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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)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

- Our turnover and earnings from continuing operations rose by 12.1% and 35.9% to HK$64.1 billion and HK$2,785 million respectively
- Our underlying net profit[1] from continuing operations amounted to HK$1,735 million
- Both the turnover and earnings of our beverage division hit another record
- A final dividend of HK$0.35 per share proposed, bringing the total dividend for 2009 to HK$0.49 per share

FINANCIAL HIGHLIGHTS

	2009	2008
	HK$ million	*HK$ million*
		(Restated)
Turnover		
– continuing operations	**64,131**	57,220
– discontinued operations[2]	**7,498**	7,408
	71,629	64,628
Profit attributable to shareholders of the Company		
– continuing operations	**2,785**	2,050
– discontinued operations[2]	**128**	272
	2,913	2,322
Basic earnings per share[3]		
– continuing operations	**HK$1.17**	HK$0.86
– discontinued operations[2]	**HK$0.05**	HK$0.11
	HK$1.22	HK$0.97
Dividend per share		
– interim	**HK$0.14**	HK$0.15
– final	**HK$0.35**	HK$0.25
	HK$0.49	HK$0.40
	At 31 December 2009	At 31 December 2008
	HK$ million	*HK$ million*
Equity attributable to shareholders of the Company	**25,847**	25,159
Minority interests	**9,597**	9,339
Total equity	**35,444**	34,498
Consolidated net borrowings	**3,340**	6,463
Gearing ratio[4]	**9.4%**	18.7%
Current ratio	**0.90**	0.98
Net assets per share (book value):	**HK$10.79**	HK$10.53

Notes:
1. Underlying net profit represents profit attributable to shareholders excluding the effect of investment property revaluation and major disposal of non-core assets/investments.
2. In December 2009, the Group completed the disposal of its textile operation and entered into a sale and purchase agreement to dispose of its entire equity interest in a joint venture business engaged in brand-fashion distribution operation. These operations are presented as discontinued operation according to the Hong Kong Financial Reporting Standard 5.
3. Diluted earnings per share for the year ended 31 December 2009 and 2008 are HK$1.21 and HK$0.97, respectively. Diluted earnings per share of discontinued operations for the year ended 31 December 2009 and 2008 are HK$0.05 and HK$0.11, respectively.
4. Gearing ratio represents the ratio of consolidated net borrowings to total equity.

ANALYSIS OF TURNOVER AND PROFIT

	Turnover		Profit Attributable to Shareholders ("PAS")		PAS excluding the effect of investment property revaluation and major disposal of non-core assets/investments (Note 1)	
	2009	2008	**2009**	2008	**2009**	2008
	HK$ million	*HK$ million*	***HK$ million***	*HK$ million*	***HK$ million***	*HK$ million*
Core Businesses						
- Retail	**35,939**	32,072	**296**	392	**278**	397
- Beverage	**20,470**	17,405	**684**	409	**684**	409
- Food Processing and Distribution	**7,443**	7,645	**350**	312	**230**	227
- Investment Property	**550**	434	**1,286**	754	**374**	339
Subtotal	**64,402**	57,556	**2,616**	1,867	**1,566**	1,372
Other Businesses						
- Investment and Others	**-**	-	**321**	396	**321**	396
	64,402	57,556	**2,937**	2,263	**1,887**	1,768
Elimination of inter-segment transactions	**(271)**	(336)	**-**	-	**-**	-
Net corporate interest and expenses	**-**	-	**(152)**	(213)	**(152)**	(213)
Total from continuing operations	**64,131**	57,220	**2,785**	2,050	**1,735**	1,555
Discontinued operations						
- Brand-fashion distribution	**2,611**	2,579	**138**	198	**138**	198
- Textile	**4,887**	4,829	**(10)**	74	**(13)**	40
Total from discontinued operations	**7,498**	7,408	**128**	272	**125**	238
Total	**71,629**	64,628	**2,913**	2,322	**1,860**	1,793

Note:

1. For the analysis of PAS excluding the effect of investment property revaluation and major disposal of non-core assets/investments, the effect of the following transactions have been excluded in the PAS of the respective division:

   a. Net valuation surplus of approximately HK$18 million arising mainly from industrial building held by the Retail division (2008: Net valuation deficit of HK$5 million) has been excluded from its results.

   b. Net gain on disposal of non-core investments and valuation surplus with an aggregate amount of approximately HK$120 million (2008: HK$85 million) have been excluded from the results of Food Processing and Distribution division.

   c. Net valuation surplus of approximately HK$912 million (2008: HK$415 million) has been excluded from the results of the Investment Property division.

   d. Net valuation surplus of approximately HK$3 million arising mainly from industrial building held by the Textile division (2008: Net valuation deficit of HK$1 million) has been excluded from its results. Net gain on disposal of non-core investments amounting to approximately HK$35 million has been excluded from its 2008 results.

CHAIRMAN’S STATEMENT

2009 was a key milestone year in the Group’s successful transformation into a consumer goods company focused on the China market. Through an asset swap with our parent company, China Resources (Holdings) Company Limited, completed at the end of December 2009, we disposed of the non-core textile and container terminal operations and acquired a hypermarket chain in the Chinese Mainland and a brewery in Shandong Province. With a subsequent agreement in December 2009 to sell its interest in the brand-fashion distribution business to Esprit Holdings Limited, the Group has now evolved into a pure consumer play focusing on the three core businesses of retail, beverage and food processing and distribution.

The Group’s continuous initiatives to consolidate its leadership position in the fast-growing China’s consumer market have created a stronger and more focused consumer business platform. Upon the completion of those critical transactions, the Group will be in a better position than ever to achieve quality growth in the years ahead.

Operating Environment

In 2009, the retail markets in the Chinese Mainland and Hong Kong were not spared from the negative impact of the financial crisis that began to spread across the world in late 2008. The operating environment was challenging for the Group throughout 2009 despite a gradual recovery in some key economies in the fourth quarter of the year.

Retail sales in the Chinese Mainland grew at a slower rate of 15.5% year-on-year in 2009, down from 21.6% in 2008, while consumer price index declined by 0.7% year-on-year, compared with a 5.9% increase in 2008. Consumers in general were more price-conscious in their purchasing behavior.

Still, the Group successfully executed its strategy to focus on building its consumer empire. The Group continued to grow the size of its core consumer businesses and delivered an improved profit in 2009 while consolidating its No. 1 positions in the supermarket and beer businesses in the Chinese Mainland.

Final Results

The Group completed the disposal of its entire equity interest in the non-core textile business and container terminal investments at the end of December 2009. Consolidated turnover from the continuing operations for the year ended 31 December 2009 amounted to approximately HK$64,131 million, representing an increase of 12.1% from the previous year.

Driven by strong growth in the beverage business, the Group’s consolidated profit attributable to the Company’s shareholders from the continuing operations for the year ended 31 December 2009 was approximately HK$2,785 million, 35.9% higher than that of the previous year, despite the unfavorable operating environment. Basic earnings per share from the continuing operations were HK$1.17, compared to HK$0.86 in 2008.

Excluding the after-tax effect of revaluation of investment properties and major disposal of non-core assets and investments, which led to aggregate gains of HK$1,050 million in 2009 and HK$495 million in 2008, the Group’s underlying consolidated profit attributable to the Company’s shareholders from the continuing operations would have increased by 11.6% for the year ended 31 December 2009.

Dividends

The Board recommends a final dividend of HK$0.35 per share for 2009 (2008: HK$0.25 per share) payable on or around 15 June 2010 to shareholders whose names appear on the Register of Members of the Company on 24 May 2010. Together with the interim dividend of HK$0.14 per share, the total dividend for 2009 will amount to HK$0.49 per share (2008: HK$0.40 per share). This represents an increase of 23% over 2008.

Closure of Register

The Register of Members will be closed from 24 May 2010 to 28 May 2010, both days inclusive. In order to be eligible for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Tricor Standard Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 20 May 2010.

Strategy Implementation

The Group has a clear goal to develop itself into China's largest consumer goods company. To this end, the Group has been investing in its core consumer businesses for further expansion over the past few years, while, at the same time, disposing of its non-core assets to make good use of resources. For the year ended 31 December 2009, the Group incurred approximately HK$6 billion on capital expenditure with a majority on beverage and retail businesses.

The Group has put more emphasis on increasing the market share and profitability of the existing stores for its supermarket operation. At the same time, we were quick to seize consolidation opportunities in the market and opened more than 380 supermarkets in 2009 to reinforce the Group's leading position in target markets.

For the beer operation, the Group made investments in brewery acquisition, greenfield projects and factory expansion. Major acquisitions during the year included the six breweries in Anhui Province, Liaoning Province, Zhejiang Province and Shandong Province. Efforts were also made to expand its distribution network to boost sales. The Group's purified water operation has continued its expansion outside Guangdong Province and new products were also evaluated.

Food safety has always been a crucial element in the successful business model of the Group's food business. It is also a priority concern for consumers, the government as well as food retailers and manufacturers in the Chinese Mainland. Therefore, we have strategically built a vertically integrated high quality meat supply system to better control both food quality and food safety from upstream to downstream segments of the supply chain.

The Group continued to step up its investments in the Chinese Mainland, where our growth opportunities lie. For the year under review, the mainland market accounted for about 87.4% of the Group's turnover and 55.6% of its profit before tax, compared with 86.8% and 63.1% respectively in the year ended 31 December 2008.

Prospects

The Group achieved solid results in 2009 despite the challenging operating environment. Provided that the current recovery in the global economy is sustainable, the Group anticipates both the macroeconomic environment and consumer spending in the Chinese Mainland will continue to improve in 2010. Our implementation of the strategy to further expand our core consumer businesses and grow our leadership positions will help us ride on the benefits emerging from the gradual economic recovery.

The consumer price index in the Chinese Mainland returned to positive growth in the last two months of 2009, putting an end to the negative growth in each of the preceding nine months. Retail sales growth reached an eleven-month high of 17.5% in December 2009. These trends as well as expectations of moderate inflation in the market bode well for our retail business in the coming year.

In 2010, the Group's operating environment is expected to improve further on the back of a strengthening economy and the central government's policy in spurring domestic consumption. For example, it will keep implementing policies to stimulate household consumption so as to allow domestic demand to play a bigger role in the country's economic growth.

2010 will be an important year in the development of the Group as we move forward as a pure consumer play in the China market. With the successful repositioning of our business components to focus on the three core businesses of retail, beverage and food, our top strategic goal is to create quality growth for the Group. For this reason, we have to continuously strengthen our existing operations to improve our profitability while actively expanding our presence in the China's consumer market. We are driven by our determination to become the largest consumer goods company in China. Our outstanding track record especially in adjusting the right business focus has given us confidence in our success and achieving even more in the future.

Appreciation

Our achievements in 2009 were made possible only with the efforts of our staff at all levels and I thank them sincerely for their dedication and support. I also wish to extend my gratitude to our shareholders, customers, business partners and other stakeholders for their support and the trust they have placed in us.

Qiao Shibo
Chairman

Hong Kong, 25 March 2010

2009 RESULTS

The Directors of China Resources Enterprise, Limited (the "Company") are pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2009 as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2009

	Notes	**2009** **HK$ million**	2008 HK$ million (Restated)
Continuing operations			
Turnover	*3*	**64,131**	57,220
Cost of sales		**(47,291)**	(43,242)
Gross profit		**16,840**	13,978
Other income	*4*	**1,982**	1,527
Selling and distribution expenses		**(11,014)**	(9,317)
General and administrative expenses		**(3,505)**	(2,819)
Finance costs	*5*	**(195)**	(491)
Share of profits of associates		**324**	369
Profit before taxation		**4,432**	3,247
Taxation	*6*	**(916)**	(763)
Profit for the year from continuing operations	*7*	**3,516**	2,484
Discontinued operations			
Profit for the year from discontinued operations	*7,8*	**267**	477
Profit for the year		**3,783**	2,961
Attributable to:			
Shareholders of the Company		**2,913**	2,322
Minority interests		**870**	639
		3,783	2,961
Earnings per share	*10*		
From continuing and discontinued operations			
Basic		**HK$1.22**	HK$0.97
Diluted		**HK$1.21**	HK$0.97
From continuing operations			
Basic		**HK$1.17**	HK$0.86
Diluted		**HK$1.16**	HK$0.86

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2009

	2009	2008
	HK$ million	*HK$ million*
Profit for the year	**3,783**	2,961
Other comprehensive income:		
Exchange differences on translating foreign operations	**(53)**	1,430
Fair value adjustment on available for sale investments	**142**	41
Fair value adjustment on derivative financial instruments	**(5)**	(7)
Surplus on revaluation of properties	**13**	11
Share of other comprehensive income/(expenses) of associates	**30**	(50)
Reclassification adjustments:		
– release of exchange differences upon disposal of associates	**(8)**	(9)
– release of valuation reserve upon disposal of available for sale investments	**(47)**	-
Income tax relating to surplus on revaluation of properties	**(4)**	-
Other comprehensive income for the year, net of tax	**68**	1,416
Total comprehensive income for the year	**3,851**	4,377
Attributable to:		
Shareholders of the Company	**2,964**	3,324
Minority interests	**887**	1,053
	3,851	4,377

CONSOLIDATED BALANCE SHEET

At 31 December 2009

	Notes	2009 HK$ million	2008 HK$ million
Non-current assets			
Fixed assets			
- Investment properties		**8,699**	7,653
- Interests in leasehold land held for own use under operating leases		**4,278**	3,783
- Other property, plant and equipment		**25,181**	24,917
Goodwill		**9,225**	6,385
Other intangible assets		**95**	68
Interests in associates		**395**	1,953
Available for sale investments		**142**	40
Financial assets at fair value through profit or loss		**419**	-
Derivative financial instruments		**10**	-
Prepayments		**261**	198
Deferred taxation assets		**333**	164
		49,038	45,161
Current assets			
Stocks		**11,133**	11,509
Trade and other receivables	*11*	**5,212**	5,444
Available for sale investments		**13**	71
Derivative financial instruments		**1**	-
Taxation recoverable		**37**	75
Pledged bank deposits		**275**	21
Cash and bank balances		**8,528**	7,576
		25,199	24,696
Assets classified as held for sale		**1,230**	-
		26,429	24,696
Current liabilities			
Trade and other payables	*12*	**(25,121)**	(19,302)
Short term loans		**(3,324)**	(5,485)
Taxation payable		**(329)**	(433)
		(28,774)	(25,220)
Liabilities associated with assets classified as held for sale		**(544)**	-
		(29,318)	(25,220)
Net current liabilities		**(2,889)**	(524)
Total assets less current liabilities		**46,149**	44,637
Non-current liabilities			
Long term loans		**(8,819)**	(8,575)
Deferred taxation liabilities		**(1,624)**	(1,338)
Derivative financial instruments		**(26)**	(11)
Other non-current liabilities		**(236)**	(215)
		35,444	34,498
Capital and reserves			
Share capital		**2,396**	2,389
Reserves		**23,451**	22,770
Equity attributable to shareholders of the Company		**25,847**	25,159
Minority interests		**9,597**	9,339
Total equity		**35,444**	34,498

Notes:

1. Basis of preparation

The announcement has been presented in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

The financial statements for the year ended 31 December 2009 have been prepared in accordance with accounting principles generally accepted in Hong Kong.

2. Principal Accounting Policies

The accounting policies used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2008 except for the adoption of the new standards, amendments and interpretations mentioned below.

<u>Adoption of new and revised standards, amendments and interpretations</u>

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised standards, amendments and interpretations on Hong Kong Accounting Standards ("HKAS") and Hong Kong Financial Reporting Standards ("HKFRS") that are effective or available for early adoption for the financial year beginning 1 January 2009. In the current year, the Group has adopted the following new and revised standards, amendments and interpretations.

HKFRSs (Amendments)	Improvements to HKFRSs 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Amendment to paragraph 80 of HKAS 39 as part of improvements to HKFRSs 2009
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligation Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellation
HKFRS 7 (Amendment)	Improving Disclosure about Financial Instruments
HKFRS 8	Operating Segments
HKFRS Interpretation 13	Customer Loyalty Programmes
HKFRS Interpretation 15	Agreements for the Construction of Real Estate
HKFRS Interpretation 16	Hedges of a Net Investment in a Foreign Operation
HKFRS Interpretation 9 & HKAS 39 (Amendments)	Embedded Derivatives
HKFRS Interpretation 18	Transfers of Assets from Customers

Apart from certain presentational changes, the adoption of the above new and revised standards, amendments and interpretations has had no material effects on the Group's results and financial position for the current and prior accounting years. Accordingly, no prior year adjustments are required.

HKAS 1 (Revised) requires the disclosure of consolidated balance sheet as at the beginning of the earliest comparative period when the Group makes a retrospective restatement when presenting the results of discontinued operations. As the retrospective restatement has no impact to the consolidated balance sheet, accordingly, no such disclosure is made in the consolidated financial statements.

2. Principal Accounting Policies (continued)

Accounting standards, amendments and interpretations that are not yet effective

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 24 (Revised)	Related Party Disclosures
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Financial Instruments: Presentation – Classification of Rights Issues
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKFRS 2(Amendment)	Share-based Payment – Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HKFRS 9	Financial Instruments
HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008.
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKFRS Interpretation 14 (Amendment)	Prepayments of a Minimum Funding Requirement
HKFRS Interpretation 17	Distributions of Non-cash Assets to Owners
HKFRS Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the Group's results of operations and financial position.

