. To declare a final dividend in respect of the year ended 31 December 2010.
3. To re-elect the following Directors:
 - (a) Dr. Victor Fung Kwok King;
 - (b) Mr. Malcolm Au Man Chung; and
 - (c) Mr. Pak Chi Kin.
4. To re-appoint Auditor and authorise the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this Resolution, and pursuant to the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the Directors of the Company during the Relevant Period (as herein after defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of options under any share option schemes adopted by the Company or similar arrangement for the time being adopted by the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the Articles of Association of the Company in force from time to time; or (iv) the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution, and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (d) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association of the Company, or any other applicable laws of the Cayman Islands, to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase its shares on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited or any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for such purpose, in accordance with the rules and regulations of the Securities and Futures Commission, The Stock Exchange of Hong Kong Limited and any such other stock exchange from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association of the Company, or any other applicable laws of Cayman Islands, to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

7. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“**THAT** conditional upon Resolutions 5 and 6 set out above being duly passed, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with shares pursuant to Resolution 5 be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 6, provided that such an amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution.”

On behalf of the Board
Victor FUNG Kwok King
Chairman

Hong Kong, 24 March 2011

Principal Place of Business:

5th Floor
LiFung Tower
888 Cheung Sha Wan Road
Kowloon
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint a person or persons as his proxy or proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of that power of attorney or authority, must be deposited with the Company's Hong Kong branch share registrar, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting, and in default thereof the form of proxy shall not be treated as valid. No instrument appointing a proxy shall be deposited using electronic means. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting, and in such event the instrument appointing a proxy shall be deemed to be revoked.