

Unless the context stipulates to the contrary or requires otherwise, references to the Company in this section includes the Company's predecessor.

CHAOYANG AUXILLARY STATE OWNED ASSETS RESTRUCTURING AND THE REORGANISATION

The Company was converted with the authorisation of BDRC in accordance with 《關於同意北京京客隆超市連鎖集團有限公司變更為北京京客隆商業集團股份有限公司的函》(京發改[2004] 2241號) (Letter in relation to the authorisation of converting “Beijing Jingkelong Supermarket Chain Group Company Limited” to “Beijing Jingkelong Company Limited”) (Jin Fa Gai [2004] 2241) from Jingkelong Supermarket and established as a joint stock limited company.

1. THE ESTABLISHMENT OF JINGKELONG SUPERMARKET

The establishment of the predecessor of the Company evolved from the restructuring of 北京關東店商廈 (Beijing Guandongdian Shang Sha (“Guandongdian Shang Sha”)), being a state-owned enterprise.

On 12 May 1994, upon the approval and the issuance of the business licence by 北京市朝陽區工商行政管理局 (Administration for Industry and Commerce of Chaoyang District, Beijing), the Company was first established in the PRC under the name of Guandongdian Shang Sha as a state-owned enterprise. At the time, the Company's registered capital was RMB2,000,000.

On 6 February 1996, upon the approval and the issuance of business licence by Administration for Industry and Commerce of Chaoyang District, Beijing, the name of the Company was changed to “Beijing Jingkelong Shang Sha”.

On 4 June 1997, upon the approval and the issuance of business licence by Administration for Industry and Commerce of Chaoyang District, Beijing, the registered capital of the Company was increased to RMB22,190,000.

On 28 April 2002, Chaoyang Auxillary proposed a restructuring of its assets to 金朝陽 (Jin Chaoyang) (which proposal is entitled 《北京市朝陽副食品總公司關於進行企業改制設立北京京客隆超市連鎖有限公司的改制方案》(Enterprise restructuring proposal by Chaoyang Auxillary in relation to Beijing Jingkelong Supermarket Chain Company Limited)), which was aimed to segregate its operating/performing assets from its non-operating/non-performing assets, and rationalise its various business units and holding structure. Pursuant to the Chaoyang Auxillary State Owned Assets Restructuring, of which the Reorganisation forms part, Chaoyang Auxillary injected Jingkelong Shang Sha together with its other interests including 北京市朝陽肉禽水產批發部 (Beijing City Chaoyang Poultry and Seafood Wholesale Department), 北京市生命綠洲健康服務中心 (Beijing City Life Health Service Centre), 北京市朝陽肉禽蔬菜公司 (Beijing City Chaoyang Poultry and Vegetables Company), 北京市朝陽藥品器材經營公司 (Beijing City Chaoyang Medical Equipment Operating Company), 北京市朝陽區文化用品批發公司 (Beijing City Chaoyang District Cultural Commodities Wholesale Company), 北京市朝陽副食品批發總公司 (Beijing City Chaoyang Food Wholesale Company), 北京月盛元飯庄 (Beijing Yue Sheng Yuan Restaurant), 北京市朝陽東方招待所 (Beijing City Chaoyang Eastern Service Centre), 北京市騰遠汽車維修中心 (Beijing City

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Teng Yuan Vehicle Repair Centre), 北京市朝陽區商業設備公司 (Beijing City Chaoyang District Business Equipment Company), 北京市朝陽東方加油站 (Beijing City Chaoyang Eastern Petrol Station) and 北京市朝陽區騰遠出租汽車公司 (Beijing City Chaoyang District Teng Yuan Car Rental Company), and cash, aggregating RMB176,540,000, whilst the other investors (comprising officers, employees and business partners of the Group) contributed cash in the aggregate amount of RMB60,120,000, to establish 北京京客隆超市連鎖有限公司 (Beijing Jingkelong Supermarket Chain Company Limited).

