



Convenience Retail Asia to sell 340 Circle K stores to Alimentation Couche-Tard – the owner of the Circle K brand

- CRA will continue to operate Saint Honore cake and Zoff eyewear shops and remain listed on HKEX
- Company intends to declare a Special Cash Dividend of HK\$3.85 per share

Hong Kong, 5 November 2020 – Convenience Retail Asia Limited (“CRA” or “the Company;” SEHK: 831), operator of Circle K convenience stores in Hong Kong, Saint Honore Cake Shops in Hong Kong, Macau and Guangzhou, and Zoff eyewear stores in Hong Kong, today announced it has signed a Sale and Purchase Agreement to sell its Circle K convenience store business in Hong Kong (“Circle K”) to Alimentation Couche-Tard Inc. (“ACT” or “Couche-Tard”; TSX: ATD.A), a global leader in the convenience retailing and owner of the Circle K brand, for an estimated cash consideration of HK\$2.8 billion. Upon completion, CRA intends to declare a Special Cash Dividend of HK\$3.85 per Share.

Circle K began operating in Hong Kong in 1985 and are managed by CRA, which under a franchise agreement with Couche-Tard, holds the exclusive right to the use of the Circle K brand in Hong Kong. Presently there are 340 stores in Hong Kong. Separately, CRA owns the Saint Honore brand name, under which it operates 125 cake shops in Hong Kong, Macau and Guangzhou; and the franchise for Zoff – Japan’s leading eyewear chain. There are 11 Zoff stores in Hong Kong. In September 2020, CRA obtained the franchise license to operate Mon cher – one of Japan’s most popular patisserie and cake brands – best known for its Dojima cream rolls. Its first location is in the Sogo Department store in Causeway Bay.

Victor Fung, Chairman of CRA, said, “The Board fully endorses the sale of Circle K to our long-term partner and franchisor, Couche-Tard, and believes the transaction delivers immediate and ongoing benefits to stakeholders. Through the special cash dividend, investors will realise substantial value from their shareholding while continuing to be invested in CRA’s remaining businesses. Going forward, CRA will concentrate on its strategic transformation as a leading high quality specialty retailer with a sharpened focus on our bakery and eyewear businesses in Hong Kong and on expanding to the Greater Bay Area. We will continue to harness our strong retailing knowledge, operational and service excellence and proven online-to-offline omnichannel business models to achieve sustainable long-term growth.”

利亞零售有限公司

CONVENIENCE RETAIL ASIA LIMITED

(incorporated in Cayman Islands with limited liability)

Registered Office: P.O. Box 10008, Willow House, Cricket Square, Grand Cayman KY1-1001, Cayman Islands

Principal Place of Business in Hong Kong: 15/F, LiFung Centre, 2 On Ping Street, Siu Lek Yuen, Shatin, New Territories, Hong Kong

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www.cr-asia.com

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Richard Yeung, CEO of CRA added, "We are very pleased to have reached this agreement with Couche-Tard. Having the brand owner directly involved in the business will create new opportunities for the brand and our staff. I am grateful to the management and employees of the Circle K business for their dedication over the past decades and am excited that they will be joining a multinational industry leader who shares our commitment to serving the local community."

Alain Bouchard, Founder and Chairman of Couche-Tard's Board of Directors said: "I have followed Circle K Hong Kong's progress closely for decades and deeply admire its leadership team and retail expertise. I look forward to welcoming their team members and stores into the Couche-Tard family and have no doubt that together we can reach millions more customers in Hong Kong and across Asia as we move forward in our journey to become the world's preferred destination for convenience and fuel."

Brian Hannasch, President and CEO of Couche-Tard, commented, "We are very pleased to welcome team members of Circle K Hong Kong into our global network. With our growing global footprint, we offer an exciting opportunity for the Hong Kong team to join a larger platform to grow and build their careers. We would like to thank Convenience Retail Asia for nurturing the Circle K brand in the region over the past 30 years. This marks a great opportunity for us to leverage Circle K Hong Kong as the platform for our growth ambitions in Asia."

The Agreement is subject to approval of CRA shareholders.

CRA website: www.cr-asia.com

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About CRA

About CRA Convenience Retail Asia Limited (CRA, SEHK stock code: 00831), a member of Fung Retailing Group, is principally engaged in the operation of the Circle K convenience store, Saint Honore Cake Shop and Zoff eyewear chains in Southern China, including Hong Kong, Macau and Guangzhou. As at 30 June 2020, there were a total of 33 Circle K stores outside Hong Kong.

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In addition to the 340 stores in Hong Kong, the Group operates a total of 373 Circle K stores in Southern China. Together with the Saint Honore chain, which currently has a total of 125 stores in Hong Kong, Macau and Guangzhou; and 11 Zoff eyewear stores in Hong Kong, the Group operates a total store network of 509 outlets

About Alimentation Couche-Tard Inc. ("ACT" or "Couche-Tard"; TSX: ATD.A)

Couche-Tard is the leader in the Canadian convenience store industry. In the United States, it is the largest independent convenience store operator in terms of the number of company-operated stores. In Europe, Couche-Tard is a leader in convenience store and road transportation fuel retail in the Scandinavian countries (Norway, Sweden and Denmark), in the Baltic countries (Estonia, Latvia and Lithuania), as well as in Ireland, and has an important presence in Poland.

As of July 19, 2020, Couche-Tard's network comprised 9,274 convenience stores throughout North America, including 8,088 stores with road transportation fuel dispensing. Its North American network consists of 18 business units, including 14 in the United States covering 47 states and 4 in Canada covering all 10 provinces. Approximately 109,000 people are employed throughout its network and at its service offices in North America.

In Europe, Couche-Tard operates a broad retail network across Scandinavia, Ireland, Poland, the Baltics and Russia through 10 business units. As of July 19, 2020, Couche-Tard's network comprised 2,714 stores, the majority of which offer road transportation fuel and convenience products while the others are unmanned automated fuel stations which only offer road transportation fuel. Couche-Tard also offers other products, including aviation fuel and energy for stationary engines. Including employees at branded franchise stores, approximately 22,000 people work in its retail network, terminals and service offices across Europe.

In addition, under licensing agreements, close to 2,350 stores are operated under the Circle K banner in 15 other countries and territories (Cambodia, Egypt, Guam, Guatemala, Honduras, Hong Kong, Indonesia, Jamaica, Macau, Mexico, Mongolia, New Zealand, Saudi Arabia, the United Arab Emirates and Vietnam), which brings the worldwide total network to close to 14,350 stores.

For more information on Alimentation Couche-Tard Inc. or to consult its Unaudited Interim Condensed Consolidated Financial Statements and Management Discussion and Analysis, please visit: <https://corpo.couche-tard.com>.

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