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華潤創業有限公司
China Resources Enterprise, Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

CONTINUING CONNECTED TRANSACTIONS

The Group has been, during the ordinary and usual course of its businesses, entering into continuing connected transactions with certain connected persons as defined under the Listing Rules. These include (i) the sales of foodstuff by members of the Ng Fung Hong Group, of which Ng Fung Hong is a wholly-owned subsidiary of the Company, to Shangshi Food and its associates and (ii) the sales of textile related merchandise by members of the CR Textiles Group, of which CR Textiles is a wholly-owned subsidiary of the Company, to members of the CRNC Group and its associates.

As Jinjiang International is the 49% shareholder of each of Shangshi Food and Shangshi Livestock, both being non wholly-owned subsidiaries of Ng Fung Hong, it is a connected person of the Company under the Listing Rules. As Shangshi Food is an associate of Jinjiang International, it is also a connected person of the Company under the Listing Rules. Accordingly, the foodstuff agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

CRNC is the ultimate holding company of the Company. As a result, members of the CRNC Group and its associates are connected persons of the Company under the Listing Rules. Accordingly, the textile agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

The directors (including the independent non-executive directors) of the Company consider that the transactions to be carried out under the above foodstuff agreement and the textile agreement are in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms of these agreements and the annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

As the annual caps of each of the above continuing connected transactions do not exceed the applicable percentage ratios of the Company of 2.5% as referred to in Chapter 14A of the Listing Rules, the continuing connected transactions are only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules.

BACKGROUND

The Group has been, during the ordinary and usual course of its businesses, entering into continuing connected transactions with certain connected persons as defined under the Listing Rules. These include (i) the sales of foodstuff by members of the Ng Fung Hong Group, of which Ng Fung Hong is a wholly-owned subsidiary of the Company, to Shangshi Food and its associates, and (ii) the sales of textile related merchandise by members of the CR Textiles Group, of which CR Textiles is a wholly-owned subsidiary of the Company, to members of the CRNC Group and its associates.

As the Group anticipates these continuing connected transactions will continue, the following agreements have been entered into between the parties to govern the transactions for the three financial years ending 31 December 2011.

THE FOODSTUFF TRANSACTIONS

Agreement

Date: 23 April 2009

Parties: Ng Fung Hong

Shangshi Food

Pursuant to the foodstuff agreement entered into by Ng Fung Hong and Shangshi Food with a term commencing from the date of the agreement to 31 December 2011, when any member of the Ng Fung Hong Group enters into a foodstuff transaction with Shangshi Food or its associates, they should procure that the foodstuff transactions will be on normal commercial terms. The prices of the foodstuff transactions will be either at market prices or (if such prices are not available in the market, or if for any special reasons, the parties agree that the market prices cannot or should not be used) at such prices as the parties shall fairly and reasonably agree on the basis that each of them is dealing with the other party as an independent third party.

Relationship between Shangshi Food and the Company

As Jinjiang International is the 49% shareholder of each of Shangshi Food and Shangshi Livestock, both being non wholly-owned subsidiaries of Ng Fung Hong, it is a connected person of the Company under the Listing Rules. As Shangshi Food is an associate of Jinjiang International, it is also a connected person of the Company under the Listing Rules. Accordingly, the foodstuff agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

Reasons for the transactions

The Ng Fung Hong Group is principally engaged in the food processing and distribution businesses. Shangshi Food is principally engaged in the abattoir operation, meat processing and distribution businesses. The foodstuff transactions will broaden the customer base of the Ng Fung Hong Group as a supplier of foodstuff and the Ng Fung Hong Group will be able to secure a stable and sufficient demand for their foodstuff produced. From the perspective of Ng Fung Hong as a supplier under the foodstuff agreement, the foodstuff transactions will enable Ng Fung Hong to make use of the distribution capabilities of Shangshi Food, and hence enhance its brand name in the PRC.

The directors (including the independent non-executive directors) of the Company consider that the transactions to be carried out under the foodstuff agreement are in the ordinary and usual course of business of the Group and on normal commercial terms and the terms of the foodstuff agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The sales of foodstuff by the Ng Fung Hong Group to Shangshi Food and its associates for the two years ended 31 December 2008 and for the two months ended 28 February 2009 were nil, nil and HK\$11,256,000 respectively.

The payment terms and the credit terms of the foodstuff transactions will be set by the parties in accordance with market norm from time to time.

There are no prior transactions between the Group and Shangshi Food and its associates which require aggregation under Rule 14A.25 of the Listing Rules.

THE TEXTILE TRANSACTIONS

Agreement

Date: 23 April 2009

Parties: CR Textiles

CRNC

Pursuant to the textile agreement entered into by CR Textiles and CRNC with a term commencing from the date of the agreement to 31 December 2011, when any member of the CR Textiles Group enters into a textile transaction with members of the CRNC Group or its associates, they should procure that the textile transactions will be on normal commercial terms. The prices of the textile transactions will be either at market prices or (if such prices are not available in the market, or if for any special reasons, the parties agree that the market prices cannot or should not be used) at such prices as the parties shall fairly and reasonably agree on the basis that each of them is dealing with the other party as an independent third party.

