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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)

**FORMATION OF JOINT VENTURE
WITH TESCO PLC**

**(1) MAJOR TRANSACTION – INJECTION OF
CONTRIBUTED BUSINESS OPERATIONS**

**(2) MAJOR TRANSACTION – SUBSCRIPTION OF 20% OF
RETAIL BUSINESS**

(3) MAJOR TRANSACTION – THE STEP-UP OPTION

(4) MAJOR TRANSACTION – THE DEFAULT PUT RIGHT

(5) MAJOR TRANSACTION – THE DEFAULT CALL RIGHT

(6) NOTIFIABLE TRANSACTION – THE IPO CALL RIGHT

(7) CONTINUING CONNECTED TRANSACTION – IP AGREEMENT

**Financial Advisers to China Resources Enterprise, Limited
(in alphabetical order)**

Morgan Stanley



THE JOINT VENTURE FORMATION

Introduction

Reference is made to the voluntary announcement dated 9 August 2013 in relation to the Company entering into a non legally-binding term sheet with Tesco in relation to the possible formation of a joint venture to engage in the operations of hypermarkets, supermarkets, convenience stores, cash and carry business and liquor stores in Greater China.

On 1 October 2013 (London time), Gain Land and Ondereel (each a wholly-owned subsidiary of the Company), the Company (as guarantor for the performance by Gain Land and Ondereel of their respective obligations therein), the Subscriber (a wholly-owned subsidiary of Tesco) and Tesco (as guarantor for the performance by the Subscriber of its obligations therein) entered into the Investment Agreement, pursuant to which the parties have conditionally agreed to establish the Joint Venture through the Joint Venture Formation. The Joint Venture Formation will involve (1) Tesco disposing of, and Gain Land acquiring the entire issued share capital of the Target; (2) Gain Land issuing new shares to the Subscriber so that Ondereel and the Subscriber will be interested in the Joint Venture as to 80% and 20% respectively and the Subscriber paying an additional cash sum to Gain Land as described below; (3) the Option Grants; and (4) entering into the IP Agreement.

The Injection and the Subscription

Subject to the satisfaction of the Conditions Precedent, the Subscriber will, at Completion, subscribe for the Gain Land Subscription Shares in accordance with the terms of the Investment Agreement so that the Company and Tesco will hold their respective 80% and 20% interests in the Joint Venture. The Subscriber will satisfy the Total Consideration for the Subscription by way of (1) the Injection, and (2) an aggregate cash sum of HK\$4,325 million.

Under the Injection, Tesco will, as part of the consideration for the issue of the Gain Land Subscription Shares pursuant to the Subscription, transfer the entire issued share capital of the Target to Gain Land at Completion. Thus, at Completion, the Retail Business will be combined with the Contributed Business Operations under the Joint Venture.

After Completion, the Joint Venture will be the exclusive platform for the Company (and its subsidiaries) and Tesco (and its Affiliates) primarily to engage in the business of multi-category retailing through supermarkets, hypermarkets, convenience stores, cash and carry business and liquor stores (as well as the online/internet equivalent of any of the foregoing businesses) in Greater China.

The Option Grants

Under the Investment Agreement, the Subscriber shall have the right to subscribe for additional shares in Gain Land, so that the total interest in the Joint Venture held by the Subscriber will increase by 5% (on a fully diluted basis) upon the earlier of (a) a Listing or (b) the fifth anniversary of Completion. The Step-up Option shall be exercisable in respect of all and not part of the 5% additional interest (on a fully diluted basis), and at an exercise price which is equal to (as the case may be) the issue price per share at Listing or the fair market value of the Joint Venture as at the fifth anniversary of Completion to be determined by an independent expert. Upon exercise of the Step-up Option and assuming the Subscriber has not disposed of any of its interest in the Joint Venture after Completion, Ondereel and the Subscriber will be interested in the Joint Venture as to 75% and 25% respectively.

Simultaneously with Completion, the Gain Land Shareholders' Agreement will be executed by relevant parties to govern their relationships and matters in relation to Gain Land. Under the Gain Land Shareholders' Agreement, among other things, (i) the Subscriber will be granted the right, if certain events were to occur, to sell its interest in the Joint Venture to the Company, at the then fair market value to be determined by an independent expert, (ii) the Company will be granted the right, if certain events were to occur, to acquire the Subscriber's interests in the Joint Venture at the then fair market value to be determined by an independent expert, and (iii) the Subscriber will be granted a one-time right to instigate a Listing of the Joint Venture at any time after the seventh anniversary of Completion, and exercise of this right by the Subscriber will trigger a right for the Company to acquire all of the Subscriber's interest in the Joint Venture within three months of the notice of instigation of the Listing at the then fair market value to be determined by an independent expert if the Company does not intend to implement a Listing.

IP Agreement

Simultaneously with Completion, Tesco and Gain Land will enter into the IP Agreement, pursuant to which Tesco, as licensor, agrees to license and make available certain of its intellectual property assets, existing from time to time, to Gain Land, as licensee, for the operation of the Retail Business of the Joint Venture in Greater China.

LISTING RULES IMPLICATIONS

The Joint Venture Formation includes six separate transactions under Chapter 14 of the Listing Rules, namely: (1) the Subscription, (2) the Injection, (3) the Step-up Option, (4) the Default Put Right, (5) the Default Call Right, and (6) the IPO Call Right, as well as a continuing connected transaction in the form of the IP Agreement.

As one or more of the relevant percentage ratios under Rule 14.07 of the Listing Rules in respect of each of the Subscription and the Injection exceeds 25% but is below 75%, each of the Subscription and the Injection therefore constitutes a major transaction of the Company subject to the notification, announcement and shareholders' approval under Chapter 14 of the Listing Rules. Pursuant to Rule 14.76(1) of the Listing Rules, each of the grant (and presumed exercise) of the Step-up Option and the Default Put Right also constitutes a possible major transaction of the Company subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules, as the discretion to exercise either of these options belongs to Tesco.

Under Rule 14.75(1) of the Listing Rules, as the discretion to exercise belongs solely to the Company and the Default Call Right is granted to the Company at no cost to the Company, the grant of the Default Call Right is exempt from the announcement and shareholders' approval requirements of Chapter 14 of the Listing Rules. Ordinarily, exercise of such a call right would be subject to the relevant provisions of Chapter 14 and Chapter 14A of the Listing Rules at that time, based upon relevant percentage ratios determined at that time. However, the Company proposes to apply to the Stock Exchange for a waiver that would enable the Company to seek prior Shareholders' approval for the exercise of the Default Call Right simultaneously with other transactions relating to the Joint Venture Formation, on the basis of treating it as a major transaction (acquisition) of the Company and on the grounds that it is merely a contractual right to protect the Company's position in the Joint Venture. If such waiver is granted, no further Shareholders' approval will be required at the time of exercise.

