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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: 814)

DISCLOSEABLE TRANSACTION ENTERING INTO PARTNERSHIP AGREEMENT

The Board announces that Chaopi Trading (a non-wholly owned subsidiary of the Company) (as limited partner), Yibin Fund (as general partner and manager) and 33 other limited partners entered into the Partnership Agreement on 5 December 2022 for investing in the Partnership Enterprise. Pursuant to the Partnership Agreement, the scale of the Partnership Enterprise shall be RMB1,012,231,200, among which Chaopi Trading (as limited partner) proposed to make a capital contribution of RMB43,000,000.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) is higher than 5% but less than 25%, the transaction contemplated under the Partnership Agreement constitutes a discloseable transaction of the Company and shall be subject to reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that Chaopi Trading (a non-wholly owned subsidiary of the Company) (as limited partner), Yibin Fund (as general partner and manager) and 33 other limited partners entered into the Partnership Agreement on 5 December 2022 for investing in the Partnership Enterprise. Pursuant to the Partnership Agreement, the scale of the Partnership Enterprise shall be RMB1,012,231,200, among which Chaopi Trading (as limited partner) proposed to make a capital contribution of RMB43,000,000.

PARTNERSHIP AGREEMENT

The principal terms of the Partnership Agreement are set out below:

Date : 5 December 2022

Name of Partnership Enterprise : Yibin Wushang Equity Interest Investment Fund (Limited Partnership)

Parties : General partner and manager: Yibin Fund

Limited partners: Details are set out in the section headed “Contribution” below.

Scope of business : The investment scope of the Partnership Enterprise includes equity interest investment business; acting for other equity interest investment companies or personal equity interest investment business, equity interest investment consultation business, participation in and establishment of equity investment enterprise and investment management consultation companies (The above must not engage in financial activities such as illegal fund-raising, seek public funding, etc.).

Purpose of the partnership and investment target : The purpose of the partnership is to establish the Partnership Enterprise and commence equity interest investment. The investment target of the Partnership Enterprise is Chengdu Wushang Supply Chain.

Chengdu Wushang Supply Chain is a limited liability company incorporated in the PRC, principally engaged in the business of supply chain management services and sale of food and daily necessities. The Partnership Enterprise held 99.99% equity interest in Chengdu Wushang Supply Chain. The ultimate beneficial owner of the single largest partner of the Partnership Enterprise before the date of this announcement is Shenzhen Yantian District State-owned Assets Supervision and Administration Bureau (Collective Asset Management Bureau)*. To the best of the Directors’ knowledge, information and belief, after having made all reasonable enquiries, Chengdu Wushang Supply Chain, the aforementioned single largest partner of the Partnership Enterprise and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Duration of the Partnership Enterprise : The operating term of the Partnership Enterprise shall commence from the date of its establishment (i.e. the issuance date of the business licence of the Partnership Enterprise) and up to the 9th anniversary date of the commencement date, among which 7 years from the execution date of the Partnership Agreement are investment periods. Subject to the approval at a partnership meeting, the investment period and operating period may be extended. According to the applicable laws, notwithstanding the expiration of the operating period, the Partnership Enterprise shall continue to exist as a limited partnership enterprise, unless it is dissolved and liquidated in accordance with the Partnership Agreement or the applicable laws.

Management : Yibin Fund (as general partner) is the executive partner and has the authority over the investment, management, control and handling of the assets of the Partnership Enterprise, subject to the supervision of the limited partners. Yibin Fund bears unlimited joint liability to the debt of the Partnership Enterprise. Yibin Fund is an external representative of the Partnership Enterprise, and carries out the executive affairs, whereas other partners do not carry out the affairs of the Partnership Enterprise and shall not represent the Partnership Enterprise in external affairs.

Yibin Fund (as manager) is under the instructions of the Partnership Enterprise to provide the services of investment project management and administration to the Partnership Enterprise to the extent permitted under the Partnership Agreement. The manager shall not have the conclusive right to determine the Partnership Enterprise's investment choice, decision and affairs.

The Partnership Enterprise shall pay the manager in advance management fee on an annual basis, details of which are as follows:

- (i) Within the investment period, the management fee = actual contribution of limited partners x 0.5% x corresponding number of days for calculating management fee / 365
- (ii) Within the withdrawal period, the management fee = limited partner's unrealised project investment cost x 0.5% x corresponding number of days for calculating management fee / 365

The following are subject to unanimous consent of all partners at

partners' meeting:

1. Decision on the extension of the operating term of the Partnership Enterprise;
2. Decision on the winding up of the Partnership Enterprise;
3. Decision on the dissolution of the Partnership Enterprise;
4. Decision on matters regarding the removal of a general partner, and acceptance of a new general partner; and
5. Decision on the amendment to the contents of the Partnership Agreement, save for matters which the Partnership Agreement has expressly authorised the general partner to decide independently and related contents.

