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This announcement, for which the directors of 北京京客隆商業集團股份有限公司 (Beijing Jingkelong Company Limited) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and is not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*



北京京客隆商業集團股份有限公司
BEIJING JINGKELONG COMPANY LIMITED*

(a joint stock limited company incorporated in the People’s Republic of China)

(Stock Code: 8245)

ANNOUNCEMENT

The board (the “Board”) of directors (the “Directors”) of Beijing Jingkelong Company Limited (the “Company”) has noted today’s increase in price and trading volume of the H shares (“H Shares”) of the Company and wish to state that the Board is not aware of any reasons for such increase except that the executive Directors are currently considering making a proposal to the Board to migrate the listing of the Company’s H shares from GEM to the Main Board of the Stock Exchange (the “Proposal”). A full Board meeting will be held in due course to consider the Proposal. Should the Board resolve to proceed with the Proposal, the Company will make a further announcement and convene the necessary shareholders’ meeting to consider the Proposal. Shareholders of the Company (“Shareholders”) and investors should note that, in addition to the said Shareholders’ approval, the Proposal will also be conditional on, among other things, the granting of the relevant approval by the China Securities Regulatory Commission (the “CSRC”) and other relevant authorities in the People’s Republic of China, and the Main Board Listing Committee approving the listing of the H Shares on the Main Board and GEM approving the withdrawal of listing of the H Shares.

* For identification purpose only

The Directors also confirm that there are no negotiations or agreements relating to intended transactions which are discloseable under Chapters 19 to 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”), and, save as mentioned above, nor are the Directors aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Shareholders and potential investors should be aware that the Proposal has not been considered or approved by the Board and is also subject to, among others, Shareholders’ approval, the granting of relevant approvals by the CSRC, GEM and the Stock Exchange, together with such other conditions and regulatory requirements that may be required to be fulfilled by the Company, and thus the Proposal may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the H Shares.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

By Order of the Board
Beijing Jingkelong Company Limited
Wei Tingzhan
Chairman

Beijing, the PRC, 18 January, 2007

As at the date of this announcement, the executive Directors are Wei Tingzhan, Li Jianwen, Li Chunyan and Liu Yuejin; non-executive Directors are Gu Hanlin and Li Shunxiang; and independent non-executive Directors are Fan Faming, Huang Jiangming and Chung Chi Kong.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.