In addition, the IP Agreement constitutes possible non-exempt continuing connected transactions and is subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules, as Tesco will become a substantial shareholder of Gain Land (thus being a connected person of the Company) after Completion.

The Company is, in conjunction with Tesco, in the process of determining the annual cap applicable to the IP Agreement. Further particulars on the annual cap and the basis for its determination will be included in the circular of the Company relating to the Joint Venture Formation and will be the subject of a separate announcement to be published by the Company when the same have been settled.

Under Rules 14.44 and 14A.43 of the Listing Rules, Shareholders' approval for each of the Injection, the Subscription, the Step-up Option, the Default Put Right, the Default Call Right (subject to the relevant waiver being granted by the Stock Exchange) and the IP Agreement may be obtained by way of written Shareholders' approval in lieu of holding a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting to obtain such Shareholders' approval; and (b) written Shareholder's approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% in nominal value of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve such transactions.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, the counterparties to the Transaction Documents (namely the Subscriber and/or Tesco and their respective Affiliates) are Independent Third Parties and therefore no Shareholder would be required to abstain from voting were the Company to convene a general meeting. As at the date of this announcement, CRH (Enterprise) Limited, the controlling Shareholder who holds 1,232,764,380 Shares, representing approximately 51.31% of the issued share capital of the Company, has given a written certificate to the Company to approve the Joint Venture Formation and ancillary matters and confirms that neither it nor its associates have any material interest in any of the above transactions. Therefore, the Company proposes, under Rules 14.44 and 14A.43, to make use of a written Shareholder's approval, and no general meeting of the Company will be held.

A circular containing, among other matters, further details of the Joint Venture Formation, the IP Agreement, the accountants' report on the Target Group, the letter from the independent financial adviser on the IP Agreement will be despatched to the Shareholders on or before 31 December 2013. The time frame for despatch is longer than that envisaged under the Listing Rules but is anticipated to be needed in this case in order to prepare the accountants' report on the Target Group.

As Completion is subject to the satisfaction of a number of conditions, the Joint Venture Formation may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the voluntary announcement dated 9 August 2013 in relation to the Company entering into a non legally-binding term sheet with Tesco in relation to the possible formation of a joint venture engaged in the operations of hypermarkets, supermarkets, convenience stores, cash and carry business and liquor stores in Greater China.

On 1 October 2013 (London time), Gain Land, Ondereel, the Company (as guarantor for the performance by Gain Land and Ondereel of their respective obligations therein), the Subscriber, and Tesco (as guarantor for the performance by the Subscriber of its obligations therein) entered into the Investment Agreement, pursuant to which the parties have conditionally agreed to establish the Joint Venture, via the Joint Venture Formation.

The Joint Venture Formation will involve (1) Tesco disposing of, and Gain Land acquiring, the entire issued share capital of the Target; (2) Gain Land issuing new shares to the Subscriber so that Ondereel and the Subscriber will be interested in the Joint Venture as to 80% and 20% respectively and the Subscriber paying an additional cash sum to Gain Land as described below; (3) the Option Grants; and (4) entering into the IP Agreement. Moreover, upon exercise of the Step-up Option and assuming the Subscriber has not disposed of any of its interest in the Joint Venture after Completion, Ondereel and the Subscriber will be interested in the Joint Venture as to 75% and 25% respectively.

THE JOINT VENTURE FORMATION

(I) The Investment Agreement

The major terms of the Investment Agreement are as follow:

Date 1 October 2013 (London time)

Parties

- (1) Gain Land
- (2) Ondereel
- (3) the Company, as guarantor for the performance by Gain Land and Ondereel of their respective obligations therein
- (4) the Subscriber
- (5) Tesco, as guarantor for the performance by the Subscriber of its obligations therein

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber and Tesco are Independent Third Parties.

The Subscriber is an investment holding company, which is wholly owned by Tesco.

Transfer of the entire issued share capital of the Target from Tesco to Gain Land (the "Injection")

Under the Injection, the Subscriber will, as part of the consideration for the issue of the Gain Land Subscription Shares pursuant to the Subscription, transfer the entire issued share capital of the Target to Gain Land at Completion. The Target owns (or will at Completion own) the Contributed Business Operations. Thus, at Completion, the Retail Business will be combined with the Contributed Business Operations under the Joint Venture. Details of the Target and the Contributed Business Operations are disclosed below.

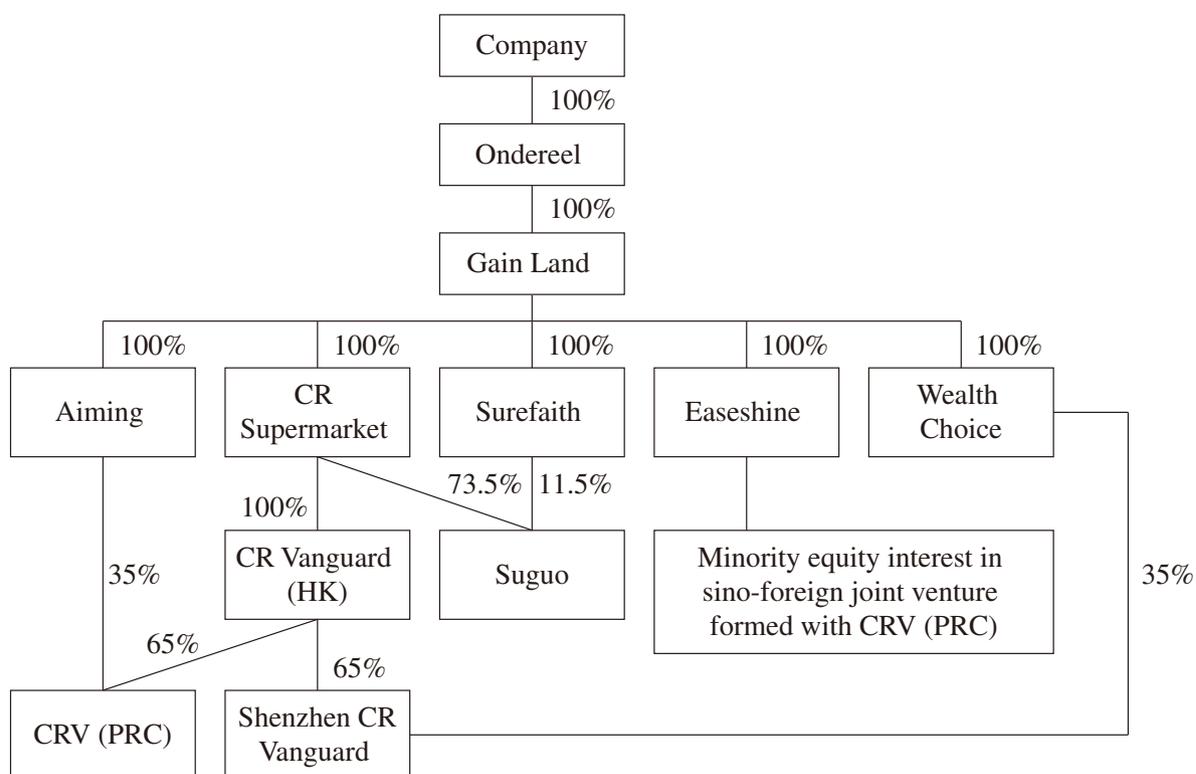
In addition, with effect from Completion and pending the consent from Tesco's relevant Real Estate Partners to the transfer of the Tesco RE JV Interests to the Joint Venture, the Subscriber will hold the economics of the Tesco RE JV Interests for the benefit and cost of the Joint Venture. To the extent that any of the Tesco RE JV Interests have not been legally contributed or transferred to the Joint Venture by the fifth anniversary of Completion (because the relevant Real Estate Partners' consents have not been forthcoming), these economic arrangements will terminate in consideration of a cash payment by the Subscriber equal to the then fair market value of such Tesco RE JV Interests.