3. Segment information

Operating segments

	Retail *HK$ million*	Beverage *HK$ million*	Food Processing and Distribution *HK$ million*	Investment Property *HK$ million*	Investments and Others *HK$ million*	Elimination *HK$ million*	Continuing Operations Total *HK$ million*	Discontinued Operations (Note 8) *HK$ million*	Total *HK$ million*
For the year ended 31 December 2009									
TURNOVER									
External sales	35,864	20,401	7,350	516	-	-	64,131	7,498	71,629
Inter-segment sales*	75	69	93	34	-	(271)	-	-	-
Total	35,939	20,470	7,443	550	-	(271)	64,131	7,498	71,629
Segment result	657	1,594	545	1,565	294		4,655	398	5,053
Unallocated corporate expenses							(117)	-	(117)
Interest income							89	9	98
Finance costs							(195)	(64)	(259)
Profit before taxation							4,432	343	4,775
Taxation							(916)	(76)	(992)
Profit for the year							3,516	267	3,783
As at 31 December 2009									
ASSETS									
Segment assets	26,360	30,001	6,777	9,225	532		72,895	1,230	74,125
Deferred taxation assets							333	-	333
Taxation recoverable							37	-	37
Unallocated corporate assets							972	-	972
Consolidated total assets							74,237	1,230	75,467
LIABILITIES									
Segment liabilities	14,358	15,120	1,172	163	3		30,816	544	31,360
Taxation payable							329	-	329
Deferred taxation liabilities							1,624	-	1,624
Unallocated corporate liabilities							6,710	-	6,710
Consolidated total liabilities							39,479	544	40,023
OTHER INFORMATION									
Capital expenditure	1,435	3,871	488	1	1		5,796	198	5,994
Depreciation and amortisation	888	1,067	162	13	1		2,131	333	2,464
Impairment loss recognised	14	492	-	1	-		507	34	541

3. Segment information – continued

Operating segments (continued)

	Retail *HK$ million*	Beverage *HK$ million*	Food Processing and Distribution *HK$ million*	Investment Property *HK$ million*	Investments and Others *HK$ million*	Elimination *HK$ million*	Continuing Operations Total *HK$ million*	Discontinued Operations (Note 8) *HK$ million*	Total *HK$ million*
For the year ended 31 December 2008									
TURNOVER									
External sales	31,999	17,352	7,468	401	-	-	57,220	7,408	64,628
Inter-segment sales*	73	53	177	33	-	(336)	-	-	-
Total	32,072	17,405	7,645	434	-	(336)	57,220	7,408	64,628
Segment result	680	1,317	465	847	337		3,646	626	4,272
Unallocated corporate expenses							(98)	-	(98)
Interest income							190	22	212
Finance costs							(491)	(104)	(595)
Profit before taxation							3,247	544	3,791
Taxation							(763)	(67)	(830)
Profit for the year							2,484	477	2,961
As at 31 December 2008									
ASSETS									
Segment assets	18,036	27,867	6,231	7,926	1,477		61,537	7,636	69,173
Deferred taxation assets							123	41	164
Taxation recoverable							70	5	75
Unallocated corporate assets							445	-	445
Consolidated total assets							62,175	7,682	69,857
LIABILITIES									
Segment liabilities	9,701	13,756	1,177	333	4		24,971	2,870	27,841
Taxation payable							313	120	433
Deferred taxation liabilities							1,313	25	1,338
Unallocated corporate liabilities							5,747	-	5,747
Consolidated total liabilities							32,344	3,015	35,359
OTHER INFORMATION									
Capital expenditure	2,165	4,041	572	-	1		6,779	453	7,232
Depreciation and amortisation	758	823	158	14	2		1,755	309	2,064
Impairment loss recognised	4	228	1	-	-		233	34	267

** Inter-segment sales were charged at prevailing market rates*

3. Segment information – continued

Geographical segments

	2009		2008	
	Turnover from continuing operations	**Non-current assets (Note)**	Turnover from continuing operations	Non-current assets (Note)
	HK$ million	***HK$ million***	*HK$ million*	*HK$ million*
Hong Kong	**6,865**	**9,526**	6,149	9,166
Chinese Mainland	**56,064**	**38,075**	49,661	35,255
Other Countries	**1,202**	**533**	1,410	536
	64,131	**48,134**	57,220	44,957

Note: Non-current assets excluded financial instruments and deferred tax assets.

4. Other income

	2009	2008
	HK$ million	*HK$ million*
Other income includes the following:		
Continuing operations		
Dividends from unlisted available for sale investments	**-**	3
Interest income	**89**	190
Valuation gain on investment properties	**1,124**	485
Profit on disposal of associates	**82**	95
Profit on disposal of available for sale investments	**55**	35
Profit on disposal of fixed assets	**-**	216
Discontinued operations		
Dividends from unlisted available for sale investments	**3**	3
Interest income	**9**	22
Valuation gain/(deficit) on investment properties	**4**	(2)
Profit on disposal of fixed assets	**-**	1

5. Finance costs

	2009	2008
	HK$ million	*HK$ million*
Continuing operations		
Interest on bank loans and other loans wholly repayable within five years	**179**	530
Interest on bank loans not wholly repayable within five years	**-**	1
Financing charges	**34**	21
	213	552
Less: Amount capitalised in cost of qualifying assets	**(18)**	(61)
	195	491
Discontinued operations		
Interest on bank loans and other loans wholly repayable within five years	**63**	94
Financing charges	**1**	10
	64	104
	259	595

6. Taxation

	2009 *HK$ million*	2008 *HK$ million*
Continuing operations		
Current taxation		
Hong Kong	**108**	85
Chinese Mainland	**708**	615
Overseas	**4**	5
	820	705
Deferred taxation		
Hong Kong		
- Current year	**190**	96
- Change in tax rate	**-**	(59)
Chinese Mainland	**(94)**	21
	916	763
Discontinued operations		
Current taxation		
Hong Kong	**5**	8
Chinese Mainland	**78**	72
	83	80
Deferred taxation		
Hong Kong		
- Current year	**(4)**	(2)
Chinese Mainland	**(3)**	(11)
	76	67
	992	830

Hong Kong Profits Tax is calculated at 16.5% (2008: 16.5%) on the estimated assessable profits for the year.

