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## **Convenience Retail Asia Limited**

**利亞零售有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

### **CLARIFICATION IN RELATION TO PRESS REPORTING ON 2000 RESULTS**

This announcement is to clarify statements made in the press articles appearing in the newspapers on 15th March, 2001. The Company emphasized that statements made in relation to profit estimates do not constitute a formal profit estimate prepared by the Company and should not be used as a basis for making investment decisions regarding the securities of the Company.

This announcement is made at the request of Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The directors (the "Directors") of Convenience Retail Asia Limited (the "Company") note that after the press conference on results announcement for the year ended 31st December, 2000 held on 14th March, 2001, several press articles appearing in the newspapers on 15th March, 2001, reporting, among other things, the Directors had made statements about the following:

- (a) there will be a two-digits increase in the Company's profit in 2001;
- (b) the Company's accumulated losses are approximately HK\$170 million which will be fully eliminated in 2003 and the Company will then start to pay dividend; and
- (c) the first year loss of the Company's operations in the PRC will be RMB13 million, the second year loss will be RMB8 million and it will be breakeven in the third year ("PRC Result Forecast").

The Directors would like to clarify that:

- (a) the two-digits increase in the Company's profit in 2001 was misquoted in the newspapers and the Directors had not made any forecast about the Company's profitability;
- (b) the timing for the payment of dividend was misquoted in the newspapers and the Company has not set and disclosed a specific target date for the payment of dividend; and
- (c) the PRC Result Forecast was made by the Director as a priority objective to be achieved by the Company and is based on management estimate which has not been reviewed by the Company's auditors and financial adviser and is only related to the Company's proposed operation in the PRC. There can be no assurance that those estimates will be achieved.

The Company emphasized that such estimates do not constitute a formal profit estimate prepared by the Company and should not be used as a basis for making investment decisions regarding the securities of the Company.

**Shareholders of the Company and investors are advised to exercise caution when dealing in the Company's shares.**

The statement is made by the order of the board of directors of the Company which individually and jointly accepted responsibility for the accuracy of this statement.

On behalf of the Board  
**Yeung Lap Bun, Richard**  
*Director*

Hong Kong, 15th March, 2001

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the GEM website on the "Latest Company Announcements" page for 7 days from the day of its posting and will also be available from the Company's website at [www.cr-asia.com](http://www.cr-asia.com).*