



Convenience Retail Asia Limited 2021 Annual Results Announcement

17 March 2022



Zoff

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At The Start Of 2021

- Just completed the divestment of Circle K Convenience Store business
- Recorded HK\$3.1 billion net profit for 2020
- Paid back almost all net profit/ gain to investors
- Saint Honore, Zoff and Patisserie Mon cher brands with turnover of HK\$1.1 billion & net profit of HK\$61 million, market capitalization of about HK\$570 million
- Smaller yet more focused, more agile, more opportunities for faster growth in the coming years

CRA Focus For 2021

1. Smooth transition after divestment of Circle K
2. Be prepared for the COVID-19 disruptions
3. Scale up remaining brands faster
4. Prepare for expansion in the GBA
5. Expedite growth of stores network and online CRM platform

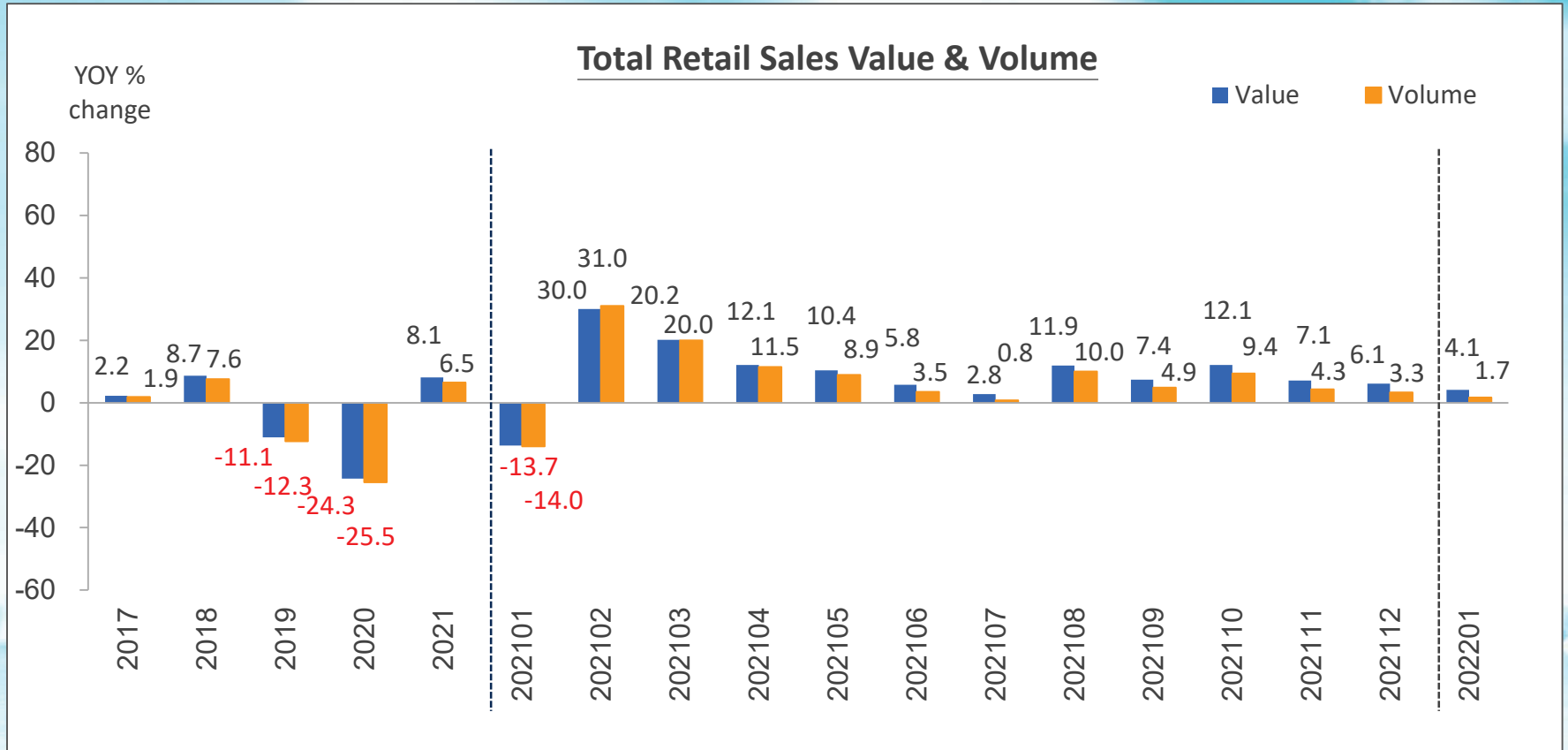
Agenda

- 2021 Hong Kong Retail Market Key Highlight
- 2021 Operations & Financial Results Highlight
- 2022 Outlook
- Questions & Answers