Investment decision committee : 7 members will be nominated at the partners' meeting to form the investment decision committee, the terms of reference of which will include reviewing and deciding on the final investment or investment exit proposal submitted by the manager of the Partnership Enterprise.

Income distribution : During the term of the Partnership Enterprise, distributable cash attributable to the Partnership Enterprise (except the reasonable amount reserved for the part payment of investment fees or the payment of expenses of the Partnership Enterprise) shall be distributed according to the distribution benchmark date as determined by the general partner or manager.

Transfer of partnership interest : The limited partner(s) may transfer its interest in the Partnership Enterprise to parties other than the partners, but the limited partner shall give a 30-day notice to all partners and obtain the written consent of the general partner. The general partner shall give a 5-day prior written notice of its agreement to other limited partners. When a certain limited partner transfers its partnership interest and has received the written consent of the general partner, other partners shall not have the pre-emptive right, nor does such limited partner require the signing of relevant transfer documents by other partners.

Unless with the unanimous consent of all partners, the general partners shall not transfer its interest in the Partnership Enterprise to other parties (the above interest include the rights and obligations under the Partnership Agreement).

Dissolution : The Partnership Enterprise shall be dissolved and liquidated upon the occurrence of any of the following events:

1. A valid resolution to dissolve and liquidate the Partnership Enterprise has been passed at the partners' meeting;
2. The term of the Partnership Enterprise has expired, and the partners decided to discontinue;
3. All of the investment projects of the Partnership Enterprise have been withdrawn;
4. The Partnership Enterprise has suffered serious loss or is unable to continue its operation due to force majeure;
5. The general partner has been removed and the Partnership Enterprise has not accepted a new general partner;
6. A limited partner or multiple parties have seriously breached the Partnership Agreement, leading to the general partner(s) having decided that the Partnership Enterprise is unable to continue to operate, and a resolution has been passed at the partners' meeting;
7. The business license of the Partnership Enterprise has been revoked or has been ordered to close or dissolve;
8. There is a shortfall for the legally required number of partners for 30 days; or
9. Other circumstances of dissolution specified in the Partnership Enterprise Law or other rules and regulations and the Partnership Agreement.

CONTRIBUTION

The total capital contribution for all partners of the Partnership Enterprise shall be RMB1,012,231,200, all of which shall be made in cash.

According to the Partnership Agreement, the capital contribution to be made by each partner is set out as follows:

| | Partners | Type | Principal business | Capital contribution for subscription <i>RMB '0,000</i> | Subscription percentage |
|----|---|-----------------|---------------------------|---|--------------------------------|
| 1. | Beijing Sugar Tobacco & Wine Group Co., Ltd.* | Limited Partner | Modern distribution | 4000 | 3.95% |
| 2. | Hubeiren Renda Economic Trade Co., Ltd.* | Limited Partner | Wholesale | 7000 | 6.92% |
| 3. | Liaoning Jinxiangyi Investment | Limited Partner | Business services | 4000 | 3.95% |

| | Partners | Type | Principal business | Capital contribution for subscription <i>RMB '0,000</i> | Subscription percentage |
|-----|--|-----------------|---|---|--------------------------------|
| | Development Co., Ltd.* | | | | |
| 4. | Shanghai Haoze Trading Co., Ltd.* | Limited Partner | Premium wine sales | 4000 | 3.95% |
| 5. | Shenzhen Shatouijiao Commercial Foreign Trade Co., Ltd.* | Limited Partner | Multichannel management | 6900 | 6.82% |
| 6. | Wuhan Friendship Non-staple Food Commercial Co., Ltd.* | Limited Partner | Food wholesale | 4000 | 3.95% |
| 7. | Tibet Zhongtang Dehe Economic and Trade Co., Ltd.* | Limited Partner | Retail industry | 5540.98 | 5.47% |
| 8. | Chongqing Sugar and Wine Co., Ltd.* | Limited Partner | Food business | 2200 | 2.17% |
| 9. | Henan Non-Staple Food Limited Company* | Limited Partner | Sugar and premium wine products | 3047.54 | 3.01% |
| 10. | Henan Shenglin Trading Co., Ltd.* | Limited Partner | Premium wine sale | 3047.54 | 3.01% |
| 11. | Jiangsu Province Su Shi Wine Co., Ltd.* | Limited Partner | Wholesale | 3047.54 | 3.01% |
| 12. | Jiangsu Su Tang Sugar and Wine Food Co., Ltd.* | Limited Partner | Premium wine operator | 3047.54 | 3.01% |
| 13. | Liaoning Runrongda Trading Co., Ltd.* | Limited Partner | Wholesale | 2200 | 2.17% |
| 14. | Qingdao Xinhao Tongda Sugar, Wine and Non-Staple Food Co., Ltd.* | Limited Partner | Premium wine sale agent | 5047.54 | 4.99% |
| 15. | Shanghai Jieqiang Tobacco Sugar and Wine Group Distribution Co., Ltd.* | Limited Partner | Professional tobacco and alcohol chain and brand agency | 2200 | 2.17% |
| 16. | Shanghai Maowujian Trading Co., Ltd.* | Limited Partner | Premium wine wholesale | 2200 | 2.17% |
| 17. | Shanghai Saiyan | Limited | Premium wine | 2200 | 2.17% |

