

**For Immediate Release  
Press Release**

**China Resources Enterprise Acquires Jiangxi Hongkelong Department Store for RMB3.69 billion  
Further Enhancing its Competitiveness in China's Retail Market**

- **China Resources Enterprise is acquiring a 100% interest in Hongkelong Department Store for a total consideration of RMB3.69 billion (equivalent to approximately HK\$4.46 billion), which will be payable by way of cash**
- **Hongkelong Department Store is a competitive retail chain operator in Jiangxi Province. Through the acquisition, the Group immediately expands its retail business into Jiangxi Province and gains an advantageous market position in the region, further enhancing its network and competitiveness in China's retail market**
- **China Resources Enterprise brings to the newly acquired business its strong retail management expertise, and its extensive retail and distribution network. Meanwhile, Hongkelong Department Store offers the Group a wealth of local market knowledge of Jiangxi Province. Leveraging the complementary strengths of both companies, the acquisition will propel the development of the Group's retail business**

[Hong Kong, 29 July 2011] China Resources Enterprise, Limited (HKEx: 00291) ('The Company' and together with its subsidiaries, 'The Group') today announced its acquisition of a 100% interest in Jiangxi Hongkelong Department Store Investment Company Limited ('Hongkelong Department Store') for a total consideration of RMB3.69 billion (equivalent to approximately HK\$4.46 billion), which will be payable by way of cash. Hongkelong Department Store is a competitive retail chain operator in Jiangxi Province. Through the acquisition, the Group immediately expands its retail business into Jiangxi Province and gains an advantageous market position in the region, thereby further enhancing its network and competitiveness in China's retail market. As at the end of December 2010, Hongkelong Department Store recorded a turnover of RMB2,550.70 million and earnings of RMB93.18 million.

Hongkelong Department Store has 21 hypermarkets, and is a well-known retail chain with the largest scale and number of stores in Jiangxi Province. The acquisition will facilitate the Group's national expansion strategy that emphasizes regional leadership and synergy on a multi-format business platform. As one of the leading consumer goods companies in China, the Group brings to the newly acquired business its strong retail management expertise, and extensive retail and distribution network. Meanwhile, with a long operational history in Jiangxi Province, Hongkelong Department Store offers the Group a wealth of local market knowledge. Leveraging the complementary strengths of both companies, the acquisition will propel the development of the Group's retail business. As at the end of March 2011, the Group operated over 3,300 stores in China, mainly comprising supermarkets, "中藝 Chinese Arts & Crafts" stores, "華潤堂 CR

Page 1 of 2

**China Resources Enterprise, Limited**

39/F China Resources Building, 26 Harbour Road, Wanchai, Hong Kong  
Tel: (852) 2827 1028 Fax: (852) 2598 8453 Website: www.cre.com.hk



Care" stores, "VivoPlus" health and beauty stores and "Pacific Coffee" stores.

Mr. Chen Lang, Chief Executive Officer of the Company, said, "The acquisition is in line with the Group's strategy of focusing on building our leading positions of our core businesses comprising retail, beer, food and beverage. It allows us to expand our retail business into Jiangxi Province with an advantageous market position, which fuels the continued growth of our retail business. Through business integration including the area of supply chain, we believe that the regional advantage gained from the acquisition of Hongkelong Department Store will become increasingly significant in the future as we see this acquisition as an important foundation for the development of our retail business in South-East China."

\* \* \*

#### **About China Resources Enterprise, Limited**

China Resources Enterprise, Limited is listed on the Hong Kong Stock Exchange and is one of the constituent stocks of the Hang Seng Index in Hong Kong. The Group focuses on the consumer businesses including retail, beer, food and beverage in China.

For further information, please contact:

#### **China Resources Enterprise, Limited**

Mr. Vincent Tse

General Manager

Strategic Planning and Investor Relations Dept.

Mobile: +852 9861 1983

Fax: +852 2598 8453

Email: [vincent.tse@cre.com.hk](mailto:vincent.tse@cre.com.hk)