HONG KONG RETAIL MARKET KEY HIGHLIGHT

2021 Hong Kong Retail Sales

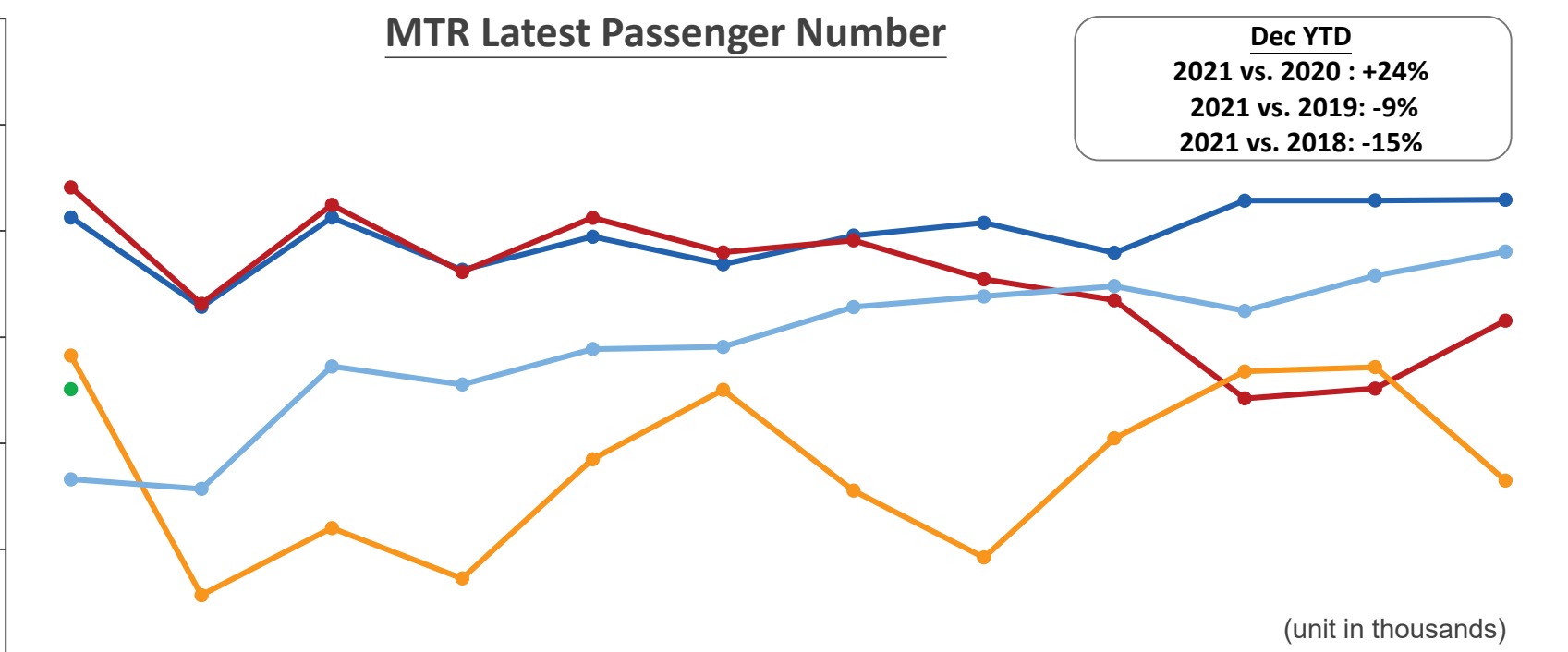


Source: Census & Statistics Department HKSAR

MTR Latest Passenger Number

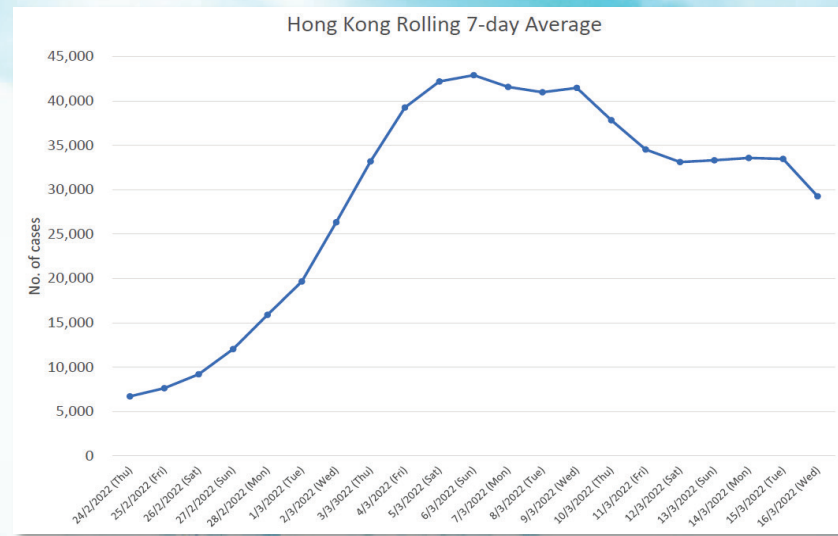
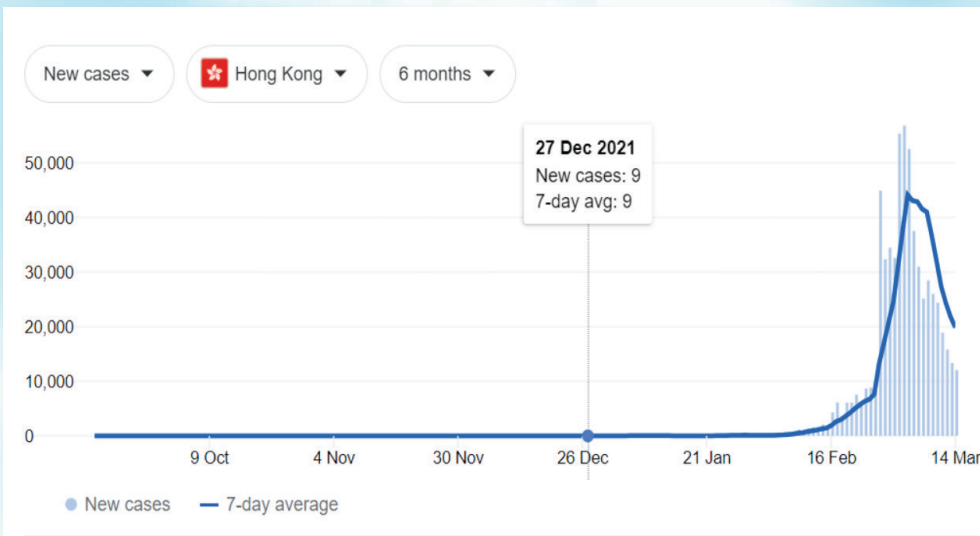
Dec YTD
2021 vs. 2020 : +24%
2021 vs. 2019: -9%
2021 vs. 2018: -15%