| | Partners | Type | Principal business | Capital contribution for subscription <i>RMB '0,000</i> | Subscription percentage |
|----|--|-----------------|--|---|--------------------------------|
| | Business Development Co., Ltd.* | Partner | wholesale | | |
| 18 | Tianjin Yulongda Trading Co., Ltd.* | Limited Partner | Premium wine sale agency | 2200 | 2.17% |
| 19 | Chengdu Wushang Supply Chain | Limited Partner | Business service | 4400 | 4.35% |
| 20 | Yibin Guotai Supply Chain Management Co., Ltd.* | Limited Partner | Wine operator | 3047.54 | 3.01% |
| 21 | Dalian Chuanlian International Trading Co., Ltd.* | Limited Partner | Wholesale | 1200 | 1.19% |
| 22 | Guangzhou Longcheng Wine Co., Ltd.* | Limited Partner | Brand operation and premium wine sale agency | 1200 | 1.19% |
| 23 | Hangzhou Guangxin Liquor Sales Co., Ltd.* | Limited Partner | Wholesale | 1200 | 1.19% |
| 24 | Liaoning Xinhong Yingmin Industrial Co., Ltd.* | Limited Partner | Food product business | 2124.6 | 2.10% |
| 25 | Shenzhen Haoming Wine Co., Ltd.* | Limited Partner | Business service | 1200 | 1.19% |
| 26 | Shandong Yimeitang Supply Chain Management Co., Ltd.* | Limited Partner | Business service | 1200 | 1.19% |
| 27 | Shaanxi Rongtong Military and Civilian Service Agency Co., Ltd.* | Limited Partner | Sales | 1200 | 1.19% |
| 28 | Shanghai Haolaixi Sugar Industry Tobacco and Liquor Co., Ltd.* | Limited Partner | Wholesale | 1200 | 1.19% |
| 29 | Suzhou Sutang Famous Wine Sale Limited Company* | Limited Partner | Premium wine operator | 3200 | 3.16% |
| 30 | Wuhan City Hongxing | Limited | Premium wine | 2000 | 1.98% |

| | Partners | Type | Principal business | Capital contribution for subscription <i>RMB '0,000</i> | Subscription percentage |
|---|---|-----------------------------|---------------------------|---|--------------------------------|
| | Sugar and Wine Trading Co., Ltd.* | Partner | sale agency | | |
| 31 | Xinjiang Wuliangye Series Liquor Sales Co., Ltd.* | Limited Partner | Basic internet operator | 1200 | 1.19% |
| 32 | Zheshang Sugar and Wine Group Co., Ltd.* | Limited Partner | Non-staple food industry | 1662.30 | 1.64% |
| 33 | Xiamen Jianfa Meijiuhui Wine Industry Co., Ltd.* | Limited Partner | Wholesale | 5000 | 4.94% |
| 34 | Chaopi Trading | Limited Partner | Wholesale | 4300 | 4.25% |
| 35 | Yibin Fund | General Partner and Manager | Investment management | 10 | 0.01% |
| Total capital contribution amount for subscription | | | | 101,223.12 | 100.00% |

The scale of the Partnership Enterprise and the capital contribution of each partner were determined after arm's length negotiations among the partners with reference to the expected capital needs of the Partnership Enterprise.

Chaopi Trading will contribute to the total capital using internal resources.

FINANCIAL INFORMATION OF PARTNERSHIP ENTERPRISE

Set out below is a summary of the audited financial information of the Partnership Enterprise for the two financial years ended 31 December 2020 and 31 December 2021 and the unaudited financial information for the nine months ended 30 September 2022, respectively, prepared according to the PRC Accounting Standards for Business Enterprises:

| | For the year ended 31 December | | For the nine months ended 30 September 2022 |
|-------------------------------|--------------------------------|---------------|---|
| | 2020 | 2021 | |
| | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> |
| Profit/(Loss) before taxation | 28,435,319.47 | 32,376,019.25 | 71,401,481.66 |
| Profit/(Loss) after taxation | 28,435,319.47 | 32,376,019.25 | 71,401,481.66 |

Based on the management accounts of the Partnership Enterprise for the nine months ended 30 September 2022, the unaudited net asset value of the Partnership Enterprise as at 30 September 2022 was approximately RMB875.7811 million.

REASONS FOR AND BENEFITS OF ENTERING INTO PARTNERSHIP AGREEMENT

The Board considered that through the subscription for equity interest in the Partnership Enterprise by capital contribution and becoming a limited partner of the Partnership Enterprise, Chaopi Trading can indirectly hold the equity interest in Chengdu Wushang Supply Chain (a non-wholly owned subsidiary of the Partnership Enterprise). Chaopi Trading can as wholesaler participate in the regional market wholesale of Wuliangye products, enlarge the Chaopi Trading's scale of Wuliangye brand sale, which is conducive to the increase of operating revenue of Chaopi Trading and further enhance the profitability of the Group.

The Board (including all independent non-executive Directors) are of the view that the transaction contemplated under the Partnership Agreement is conducted on normal commercial terms, and the terms of which are fair and reasonable and in the interest of the Company and the shareholders of the Company as a whole.

INFORMATION ON CHAOPI TRADING AND THE GROUP

Chaopi Trading is a non-wholly owned subsidiary of the Company, where the Company owns approximately 79.85% of its equity interests. Chaopi Trading is a

limited company incorporated in the PRC and is principally engaged in the wholesale distribution of fast-moving consumer goods.

The Group is principally engaged in wholesale distribution of daily consumer products.

The Company's controlling shareholder is Chaofu Company, which is a stated-owned enterprise incorporated in the PRC.

INFORMATION ON THE OTHER PARTNERS UNDER THE PARTNERSHIP AGREEMENT

Each partner under the Partnership Agreement (except Chaopi Trading) is a limited company incorporated in the PRC and is principally engaged in businesses as described in the section headed "Contribution" above.

Yibin Fund (as general partner and manager) is a limited company incorporated in the PRC and is principally engaged in investment management. The ultimate beneficial owner of Yibin Fund is Yibin Municipal State-owned Asset Supervision and Administration Committee.

To the best of the Directors' knowledge, information and belief after making all reasonable enquires, each of the partners under the Partnership Agreement (except Chaopi Trading) and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) is higher than 5% but less than 25%, the transaction contemplated under the Partnership Agreement constitutes a discloseable transaction of the Company and shall be subject to reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Board" the board of Directors;

"Chaofu Company" 北京朝富國有資產管理有限公司 (Beijing Chaofu State-owned Assets Administration Company Limited*), a state-owned enterprise established in the PRC;

| | |
|--------------------------------|--|
| “Chaopi Trading” | 北京朝批商貿股份有限公司 (Beijing Chaopi Trading Co., Ltd.*), a company established in the PRC with limited liability and a non-wholly owned subsidiary of the Company; |
| “Chengdu Wushang Supply Chain” | 成都五商供應鏈管理有限責任公司 (Chengdu Wushang Supply Chain Management Company Limited*), a limited company incorporated and registered in the PRC; |
| “Company” | 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 PRC, the H shares of which are listed on the Stock Exchange; |
| “connected person(s)” | has the same meaning ascribed to it under the Listing Rules; |
| “Director(s)” | the director(s) of the Company; |
| “Group” | the Company and its subsidiaries; |
| “H shares” | the Company’s foreign listed ordinary shares at RMB1.00 per share, subscribed and traded in Hong Kong Dollars, and listed on the Stock Exchange; |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time; |
| “Partnership Agreement” | the partnership agreement dated 5 December 2022 and entered into between Chaopi Trading (as limited partner), Yibin Fund (as general fund and manager) and 33 other limited partners for the investment of the Partnership Enterprise; |
| “Partnership Enterprise” | 宜賓五商股權投資基金（有限合夥）(Yibin Wushang Equity Interest Investment Fund (Limited Partnership)*), a limited partnership established and registered in the PRC on 12 June 2019; |

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|------------------|--|
| “PRC” | the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan; |
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Yibin Fund” | 宜賓五糧液基金管理有限公司 (Yibin Wuliangye Fund Management Company Limited*), a limited company incorporated, and a general and manager under the Partnership Agreement; and |
| “%” | per cent. |

By Order of the Board
Beijing Jingkelong Company Limited*
Zhang Liwei
Chairman

Beijing, the PRC
5 December 2022

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Liwei, Ms. Li Chunyan and Mr. Li Shenlin; the non-executive directors are Mr. Li Jianwen, Ms. Zhang Yan and Mr. Li Shunxiang; and the independent non-executive directors are Mr. Wang Liping, Mr. Chen Liping and Mr. Choi Onward.

** For identification purposes only*