Subscription for the Gain Land Subscription Shares by the Subscriber (the “Subscription”)

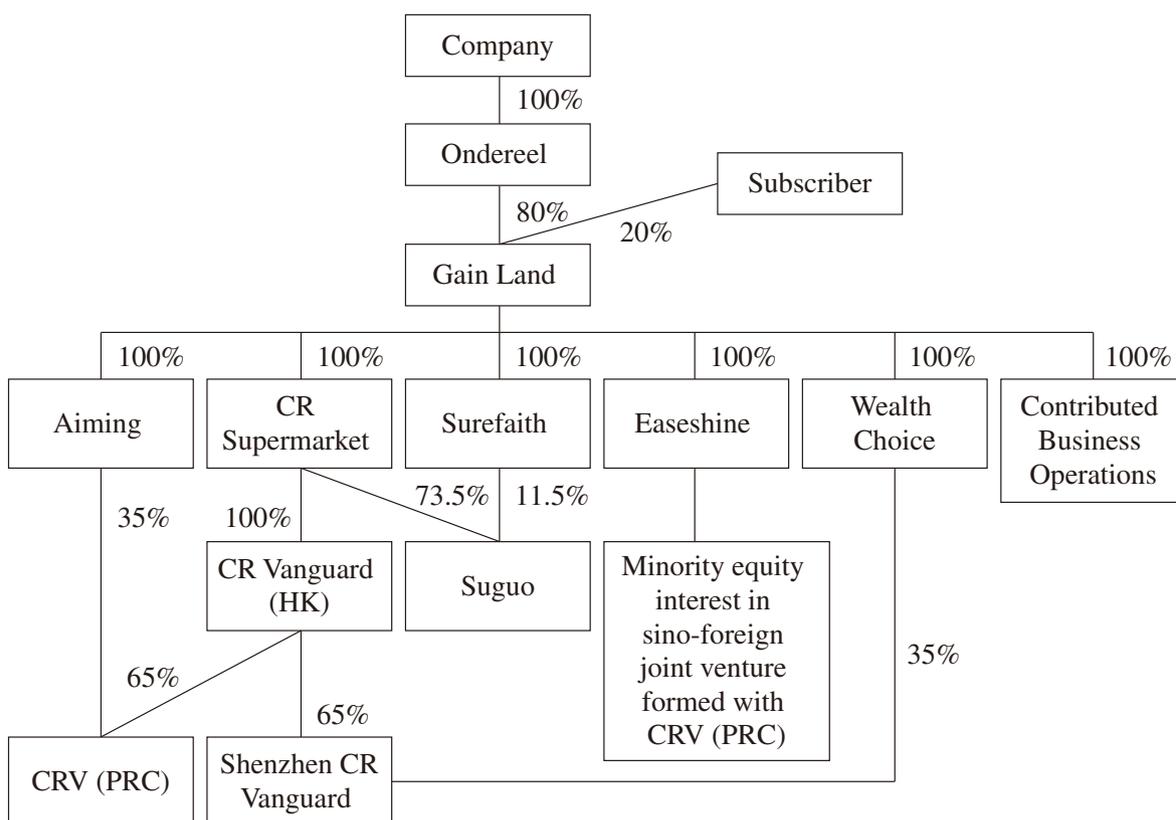
Subject to the satisfaction of the Conditions Precedent, the Subscriber will, at Completion, subscribe for the Gain Land Subscription Shares in accordance with the terms of the Investment Agreement. The Gain Land Subscription Shares will rank pari passu respectively with all existing Gain Land Shares.

The overall effect of the Injection and the Subscription is to ensure that the Subscriber will be interested in 20% of the Joint Venture (which will comprise the Retail Business originally held and operated by the Company and the Contributed Business Operation currently held by the Target).

A simplified corporate structure chart of the Retail Business immediately before the Joint Venture Formation is as follows:



A simplified corporate chart of the Joint Venture immediately after Completion and without taking into account the effect of the Step-up Option is set out below:



Total Consideration

The total consideration (the “**Total Consideration**”) for the subscription of Gain Land Subscription Shares shall be payable by the Subscriber to Gain Land in the following manner:

- (i) completing the Injection at Completion;
- (ii) HK\$500 million being paid to an escrow agent appointed by Ondereel and the Subscriber on or around the date of the Investment Agreement (the “**Initial Cash Payment**”), which will be released to Gain Land on the Completion Date if Completion takes place or which will be returned to the Subscriber if Completion does not take place;
- (iii) HK\$500 million being paid to Gain Land on the Completion Date (the “**Initial Completion Cash Payment**”);
- (iv) HK\$2,325 million being paid to Gain Land on the Completion Date (the “**Further Completion Cash Payment**”); and
- (v) HK\$1,000 million being paid to Gain Land on the first anniversary from the Completion Date (the “**Deferred Cash Payment**”).

The Total Consideration was arrived at after arm's length negotiations between the Company and Tesco after taking into account the estimated relative valuations of the Retail Business and the Contributed Business Operations and on the basis that both businesses have been and will continue to be operated in a manner consistent with its normal practice and in normal and ordinary course. The relative valuations of the Retail Business and the Contributed Business Operations were based on their relative contribution with respect to revenues, attributable asset values and future synergies, as well as their overall scale and market positions.

Application of the Total Consideration

Gain Land will apply part of the subscription money paid by the Subscriber for the Gain Land Subscription Shares to pay (immediately after receipt of the Initial Completion Cash Payment) a special dividend of HK\$1,000 million to be declared and payable to Ondereel, Gain Land's sole registered shareholder before Completion.

In addition, Gain Land will apply part of the subscription money paid by the Subscriber for the Gain Land Subscription Shares to pay (immediately after receipt of the Deferred Cash Payment on the first anniversary of the Completion Date) a further special dividend of HK\$1,000 million to be declared and payable to Ondereel, Gain Land's sole registered shareholder before Completion.

The special dividends which Gain Land may declare and pay out as provided in the foregoing paragraphs shall be in such amounts so as to allow Gain Land to pay out to Ondereel special dividends in the total amount of HK\$2,000 million. For the avoidance of doubt, only Ondereel will be entitled to these special dividends.

The remaining sum of cash payments of the Total Consideration received by Gain Land after payment of the special dividends afore-mentioned will be applied as general working capital for the Joint Venture.

Conditions Precedent

Completion is subject to the fulfillment of the following conditions precedent (the "**Conditions Precedent**"):

- (i) obtaining the approval pursuant to PRC Anti-Monopoly Laws (without which Completion would be unlawful or otherwise prohibited or restricted) of, or confirmation of no objection to, the transactions contemplated under the Transaction Documents issued or deemed to be issued or agreed to, by the Anti-Monopoly Bureau of the Ministry of Commerce of the PRC (中華人民共和國商務部反壟斷局) (the "**AML Approval**") on an unconditional basis, or where any conditions and restrictions are comprised in the AML Approval, such conditions and restrictions being acceptable to the Company and Tesco acting reasonably and such AML Approval remaining valid and not being withdrawn, revoked or varied prior to Completion; and

- (ii) to the extent required under the Listing Rules, obtaining the approval(s) of the Shareholders in respect of:
 - (a) Gain Land's obligations under the Transaction Documents;
 - (b) the execution of the Transaction Documents (if applicable); and
 - (c) the Injection, the Subscription, the Step-up Option, the Default Put Right, the Default Call Right and the IP Agreement,

in accordance with the Listing Rules.

None of the Conditions Precedent may be waived in any event. The parties shall use their reasonable endeavours to procure satisfaction of the Conditions Precedent by the Long Stop Date. If the Conditions Precedent are not satisfied by the Long Stop Date, the Investment Agreement shall automatically terminate.

Completion

Completion shall take place on the fifth business day after all of the Conditions Precedent are fulfilled or such other date as the parties may agree (the "**Completion Date**").

Grant of the Step-up Option

Under the Investment Agreement, the Subscriber shall have the right to subscribe for additional shares in Gain Land, so that the total interest in the Joint Venture held by the Subscriber will increase by 5% (on a fully diluted basis) upon the earlier of a Listing or the fifth anniversary of Completion. The Step-up Option shall be exercisable in respect of all and not part of the 5% additional interest (on a fully diluted basis), and at an exercise price which is equal to the issue price per share at Listing or the fair market value of the Joint Venture as at the fifth anniversary of Completion to be determined by an independent expert.

The Step-up Option is granted to the Subscriber at no cost to the Subscriber. The proceeds received by the Joint Venture upon exercise will be used for general working capital and expansion purposes of the Joint Venture.

Upon exercise of the Step-up Option and assuming the Subscriber has not disposed of any of its interest in the Joint Venture since Completion, Ondereel and the Subscriber will be interested in the Joint Venture as to 75% and 25% respectively.

Assignment of Lifespace Marks

At Completion, Tesco has agreed to assign, or procure its relevant group to assign, at nil consideration, the Lifespace Marks to Gain Land (or its nominee) solely for the purposes of branding retail outlets and shopping malls.

(II) The Gain Land Shareholders' Agreement

Simultaneously with Completion, Gain Land, Ondereel, the Subscriber, the Company and Tesco will enter into the Gain Land Shareholders' Agreement in order to govern their relationships and matters in relation to Gain Land, the major terms of which are as follows:

Board of directors and management of Gain Land

The board of directors of Gain Land will consist of a maximum of 10 directors. The Subscriber will be entitled to appoint 1 director for so long as it has a Qualifying Shareholding in Gain Land and to appoint 2 directors so long as it has a Qualifying Larger Shareholding in Gain Land. Ondereel is entitled to appoint the remaining number of directors to the board of Gain Land.

Non-compete

Each of the Company and Tesco undertakes that it will not and will procure that none of its Affiliates primarily engage in the operations of hypermarkets, supermarkets, convenience stores, cash and carry business and liquor stores (as well as the online/internet equivalent of any of the foregoing businesses) in Greater China other than through the Joint Venture.

Such non-compete undertaking is valid during the period in which the Company and Tesco (or any of their respective Affiliates) having any interest in the Joint Venture, and within one year after it (or any of its Affiliates) ceases to have any interest in the Joint Venture.

Default Put Right/Default Call Right

Ondereel has the right to acquire for all the Subscriber's shares (the "**Default Call Right**") if: (a) there is a material breach of certain key terms (as referred to below) by the Subscriber or Tesco; or (b) there is a wilful, malicious and material failure by Tesco or its Affiliates to share Know-How under the IP Agreement; or (c) there is an insolvency event of Tesco or the Subscriber.

The Subscriber has the right to sell all of its shares to Ondereel (the "**Default Put Right**") if: (a) there is a material breach of certain key terms by the Company, Ondereel or Gain Land; or (b) the Company ceases to be listed on the Stock Exchange; or (c) there is an insolvency event of the Company or Ondereel; or (d) a competitor of Tesco acquires control (meaning the power, directly or indirectly, to exercise over 50% of all of voting rights, in or in relation to the Company; or to appoint and remove a majority of the members of the governing body of the Company) of the Company ("**Ondereel Default**").

For the purpose of both the Default Call Right and the Default Put Right, the ‘key terms’ of the Gain Land Shareholders’ Agreement are the provisions therein in respect of (i) share transfers; and (ii) the non-compete provisions outlined above. For the purpose of the Default Put Right only, additional key terms of the Gain Land Shareholders’ Agreement are the provisions relating to the appointment and removal of directors nominated by the Subscriber, issue of new securities and certain reserved matters.

The Default Put Right is granted to the Subscriber at no cost to the Subscriber and the Default Call Right is granted to Ondereel at no cost to Ondereel. The consideration for any of the Subscriber’s shares acquired pursuant to the Default Put Right or the Default Call Right shall be equal to the fair market value at the relevant time of exercise, which is to be determined by an independent expert.

