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Convenience Retail Asia Limited

利亞零售有限公司

(Incorporated in the Cayman Islands with limited liability)

PROCEDURES FOR DISSEMINATION OF CORPORATE COMMUNICATIONS USING ELECTRONIC MEANS

Reference is made to the announcement of the Company dated 3rd April 2001 on the proposed changes of the Articles to allow, inter alia, for dissemination of Corporate Communications using electronic means.

The Exchange has granted an approval to the Company from strict compliance with the requirement under Rule 16.04(2) to allow the Company to disseminate listing documents, annual reports and accounts, half-year and quarterly reports and circulars to shareholders using electronic means.

The waiver is granted subject to the conditions, that (i) the Company would follow the procedures regarding dissemination of Corporate Communications to shareholders using electronic means as set out in this announcement and (ii) the amendments to the Articles allowing the Company to disseminate Corporate Communications using electronic means be approved by the shareholders of the Company at the EGM.

On 26th April 2001, the said amendments to the Articles have been approved by the shareholders of the Company at the EGM.

INTRODUCTION

As announced on 3rd April 2001, the Company has applied to the Exchange for a waiver from the requirements of the GEM Listing Rules to publish Corporate Communications and, where applicable, to send them to holders of its securities, in printed form. Approval has been granted from the Exchange from strict compliance with the requirement under Rule 16.04(2) to allow the Company to disseminate Corporate Communications to shareholders using electronic means.

The waiver is granted subject to the conditions that (i) the Company will follow the procedures regarding dissemination of Corporate Communications to shareholders using electronic means as set out below and (ii) the amendments to the Articles allowing the Company to disseminate Corporate Communications using electronic means be approved by the shareholders of the Company at the EGM.

On 26th April 2001, the said amendments to the Articles have been approved by the shareholders of the Company at the EGM.

PROCEDURES FOR DISSEMINATION OF CORPORATE COMMUNICATIONS

In order for the Company to disseminate Corporate Communications using electronic means, the Company must first receive from the relevant holder of securities a definite confirmation that the holder wants to receive or have made available to the holder the Corporate Communications using the methods the Company has suggested. The procedures for obtaining such definite confirmation are as follow:

1. A letter together with a pre-paid reply form, prepared in English and Chinese, will be sent by the Company to the shareholders inviting them to agree to access the Corporate Communications on a website (instead of such Corporate Communications being sent to them physically). The consequential arrangement will be clearly explained in the letter if no reply is received from such shareholder after 21 days from the date the letter is sent;
2. If no reply is received on or before the 21st date after the letter is sent, Corporate Communications will not be delivered to the shareholder by electronic means but will be delivered to the shareholder in such other manner as required under the GEM Listing Rules and the Articles;
3. If the shareholder confirms the acceptance of such arrangement, notice will be sent to him by electronic mail, from time to time, of (a) the publication of the Corporate Communications on the website; (b) the address and the hyperlink of the website; and (c) the place on that website where the Corporate Communications can be accessed or downloaded, and how it may be downloaded. If the Company is aware that there has been a failure of delivery of such notice following at least two attempts, the relevant Corporate Communications will be sent to the registered address of the shareholders by post. In this regard, the relevant Corporate Communications are deemed to have been served twenty four hours from the despatch of the original notice;
4. When a shareholder ceases to be a shareholder of the Company, the confirmation given previously will be revoked automatically;
5. The letter will be sent by the share registrar to new shareholders at the end of each month as recorded in the Company's share registrar to invite them to agree to access the relevant Corporate Communication on a website. If no reply is received on or before the 21st date after the letter is sent or no reply is received 2 business days before the despatch date of the relevant Corporate Communications, the relevant physical Corporate Communications will be delivered to the new shareholders in such manner as required under the GEM Listing Rules and the Articles.

The Directors proposed to seek confirmation from its shareholders if they want to receive Corporate Communications as well as proxy forms and notices of meetings via electronic means. The letter seeking such confirmation from the shareholders and containing further details of the arrangement in items (1) to (5) above is expected to be sent to the shareholders together with the Company's 2001 first quarterly report in due course.

Once a shareholder has agreed to receive Corporate Communications as well as proxy forms and notices of meetings via electronic means, the Company will not disseminate any of such documents to the shareholder physically in printed form unless in the case of a delivery failure of the Publication Notice mentioned in item 3 above. A shareholder can terminate the arrangement to receive Corporate Communications as well as proxy forms and notices of meetings via electronic means or to change the e-mail address for receiving the Publication Notice by giving definite instruction to the Company in writing. Such instruction must be lodged with the Company's Hong Kong branch share registrar for the time being and shall not take effect until five business days after the instruction is so lodged. A form of notice of instruction for use will be attached as an appendix to the letter to be sent to the shareholders and will be made available on the Company's website at www.cr-asia.com. Details of these arrangements will be contained in the letter to be sent to the shareholders and the Publication Notice.

Terms used in this announcement has the following meanings:

“Articles”	articles of association of the Company
“Company”	Convenience Retail Asia Limited
“Corporate Communications”	listing documents, annual reports and accounts, half-year and quarterly reports and circulars as required under the GEM Listing Rules
“Directors”	directors for the time being of the Company
“EGM”	Extraordinary general meeting of the Company held at the Auditorium, LiFung Centre, 2 On Ping Street, Siu Lek Yuen, Shatin, New Territories, on Thursday on 26th April 2001
“Exchange”	The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	Rules Governing the Listing of Securities on the Growth Enterprise Market of the Exchange
“Publication Notice”	the notice referred to in item 3 of this announcement

By Order of the Board
Convenience Retail Asia Limited
Yeung Lap Bun, Richard
Director

Hong Kong, 26th April 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 be available from the GEM website and the Company's website at www.cr-asia.com. This announcement will remain on the GEM website on the "Latest Company Announcements" page for 7 days from day of its posting.