180,000
 160,000
 140,000
 120,000
 100,000
 80,000
 60,000



	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Year 2018	142,553	125,706	142,521	132,659	138,914	133,724	139,117	141,531	135,896	145,708	145,747	145,896
Year 2019	148,219	126,288	144,919	132,315	142,502	135,990	138,219	130,922	126,948	108,456	110,311	123,107
Year 2020	116,523	71,405	84,048	74,543	97,001	110,061	91,097	78,520	100,948	113,558	114,346	92,985
Year 2021	93,236	91,409	114,487	111,075	117,755	118,153	125,666	127,696	129,596	124,953	131,602	136,110
Year 2022	110,197											

Hong Kong 7-day Moving Average of COVID-19 Confirmed Cases



**Included COVID-19 cases reported from PCR tests*

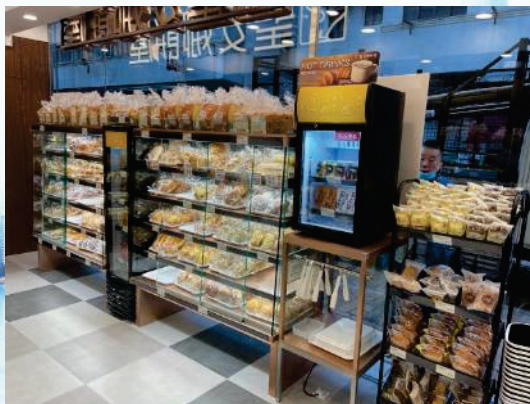
**Included COVID-19 cases reported from PCR & RAT tests*

Source: HK Centre for Health Protection Website



The 100th Saint Honore Store in Hong Kong

100th Saint Honore Store in Tin Wan
opened on 30 Dec 2021





Modern & Warm 5G Stores

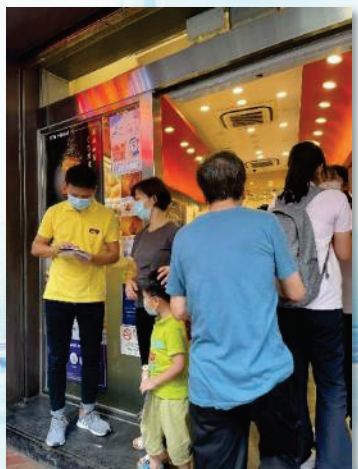
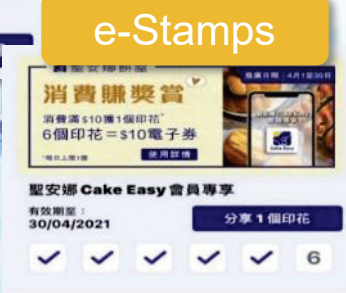




Cake Easy exceeded 1,000,000 members

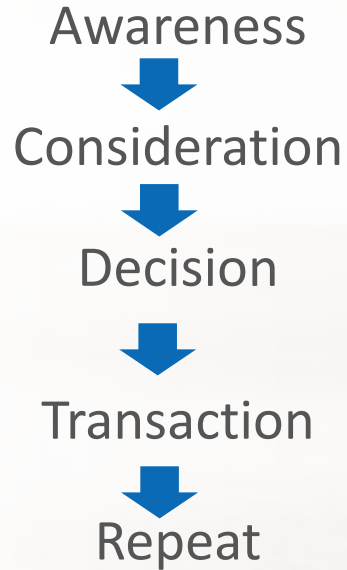


Macau Cake Easy Launched in September 2021

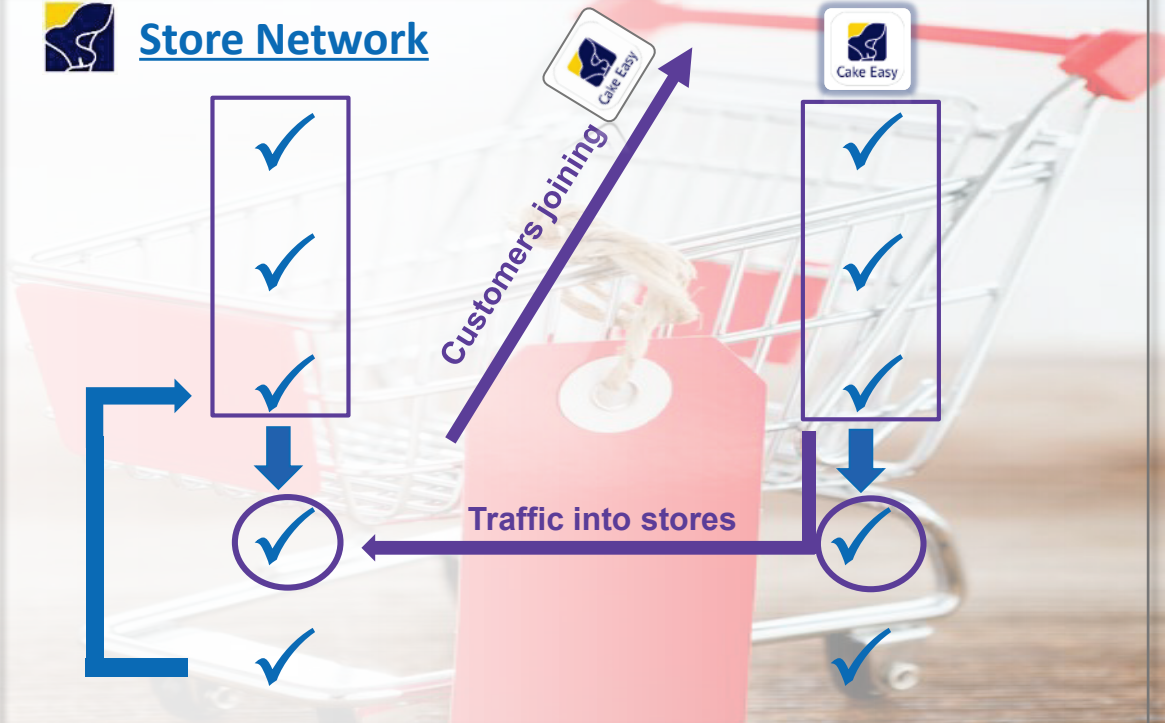


O2O Business Model

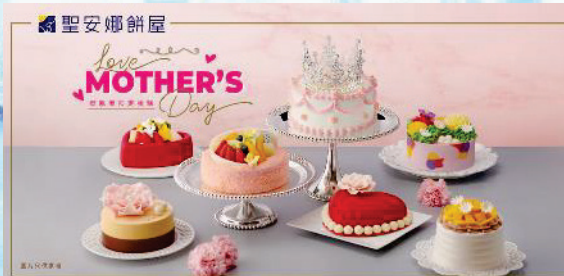
Customer Buying Process



Store Network

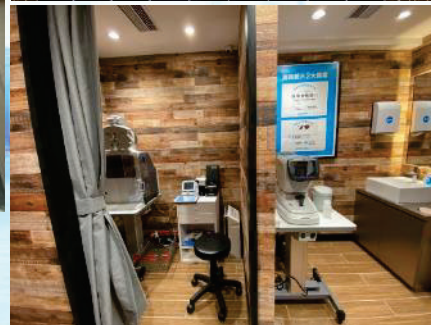
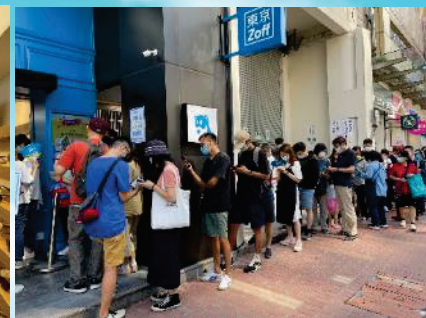


Re-inventing Strategy Lifting Customer Experience



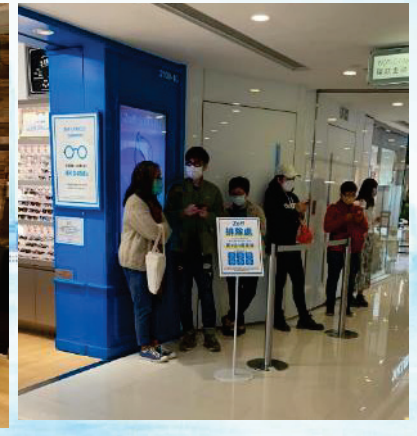
Zoff

12th store in Yuen Long Opened on 1 October 2021



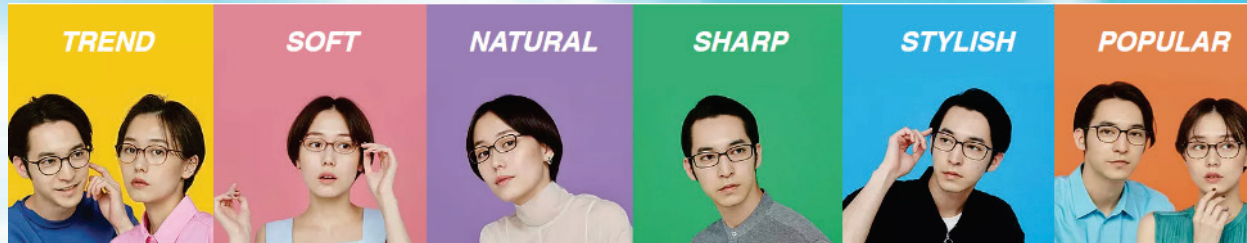
Zoff

13th Store in Harbour City, Tsim Sha Tsui Opened on 25 November 2021





New Collections & Services



Zoff OUTDOOR
for FISHING

釣魚專用偏光眼鏡
HKS1098 (可加配度數)

附送
專用眼鏡盒

更輕量 更舒適

Zoff SMART

NIGHT & DAY

Zoff PROTECT
防飛沫·花粉眼鏡

Zoff PROTECT
2WAY

防菌·清潔
保護力UP!

REGULAR LINE

Zoff PC
學童防藍光眼鏡

35% CUT

Stay at Home
防藍光對策

35% CUT

50% CUT

獨家研製的
全案組合
讓妳不再憂慮

超簡單·式熱
鏡片的選擇

精緻耳托
空壓墊·鏡架對準中心·鏡片

Spider-Man

Disney TSUM TSUM

Disney TSUM TSUM

Disney TSUM TSUM

Zoff PC

PEANUTS
Zoff PEANUTS COLLECTION

PLAY the CLASSIC

Zoff CLASSIC



Patisserie Mon cher Increased to 4 Stores

- Mon cher shop at Sogo, Causeway Bay (opened on 1 Sep 2020)



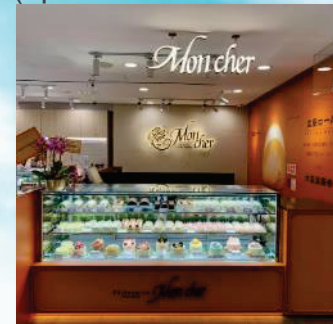
- Mon cher shop at CitySuper Harbour City, Tism Sha Tsui (opened on 1 Apr 2021)



- Mon cher shop at CitySuper New Town Plaza, Shatin (opened on 15 Apr 2021)



- Mon cher shop AEON STYLE, Mongkok (opened on 1 Oct 2021)



Strategies Dealing With Coronavirus Crisis

Safety, Health & Wellness for Our People, Customers & Community



Office

同心抗疫 切勿鬆懈

為應對疫情近期出現社區爆發，同事應加強防範，嚴守防疫措施，齊心抗疫。

- 公眾地方必須佩戴口罩
- 彈性上班安排，避開上下班時間主人流
- 避免一向午膳
- 減少面對面會議
- 身體不適立刻求醫及休息
- 有疑似新冠病毒病症狀或曾到訪染疫地方應進行病毒檢測
- 留意疫情最新情況及相關安排：
衛生防護中心 - 2019冠狀病毒病 - 強制檢測公告指明場所名單列表
(chp.gov.hk)



同心抗疫 疫苗小資訊

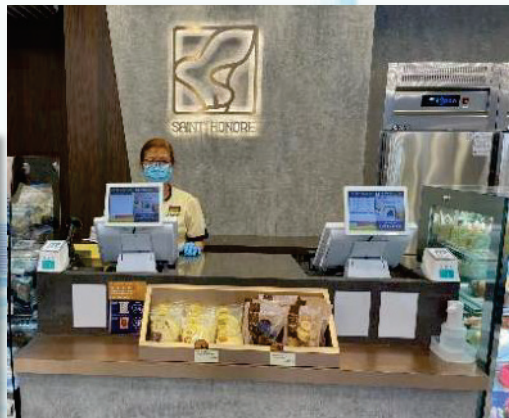
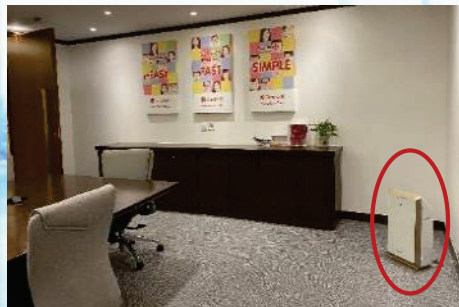
按華盛頓州衛生部過去一年有關新冠肺炎的調查數據顯示：

- 接種疫苗後感染並由於重症而需要住院的人的機會率是千分之0.05
- 未接種疫苗被感染並由於重症而需要住院的人的機會率是千分之2.9
- 與一個季節的流感風險相比，因流感而重症住院的機會率為千分之0.66
- 接種疫苗能有效減低重症的發病率

- 盡量減少與同一家庭以外的其他人的社交接觸
- 佩戴合適及貼面的口罩
- 與他人保持至少1.5米的社交距離
- 改善室內空間的通風
- 避免逗留於擁擠、狹窄和封閉的環境
- 適當清潔雙手，保持衛生

大家不要過份擔憂，過份的憂慮會令壓力大增。除了良好的衛生習慣，健康的身體及情緒，和充足的休息及睡眠對身體的免疫系統都是最好的，這是預防感染的最有效方法。

Store



Sharing The Happiness With Our Community

Saint Honore donated over 6,000 boxes mooncake to elderlies and underprivileged families



CRA 2021 Operations Results In A Nutshell

1. Smooth transition after splitting CKHK from CRA
2. All business units, CKHK, SHHK, SH China, Zoff, Patisserie Mon cher, all thriving and growing
3. SHHK reached 1 million Cake Easy members and number of stores exceeded 100 for the first time
4. Zoff Hong Kong reached 13 stores and is the leading and preferred Japanese eyewear brand in Hong Kong
5. Saint Honore and Zoff achieved record sales and CRA total sales grew 14% to over HK\$1.36 billion
6. All brands achieved double-digit growth in revenue and profitability

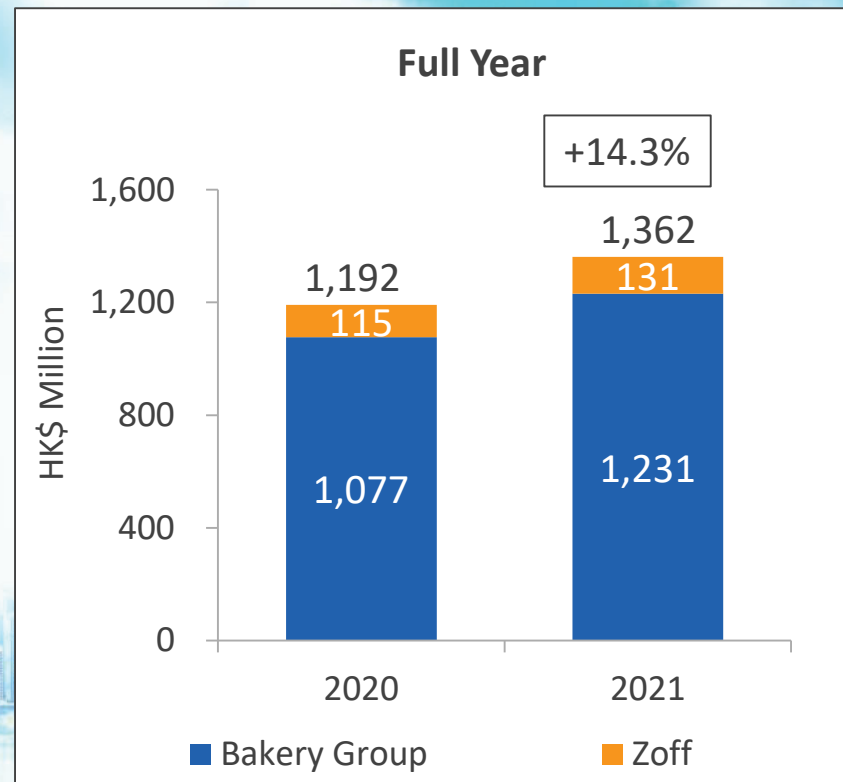
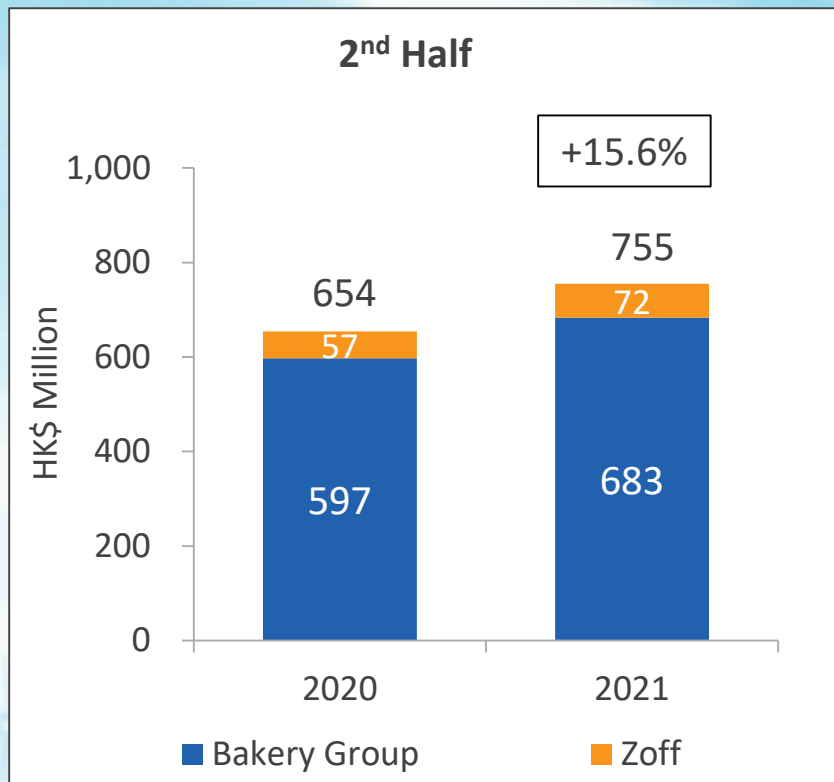
2021 FINANCIAL RESULTS HIGHLIGHT

A panoramic view of a city skyline across a body of water under a blue sky with clouds. The skyline is composed of numerous skyscrapers of varying heights and architectural styles, reflecting in the water below. The sky is a vibrant blue with scattered white clouds. The overall scene is bright and clear, suggesting a sunny day.

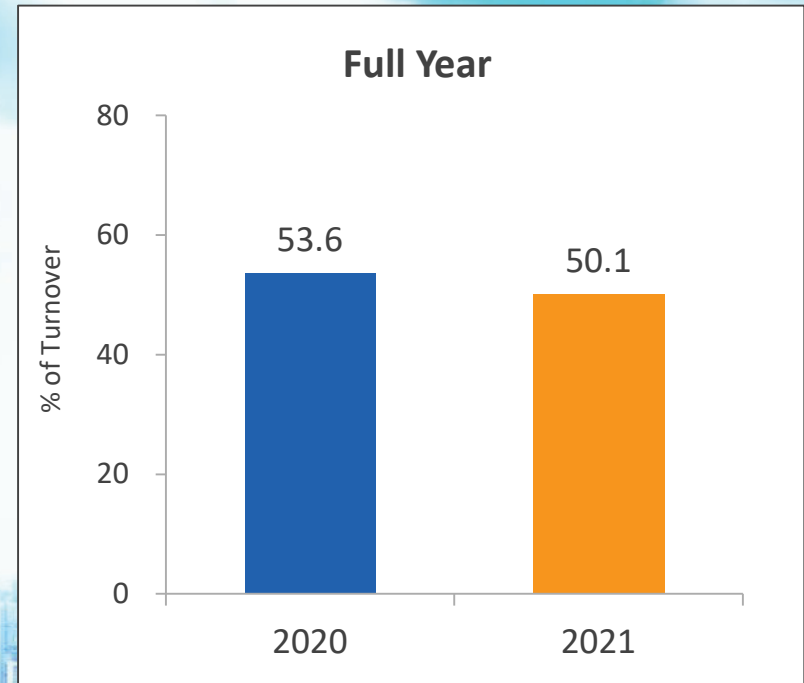
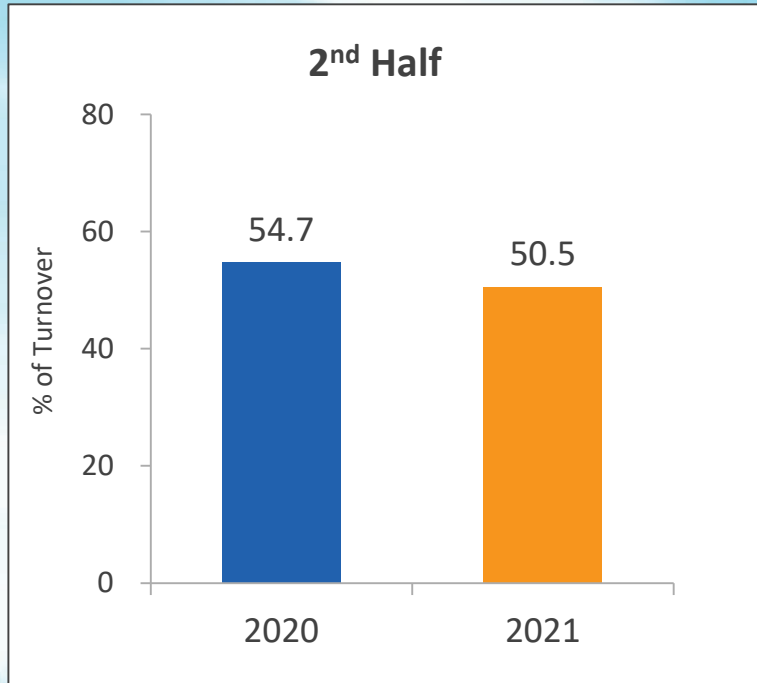
Number of Stores