After the aforesaid assets and equity interest were injected into the Company, they were further rationalized into the different entities set out in the chart contained in the section headed “Group structure” in this prospectus, together with the dissolutions of Beijing City Chaoyang Poultry and Seafood Wholesale Department, Beijing City Life Health Service Centre and Beijing City Chaoyang Poultry and Vegetables Company on 12 January 2006, the reorganization of Beijing City Chaoyang Medical Equipment Operating Company and Beijing City Chaoyang District Cultural Commodities Wholesale Company into Yiyuantang on 8 November 2002, the conversion of Beijing City Chaoyang Food Wholesale Company into Chaopi Trading on 31 May 2002, the conversion of Beijing City Chaoyang District Business Equipment Company into Xinyang Tongli on 31 May 2002, the conversion of Beijing City Chaoyang District Teng Yuan Car Rental Company into Tengyuan on 31 May 2002 and concurrently the injection of Beijing Yue Sheng Yuan Restaurant, Beijing City Chaoyang Eastern Service Centre, Beijing City Teng Yuan Vehicle Repair Centre and Beijing City Chaoyang Eastern Petrol Station into Tengyuan, pending the final steps of this restructuring, being the Reorganisation set out below.

On 20 May 2002, Beijing Administration for Industry and Commerce (“BAIC”) authorised the establishment of Beijing Jingkelong Supermarket Chain Company Limited with a registered capital of approximately RMB236,660,000. Chaoyang Auxillary invested RMB176,540,000, representing approximately 74.60% of the registered capital of Beijing Jingkelong Supermarket Chain Company Limited. The remaining shareholders were other legal corporate entities and individuals.

On 6 December 2002, the name of Beijing Jingkelong Supermarket Chain Company Limited was changed to “北京京客隆超市連鎖集團有限公司” (Beijing Jingkelong Supermarket Chain Group Company Limited).

2. THE REORGANISATION

However, as the establishment of the Company was only part of the Chaoyang Auxillary State Owned Assets Restructuring which was designed to rationalise the diverse business interests of Chaoyang Auxillary, certain unrelated and independent businesses were also transferred to and held by the Company pending further administrative actions then to be taken in respect thereof.

Accordingly, subsequent to the establishment of the Company, with a view to further rationalising the various business functions and holding structure of Chaoyang Auxillary and those of the Group and in preparation for the Listing, in June 2004:

- (i) the Company acquired approximately 1.25% and 0.79% equity interest in Chaopi Trading at consideration of approximately RMB1,000,000 and RMB628,000, representing the initial cost of investments, from Chaopi Huaqing and Chaopi Flavourings, respectively in June 2004 and thereby increasing its equity interest in Chaopi Trading to approximately 71.7%;

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- (ii) Chaopi Trading entered into two equity transfer agreements with Chaoyang Auxillary to acquire an additional approximately 11.11% and 12.50% equity interest in Chaopi Huaqing and Chaopi Flavourings (at a consideration determined by an independent valuer) respectively, in June 2004. Upon the completion of the equity transfers, Chaopi Trading owned a total interest of approximately 52.22% and 56.25% in Chaopi Huaqing and Chaopi Flavourings, respectively. The Group accounted for Chaopi Huaqing and Chaopi Flavourings as associates for the period from January 2003 to June 2004 and as subsidiaries by the purchase method of accounting thereafter;
- (iii) the Company transferred its entire 10% equity interest in Chaopi Shuanglong to Chaopi Trading for approximately RMB1,611,000 so as to consolidate the Group's equity holding in Chaopi Shuanglong in Chaopi Trading;
- (iv) the Company disposed of its entire approximately 62.73% equity interest in Tengyuan to Chaoyang Auxillary for approximately RMB9,038,000. Tengyuan was principally engaged in the sale of motor vehicles and the provision of car repair services, which was an independently operated business unit of Chaoyang Auxillary, and such equity interest was only injected into the Company by Chaoyang Auxillary at the time of the Company's establishment as a transitional arrangement (being part of the Chaoyang Auxillary State Owned Assets Restructuring) pending this disposal, which was amongst the final steps under the Chaoyang Auxillary State Owned Assets Restructuring to rationalize the different business units of Chaoyang Auxillary; and
- (v) the Company disposed of its entire approximately 35.07% equity interest in Yiyuantang to Chaoyang Auxillary for approximately RMB14,984,000. Yiyuantang was principally engaged in the sale of pharmaceutical products, which was an independently operated business unit of Chaoyang Auxillary, and such equity interest was only injected into the Company by Chaoyang Auxillary at the time of the Company's establishment as a transitional arrangement (being part of the Chaoyang Auxillary State Owned Assets Restructuring) pending this disposal, which was amongst the final steps under the Chaoyang Auxillary State Owned Assets Restructuring to rationalize the different business units of Chaoyang Auxillary.