Right to instigate Listing and Grant of IPO Call Right

The Subscriber shall have a one-time right to instigate a Listing of the Joint Venture at any time after the seventh anniversary of Completion.

If the Subscriber exercises this right, the Company has a right to acquire all of the Subscribers’ interests in the Joint Venture, at the then fair market value which is to be determined by an independent expert, such right being exercisable within three months of the notice of instigation of the Listing (the “**IPO Call Right**”). If the Company does not exercise the IPO Call Right, then the Joint Venture will proceed with the Listing process, which needs to be completed within 18 months of the lapse of the IPO Call Right. The IPO Call Right is granted to the Company at no cost to the Company.

Lapse of governance rights

In the event that the Subscriber’s shareholding drops below the Qualifying Shareholding, most of the governance rights will lapse, except for:

- (a) certain minority protection rights; and
- (b) limited information rights to receive annual and interim financial information of the Joint Venture.

(III) The IP Agreement

Grant of IP rights

Simultaneously with Completion, Tesco and Gain Land will enter into the IP Agreement, pursuant to which Tesco, as licensor agrees to license and make available certain of its intellectual property assets, to Gain Land for the operation of the Retail Business of the Joint Venture in Greater China. The IP and Know-How owned by Tesco and to be granted to the Gain Land Group under the IP Agreement shall be beneficial to the combined business operations of the Joint Venture after Completion.

Under and subject to the terms of the IP Agreement, Tesco shall grant, or shall procure the grant by its group companies, to Gain Land with effect from Completion:

- (a) a non-exclusive royalty-free perpetual licence to use Tesco Intellectual Property in the same manner as used by the Target Group in the 18 months prior to Completion;
- (b) a non-exclusive royalty-free licence to continue to use the Tesco Brand in the same manner as used by the Target Group in the 18 months prior to Completion; and
- (c) a non-exclusive royalty-free licence to use the Tesco Brand for private label products, as approved by Tesco on a product-by-product basis.

Licensing of further IP

Tesco shall, from time to time, provide the Joint Task Force with details of certain Tesco-owned IP assets not within the scope of the licences granted to Gain Land, if such IP would be beneficial to the Retail Business of the Joint Venture. Gain Land shall have the option to acquire a licence of that IP. For New IP, Gain Land will need to contribute towards the development costs (based upon an apportionment of the Gain Land Group turnover relative to the sum of the same plus the consolidated turnover of the members of the Tesco group also using the New IP). For Existing IP, Gain Land will not be required to contribute towards the development costs. For both New IP and Existing IP, Gain Land will also be required to pay all reasonable costs associated with the localisation and deployment of those IP assets.

Termination

The IP Agreement shall, remain in force until terminated by either party thereto. Gain Land may terminate the IP agreement on six months' written notice. Tesco may terminate the IP Agreement, with immediate effect, by written notice to Gain Land if (i) the Subscriber's shareholding in Gain Land drops below 10%; (ii) the Gain Land Shareholders' Agreement is terminated in accordance with its terms; or (iii) an Ondereel Default has occurred under the terms of the Gain Land Shareholders' Agreement. Either party may terminate for material unremedied breach.

INFORMATION ON GAIN LAND AND THE RETAIL BUSINESS

Gain Land

Gain Land was incorporated in the BVI with limited liability on 30 August 2012. As at the date of this announcement, the entire issued share capital of Gain Land is legally and beneficially held by Ondereel. The Gain Land Group (inclusive of CRV (PRC)) is principally engaged in the Retail Business.

The unaudited consolidated turnover and net profit before and after tax of the Gain Land Group for the full year of the financial year ended 31 December 2012 are shown below:

	<i>HK\$ million</i> (unaudited)
Total Turnover	79,691
Net Profit Before Tax	976
Net Profit After Tax	286

As at 31 December 2012, the unaudited consolidated total assets of the Gain Land Group is HK\$53,108 million, and the unaudited consolidated net assets attributable to owners of the Gain Land Group is HK\$4,104 million. After Completion, each of Gain Land and its subsidiaries will remain a subsidiary of the Company and their results will continue to be consolidated into the Group's consolidated financial statements.

Brief description of the Retail Business

The Retail Business is mainly operated under the brand names of "CR Vanguard" and "Suguo". CRV (PRC) is a grocery retail business in the entire Greater China region. As at 31 December 2012, Gain Land had 2,986 stores in operation across the PRC and Hong Kong.

INFORMATION ON THE CONTRIBUTED BUSINESS OPERATIONS AND THE TARGET GROUP

The Contributed Business Operations comprise a retail business and a property business in the PRC.

The Target Group comprises 134 stores in 11 provinces, with particular emphasis in the fast growing Shanghai, Tianjin and Liaoning provinces. It owns 11 Lifespace shopping malls, eight in 50:50 JV's with local partners. Nine Lifespace malls are currently operational (of which two are wholly owned) with the remaining 10 malls are under development.

The Target was established in the Cayman Islands with limited liability on 3 March 1998. As at the date of this announcement, the entire issued share capital of the Target is legally and beneficially held by the Subscriber.

The consolidated unaudited net profit before and after tax of the Target Group for each of the financial years ended 28 February 2013 and 29 February 2012 is shown below:

	For the financial year ended 28 February 2013	For the financial year ended 29 February 2012
	<i>HK\$ million</i>	<i>HK\$ million</i>
	(unaudited)	(unaudited)
Net Profit Before Tax	(2,785)	(1,570)
Net Profit After Tax	(2,996)	(1,861)

As at 28 February 2013, the unaudited consolidated net assets of the Target Group is HK\$8,892 million.

The above figures are converted from £ into HK\$, for illustration purpose only, at the rate of £1 to HK\$12.56. No representation is made that any amount in £ could have been or could be converted at such rate or any other rates.

Upon Completion, the Target will become an indirect wholly-owned subsidiary of the Company and its results will be consolidated into the Group's consolidated financial statements.

INFORMATION ON TESCO

Tesco is a public limited company whose shares are listed on the Main Market of the London Stock Exchange. Tesco is the UK's largest retailer and one of the world's leading international retailers. The Tesco Group had sales of £72.4 billion generating pre-tax trading profit of £3.5 billion in the year to February 2013. As at February 2013, Tesco had 6,784 stores, employing over 530,000 people in 12 countries. This includes 3,146 stores in the UK, 1,507 stores in other European markets (Czech Republic, Hungary, Ireland, Poland, Slovakia and Turkey) and 2,131 stores in Asia (China, Malaysia, South Korea and Thailand). Tesco is a multiformat, multichannel business operating hypermarkets, superstores, supermarkets, convenience stores and online home delivery services.

REASONS AND BENEFITS FOR THE JOINT VENTURE FORMATION

The Joint Venture will be the exclusive platform for the Company (and its subsidiaries) and Tesco (and its Affiliates) primarily to engage in the business of multi-category retailing through hypermarkets, supermarkets, convenience stores, cash and carry business and liquor stores (as well as the online/internet equivalent of any of the foregoing businesses) in Greater China.

The Company has strong market knowledge, supplier connections, established infrastructure, scale and brand as well as an excellent track record of successful joint ventures with respected international businesses in Greater China. Tesco is an experienced, international, multi-channel retailer with unique expertise and operational excellence in areas such as private label, loyalty programmes, IT, and e-commerce and other value added services, amongst others.

The Board considers that the Joint Venture is a value-creating opportunity to form a strong partnership with Tesco which: (a) will be the leading multi-format retailer in Greater China; (b) creates a sustainable, long-term platform in Greater China for faster growth and enhanced profitability; (c) is a compelling combination of local expertise and international best practices; (d) is ideally placed to lead the development of the retail sector in Greater China and to improve retail services for consumers in China; and (e) is able to secure significant cost and operation synergies from combining two operations.

The Board (including the independent non-executive Directors), considers the Transaction Documents to have been negotiated and arrived at an arm's length basis and on terms that are fair and reasonable and in the interests of the Shareholders as a whole. None of the Directors has any material interest in the Joint Venture Formation.

Based on the latest financial information available to the Company, it is estimated that no gain or loss will be recognised in the consolidated profit and loss account of the Company as a result of the Subscription (as a deemed disposal for the Company under Rules 14.29 of the Listing Rules).

LISTING RULES IMPLICATIONS

The Injection

As one or more of the relevant percentage ratios for the Injection (i.e. acquisition of the Contributed Business Operations by the Gain Land Group) under Rule 14.07 of the Listing Rules exceeds 25% but is below 100%, the Injection constitutes a major transaction (acquisition) of the Company subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Subscription

As one or more of the relevant percentage ratios for the Subscription (i.e. deemed disposal of 20% interest in the Retail Business by the Gain Land Group) under Rule 14.07 of the Listing Rules exceeds 25% but is below 75%, the Subscription constitutes a major transaction (disposal) of the Company subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Step-up Option

Under Rule 14.74(1) of the Listing Rules, as the discretion to exercise belongs solely to the Subscriber, the Step-up Option is being classified as if it had been fully exercised at the time of grant. Although the actual exercise price is not determinable at the time of grant, pursuant to Rule 14.76(1) of the Listing Rules, the Step-up Option (grant and exercise) is being treated as a major transaction (disposal) of the Company subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Moreover, when aggregated with the Subscription under Rule 14.22, the grant and exercise of the Step-up Option could be regarded as the Company disposing of a 25% interest in the Retail Business. As one or more of the relevant percentage ratios applicable to the Step-up Option (as aggregated with the Subscription) under Rule 14.07 of the Listing Rules exceeds 25% but is below 75%, the grant of the Step-up Option (as aggregated with the Subscription) constitutes a major transaction (disposal) of the Company subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Default Put Right

Under Rule 14.74(1) of the Listing Rules, as the discretion to exercise belongs solely to the Subscriber, the Default Put Right is also being classified as if it had been fully exercised at the time of the grant. Although the actual exercise price is not determinable at the time of grant, pursuant to Rule 14.76(1) of the Listing Rules, the Default Put Right (grant and exercise) is being treated as a major transaction (acquisition) of the Company subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Default Call Right

Under Rule 14.75(1) of the Listing Rules, as the discretion to exercise belongs solely to the Company and the Default Call Right is granted to the Company at no cost to the Company, the grant of the Default Call Right is exempt from the announcement and shareholders' approval requirements of Chapter 14 of the Listing Rules.

Ordinarily, exercise of such a call right would be subject to the relevant provisions of Chapter 14 and Chapter 14A of the Listing Rules at that time, based upon relevant percentage ratios determined at that time. However, the Company proposes to apply to the Stock Exchange for a waiver that would enable the Company to seek prior shareholders' approval for the exercise of the Default Call Right simultaneously with other transactions relating to the Joint Venture Formation, on the basis of treating it as a major transaction (acquisition) of the Company and on the grounds that it is merely a contractual right to protect the Company's position in the Joint Venture. If such waiver is granted, no further Shareholders' approval will be required at the time of exercise.

The IPO Call Right

Under Rule 14.75(1) of the Listing Rules, as the discretion to exercise belongs solely to the Group and the IPO Call Right is granted to the Company at no cost to the Company, the grant of IPO Call Right is exempt from the notification, announcement and shareholders' approval requirements of Chapter 14 of the Listing Rules.

At the time of the exercise of the IPO Call Right, the exercise price (to be further determined at the time of the exercise) and the value, profits and revenue of the Joint Venture at that time will be applied for calculation of the relevant percentage ratios. Moreover, as the Subscriber will be interested in 20% (or 25%, if the Subscriber exercises the Step-up Option has not disposed of any of its interest in the Joint Venture prior to such exercise) of the issued share capital of Gain Land, each of the Subscriber and Tesco will become a connected person of the Company under Chapter 14A of the Listing Rules. Exercise of the IPO Call Right may be regarded as a non-exempt connected transaction of the Company governed by Chapter 14A of the Listing Rules. The Company will consider at that time whether the exercise of the IPO Call Right is subject to any compliance requirements under Chapters 14 and/or 14A of the Listing Rules.

Continuing Connected Transaction – The IP Agreement

The IP Agreement constitutes a non-exempt continuing connected transaction and is subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules, as Tesco will become a substantial shareholder of Gain Land (thus being a connected person of the Company) after Completion.

The Company is, in conjunction with Tesco, in the process of determining the annual cap applicable to the IP Agreement. Ordinarily, Rule 14A.35(2) of the Listing Rules provides that an annual cap must be expressed in terms of an actual monetary value rather than as a percentage. However, in the present circumstances and given, at this stage, the inability of the Company to know with any meaningful precision what New IP (or even Existing IP) will be required by, or be of use to, the Joint Venture, the Company proposes to apply to the Stock Exchange for a waiver that would permit the annual cap to be expressed as a percentage of revenues. Further particulars on the annual cap and the basis for its determination will be included in the circular of the Company relating to the Joint Venture Formation and will be the subject of a separate announcement to be published by the Company when the same have been settled.