Chinese Mainland income tax has been provided for based on the estimated assessable profits in accordance with the relevant tax laws applicable to the subsidiaries in the Chinese Mainland. Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

7. Profit for the year

	2009 *HK$ million*	2008 *HK$ million*
Profit for the year has been arrived at after charging:		
Continuing operations		
Depreciation		
- Owned assets	**2,118**	1,740
- Assets held under finance leases	**-**	1
Amortisation of other intangible assets (included in general and administrative expenses)	**13**	14
Discontinued operations		
Depreciation		
- Owned assets	**333**	309

8. Discontinued operations

In order to focus on the core consumer business, the Group transferred its textile business at the end of December 2009 to its parent company under the Asset Swap Agreement.

Pursuant to a sale and purchase agreement dated 17 December 2009, the Group agreed to dispose of its brand-fashion distribution operation for an aggregate consideration of HK$3,880 million, which was previously included in the Group's retail division for segment reporting purposes.

The results of the discontinued operations included in the consolidated profit and loss account are set out below:

	2009	2008
	HK$ million	*HK$ million*
Profit for the year from discontinued operations		
Revenue	**7,625**	7,571
Expenses	**(7,278)**	(7,025)
Share of losses of associates	**(4)**	(2)
Profit before taxation	**343**	544
Taxation	**(76)**	(67)
Profit after taxation	**267**	477
Profit for the year attributable to:		
Shareholders of the Company	**128**	272
Minority interests	**139**	205
	267	477
Net assets of discontinued operations transferred	**3,385**	-

9. Dividends

	2009	2008
	HK$ million	*HK$ million*
2009 interim dividend paid of HK$0.14 (2008: HK$0.15) per ordinary share	**335**	359
2009 proposed final dividend of HK$0.35 (2008: HK$0.25) per ordinary share	**839**	597
	1,174	956

At the meeting held on 25 March 2010, the directors proposed final dividend of HK$0.35 (2008: HK$0.25) per ordinary share. This proposed dividend, which is calculated on the Company's number of ordinary shares as at the date of the board meeting, is not recognised as a liability in these financial statements. The total dividends paid by the Company, including the final dividend for the year 2008, amounting to HK$932 million (2008: HK$1,075 million) are reflected in the current year financial statements.

10. Earnings per share

	2009	2008
	HK$ million	*HK$ million*
For continuing and discontinued operations		
The calculation of the basic and diluted earnings per share is based on the following data:		
Earnings		
Profit attributable to shareholders of the Company for the purposes of calculating basic and diluted earnings per share	**2,913**	2,322

	2009	2008
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**2,390,477,417**	2,387,587,624
Effect of dilutive potential ordinary shares:		
- Share options	**6,046,184**	10,289,705
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**2,396,523,601**	2,397,877,329

	2009	2008
	HK$ million	*HK$ million*
For continuing operations		
The calculation of the basic and diluted earnings per share is based on the following data:		
Earnings		
Profit attributable to shareholders of the Company for the purposes of calculating basic and diluted earnings per share	**2,913**	2,322
Less:		
Profit attributable to shareholders of the Company from discontinued operations	**(128)**	(272)
Profit attributable to shareholders of the Company for the purposes of calculating basic and diluted earnings per share from continuing operations	**2,785**	2,050

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

For discontinued operations

Basic earnings per share and diluted earnings per share for the discontinued operations are HK$0.05 per share (2008: HK$0.11 per share) and HK$0.05 per share (2008: HK$0.11 per share), based on the profit attributable to shareholders of the Company from the discontinued operations of HK$128 million (2008: HK$272 million) and the denominators detailed above for the both basic and diluted earnings per share.

11. Trade and other receivables

	2009	2008
	HK$ million	*HK$ million*
Trade receivables	**1,127**	1,803
Provision for doubtful debts	**(120)**	(168)
	1,007	1,635
Value-added tax receivables	**1,346**	956
Prepayments	**1,016**	1,333
Deposits paid	**312**	375
Other receivables	**1,490**	1,094
Amounts due from fellow subsidiaries	**2**	18
Amounts due from associates	**39**	33
	5,212	5,444

The Group normally trades with its customers under the following credit terms:

a) cash upon delivery; and
b) open credit within 60 days

11. Trade and other receivables – continued

The following is the aging analysis of trade receivables at the balance sheet date:

	2009	2008
	HK$ million	*HK$ million*
0 – 30 days	**563**	1,050
31 – 60 days	**180**	239
61 – 90 days	**87**	112
> 90 days	**177**	234
	1,007	1,635

The fair value of the Group's trade and other receivables at balance sheet date was approximate to the corresponding carrying amount.

12. Trade and other payables

	2009	2008
	HK$ million	*HK$ million*
Trade payables	**10,332**	7,585
Receipt in advance	**4,560**	2,911
Accruals	**3,670**	3,214
Deposit received	**2,496**	1,959
Other payables	**3,863**	3,485
Amount due to a holding company	**114**	-
Amounts due to fellow subsidiaries	**72**	118
Amounts due to associates	**14**	30
	25,121	19,302

The following is an aging analysis of trade payables at the balance sheet date:

	2009	2008
	HK$ million	*HK$ million*
0 – 30 days	**6,416**	4,207
31 – 60 days	**2,128**	1,490
61 – 90 days	**793**	607
> 90 days	**995**	1,281
	10,332	7,585

The fair value of the Group's trade and other payables at balance sheet date was approximate to the corresponding carrying amount.

13. Other Information

The consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2009 have been reviewed by the Audit Committee of the Company and audited by the Company's auditor, Deloitte Touche Tohmatsu. An unqualified auditors' report will be included in the Annual Report to shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

Retail

The Group's retail division comprises the supermarket and logistics operation and other retail stores operation.

The turnover of the Group's retail division for 2009 rose 12.1% to HK$35,939 million year-on-year while its attributable profit amounted to HK$296 million, representing a year-on-year decrease of 24.5%.

The Chinese Mainland's economy experienced a gradual recovery from the impact of the global financial crisis in the year under review. Benefiting from the central government's economic stimulus program, its GDP growth picked up steadily.

Due to the negative impact of the financial crisis in 2009, the Chinese Mainland registered 15.5% year-on-year growth in total retail sales of consumer goods, down from 2008's rate of 21.6%. Against a relatively subdued consumer environment, consumer price index for 2009 declined by 0.7% year-on-year, compared with an increase of 5.9% in 2008.

In Hong Kong, overall consumer sentiment in 2009 was negatively affected by the high unemployment rate and expectation of a slow recovery of the global economy. Although the economic condition and consumer confidence in Hong Kong showed initial improvements toward the end of 2009, overall retail sales volume for 2009 declined by 0.8% year-on-year.

Supermarket and Logistics

The turnover of the supermarket and logistics operation for 2009 was HK$35,018 million, representing an increase of 12.5% over 2008. Its attributable profit for 2009 amounted to HK$281 million, a decrease of 19.9% over 2008.

The increase in turnover was mainly attributable to an expanded operational scale. As at the end of December 2009, the Group operated a total of over 2,800 stores in the Chinese Mainland and Hong Kong, of which approximately 62.1% were self-operated and the rest were franchised stores. They are mainly hypermarkets, supermarkets and convenience stores operated under the brands of "華潤萬家 Vanguard", "華潤蘇果 China Resources Suguo", "蘇果 Suguo", "Vango" and "Olé". In terms of geographical contribution, Eastern China, Southern China, Hong Kong and Northern China respectively accounted for 63.0%, 26.0%, 6.6% and 4.4% of the operation's turnover for 2009.

Both the macroeconomic environment and consumer spending remained weak, negative same store sales growth was recorded in the first half of the year. Following the improvements in the second half of the year, the Group's overall same store sales for 2009 were up 0.3% year-on-year.

The impact of the economic downturn was exacerbated by intense competition in the market where foreign operators gradually localized their operations to raise their overall competitiveness. While the industry became increasingly competitive, the Group adopted numerous promotional campaigns to boost sales. Promotional activities inevitably lowered the sales margin, however, through enforcement of stringent cost control, the operation reported earnings before interest, tax, depreciation and amortization for 2009 amounted to HK$1,510 million, representing an 9.9% increase over 2008.

The Group took necessary steps to respond to such a challenging operating environment. It continued to cater for customer preferences and optimize its product mix to adapt to customer requirements in a subdued retail market. Other initiatives included integration of its supply chain and establishment of a risk management system.

The Group has been adopting a multi-format store strategy to effectively expand into target markets. In addition to innovation of store formats, it standardized existing store formats to further enhance the customers' shopping environment. In 2009, the Group continued to expand its supermarket operation into new markets in an attempt to strengthen its national leadership.

The Group acquired a chain of hypermarkets, through an asset swap agreement (the "Asset Swap Agreement") with its parent company, China Resources (Holdings) Company Limited. The acquisition, which was completed on 31 December 2009, has considerably expanded the Group's supermarket operation by complementing its geographical coverage in the northern and central areas of the Chinese Mainland.

The retail industry of the Chinese Mainland will benefit from the stabilization of the economy and rising consumer demand. The Group plans to speed up the opening of new stores, and will proactively explore acquisition opportunities in the fragmented market.

Other Retail Stores

The turnover and attributable profit of other retail stores operation for 2009 amounted to HK$921 million and HK$15 million respectively, down by 1.3% and 63.4% year-on-year. As at the end of December 2009, the Group's chain of retail stores mainly consisted of 5 "中藝 Chinese Arts & Crafts" stores and 47 "華潤堂 CR Care" stores in Hong Kong and the Chinese Mainland.

Responding to the challenging business environment after the economic downturn, the Group's other retail stores operation increased the frequency and magnitude of promotional activities to stimulate sales. However, weakened consumer sentiment in 2009 had a negative impact on "中藝 Chinese Arts and Crafts" operation, which focuses on the sale of high quality and premium products. While retail prices were lowered according to market changes, rental levels remained unchanged, putting pressure on the profitability of the business.

During the year under review, "中藝 Chinese Arts & Crafts" operation held its 50th anniversary promotional campaign which achieved encouraging results. The Group also established a gems testing laboratory in Hong Kong in June 2009 to further enhance its brand recognition of products and service quality. Riding on our solid foundation in Hong Kong, we opened the first mainland's "中藝 Chinese Arts & Crafts" store in Shenzhen in order to tap the huge potential of the luxurious goods market in the Chinese Mainland.

With promotional campaigns and opening of new stores, "華潤堂 CR Care" operation achieved a 2.4% increase in turnover for 2009. However, promotional activities on premium products pushed down the gross profit margin. To improve its profitability, proactive operational reviews were conducted and certain non-performing stores were closed. The losses from these store closures affected the profitability of the operation.

Although the economy and market conditions have shown signs of gradual recovery, there are still uncertainties ahead which may influence consumer sentiment. Lingering price sensitivity among consumers, rising purchasing costs and potential increases in rentals will likely pose challenges to the operation. But the Group believes its sales and gross margin will improve when the market stabilizes. The Group will take advantage of the well-established brand image and regional dominance of its supermarkets in the Chinese Mainland to expand its other retail stores operation, with “中藝 Chinese Arts & Crafts” operation entering the market in Eastern China and “華潤堂 CR Care” operation developing at a faster pace in Southern China.

Beverage

The beverage division reported a turnover of HK$20,470 million and an attributable profit of HK$684 million for 2009, representing increases of 17.6% and 67.2% respectively over 2008.

Beer Operation

The beer operation reported a turnover of HK$18,878 million and an attributable profit of HK$540 million for 2009, representing increases of 17.6% and 81.2% respectively over 2008.

