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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**

CR Vanguard, a wholly-owned subsidiary of the Company, has entered into the Supply Agreement with Min Run in its ordinary and usual course of business, pursuant to which CR Vanguard will supply goods to the Min Run Group for a period commencing from the date of the agreement to 31 December 2011.

As Cheung Kong Investment is a substantial shareholder of a non wholly-owned subsidiary of the Company, it is a connected person of the Company under the Listing Rules. As Min Run is an associate of Cheung Kong Investment, members of the Min Run Group are connected persons of the Company under the Listing Rules. Accordingly, the Supply 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 Supply Agreement are in the ordinary and usual course of business of the Group and on normal commercial terms; and the terms of the Supply Agreement 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 the 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.

**THE SUPPLY AGREEMENT**

Date: 22 May 2009

Parties: CR Vanguard

Min Run

Pursuant to the Supply Agreement entered into by CR Vanguard and Min Run with a term commencing from the date of the agreement to 31 December 2011, when CR Vanguard enters into a supply transaction with members of the Min Run Group, they should procure that the transactions will be on normal commercial terms. The prices of the goods involved (which include, without limitation, foodstuff, beverage and consumer goods) will be either at market prices taking into account various factors (including, without limitation, the quality and the quantity of the goods involved) or (if there are no comparables in the market at that time) at such prices which are not less favourable to CR Vanguard than those available to or from independent third parties. The consideration will be paid in cash upon delivery of the goods.

### **PROPOSED ANNUAL CAPS**

The proposed annual cap for each of the three years ending 31 December 2011 is RMB836 million which is determined by reference to the estimated sales of the goods to the Min Run Group for the years ending 31 December 2011, the number of stores operated by the Min Run Group, their scale of operation, the price trend of the goods to be supplied and the inventory level of the Min Run Group. The directors (including the independent non-executive directors) of the Company consider that the above annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

### **RELATIONSHIP BETWEEN THE MIN RUN GROUP AND THE COMPANY**

As Cheung Kong Investment is a substantial shareholder of a non wholly-owned subsidiary of the Company, it is a connected person of the Company under the Listing Rules. As Min Run is an associate of Cheung Kong Investment, members of the Min Run Group are connected persons of the Company under the Listing Rules. Accordingly, the Supply Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

### **REASONS FOR THE TRANSACTIONS**

The sales of goods by CR Vanguard under the Supply Agreement to the Min Run Group are in its ordinary and usual course of businesses. The Supply Agreement and the transactions contemplated thereunder will broaden the customer base of CR Vanguard and enhance its bargaining power and its ability to source goods from other suppliers on more competitive terms.

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

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

## INFORMATION ABOUT THE COMPANY, CR VANGUARD AND MIN RUN

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. CR Vanguard is principally engaged in the operation of supermarkets and wholesale of goods. Min Run is principally engaged in the operation of stores in the southern part of the PRC.

### GENERAL

As the annual caps 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
“Cheung Kong Investment”	Cheung Kong Investment Company Limited, a company incorporated in Hong Kong with limited liability and a substantial shareholder of a non wholly-owned subsidiary of the Company
“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
“CR Vanguard”	華潤萬家有限公司 (China Resources Vanguard Co., Ltd.), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Min Run”	深圳市民潤農產品配送連鎖商業有限公司 (Shenzhen Min Run Agriculture Products Distribution Chain Store Co., Ltd.), a company incorporated in the PRC with limited liability
“Min Run Group”	Min Run 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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supply Agreement” the agreement dated 22 May 2009 entered into between CR Vanguard and Min Run relating to the supply of goods

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

Hong Kong, 25 May 2009

*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), 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.*