Each of the equity interest disposal in paragraphs (ii), (iii), (iv) and (v) above was conducted at a consideration determined by an independent PRC valuer by reference to the net asset value attributable to the relevant equity interest being transferred and was approved by the SASAC of Chaoyang District, Beijing.

Although the holding by the Group of the equity interests of Tengyuan and Yiyuantang was a transitional arrangement which formed part of the Chaoyang Auxillary State Owned Assets Restructuring exercise, for accounting purposes, the Group accounted its equity interests in Tengyuan and Yiyuantang under discontinued operations in the Accountants' Report included as Appendix I to this prospectus. The operating results of Tengyuan were consolidated into the Group until June 2004 when the Group transferred its entire equity interest therein to Chaoyang Auxillary under the Chaoyang

Auxillary State Owned Assets Restructuring. The operating results of Yiyuantang were consolidated into the Group until the Company disposed of its approximately 35.07% equity interest therein to a third party in July 2003, and then, the operating results of Yiyuantang were accounted for as a share of result of associates until June 2004 when the Group transferred the balance of its equity interest therein (being approximately 35.07%) to Chaoyang Auxillary under the Chaoyang Auxillary State Owned Assets Restructuring.

On 22 November 2004, the equity holders of Chaopi Flavourings resolved, at a meeting of its equity holders, to increase the registered capital of Chaopi Flavourings from RMB8,000,000 to RMB9,500,000, and Chaopi Flavourings received cash contributions from (i) Chaopi Trading (which was then already an equity holder of Chaopi Flavourings) in the sum of RMB1,075,000 (of which RMB500,000 was paid and recorded as capital and RMB575,000 was paid and recorded as reserves), and (ii) 李俊偉 (Li Junwei, being a then existing equity holder of Chaopi Flavourings) in the sum of RMB2,150,000 (of which RMB1,000,000 was paid and recorded as capital and RMB1,150,000 was paid and recorded as reserves), and as a result thereof, Chaopi Trading held approximately 52.63% of Chaopi Flavourings's equity.

On 25 July 2005, Chaopi Trading acquired an approximately 7.33% equity interest in Chaopi Shuanglong from Shenzhen Yunzhongyuan Trading Company Limited and thereby increasing its equity interest in Chaopi Shuanglong to approximately 59.0%.

On 1 August 2005, the equity holders of Chaopi Trading resolved, at a meeting of its equity holders, to increase the registered capital of Chaopi Trading from RMB80,000,000 to RMB96,000,000, and Chaopi Trading received cash contribution from the Company in the sum of RMB17,206,400 (of which RMB16,000,000 was paid and recorded as capital and RMB1,206,400 was paid and recorded as reserves), and as a result thereof, the Company held approximately 76.42% of Chaopi Trading's equity.

3. CONVERTING JINGKELONG SUPERMARKET TO THE COMPANY

On 12 August 2004, the shareholders of Jingkelong Supermarket at a shareholders' meeting resolved to convert their company into a joint stock limited company. On the same day, all shareholders of Jingkelong Supermarket signed the Promoters' Agreement. For the purpose of converting the Company (being in the form of a limited company under the name of 北京京客隆超市連鎖集團有限公司 (Beijing Jingkelong Supermarket Chain Group Company Limited)) into a joint stock limited company, the net asset value of the Company of RMB246,620,000 (as determined by 安永華明會計事務所 (Ernst & Young Hua Ming, the PRC auditors of the Company) by deducting the amount of the declared dividend of RMB29,135,259 from the net asset value as at 31 December 2003 of RMB275,755,259) was converted into 246,620,000 shares of RMB1.00 each of the Company.

On 28 September 2004, Beijing SASAC authorised the establishment of the Company as a joint stock limited company in accordance with 《關於北京京客隆商業集團股份有限公司國有股權管理有關問題的批覆》(京國資產權字[2004]96號) (In relation to the authorisation of the "Management of the state-owned shareholdings of Beijing Jingkelong Company Limited") (Jin Guo Zi Chen Chuan Zi [2004] No. 96) and the conversion of Jingkelong Supermarket into a joint stock limited company. The issued share capital of the Company was (based on the net asset value of the Company of RMB246,620,000 referred to above) RMB246,620,000 comprising 246,620,000 shares of RMB1.00 each. Chaoyang Auxillary held 183,969,808 shares, amounting to approximately 74.6%

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of the total share capital, the shareholding nature of which is state-owned legal person shares. The remaining share capital was held by other legal corporate entities and individuals.