Relationship between CRNC Group and its associates and the Company

CRNC is the ultimate holding company of the Company. As a result, members of the CRNC Group and its associates are connected persons of the Company under the Listing Rules. Accordingly, the textile agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

Reasons for the transactions

The CR Textiles Group is principally engaged in the manufacturing and distribution of textile related merchandise. Together with the Group, the CRNC Group has four principal areas of activities, namely, the manufacture and distribution of daily consumer goods, investments in properties and related industries, investments and operation in infrastructure and public utilities projects, and the manufacture and distribution of pharmaceutical products. The sales of the textile related merchandise by the CR Textiles Group to the CRNC Group and its associates are in their usual and ordinary course of businesses. In addition, the transactions of textile related merchandise will also broaden the customer base of the CR Textiles Group. The textile agreement will enable the CR Textiles Group to take advantage of the extensive distribution network of the CRNC Group and widen the distribution channels for its products in the PRC.

The directors (including the independent non-executive directors) of the Company consider that the transactions to be carried out under the textile agreement are in the ordinary and usual course of business of the Group and on normal commercial terms and the terms of the textile agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The sales of textile related merchandise by the CR Textiles Group to the CRNC Group and its associates for the two years ended 31 December 2008 and the three months ended 31 March 2009 were HK\$31,000, HK\$10,735,000 and HK\$6,154,000 respectively.

The payment terms and the credit terms of the textile transactions will be set by the parties in accordance with market norm from time to time.

There are no prior transactions between the Group and the CRNC Group and its associates which require aggregation under Rule 14A.25 of the Listing Rules.

PROPOSED ANNUAL CAPS

The proposed annual caps for the above foodstuff transactions and the textile transactions for the three years ending 31 December 2011 are as follows:

<i>(HK\$' million)</i>	For the year ending 31 December		
	2009	2010	2011
a. Sales of foodstuff by the Ng Fung Hong Group to Shangshi Food and its associates	133.0	147.0	177.0

b. Sales of textile related merchandise by the CR Textiles Group to the CRNC Group and its associates	55.0	70.0	102.0
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The annual caps are determined by reference to (i) the historical value of the relevant transactions; (ii) the estimated demand for the foodstuff and the textile related merchandise for the period from the date of the foodstuff agreement and the textile agreement to 31 December 2011; (iii) the fluctuation in the price of foodstuff and textile related merchandise; and (iv) the provision of buffer for possible further increases in business. The directors (including the independent non-executive directors) of the Company consider that the annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT THE COMPANY

The Company is a company listed on the Stock Exchange, with business emphasis on the consumer businesses in the Chinese Mainland and Hong Kong. The Group's core activities are retail, beverage, food processing and distribution, textile and property investments.

GENERAL

As the annual caps of each of the above-mentioned continuing connected transactions do not exceed the applicable percentage ratios of the Company of 2.5% as referred to in Chapter 14A of the Listing Rules, the continuing connected transactions are only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules.

DEFINITIONS

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Company"	China Resources Enterprise, Limited (stock code: 291), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"CRNC"	中國華潤總公司 (China Resources National Corporation), a state-owned enterprise established in the PRC and the ultimate holding company of the Company
"CRNC Group"	CRNC and its subsidiaries other than the Group
"CR Textiles"	China Resources Textiles (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
"CR Textiles Group"	CR Textiles and its subsidiaries

“Group”	the Company and its subsidiaries
"Jinjiang International"	錦江國際(集團)有限公司 (Jinjiang International Group Co., Ltd.), a state-owned company established in the PRC with limited liability and is the 49% shareholder of each of Shangshi Food and Shangshi Livestock
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
"Ng Fung Hong"	Ng Fung Hong Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
"Ng Fung Hong Group"	Ng Fung Hong and its subsidiaries
"PRC"	The People's Republic of China; for the purpose of this announcement, PRC refers to the Chinese Mainland excluding Hong Kong
"Shangshi Food"	上海五豐上食食品有限公司 (Shanghai Ng Fung Shangshi Food Co., Ltd.), a sino-foreign equity joint venture incorporated in the PRC with limited liability, which is also a non wholly-owned subsidiary of Ng Fung Hong and an associate of Jinjiang International
“Shangshi Livestock”	上海五豐上食畜牧有限公司 (Shanghai Ng Fung Shangshi Livestock Co., Ltd.), a sino-foreign equity joint venture incorporated in the PRC with limited liability, which is also a non wholly-owned subsidiary of Ng Fung Hong and an associate of Jinjiang International
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
China Resources Enterprise, Limited
LEE Yip Wah, Peter
Company Secretary

Hong Kong, 23 April 2009

As at the date of this announcement, the Executive Directors of the Company are Mr. Song Lin (Chairman), Mr. Qiao Shibo (Executive Director), Mr. Chen Lang (Managing Director), Mr. Wang Qun (Deputy Managing Director), Mr. Lau Pak Shing (Deputy Managing Director) and Mr. Kwong Man Him (Deputy Managing Director). The Non-Executive Directors are Mr. Jiang Wei, Mr. Wang Shuaiting, Mr. Yan Biao, Mr. Li Fuzuo and Mr. Du Wenmin. The Independent Non-Executive Directors are Dr. Chan Po Fun, Peter, Mr. Houang Tai Ninh, Dr. Li Ka Cheung, Eric, Dr. Cheng Mo Chi, Mr. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon.