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北京京客隆商業集團股份有限公司

BEIJING JINGKELONG COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 814)

**UNAUDITED CONSOLIDATED RESULTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019**

The board of directors (the “**Board**”) of Beijing Jingkelong Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces the unaudited consolidated results of the Group for the nine months ended 30 September 2019 prepared in accordance with China Accounting Standards. This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on the Stock Exchange).

UNAUDITED CONSOLIDATED RESULTS

		<i>For the nine months ended 30 September</i>	
		2019	2018
	Note	RMB'000	RMB'000
1. Total operating income		8,760,671	8,872,606
Including: principal operating income	1	7,938,494	7,972,593
Less: Operating costs		6,799,615	6,887,313
Tax and surcharges		37,327	38,624
*Selling expenses		1,449,056	1,514,467
Administrative expenses		230,861	224,594
*Financial expenses		147,243	133,780
Impairment losses on credits		1,350	2,216
Add: Investment income		318	12,014
Changes in fair value of profit and loss		15,014	(8,065)
Gains on disposal of assets		7	(1,904)
Other income		8,365	11,282
2. *Operating profit		<u>118,923</u>	<u>84,939</u>
Add: Non-operating income		12,762	36,660
Less: Non-operating expense		12,413	11,973
3. *Total profit		<u>119,272</u>	<u>109,626</u>
Less: Income tax expense		46,763	42,335
4. *Net profit		<u>72,509</u>	<u>67,291</u>
*Net profit attributable to shareholders of the parent company		44,460	39,756
Profit or loss attributable to minority interests		28,049	27,535

*** the Group has implemented the “Accounting Standards for Business Enterprises No. 21 - Leases” (Finance [2018] No. 35) (hereinafter referred to as the “New Standards”) revised by the Ministry of Finance since 1 January 2019, the impact of the implementation of the New Standards on the Group’s profit and loss at third quarter is as follows:**

	Nine months ended 30 September 2018	Nine months ended 30 September 2019				
		New accounting standard	Change rate compared with corresponding period(new accounting standard)	Former accounting standard	Change rate compared with corresponding period(former accounting standard)	Variation generated by the difference of new and former accounting standards
Selling expenses	1,514,467	1,449,056	-4.32%	1,469,181	-2.99%	20,125
Including: depreciation	134,981	248,775	84.30%	120,259	-10.91%	-128,516
Rental expense	177,489	39,980	-77.47%	188,621	6.27%	148,641
Financial expenses	133,780	147,243	10.06%	107,485	-19.66%	-39,758
Operating profit	84,939	118,923	40.01%	138,556	63.12%	19,633
Total profit	109,626	119,272	8.80%	138,905	26.71%	19,633
Income tax expense	42,335	46,763	10.46%	51,530	21.72%	4,767
Net profit	67,291	72,509	7.76%	87,375	29.85%	14,866
Net profit attributable to shareholders of the parent company	39,756	44,460	11.83%	58,218	46.44%	13,758

Notes:**1. Principal operating income**

	<i>For the nine months ended 30 September</i>	
	2019	2018
	RMB'000	RMB'000
Retail business		
--Hypermarkets	878,057	918,952
--Supermarkets	1,966,241	2,065,704
--Convenience stores	266,061	279,518
--Department Stores	20,138	27,981
(including commissions)	16,471	23,765
Total retail principal operating income	<u>3,130,497</u>	<u>3,292,155</u>
Wholesale principal operating income recognized by Chaopi Group*	5,134,283	5,058,134
Less: Intersegment sales	(355,762)	(405,078)
Add: Sales to franchisees by the company	2,240	2,516
Consolidated wholesale principal operating income	<u>4,780,761</u>	<u>4,655,572</u>
Other principal operating income	<u>27,236</u>	<u>24,866</u>
Total principal operating income	<u>7,938,494</u>	<u>7,972,593</u>

* *Chaopi Group represents Beijing Chaopi Trading Company Limited and its subsidiaries.*

2. Gross profit margin

	<i>For the nine months ended 30 September</i>	
	2019	2018
	(%)	(%)
Retail business of directly-operated hypermarkets, supermarkets and convenience stores	16.82%	16.09%
Wholesale business recognised by Chaopi Group including intersegment sales	11.67%	10.67%

3. Five convenience stores (including four directly-operated convenience stores and a franchised convenience stores) were set up, a department store, a supermarket and 13 convenience stores (including eight directly-operated convenience stores and five franchised convenience stores) were closed during the nine months end 30 September 2019. The total number of retail outlets was 196 as at 30 September 2019.

The Board wishes to remind investors that the above figures are based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such data.

In the meantime, investors are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
Beijing Jingkelong Company Limited
Li Jianwen
Chairman

Beijing, the PRC
1 November 2019

As at the date of this announcement, the executive directors of the Company are Mr. Li Jianwen, Mr. Shang Yongtian, Ms. Li Chunyan and Mr. Zhang Liwei; the non-executive directors are Ms. Zhang Yan and Mr. Li Shunxiang; and the independent non-executive directors are Mr. Wang Liping, Mr. Chen Liping and Mr. Choi Onward.

** For identification purpose only*