On 21 October 2004, pursuant to 《關於同意北京京客隆超市連鎖集團有限公司變更為北京京客隆商業集團股份有限公司的函》 (Letter concerning the approval of the conversion of Beijing Jingkelong Supermarket Chain Group Company Limited to Beijing Jingkelong Company Limited) (京發改[2004]2241號) (Jing Fa Gai [2004] No. 2241) issued by BDRC, Jingkelong Supermarket was converted into a joint stock limited company. In accordance with the above approval, the value of the total net assets of Jingkelong Supermarket amounting to RMB246.62 million, was converted into 246,620,000 Shares, comprising the total issued Shares thereof.

On 1 November 2004, BAIC authorised Jingkelong Supermarket to convert to 北京京客隆商業集團股份有限公司 (Beijing Jingkelong Company Limited).

HISTORY AND DEVELOPMENT

The Company is a joint stock company incorporated in the PRC with limited liability on 1 November 2004, formerly known as Guandongdian Shang Sha and then as Jingkelong Shang Sha, Jingkelong Supermarket, and was then converted into a joint stock limited company with effect from 1 November 2004.

In 1994, the Group established its first Distribution Centre in the Chaoyang District of Beijing. The products distributed through this Distribution Centre include foods, edible oil, drinks, flavorings, alcohol and general merchandise.

In 1995, the Group opened its first supermarket. In February 1997, the Group commenced operations of its first Logistic Centre. The Logistic Centre distributes dry products including food products such as alcoholic and non-alcoholic beverages, packaged food, seasonings and processed food products, as well as non-food products such as household items.

In May 1998, the Group obtained its business licence for its first hypermarket. By April 1999, the Group was operating 7 Retail Outlets, comprising a hypermarket and 6 supermarkets.

The Group recognised that efficient logistics management was vital to the development of its retail distribution business. In September 1999, the Group entered into an agreement with 北京北大青鳥商用信息系統有限公司 (Beijing Beida Jade Bird Business Information Systems Company Limited) to develop management information systems to manage the Group's inventories and deliveries, in order to provide effective inventory control and facilitating product distribution and ensuring a smooth coordination of the Group's retail operations.

In 2000, the Group obtained its business licence for its second hypermarket in Hebei Province, PRC. Shortly thereafter, the Group obtained its business licence for its third hypermarket and entered into a franchise arrangement for its first supermarket. Additionally, Jingkelong Langfang and Chaopi Huaqing were incorporated as limited liability companies in the PRC, principally engaged in the retail of general merchandise, and the wholesale distribution of drinks and food, respectively.

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In January 2001, the Group opened its second supermarket under franchise arrangement. In April 2001, the Group entered into an agreement with 茂進系統股份有限公司 (Maojin System Company Limited) to further enhance its management information systems in its Logistics Centre to handle various aspects of the distribution of the daily consumer products, including management of storage and replenishment. Also, in April 2001, Chaopi Flavourings was incorporated as limited liability company in the PRC, principally engaged in the wholesale of flavourings, food and edible oil.

As the number of Retail Outlets increased, the Group sought to improve its management information systems. In February 2002, the Group entered into an agreement with 北京億高索爾科技有限公司 (Beijing Yigao Suoer Technology Company Limited) to set up an e-commerce platform for communication with the Group's suppliers. This allowed the Logistic Centre to conveniently replenish low inventory levels.

Pursuant to the Reorganisation, in April 2002, Chaoyang Auxillary, injected certain assets into the Company, which included the business of wholesale distribution of daily consumer goods, hence setting up the Group's wholesale distribution arm. The assets include Chaopi Trading and Xinyang Tongli, principally engaged in the wholesale distribution of general merchandise such as food, non-staple food, edible oil, beverages, grain and groceries and the production of plastic packing material and installation and production maintenance of commercial equipment, respectively. For details, please refer to the sub-paragraphs (I)(b), (III), (IV), (V) and (VI) in the section headed "(1F) Chaoyang Auxillary State Owned Assets Restructuring" in Appendix V to this prospectus.

