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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)

INSIDE INFORMATION

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ESTABLISHMENT OF A RETAIL JOINT VENTURE IN GREATER CHINA

This announcement is made by China Resources Enterprise, Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) is pleased to announce that, on 8 August 2013 (after trading hours), the Company entered into a memorandum of understanding (“**MOU**”) with Tesco PLC (“**Tesco**”) for the purpose of setting forth the understanding with regard to the possible establishment of a joint venture (the “**Joint Venture**”), which, if formed, will serve as the exclusive platform for the parties to engage in the operations of hypermarkets, supermarkets, convenience stores, cash and carry business and liquor stores in the People’s Republic of China (the “**PRC**”), Hong Kong and Macau (collectively, “**Greater China**”). The Company and Tesco are expected to be effectively interested as to 80% and 20% respectively in the Joint Venture.

The intended partnership would bring together the Company’s deep understanding of local customers, established nationwide infrastructure and proven track record as a partner with Tesco’s global retail expertise, international sourcing scale and supply chain capabilities.

Based on the best information available to the Company, it would involve the Company combining its business of China Resources Vanguard Co., Ltd., which currently operates 2,986 stores across the PRC and Hong Kong, with Tesco’s 131 stores in the PRC as well as its Chinese shopping mall business.

The move follows highly successful joint ventures between the Company and other multi-national corporations and is consistent with Tesco’s stated strategy of focusing on profitable routes to growth in fast-growing but less mature markets, with a disciplined approach to the allocation of capital. The Company and Tesco expect the Joint Venture will secure significant cost and operational synergies from combining the two operations.

Nature of the MOU

The MOU does not constitute any legally binding commitment in respect of the establishment of the Joint Venture, save and except each party agrees to be legally bound by (1) exclusivity for further negotiations of the terms of the Joint Venture and (2) certain confidentiality obligations.

The establishment of the Joint Venture is subject to, among others, further due diligence on the business operations of each party by the other, and the finalisation, execution and completion of the definitive agreements.

Listing Rules implications if the transaction proceeds

It is expected that the establishment of the Joint Venture, if it proceeds, may constitute a major transaction of the Company.

General

Shareholders of the Company and potential investors should note that the MOU only sets out the understanding for the possible establishment of the Joint Venture, and that the MOU is not legally binding save and except for the exclusivity and confidentiality arrangements afore-mentioned. In the event that legally binding definitive agreements are agreed or signed, further announcement(s) will be made by the Company in compliance with the Listing Rules. As the establishment of the proposed Joint Venture may or may not proceed, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By the order of the board of
China Resources Enterprise, Limited
Mr. Chen Lang
Chairman and Executive Director

Hong Kong, 9 August 2013

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. Yan Biao, Mr. Wei Bin, 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.