Benefiting from the efforts in product mix optimization, product upgrade and product display innovation, the beer operation successfully boosted beer sales with growing brand awareness to compete with peers. Besides, lower raw material costs helped deliver satisfactory profitability of the operation.

The sales volume of beer for 2009 rose by 15.3% to approximately 8,371,000 kiloliters as the warmer-than-usual weather for the first three quarters favored our beer sales. In 2009, organic sales volume reported steady growth of 6.0% while the sales volume of our national brand “雪花 Snow” rose by 18.8% to approximately 7,244,000 kiloliters, accounting for 86.5% of the total sales volume.

Throughout the year, the Group strengthened its distribution channels to boost sales. Product segmentation of premium beers was fine-tuned in particular so as to strengthen our market share in the high-end beer market. The Group’s endeavors in enhancing the brand image of “雪花 Snow” through more up-to-date and brand-new promotional activities, which were successful in consolidating the brand reputation and reinforcing consumer loyalty.

In order to further strengthen our market position, widen geographical coverage, enhance operational efficiency and optimize product structure, the Group completed the acquisition of brewing assets in several new breweries in different regions in the Chinese Mainland, namely Anhui Province, Liaoning Province, Zhejiang Province, Shandong Province and Heilongjiang Province. As at the end of December 2009, the Group operated about 70 breweries in the Chinese Mainland with an annual production capacity of approximately 14 million kiloliters.

The economy of the Chinese Mainland has not fully recovered from the global financial crisis. The beer operation will have to overcome the negative effects arising from possible rise in raw material costs and increased competition in the market. With these challenges ahead, the Group will reinforce centralized procurement to minimize purchasing costs. In view of our nationwide coverage in the Chinese Mainland, we will consolidate our leadership in developed markets while enhancing our profitability and competitiveness in markets where we are yet to develop our strong presence.

Purified Water Operation

The purified water operation, with "怡寶 C'estbon" as its sole brand, reported a turnover of HK$1,592 million and an attributable profit of HK$144 million for 2009, representing increases of 17.3% and 29.7% respectively over 2008. Sales volume of purified water in 2009 rose by 16.6% year-on-year to approximately 1,594,000 kiloliters.

The growth in sales was mainly driven by the increase in market coverage, expanded distribution networks in Hunan, Eastern and Northern China areas as well as our development in the new markets such as Fujian and Guangxi Provinces. During the year under review, the Group enhanced the distribution channels for better penetration into South-Western China and launched various promotional activities that successfully boosted sales. The decline in crude oil prices and bulk procurement allowed us to lower the procurement costs in respect of plastic packaging materials during the year, contributed to a rise in profitability.

Operating in the increasingly competitive packaged water market in the Chinese Mainland, we will strengthen our competitive advantage by product mix enrichment and geographical coverage expansion. We aim at enhancing our brand awareness in both developed and newly entered markets. We will also refine segmentation of markets in order to explore new ways to drive sustainable growth of the operation. In the future, the Group will strive for organic growth and seek acquisition opportunities for achieving steady profitability growth.

Food Processing and Distribution

The food processing and distribution division reported a turnover of HK$7,443 million for 2009, representing a decrease of 2.6% over 2008. Its attributable profit for 2009 amounted to HK$350 million, representing an increase of 12.2% over 2008. Excluding the gains from reducing certain equity interests in strategic investment, the attributable profit for 2009 would have increased by 1.3%.

For the year under review, the Group maintained its market leadership in terms of market share in the Hong Kong live pig market through the synergy with its mainland livestock raising business that ensured a steady supply of live pigs. However, intensified market competition further lowered the gross profit and profitability of the livestock distribution business in Hong Kong.

With the successful renewal of our contract right to operate and manage the abattoir in Sheung Shui, Hong Kong for a maximum of another ten years in 2009, the Group will further improve the food safety system in Hong Kong's slaughtering industry, kick off the management system upgrade in aspects such as Hazard Analysis and Critical Control Point (HACCP) System, occupational safety and health and environment protection, and consummate the platform for tracing food quality information like the pigs and cattle tracking system for ensuring safety of food supplies to Hong Kong. The Group aims at further improving the operational management of the abattoir to enhance the added-value of our services.

The meat processing, branded food processing, storage, logistics and distribution businesses in the Chinese Mainland delivered satisfactory operating results for the year under review through active business expansion. Desirable growth was recorded in the mainland slaughtering volume of live pigs as well as the sales volume of fresh, chilled and frozen meat businesses. The brands of the Group's meat products, frozen food and ice-cream were well-known in places such as Shanghai, Hangzhou, and Shenzhen with higher market share and more brand awareness. As a result, turnover from branded food contributed to a higher proportion of the overall turnover of food processing and distribution division for the year 2009.

Through acquisitions, the Group has strengthened and integrated the supply chain of livestock raising, slaughtering, meat processing, cold storage, logistics and sales distribution. During the year, the Group made use of the cost advantages provided by a newly acquired production base in Shandong Province in December 2008 to further expand the market coverage in Shanghai, establishing a vertically integrated high quality meat supply system in the region. At the same time, the newly acquired livestock raising business in Henan Province in August 2008 provided a stable supply for the livestock distribution business in Hong Kong while serving as an exemplary model of a livestock raising base for high-quality live pigs in the meat processing business in the Chinese Mainland.

Through active expansions in the African, European and Japanese markets as well as product mix optimization, the marine fishing and aquatic products processing operation achieved a further increase in operating profit. Various measures such as better deployment of shipping resources in different regions, promoting resources sharing and enhancing efficiency of the operation, coupled with the drop in fuel prices, helped to ease operating cost pressure. Therefore, the overall profitability of the operation was improved and the operation reported satisfactory profit contribution for the period under review.

Looking forward, the Chinese Mainland is still a key market for the division's growth. The Group will continue to carry out and replicate "Vegetable Basket" project in regional core cites and is dedicated to becoming a leading integrated safe food supplier with capabilities in research and development, processing, storage, logistics, wholesaling and retailing as well as international trading. The Group intends to develop and grow its business in the Chinese Mainland through acquisitions.

Investment Property

The investment property division, which mainly comprises the retail property rental segment, reported a turnover of HK$550 million in 2009, up 26.7% over 2008. Its attributable profit was HK$1,286 million. Excluding an after-tax revaluation surplus of approximately HK$912 million (2008: approximately HK$415 million) and the decrease in deferred tax liabilities of approximately HK$52 million resulting from a reduction in the Hong Kong profits tax rate in 2008, the attributable profit of the division in 2009 would have increased by 30.3% over the previous year.

Benefiting from new tenancy agreements of Silvercord property in Tsim Sha Tsui, rental income of the division increased considerably in 2009. Other retail properties also recorded slight increases in rental and occupancy rates.

Looking ahead, we expect the traditional key tourism areas will continue to benefit from the high purchasing power of mainland travelers. However, the prudent expansion plans and stringent cost control measures of some of the retail and food and beverage operators will hinder the increment of rental rates. The division will from time to time evaluate the renovation potential of its retail properties with a view to increase rental income.

Investments and Others

Its attributable profit for 2009 amounted to HK$321 million (2008: HK$396 million).

Container Terminal

The Group transferred its entire 10% stake in the container terminal business to its parent company under the Asset Swap Agreement on 31 December 2009.

Discontinued operations

Brand-fashion Distribution

The Group entered into a sale and purchase agreement on 17 December 2009 to dispose of its entire interest in a joint venture engaged in brand-fashion distribution business in the Chinese Mainland. The transaction will help the Group to focus on reinforcing its market leadership in core consumer businesses.

The brand-fashion distribution segment reported a turnover of HK$2,611 million and an attributable profit of HK$138 million for 2009, representing an increase of 1.2% and a decrease of 30.3% respectively over 2008.

Textile

In order to focus on the core consumer businesses, the Group completed the disposal of the entire textile division to its parent company on 31 December 2009 under the Asset Swap Agreement.

The textile division recorded a turnover of HK$4,887 million in 2009, representing an increase of 1.2% over 2008. Its attributable loss for 2009 amounted to HK$10 million, compared to an attributable profit of HK$74 million in 2008.

FINANCIAL REVIEW

Capital and Funding

As at 31 December 2009, the Group's consolidated cash and bank balance amounted to HK$8,803 million. The Group's borrowings as at 31 December 2009 were HK$12,143 million with HK$3,324 million repayable within one year, HK$8,816 million repayable after one year but within five years and HK$3 million repayable after five years. Committed borrowing facilities available to the Group but not drawn as at 31 December 2009 amounted to approximately HK$770 million.

On the basis of the Group's net borrowings relative to the shareholders' funds and minority interests, the Group's gearing was approximately at 9.4% as at 31 December 2009 (31 December 2008: 18.7%).

The Group's principal assets, liabilities, revenue and payments are denominated in Hong Kong dollars, Renminbi and US dollars. As at 31 December 2009, 22.5% of the Group's cash deposit balance was held in Hong Kong dollars, 71.5% in Renminbi and 4.9% in US dollars; whereas 77.6% of the Group's borrowings was denominated in Hong Kong dollars and 15.4% in Renminbi with 6.9% in US dollars. To mitigate the interest rate exposure, the Group entered into certain interest rate swaps to hedge part of its borrowings.

Pledge of Assets

As at 31 December 2009, assets with a carrying value of HK$275 million (31 December 2008: HK$289 million) were pledged for bank borrowings and notes payable.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2009.

CORPORATE GOVERNANCE

It is the firm belief of the Company that a good and solid corporate governance framework is essential to the successful growth of the Company and the enhancement of shareholder value. The Company is committed to attaining and maintaining high standards of corporate governance and adopts principles of corporate governance emphasizing a quality board, accountability to all stakeholders, open communication and fair disclosure.

The Company has adopted the Corporate Governance Practice Manual which incorporates almost all the Code Provisions and, where appropriate, recommended best practices of the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("CG Code").

Throughout the year ended 31 December 2009, the Company has complied with all the Code Provisions in the CG Code, with one deviation from Code Provision A.4.1 of the CG Code. All Directors (including Executive and Non-Executive Directors) are not appointed for a fixed term. The Board does not believe in any arbitrary term of office and would like to retain sufficient flexibility to organize the composition of the Board to serve the needs of the Group. The Articles of Association of the Company require that all Directors are subject to re-election by shareholders of the Company at the annual general meeting following their appointment and at least every three years on a rotation basis. The Directors to retire shall be those who have been longest in office since their election or re-election. A retiring Director is eligible for re-election.

The Company has exceeded the requirements under the Listing Rules and the CG Code in various areas of its corporate governance practices. Since November 2002, to enable the shareholders to appraise the operations and performance of the Group, the Group has been releasing quarterly financial and operational review. The Company also exceeded the minimum requirements under the Listing Rules relating to the appointment of at least three Independent Non-Executive Directors with six Independent Non-Executive Directors. Two of our Independent Non-Executive Directors have appropriate accounting qualifications, which also exceeds the requirement of the

Listing Rules. Throughout the year of 2009, the Company has maintained the proportion of its Independent Non-Executive Directors to at least one-third of the total members of the Board.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

EMPLOYEES

As at 31 December 2009, the Group, excluding its associated companies, had a staff size of around 152,000, amongst which about 95% were employed in the Chinese Mainland, whilst the rest were mainly in Hong Kong and overseas. Remuneration packages are assessed in accordance with the nature of job duties, individual performance and market trends with built-in merit components, paid in the form of cash bonuses.

By order of the Board
CHEN LANG
Managing Director

Hong Kong, 25 March 2010

As at the date of this announcement, the executive directors of the Company are Mr. Qiao Shibo (Chairman), Mr. Chen Lang (Managing Director), Mr. Wang Qun (Deputy Managing Director) and Mr. Lai Ni Hium (Deputy Managing Director). The non-executive directors are Mr. Jiang Wei, 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.