In June 2002, the Group obtained its business license for its first convenience store. In July 2002, Chaopi Tianxing was incorporated as a limited liability company, principally engaged in the retail of fruit and vegetables. In August 2002, the Group entered into franchise agreements to operate two convenience stores. Also, Chaopi Shuanglong was incorporated as a limited liability company, principally engaged in the wholesale of alcoholic beverages. Additional franchise arrangements for five and three franchised convenience stores were entered into in September 2002 and November 2002 respectively.

In December 2002, the Group obtained its business licence for its fourth hypermarket, the 望京店 (Wangjing Hypermarket). The number of hypermarkets directly operated by the Group was thus increased to four. As at 31 December 2002, the Group directly operated four hypermarkets, 24 supermarkets and 29 convenience stores, and had two supermarkets and 13 convenience stores under franchise arrangements.

In the same year, the trademarks of the Group's three in-house brands, namely Miwu (蜜屋), Manmiao (曼妙) and Huilian (惠廉) were registered.

In 2003, Chaopi Ziguang was incorporated as a limited liability company, principally engaged in the wholesale of alcoholic beverages. In May 2005, Chaopi Jinglong was incorporated as a limited liability company, principally engaged in the sale of edible oil. In September 2005, Chaopi Qingdao and Chaopi Shijiazhuang were incorporated as limited companies in the PRC, principally engaged in wholesale of alcoholic beverages in the Shandong Province and Hebei Province respectively.




For details of the Group's business development for the three years ended 31 December 2005, please refer to the section headed "Statement of active business pursuits".

Through these years, the Group has received awards and recognition in the PRC. For details, please refer to "Awards and achievements" in the "Business" section of this prospectus.

STATEMENT OF ACTIVE BUSINESS PURSUITS

The following is a statement of active business pursuits of the Group for the three years ended 31 December 2005 and the six months ended 30 June 2006.

Year ended 31 December 2003

- The Group expanded the number of its directly-operated supermarkets from 24 as at 31 December 2002 to 27 as at 31 December 2003, while the number of supermarkets operating under franchise arrangements increased from two to four in the same respective period.
- The Group expanded the number of directly operated convenience stores from 29 as at 31 December 2002 to 34 as at 31 December 2003, while the number of convenience stores operating under franchise arrangements was increased from 13 as at 31 December 2002 to 46 as at 31 December 2003 in the same respective period.
- The total operating area of the dry product Logistics Centre was increased to approximately 22,500 m².
- The Group's management information systems were upgraded through the establishment of an online clearing system.
- The Group began the construction of the live and fresh produce Logistics Centre, located in the Chaoyang District, Beijing.
- The Group's management information systems for convenience stores were consolidated with the Group's centralised management information systems in order to improve the overall operation efficiency.
- The Group launched three in-house brands, namely  蜜屋 (Miwu),  曼妙 (Manmiao) and  惠廉 (Huilian).

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- In March 2003, the Company was awarded 北京市商業名牌企業 (Famous Commercial Brand in Beijing) by 北京市商業聯合會 (Association of Commerce in Beijing).
- In October 2003, the Company was awarded 中國商業名牌企業 (Famous Commercial Brand in PRC) by 中國商業聯合會 (Association of Commerce of the PRC).
- In December 2003, the Group launched the Jingkelong card.
- As at 31 December 2003, the Group employed a total force of 4,591 full-time employees in the PRC, deployed in the following capacities:

	Headquarters	Hypermarkets	Supermarkets	Convenience Stores	Chaopi Trading	Logistics Centres	Xinyang Tongli	Total
Management, administration and finance	143	12	57	4	89	6	3	314
Sales and marketing	70	787	1,900	573	314	201	28	3,873
Others	14	60	73	18	153	69	17	404
Total	227	859	2,030	595	556	276	48	4,591

Year ended 31 December 2004

- The number of directly operated supermarkets decreased from 27 as at 31 December 2003 to 26 as at 31 December 2004. Due to the operating losses of 建國店 (Jianguo supermarket) of approximately RMB583,000 in 2004, the Group has closed it down in July 2004.
- The Group opened a new directly operated supermarket, 豐潤店 (Fengrun supermarket), in October 2004, while 紅廟北里店 (Hongmiaobeili supermarket) was converted from a supermarket to a convenience store.
- The number of directly operated convenience stores maintained at 34 as at 31 December 2004 as a result of the closure of 便利店五店 (No. five convenience store) due to reconstruction works carried out by local authorities and the conversion of 紅廟北里店 (Hongmiaobeili supermarket) from a supermarket to a convenience store.
- The Group expanded the number of its convenience stores under franchise arrangements from 46 as at 31 December 2003 to 72 as at 31 December 2004.

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- An enterprise-integrated figures information support system was developed which enabled the Group to evaluate the operation efficiency of each Retail Outlet.
- On-line clearing technology was utilised to enable suppliers and bulk purchasers to conduct clearing on the Internet.
- In September 2004, the Group launched the membership reward card.
- As at 31 December 2004, the Group employed a total work force of 4,340 full-time employees in the PRC, deployed in the following capacities:

	Headquarters	Hypermarkets	Supermarkets	Convenience Stores	Chaopi Trading	Logistics Centres	Xinyang Tongli	Total
Management, administration and finance	136	9	59	4	94	8	3	313
Sales and marketing	75	700	1,849	449	344	215	26	3,658
Other	13	49	73	11	149	57	17	369
Total	224	758	1,981	464	587	280	46	4,340

Year ended 31 December 2005

- The number of the Group's directly-operated supermarkets maintained at 26 as at 31 December 2005 as a result of the opening of four supermarkets, 勁松店 (Jingsong supermarket), 百子園店 (Baiziyuan supermarket), 天竺店 (Tianzhu supermarket) and 樓梓庄店 (Louzizhuang supermarket) and the closure of four supermarkets, 豐潤店 (Fengrun supermarket) which was not profit-making in 2005 and 燕山店 (Yanshan supermarket) due to operating loss of approximately RMB891,000 in 2005, and 九龍山店 (Jiulongshan supermarket) and 曙光店 (Shuguang supermarket) as a result of land resumption, while the number of supermarkets operating under franchise arrangements increased from four to five during the same period.
- The number of convenience stores operating under franchise arrangements was increased from 72 as at 31 December 2004 to 88 as at 31 December 2005 while the number of directly operated convenience stores increased from 34 to 35 for the period.
- On 1 June 2005, the Group set up a customer service centre in order to strengthen the customers relationship and to collate market intelligence.
- The Group completed the establishment of the live and fresh produce Logistics Centre.
- On 12 September 2005, Chaopi Shijiazhuang was incorporated as a limited company in the PRC. It is principally engaged in the wholesale of alcoholic beverages in the Hebei Province.

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- On 28 September 2005, Chaopi Qingdao was incorporated as a limited company in the PRC. It is principally engaged in the wholesale of alcoholic beverages in the Shandong Province.
- As at 31 December 2005, the Group employed a total work force of 4,280 full-time employees in the PRC, deployed in the following capacities:

	Headquarters	Hypermarkets	Supermarkets	Convenience Stores	Chaopi Trading	Logistic Centres	Xinyang Tongli	Total
Management, administration and finance	134	11	50	4	110	8	2	319
Sales and marketing	91	722	1,642	429	470	223	7	3,584
Other	22	42	67	10	138	62	36	377
Total	247	775	1,759	443	718	293	45	4,280

Six months ended 30 June 2006

- The number of directly operated supermarkets increased from 26 as at 31 December 2005 to 29 as at 30 June 2006, including 和平里店 (Hepingli Supermarket), 西單店 (Xidan Supermarket) and 田村店 (Tiancun Supermarket). In addition, the Group has signed lease agreements for establishing eight new supermarkets which will commence operation in the second half of 2006.
- The number of directly operated convenience stores maintained at 35 as at 30 June 2006 and the Group has signed lease agreements for two new stores which will commence operation in the second half of 2006.
- As at 30 June 2006, the Group employed a total work force of 4,281 full-time employees in the PRC, deployed in the following capacities:

	Headquarters	Hypermarkets	Supermarkets	Convenience Stores	Chaopi Trading	Logistic Centres	Xinyang Tongli	Total
Management, administration and finance	145	8	52	3	99	6	2	315
Sales and marketing	98	681	1,655	421	483	243	6	3,587
Other	45	45	71	9	132	39	38	379
Total	288	734	1,778	433	714	288	46	4,281

Subsequent to 30 June 2006

- The Group has signed five tenancy agreements for the establishment of four supermarkets and one hypermarket respectively.
- On 5 July 2006, Jingkelong Chain was incorporated as a limited company in the PRC. It is principally engaged in the retail of general merchandise in Tongzhou District.