	End of 2020	Opened	Closed	End of 2021
Bakery Group	120	24	(4)	140
■ <i>Saint Honore – Hong Kong</i>	84	18	(2)	100
■ <i>Saint Honore – Macau</i>	9	1	-	10
■ <i>Saint Honore – Guangzhou</i>	26	1	(1)	26
■ <i>Patisserie Mon cher</i>	1	4	(1)	4
Zoff	11	2	-	13
CRA Group	131	26	(4)	153

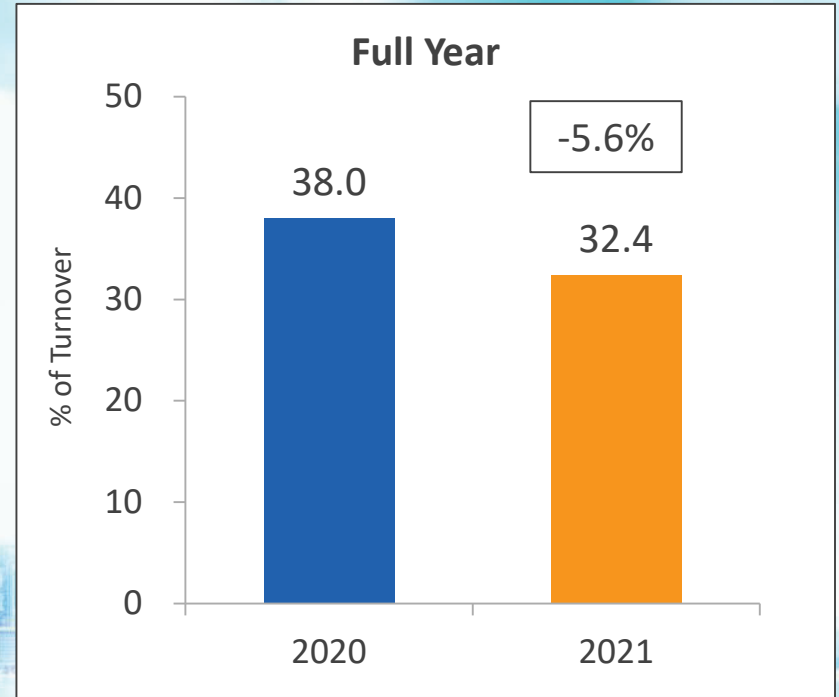
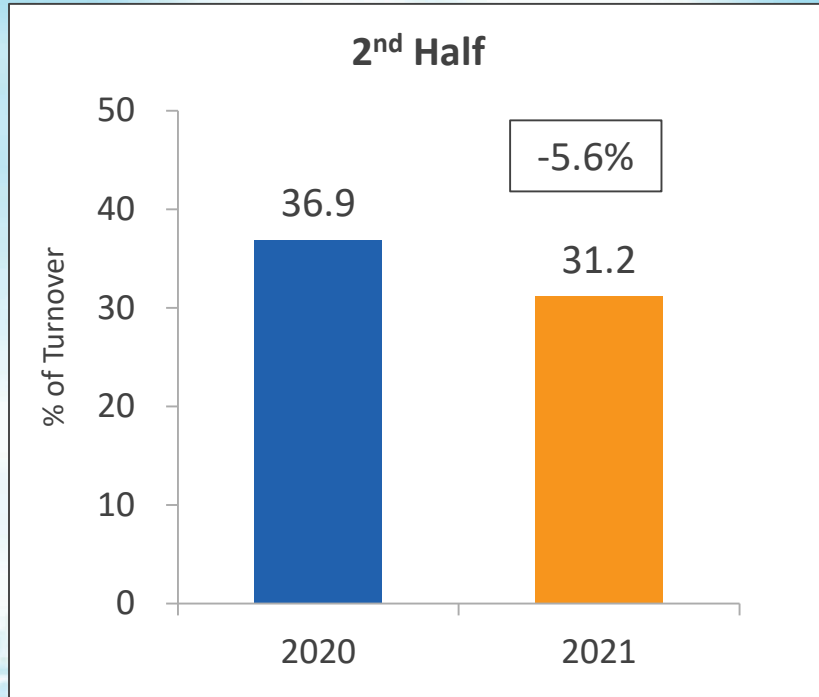
Group Turnover



Group Gross Profit %



Group Store Operating Expenses



Group Net Profit

<i>(HK\$ Million)</i>	2 nd Half		Change	Full Year		Change
	2020	2021		2020	2021	
Continuing Operations	55	57	5.1%	61	74	21.7%
Discontinued Operation	3,003	-	N/A	3,079	6	-99.8%
Total Group Net Profit	3,058	57	-98.1%	3,140	80	-97.4%

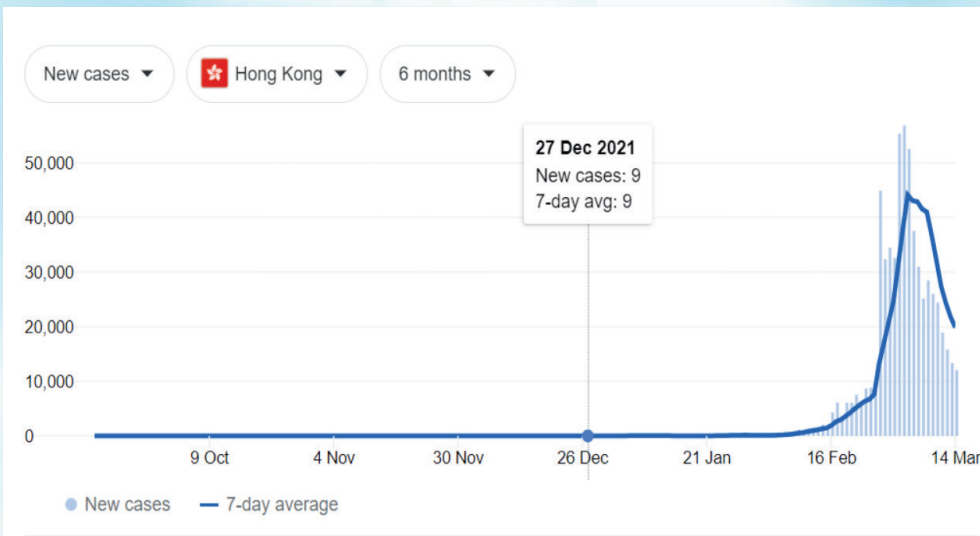
2021 Financial Results Highlight

	2020FY	2021FY	Change
Number of Stores	131	153	22
Group Turnover (HK\$M)	1,192	1,362	14.3%
Group Net Profit (HK\$M)			
■ Continuing Operations	61	74	21.7%
■ Included Discontinued Operation	3,140	80	-97.4%
Net Profit as % of Turnover			
■ Continuing Operations	5.1%	5.5%	0.4%
Basic Earnings Per Share (HK cents)			
■ Continuing Operations	8.0	9.6	20.0%
■ Included Discontinued Operation	410.7	10.4	-97.5%
Dividends (HK cents)			
■ Interim Dividend	6	2	
■ Final Dividend	-	5	
■ Special Dividend	385	-	
■ Total	391	7	-98.2%

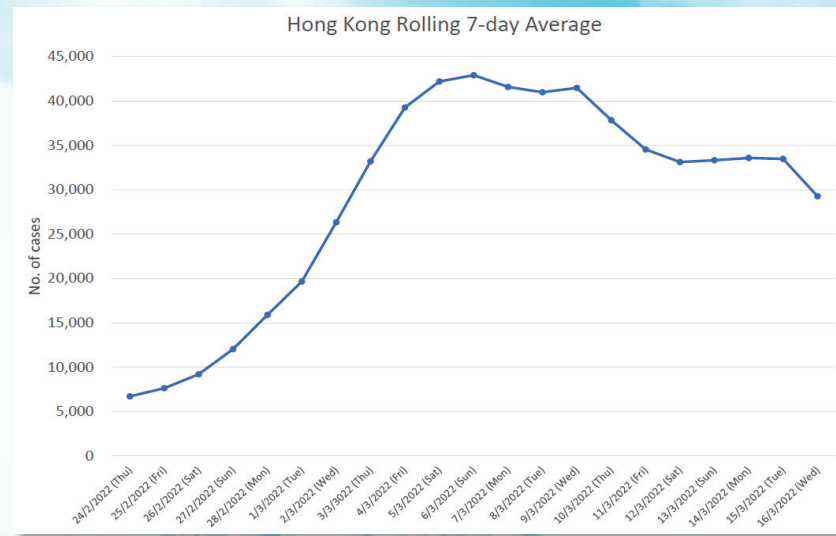


2022 OUTLOOK

Hong Kong 7-day Moving Average of COVID-19 Confirmed Cases



**Included COVID-19 cases reported from PCR tests*



**Included COVID-19 cases reported from PCR & RAT tests*

Source: HK Centre for Health Protection Website

Impact Of The 5th Wave

- The most disruptive
- Over 95% of staff vaccinated at beginning of February 2022
- Demand for buns and breads continues to be strong
- Facing weekly disruptions in cross-border supply chain:
 - Quarantine of cross-border drivers
 - No import of reusable trays
 - Compulsory use of cross-border transit depots
- Labour shortage in Hong Kong (close to 350 staffs affected at the peak)
- Record-high sick leave due to quarantine
- Saint Honore sales is expected to be 70%-80% of normal for March
- Zoff and Patisserie Mon cher sales dropped of 58%-70%
- Proactiveness, Agility , Buffers (PAB strategies) to cope

CRA 2022 – 7 Guiding Strategies

1. **O2O** Business Model & Doing It Right
2. **People** Development & Succession Planning
3. Adopt Easy, Fast, Simple & Safe (**EFSS**) in everything we do
4. Excellent Customer Intimacy & Customer Experience (**CX**)
5. Up-to-date, Relevant & Clearly Defined **Brand** Values
6. Always **Reinventing**
7. Build **Viability, Agility & Resilience** in the 6 enablers:
 - Branding, CX (Experience) & CR (Relationship)
 - Customers Platforms
 - Store Network
 - Online CRM Platform
 - IT, Digitalization & Processes
 - Supply Chain Logistics
 - Merchant / Vendors Community
 - Leadership / People / Teams / EX

CRA 2022 – 6 Major Strategic Actions

1. Scale up of both Saint Honore and Zoff business in Hong Kong / Macau market
2. In Greater Bay Area:
 - Saint Honore Guangzhou as showcase city
 - Experiment franchising of Saint Honore in one or two cities
3. Expand Saint Honore Manufacturing Shenzhen packaged bread capacity from 80K/day to 130K/day
4. Continue to expand B2B Business
5. Look for M&A opportunities
6. Search for new compatible licensing brands

2022 Outlook

1. Strong January, disruptions in February, March & April
2. Expect businesses to get back to normal starting in May
3. Strong surge in H2 2022 due to delay in spending and effect of 2 waves of consumption vouchers by HKSAR Government
4. Grateful and confident that we should continue the quality growth trends



**THANK YOU!
&
Q&A**