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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)

## **POSSIBLE DISCLOSEABLE TRANSACTION**

**Financial adviser to the Company**



**Deloitte & Touche Corporate Finance Ltd.**

### **PROPOSED ACQUISITION**

On 13 January 2011, the Board resolved to, among other things, participate in the Jing Chao Bidding Invitation held by China Beijing Equity Exchange (北京產權交易所) for the acquisition of the 86% equity interest of Jing Chao. The bid application for the Jing Chao Bidding Invitation has been submitted on the same date.

Jing Chao was established in the PRC on 30 July 2010 with a registered capital of RMB 300 million which has been fully paid up. As at the date of this announcement, Jing Chao is held as to 14% by the Company and 86% by Shou Lian. Jing Chao is principally engaged in the leasing of the Properties to Shou Lian Supermarket for the operation of its supermarkets.

## **LISTING RULES IMPLICATION**

As referred to in the announcements of the Company dated 3 December 2010 and 14 December 2010, the acquisition of the entire equity interest of Shou Lian Supermarket and the Company's 14% share of capital contribution to Jing Chao, in aggregate, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Company's bid application for the Jing Chao Bidding Invitation may or may not lead to the entering into of the formal sale and purchase agreement for the acquisition of the 86% equity interest of Jing Chao. In the event that the Company's bid is successful, the acquisition of the 86% equity interest of Jing Chao, when aggregated with the said acquisition of the entire equity interest of Shou Lian Supermarket and the Company's 14% share of the capital contribution to Jing Chao, may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made in respect thereof as and when necessary as stipulated under the Listing Rules.

## **PROPOSED ACQUISITION**

On 13 January 2011, the Board resolved to, among other things, participate in the Jing Chao Bidding Invitation held by China Beijing Equity Exchange (北京產權交易所) for the acquisition (the "**Acquisition**") of the 86% equity interest of Jing Chao, a joint venture company held as to 14% by the Company and 86% by Shou Lian as at the date of this announcement. The bid application for the Jing Chao Bidding Invitation has been submitted on the same date.

### **The Jing Chao Bidding Invitation**

Vendor: Shou Lian

Minimum price stipulated by the Vendor: RMB259,324,500

Tender period: 16 December 2010 to 13 January 2011 (if no application is received after the expiry of the tender period, the tender period will be automatically extended by five business days until an application is received without any change in the terms of the Jing Chao Bidding Invitation).

Right of first refusal: In accordance with the Company Law in the PRC (中華人民共和國公司法) and the terms of the Cooperative JV Agreement, the Company has a right of first refusal to acquire 86% equity interest of Jing Chao on the same terms in the event that Shou Lian offers to sell the same to parties other than the shareholders of Jing Chao. It is the Company's intention not to give up the said right of first refusal under the Jing Chao Bidding Invitation.

## **Bidding procedure**

According to the announcement of the China Beijing Equity Exchange (北京產權交易所) for the Jing Chao Bidding Invitation, bid applications for the Jing Chao Bidding Invitation can be submitted during the tender period as set out in the paragraph headed "The Jing Chao Bidding Invitation" above.

If there are two or more qualified Interested Parties, those qualified Interested Parties will participate in the bidding process via the internet, and the qualified Interested Party who wins the bidding process will enter into the formal sale and purchase agreement with the Vendor for the Acquisition.

## **Information on Jing Chao**

As disclosed in the announcement of the Company dated 3 December 2010, Jing Chao was established in the PRC on 30 July 2010 with a registered capital of RMB 300 million which has been fully paid up. As at the date of this announcement, Jing Chao is held as to 14% by the Company and 86% by Shou Lian. Jing Chao is principally engaged in the leasing of the Properties to Shou Lian Supermarket for the operation of its supermarkets.

The Properties comprise four parcels of land with 14 buildings erected thereon. These four parcels of land are located at (i) No. 80 Xinqiao Street, Mentougou District (門頭溝區新橋大街80號); (ii) No. 84, 86 Xinqiao Street, Mentougou District (門頭溝區新橋大街84, 86號); (iii) No. 1 West of Jinding Street, Shijingshan District (石景山區金頂街西口1號); and (iv) No. 1 Gucheng East Street, Shijingshan District (石景山區古城東街星座超市1號) respectively, and the aggregate gross floor areas of the 14 buildings erected thereon are approximately 17,266.6 square metres.

## **LISTING RULES IMPLICATION**

As referred to in the announcements of the Company dated 3 December 2010 and 14 December 2010, the Company acquired the entire equity interest of Shou Lian Supermarket from Shou Lian and established Jing Chao as a joint venture company held as to 14% by the Company and 86% by Shou Lian, and such acquisition of Shou Lian Supermarket and the Company's 14% share of capital contribution to Jing Chao, in aggregate, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Company's bid application for the Jing Chao Bidding Invitation may or may not lead to the entering into of the formal sale and purchase agreement for the Acquisition. In the event that the Company's bid is successful, the Acquisition, when aggregated with the said acquisition of the

entire equity interest of Shou Lian Supermarket and the Company's 14% share of the capital contribution to Jing Chao, may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made in respect thereof as and when necessary as stipulated under the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

<b>“Acquisition”</b>	has the meaning ascribed to it under the paragraph headed "Proposed Acquisition" in this announcement
<b>“Board”</b>	the board of Directors
<b>“Company”</b>	北京京客隆商業集團股份有限公司 (Beijing Jingkelong Company Limited*) (stock code: 814), a joint stock limited company incorporated in the PRC and the H Shares of which are listed on the Main Board of the Stock Exchange
<b>“Cooperation JV Agreement”</b>	the cooperation joint venture agreement dated 27 July 2010 entered into between the Company and Shou Lian in relation to the formation of Jing Chao, certain principal terms of which were set out in the announcement of the Company dated 3 December 2010
<b>“Director(s)”</b>	the director(s) of the Company
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“Interested Party”</b>	a party or an entity which submits a bid application for the Jing Chao Bidding Invitation
<b>“Jing Chao”</b>	北京京超商業有限公司 (Beijing Jing Chao Company Limited*), a joint venture company established in the PRC pursuant to the terms and conditions of the Cooperation JV Agreement
<b>“Jing Chao Bidding Invitation”</b>	the bidding for the 86% equity interest of Jing Chao as invited and held by China Beijing Equity Exchange (北京產權交易所)

<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“PRC”</b>	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
<b>“Properties”</b>	four parcels of land located at (i) No. 80 Xinqiao Street, Mentougou District (門頭溝區新橋大街 80 號); (ii) No. 84, 86 Xinqiao Street, Mentougou District (門頭溝區新橋大街 84, 86 號); (iii) No. 1 West of Jinding Street, Shijingshan District (石景山區金頂街西口 1 號); and (iv) No. 1 Gucheng East Street, Shijingshan District (石景山區古城東街星座超市 1 號) and the 14 buildings erected thereon
<b>“Shareholder(s)”</b>	holder(s) of the issued shares of the Company
<b>“Shou Lian” or “Vendor”</b>	北京首聯商業集團有限公司 (Beijing Shou Lian Trading Company Limited*), a state-owned enterprise established in the PRC
<b>“Shou Lian Supermarket”</b>	北京首聯超市有限公司 (Beijing Shou Lian Supermarket Company Limited*), a limited company incorporated in the PRC
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“%”</b>	per cent

By Order of the Board

Beijing Jingkelong Company Limited\*

*Wei Tingzhan*

*Chairman*

Beijing, the PRC

13 January 2011

*As at the date of this announcement, the executive directors of the Company are Mr. Wei Tingzhan, Mr. Li Jianwen, Ms. Li Chunyan and Mr. Liu Yuejin; the non-executive directors are Mr. Gu Hanlin 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*