Rule 14A.35(1) of the Listing Rules provides that the duration of continuing connected transaction agreements must be fixed and reflect normal commercial terms and, except in special circumstances, must not exceed three years. In the current circumstances, the IP Agreement, the terms of which are, in view of the Board, on better than normal commercial terms so far as the Group is concerned, is designed to run for the life of the Joint Venture, as the provision of Tesco's IP and Know-How is an integral part of the Joint Venture. Accordingly, the Company will engage an independent financial adviser to explain and justify in the circular why the IP Agreement does not have a fixed term and is likely to subsist for a period in excess of three years and to confirm that it is normal business practice for agreements in the nature of the IP Agreement not to have fixed terms.

Written Shareholders' Approval

Under Rules 14.44 and 14A.43 of the Listing Rules, Shareholders' approval for each of the Injection, the Subscription, the Step-up Option, the Default Put Right, the Default Call Right (subject to the relevant waiver being granted by the Stock Exchange) and, the IP Agreement may be obtained by way of written Shareholders' approval in lieu of holding a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting to obtain such Shareholders' approval; and (b) written Shareholders' approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% in nominal value of the issued share capital of the Company giving the right to attend and vote at that general meeting to approve such transactions.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, the counterparties to the Transaction Documents (namely the Subscriber and/or Tesco and their respective Affiliates) are Independent Third Parties and therefore no Shareholder would be required to abstain from voting were the Company to convene a general meeting. As at the date of this announcement, CRH (Enterprise) Limited, the controlling Shareholder who holds 1,232,764,380 Shares, representing approximately 51.31% of the issued share capital of the Company, has given a written certificate to the Company to approve each of the Subscription, the Injection, the Step-up Option, the Default Put Right, the Default Call Right and the IP Agreement and confirms that neither it nor its associates have any material interest in any of the above transactions. Therefore, the Company proposes, under Rules 14.44 and 14A.43, to make use of a written shareholder approval, and no general meeting of the Company will be held.

A circular containing, among other matters, further details of the Joint Venture Formation, the IP Agreement, the accountants' reports on the Target Group, the letter from the independent financial adviser on the IP Agreement will be despatched to the Shareholders on or before 31 December 2013. The time frame for despatch is longer than that envisaged under the Listing Rules but is anticipated to be needed in this case in order to prepare the accountants' report on the Target Group.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

- “Affiliate(s)”
- in relation to any person, a subsidiary of that person, or a holding company of that person or any other subsidiary of that holding company, or a company which is controlled by such person, provided that:
- (a) no group company within the Joint Venture shall be an Affiliate of the Company or Tesco; and
 - (b) in the case of the Company and its subsidiaries, Affiliate shall include only their respective subsidiaries or any company which is controlled by the Company or its subsidiaries (as applicable)

“Aiming”	Aiming Investments Limited (致力投資有限公司), a company incorporated in the BVI with limited liability and a indirect wholly-owned subsidiary of the Company as at the date of this announcement
“AML Approvals”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Conditions Precedent”
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	China Resources Enterprise, Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of The Stock Exchange
“Completion”	the completion of the Injection and of the Subscription contemplated under the Investment Agreement
“Completion Date”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Completion”
“Conditions Precedent”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Conditions Precedent”
“Contributed Business Operations”	the retail business and the real estate properties business currently operated by the Target Group in the PRC, and to the extent that any of the Tesco RE JV Interests are not indirectly owned by the Target Group at Completion, the economic interests in the Tesco RE JV Interests
“CPHK”	China Property Holdings (HK) Limited, a limited liability company incorporated in Hong Kong and an indirect wholly owned subsidiary of Tesco as at the date of this announcement
“CR Supermarket”	China Resources Supermarket (BVI) Company Limited (華潤超級市場(BVI)有限公司), a limited liability company incorporated in BVI and a direct wholly owned subsidiary of Gain Land as at the date of this announcement
“CR Vanguard (HK)”	China Resources Vanguard (Hong Kong) Company Limited (華潤萬家(香港)有限公司), a limited liability company incorporated in Hong Kong and a direct wholly owned subsidiary of CR Supermarket as at the date of this announcement

“CRV (PRC)”	華潤萬家有限公司 (China Resources Vanguard Co., Ltd.), a limited liability company incorporated in the PRC and which is indirectly and wholly owned as to 100% by Gain Land
“Default Call Right”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (II) Gain Land Shareholders’ Agreement – Default Put Right/Default Call Right”
“Default Put Right”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (II) Gain Land Shareholders’ Agreement – Default Put Right/Default Call Right”
“Deferred Cash Payment”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Total Consideration”
“Directors”	the directors of the Company
“Easeshine”	Easeshine Investments Limited (宜亮投資有限公司), a limited liability company incorporated in BVI and a direct wholly owned subsidiary of the Gain Land as at the date of this announcement
“Existing IP”	IP or Know-How owned by Tesco or a member of Tesco group as at 31 December 2013, with certain exceptions
“Further Completion Cash Payment”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Total Consideration”
“Gain Land”	Gain Land Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Gain Land Group”	Gain Land and its subsidiaries, as well as CRV (PRC), which are principally engaged in the Retail Business as at the date of this announcement
“Gain Land Share(s)”	the ordinary share(s) of US\$1.00 of Gain Land
“Gain Land Shareholders’ Agreement”	the shareholders’ agreement in relation to Gain Land to be entered into upon Completion by the Company, Tesco, Ondereel, the Subscriber and Gain Land
“Gain Land Subscription Shares”	such number of Gain Land Shares to be issued by Gain Land and subscribed by the Subscriber at Completion, in order to ensure that the Subscriber will be interested in 20% of the Joint Venture immediately after Completion

“Greater China”	collectively, the PRC, Hong Kong and the Macau Special Administrative Region
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is(are) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders, of the Group, or any of their respective associate(s)
“Initial Completion Cash Payment”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Total Consideration”
“Injection”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Transfer of the entire issued share capital of the Target, and the economic interests of Tesco RE JV Interests, from Tesco to Gain Land”
“Investment Agreement”	the investment agreement dated 1 October 2013 (London time) and entered into between the Company, Ondereel, Gain Land, Tesco and the Subscriber for the Joint Venture Formation
“IP”	all copyright, rights in databases, rights in designs, internet domain names and all other intellectual property rights (in each case, whether or not registered) together with applications and rights to apply for any of those rights, with certain exceptions
“IP Agreement”	the intellectual property and Know-How agreement in relation to sharing of IP and Know-How with the Joint Venture, to be entered into upon Completion by Tesco and Gain Land
“IPO Call Right”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (II) Gain Land Shareholders’ Agreement – IPO Call Right
“Joint Task Force”	the consulting and advisory body to the board of directors of the JV, to be made up of representatives of Tesco and the Company

