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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)

**UNAUDITED CONSOLIDATED RESULTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018**

The board of directors (the “**Board**”) of Beijing Jingkelong Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces the unaudited consolidated results of the Group for the nine months ended 30 September 2018 prepared in accordance with China Accounting Standards. This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on the Stock Exchange).

UNAUDITED CONSOLIDATED RESULTS

| | | <i>For the nine months ended 30 September</i> | |
|--|----------|---|-----------------------|
| | | 2018 | 2017 |
| | Note | RMB'000 | RMB'000 |
| 1. Total operating income | | 8,872,606 | 9,136,892 |
| Including: principal operating income | 1 | 7,972,593 | 8,270,323 |
| Less: operating costs | | 6,887,313 | 7,135,025 |
| Tax and surcharges | | 38,624 | 37,787 |
| Selling expenses | | 1,514,467 | 1,527,901 |
| Administrative expenses | | 224,594 | 201,192 |
| Financial expenses | | 133,780 | 120,036 |
| Including: Interest expense | | 123,549 | 119,759 |
| Interest income | | (12,214) | (13,099) |
| Impairment losses on credits | | 2,216 | 0 |
| Add: investment income | | 12,014 | 2,001 |
| Changes in fair value of profit and loss | | (8,065) | - |
| Gain on disposal of assets | | (1,904) | 133 |
| Other income | | 11,282 | 10,412 |
| 2. operating profit | | <u>84,939</u> | <u>127,497</u> |
| Add: Non-operating income | | 36,660 | 4,219 |
| Less: Non-operating expenses | | 11,973 | 14,813 |
| 3. Total profit | | <u>109,626</u> | <u>116,903</u> |
| Less: income tax expenses | | 42,335 | 45,342 |
| 4. Net profit | | <u>67,291</u> | <u>71,561</u> |
| Net profit attributable to shareholders of the parent company | | 39,756 | 30,330 |
| Profit or loss attributable to minority interests | | 27,535 | 41,231 |

Notes:

1. Principal operating income

| | <i>For the nine months ended 30 September</i> | |
|---|---|------------------|
| | 2018 | 2017 |
| | RMB'000 | RMB'000 |
| Retail business | | |
| --Hypermarkets | 918,952 | 953,072 |
| --Supermarkets | 2,065,704 | 2,153,502 |
| --Convenience stores | 279,518 | 262,863 |
| --Department Stores (including commissions) | 27,981 23,765 | 29,470 24,969 |
| --Online retail business | 0 | 28,603 |
| Total retail principal operating income | <u>3,292,155</u> | <u>3,427,510</u> |
| Wholesale principal operating income recognized by Chaopi Group* | 5,058,134 | 5,174,641 |
| Less: Intersegment sales | (405,078) | (373,339) |
| Add: Sales to franchisees by the company | 2,516 | 2,208 |
| Consolidated wholesale principal operating income | <u>4,655,572</u> | <u>4,803,510</u> |
| Other principal operating income | <u>24,866</u> | <u>39,303</u> |
| Total principal operating income | <u>7,972,593</u> | <u>8,270,323</u> |

* *Chaopi Group represents Beijing Chaopi Trading Company Limited and its subsidiaries.*

2. Gross profit margin

| | <i>For the nine months ended 30 September</i> | |
|---|---|--------|
| | 2018 | 2017 |
| | (%) | (%) |
| Retail business of directly-operated hypermarkets, supermarkets and convenience stores | 16.09% | 16.08% |
| Wholesale business recognised by Chaopi Group including intersegment sales | 10.67% | 10.83% |

3. Ten convenience stores (including 9 directly-operated convenience stores and 1 franchised convenience store) were set up, two supermarkets and twenty-two convenience stores (including 8 directly-operated convenience stores and 14 franchised convenience stores) were closed during the nine months end 30 September 2018. The total number of retail outlets was 206 as at 30 September 2018.

The Board wishes to remind investors that the above figures are based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such data.

In the meantime, investors are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
Beijing Jingkelong Company Limited
Li Jianwen
Chairman

Beijing, the PRC

26 October 2018

As at the date of this announcement, the executive directors of the Company are Mr. Li Jianwen, Mr. Shang Yongtian, Ms. Li Chunyan and Mr. Liu Yuejin; the non-executive directors are 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 purpose only*