“Joint Venture”	the joint venture to be formed between the Company and Tesco through their shareholdings in Gain Land
“Joint Venture Formation”	the formation of Joint Venture, by way of the transactions contemplated by the Transaction Documents, including, but not limited to: (1) the Subscription, (2) the Injection, (3) the Option Grants and (4) the IP Agreement
“Know-How”	knowledge, know-how, experience, technology, techniques, processes, trade secrets, confidential information, technical information and data, formulas, formulations, methods, discoveries etc.
“Lifespace Marks”	certain trade marks registered in China for the LIFESPACE brand
“Listing”	the listing of all or any of the shares of Gain Land, or all or any of the shares of such other entity which owns substantially all of the assets of the Gain Land Group at the time, or securities representing such shares (including depositary receipts, depositary shares and/or other instruments) on the Stock Exchange or any recognized exchange company (as defined in Part 1 of Schedule 1 to the SFO)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date which is twelve months from the date of the Investment Agreement
“New IP”	any IP or Know-How owned by Tesco or a member of Tesco group which is created on or after 1 January 2014 and which would be beneficial to the Gain Land Group’s business in Greater China, with certain exceptions
“Ondereel”	Ondereel Ltd, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Ondereel Default”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (II) Gain Land Shareholders’ Agreement – Default Put Right/Default Call Right”
“Option Grants”	collectively, the grant of the Step-up Option, the Default Call Right, the Default Put Right and the IPO Call Right

“Parties”	Gain Land, Ondereel, the Company, the Subscriber and Tesco
“percentage ratios”	has the same meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Qualifying Larger Shareholding”	the Subscriber and/or its Affiliates holding in aggregate 15% or more of the entire issued shares of Gain Land, provided that the Subscriber and/or its Affiliates shall not be deemed to be holding in aggregate less than 15% of the entire issued shares of Gain Land to the extent that the reason for the Subscriber and/or its Affiliates holding less than 15% of the entire issued shares of Gain Land was caused by an issue of securities by Gain Land which had not been approved in accordance with the Gain Land Shareholders’ Agreement
“Qualifying Shareholding”	the Subscriber and/or its Affiliates holding in aggregate 10% or more of the entire issued shares of Gain Land, provided that the Subscriber and/or its Affiliates shall not be deemed to be holding in aggregate less than 10% of the entire issued shares of Gain Land to the extent that the reason for the Subscriber and/or its Affiliates holding less than 10% of the entire issued shares of Gain Land was caused by an issue of securities by Gain Land which had not been approved in accordance with the Gain Land Shareholders’ Agreement
“Real Estate JVs”	certain joint ventures which are holding real estate properties in the PRC, in which Tesco or its Affiliates has 50% equity interest
“Real Estate Partners”	other than Tesco and its affiliates, the registered holders of the remaining equity interests in the Real Estate JVs
“Retail Business”	the business currently operated by the Gain Land Group, which is primarily engaged business of multi-category retailing through hypermarkets, supermarkets, convenience stores, cash and carry business or liquor stores or any future equivalent multi-category retail format (as well as the online/ internet equivalent of any of the foregoing business)
“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$1.0 each of the Company

“Shareholders”	holders of the Shares
“Shenzhen CR Vanguard”	深圳華潤萬佳超級市場有限公司 (Shenzhen China Resources Vanguard Supermarket Co., Ltd), a limited liability company incorporated in the PRC and which is legally owned as to 65% by CR Vanguard (HK) and 35% by Wealth Choice
“Step-up Option”	the right granted to the Subscriber to acquire a further 5% interest in the Joint Venture, which is exercisable upon the earlier of the Listing and the 5th anniversary of Completion, in respect of all and not part of the 5% interest in the Joint Venture
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Cheshunt Holdings Guernsey Limited, a company incorporated in Guernsey with limited liability and a wholly-owned subsidiary of Tesco as at the date of this announcement
“Subscription”	has the meaning ascribed to it in the section headed “The Joint Venture Formation – (I) Investment Agreement – Subscription for the Gain Land Subscription Shares by the Subscriber”
“Suguo”	蘇果超市有限公司 (Suguo Supermarket Co. Ltd.), a limited liability company incorporated in the PRC which is legally owned as to 73.5% by CR Supermarket, 11.5% by Surefaith and 15% by a third party independent of the Company and its Affiliates
“Surefaith”	Surefaith Investments Limited (穩信投資有限公司), a limited liability company incorporated in BVI and a directly wholly owned subsidiary of Gain Land as at the date of this announcement
“Target”	Ting Cao (C.I.) Holdings Corporation, a limited liability company incorporated in the Cayman Islands and an indirect wholly owned subsidiary of Tesco as at the date of this announcement, and which will at Completion own the Contributed Business Operations
“Target Group”	the Target and its subsidiaries, as well as CPHK and its subsidiaries, which are principally engaged in the retail business and the real estate properties business of the Contributed Business Operations

“Tesco”	Tesco PLC, a public limited company incorporated in England and Wales and the shares of which are listed on the Main Market of the London Stock Exchange
“Tesco Brand”	the Tesco brand as used in the business of the Target Group in the 18 months prior to Completion, with the corresponding trade dress, product packaging and branding
“Tesco Intellectual Property”	the intellectual property used in the business of the Target Group in the 18 months prior to Completion which is owned by Tesco group (other than those intellectual property owned by the Target Group)
“Tesco RE JV Interests”	means the 50% equity interests in the Real Estate JVs held by Tesco or its Affiliates
“Total Consideration”	has the meaning ascribed to it under the section headed “The Joint Venture Formation – (I) Investment Agreement – Total Consideration”
“Transaction Documents”	collectively, the definitive and legally-binding documents for the Joint Venture Formation, including but not limited to the Investment Agreement, the Gain Land Shareholders’ Agreement, the IP Agreement
“Wealth Choice”	Wealth Choice Investments Limited (彩裕投資有限公司), a limited liability company incorporated in BVI and a directly wholly owned subsidiary of Gain Land as at the date of this announcement
“%”	per cent.

By Order of the Board
China Resources Enterprise, Limited
Lai Ni Hium, Frank
Chief Financial Officer,
Executive Director and
Company Secretary

London, 2 October 2013 (Hong Kong time)

As at the date of this announcement, the Executive Directors of the Company are Mr. Chen Lang (Chairman), Mr. Hong Jie (Chief Executive Officer), Mr. Liu Hongji (Vice Chairman) and Mr. Lai Ni Hium, Frank (Chief Financial Officer). The Non-executive Directors are Mr. Du Wenmin, Mr. Wei Bin, Mr. Yan Biao, Mr. Huang Daoguo and Mr. Chen Ying. The Independent Non-executive Directors are Mr. Houang Tai Ninh, Dr. Li Ka Cheung, Eric, Dr. Cheng Mo Chi, Mr. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon.