

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Revised Partial Offer, this Composite Document or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your securities in China Resources Beer (Holdings) Company Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s), licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Revised Partial Offer.

The Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.



華潤(集團)有限公司
China Resources (Holdings) Co., Ltd.
(Incorporated in Hong Kong with limited liability)



華潤啤酒(控股)有限公司
China Resources Beer (Holdings) Company Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 291)



華潤集團(創業)有限公司
CRH (Enterprise) Limited
(Incorporated in BVI with limited liability)

**COMPOSITE OFFER AND RESPONSE DOCUMENT
REVISED VOLUNTARY UNCONDITIONAL CASH PARTIAL OFFER
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND
MORGAN STANLEY ASIA LIMITED
ON BEHALF OF CRH (ENTERPRISE) LIMITED
TO ACQUIRE UP TO 484,273,072 SHARES IN
THE CAPITAL OF CHINA RESOURCES BEER (HOLDINGS) COMPANY LIMITED
(REPRESENTING APPROXIMATELY 20 PER CENT. OF
ITS ISSUED SHARE CAPITAL)
FROM QUALIFYING SHAREHOLDERS**

Financial Advisors to the Offeror

BofA Merrill Lynch

Morgan Stanley

Financial Advisor to the Company



**Independent Financial Advisor to the Independent Board Committee and
the Independent Shareholders**

 **ROTHSCHILD**

Shareholders should inform themselves of and observe any applicable legal or regulatory requirements. See "Important Notice" beginning on page iii of this Composite Document, "Overseas Shareholders" in the letter from BofAML and Morgan Stanley and Appendix I to this Composite Document beginning on page 14 and page I-12 of this Composite Document, respectively.

Capitalised terms used in this cover page have the same meaning as those defined in the section headed "Definitions" in this Composite Document. A letter from BofAML and Morgan Stanley containing, among other things, the details of the terms and conditions of the Revised Partial Offer is set out on pages 9 to 19 of this Composite Document. A letter from the Board is set out on pages 20 to 25 of this Composite Document. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in respect of the Revised Partial Offer is set out on pages 26 to 27 of this Composite Document. A letter from Rothschild, the Independent Financial Advisor, containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Revised Partial Offer is set out on pages IFA-1 to IFA-18 of this Composite Document.

The procedures for acceptance and settlement of the Revised Partial Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Revised Partial Offer should be received by the Share Registrar by no later than 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside of Hong Kong should read the section headed "Overseas Shareholders" in the letter from BofAML and Morgan Stanley and Appendix I to this Composite Document before taking any action. It is the responsibility of each overseas Qualifying Shareholder wishing to accept the Revised Partial Offer to satisfy himself, herself or itself as to full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities or legal requirements. Overseas Qualifying Shareholders are advised to seek professional advice on deciding whether to accept the Revised Partial Offer.

30 October 2015

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EXPECTED TIMETABLE

The timetable set out below is indicative only and any changes to the timetable will be jointly announced by CRH, the Offeror and the Company.

Despatch date of this Composite Document and the accompanying Form of Acceptance (Note 1)	Friday, 30 October 2015
Revised Partial Offer open for acceptance	Friday, 30 October 2015
Latest time and date for acceptance of the Revised Partial Offer on the Closing Date (Notes 1, 2 and 3)	4:00 p.m. on Wednesday, 2 December 2015
Closing Date (Note 1)	Wednesday, 2 December 2015
Announcement of the results of the Revised Partial Offer to be posted on the website of the Stock Exchange (Note 3)	no later than 7:00 p.m. on Wednesday, 2 December 2015
Latest date for posting of remittances for amounts due under the Revised Partial Offer in respect of the Shares tendered for acceptance and taken up by the Offeror (Note 4)	Friday, 11 December 2015

Notes

1. The Revised Partial Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document and is capable of acceptance on and from that date until the Closing Date. Acceptances of the Revised Partial Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the section headed "Irrevocable acceptances" in Appendix I to this Composite Document.
2. In accordance with the Code, the Revised Partial Offer must initially be open for acceptance for at least, and may not be extended beyond, 21 days following the date on which this Composite Document is posted. However, in order to comply with relevant US securities laws which requires the Revised Partial Offer to open for at least 20 US Business Days, the Revised Partial Offer will close for acceptances at 4:00 p.m. on Wednesday, 2 December 2015.

Beneficial owners of Shares who hold their shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
3. An announcement will be issued through the website of the Stock Exchange by 7:00 p.m. on Wednesday, 2 December 2015 stating whether the Revised Partial Offer has been revised or expired.
4. Remittances in respect of the Shares tendered for acceptance and taken up by the Offeror under the Revised Partial Offer (after deducting the seller's ad valorem stamp duty arising therefrom and, if applicable, the fees payable to the Share Registrar in respect of lost or unavailable Share certificates) will be posted to the relevant Qualifying Shareholders by ordinary post at their own risk as soon as possible, but in any event within seven business days (as defined in the Code) of the Closing Date.

All references to times and dates contained in this Composite Document are to Hong Kong times and dates.

IMPORTANT NOTICE

NOTICE TO US SHAREHOLDERS

The Revised Partial Offer is being made for the securities of a Hong Kong company and is subject to Hong Kong disclosure requirements, which are different from those of the United States. The financial information included in this Composite Document has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. The Revised Partial Offer will be made in the United States pursuant to the applicable US tender offer rules and otherwise in accordance with the requirements of the SFO. Accordingly, the Revised Partial Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The receipt of cash pursuant to the Revised Partial Offer by a US holder of Shares may be a taxable transaction for US federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his/her/its independent professional advisor immediately regarding the tax consequences of acceptance of the Revised Partial Offer.

It may be difficult for US holders of Shares to enforce their rights and any claim arising out of the US federal securities laws, since CRH, the Offeror and the Company are located in a country outside the United States, and some or all of their officers and directors may be residents of a country other than the United States. US holders of Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

In accordance with the Code and Rule 14e-5(b) of the US Securities Exchange Act of 1934, BofAML, Morgan Stanley and their respective affiliates may continue to act as exempt principal traders in the Shares on the Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be reported to the SFC and, to the extent made public by the SFC, will be available on the website of the SFC at <http://www.sfc.hk>.

For further discussion, please refer to the section headed "Overseas Shareholders" in the letter from BofAML and Morgan Stanley and the section headed "Overseas Shareholders" in Appendix I to this Composite Document.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "seek", "estimate", "will", "would" or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements.

DEFINITIONS

In this Composite Document, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning defined in the Code;
“associate(s)”	has the meaning defined in the Code;
“Binding Proposal”	means the binding proposal dated 13 April 2015 from CRH to the Company (enclosing a form of the sale and purchase agreement), the principal terms of which are described in the section headed “Principal Terms of the Binding Proposal” of the First Announcement, which include the Disposal, the Capital Reduction, the Special Dividend and the Partial Offer;
“Board”	means the board of directors of the Company;
“BofAML”	means Merrill Lynch (Asia Pacific) Limited, a licensed corporation under the SFO, registered to conduct Type 1 (dealing in securities), Type 4 (advising on securities), and Type 6 (advising on corporate finance) regulated activities under the SFO, and one of the financial advisors to CRH and the Offeror;
“BVI”	means the British Virgin Islands;
“Capital Reduction”	means the capital reduction of the Company to reduce its capital and create an aggregate minimum of HK\$10 billion of distributable reserves;
“CCASS”	means the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“Closing Date”	means Wednesday, 2 December 2015, being the closing date of the Revised Partial Offer or if the Revised Partial Offer is revised, the closing date as revised by the Offeror in compliance with the Code and relevant US securities laws;
“Code”	means the Hong Kong Code on Takeovers and Mergers;

DEFINITIONS

“Company”	means China Resources Beer (Holdings) Company Limited (華潤啤酒(控股)有限公司) (formerly known as China Resources Enterprise, Limited (華潤創業有限公司)), a company incorporated in Hong Kong with company number 11824;
“Completion”	means the completion of the Disposal;
“Composite Document”	means this composite offer and response document in respect of the Revised Partial Offer jointly issued by CRH, the Offeror and the Company in accordance with the Code, as may be revised or supplemented as appropriate;
“connected person”	has the meaning defined in the Listing Rules;
“controlling shareholder”	has the meaning defined in the Listing Rules;
“CRH”	means China Resources (Holdings) Company Limited (華潤(集團)有限公司), which is beneficially wholly-owned by CRC Bluesky Limited, which is in turn wholly-owned by China Resources Co., Limited* (華潤股份有限公司), which is itself ultimately beneficially wholly-owned by China Resources* National Corporation (中國華潤總公司);
“CRH Group”	means CRH and its subsidiaries;
“Directors”	means the directors of the Company;
“Disposal”	means the disposal of the Disposal Assets in accordance with the terms of the Sale and Purchase Agreement (as amended by the Supplemental Agreement);
“Disposal Assets”	<p>means all of the non-beer businesses of the Company referred to in the Sale and Purchase Agreement (as amended by the Supplemental Agreement) comprising the following:</p> <p>(i) the direct (or, where applicable, indirect) interest in the entire issued share capital of the Target Companies, being subsidiaries of the Company;</p>

DEFINITIONS

	<p>(ii) (a) all the rights under the Non-Beer Contracts; (b) such assets and rights relating to the non-beer businesses held by the Company and Purple Finance Limited (which is a wholly-owned subsidiary of the Company) (for the avoidance of doubt and subject to (c) below, excluding the Company's head office fixed assets, prepayments, other receivables (other than receivables of management income in connection with a housing estate and the Parking Lots), utility deposits, club memberships, tax recoverable of the Company at the date of Completion), and (c) the Parking Lots (together with any utility deposits and prepayments less expenses in association therewith);</p> <p>(iii) the cash and cash equivalents held by the Company attributable to its non-beer businesses; and</p> <p>(iv) the Shareholders Loans;</p>
"Disposal Group"	means the Target Companies and its subsidiaries (including any holding company thereof);
"Executive"	means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
"Final Dividend"	means the final dividend of the Company for the year ended 31 December 2014 of HK\$0.16 per Share;
"First Announcement"	means the joint announcement made by the Company, CRH and the Offeror dated 20 April 2015 in relation to, among others, the possible very substantial disposal of all non-beer businesses of the Company and the Partial Offer;
"Form of Acceptance"	means the form of acceptance and transfer in respect of the Revised Partial Offer accompanying this Composite Document;
"Group"	means the Company and its subsidiaries from time to time;
"HK\$"	means Hong Kong dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	means the independent board committee of the Company comprising Mr. Houang Tai Ninh, Dr. Li Ka Cheung, Eric, Dr. Cheng Mo Chi, Moses, Mr. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon, being all the independent non-executive Directors, established to give recommendations to the Independent Shareholders in respect of the Sale and Purchase Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder and in respect of the Revised Partial Offer;
“Independent Financial Advisor” or “Rothschild”	means Rothschild (Hong Kong) Limited, a licensed corporation under the SFO, licensed to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities, is the financial advisor to the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreement (as amended by the Supplemental Agreement), as well as the Independent Board Committee and the Independent Shareholders in respect of the Revised Partial Offer;
“Independent Shareholders”	means the Shareholders other than the Offeror, CRH and their associates and parties acting in concert with them for the purpose of approving the Sale and Purchase Agreement (as amended by the Supplemental Agreement) and the transactions contemplated thereunder and the Revised Partial Offer;
“Last Trading Date”	means 2 April 2015, being the last trading day prior to the halt in trading of Shares which was resumed upon the publication of the First Announcement;
“Latest Practicable Date”	27 October 2015, being the latest practicable date prior to the despatch of this Composite Document for the purpose of ascertaining certain information contained herein;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

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“Long Stop Date”	means 31 December 2015 or such later date as CRH and the Company may agree in writing;
“Morgan Stanley”	means Morgan Stanley Asia Limited, a licensed corporation licensed to carry on business in Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, and one of the financial advisors to CRH and the Offeror;
“Non-Beer Contracts”	means all the contracts relating to the non-beer businesses entered into by the Company or its subsidiaries (other than the Disposal Group);
“Offer Period”	has the meaning ascribed to it in the Code, which, in respect of the Revised Partial Offer, commenced on the date of the First Announcement;
“Offer Price”	means HK\$12.70 per Share;
“Offer Shares”	means the Shares that are subject to the Revised Binding Proposal;
“Offeror”	means CRH (Enterprise) Limited (華潤集團(創業)有限公司) (formerly known as Globe Fame Investments Limited), which is wholly-owned by China Resources Enterprise, Limited (formerly known as Well Gain Ventures (Hong Kong) Limited with company number 2268449), which is in turn wholly-owned by Well Gain Ventures Limited, which is itself wholly-owned by CRH;
“Parking Lots”	means certain parking spaces in CRE Centre in Lai Chi Kok, Kowloon and certain parking spaces in Riley House in Kwai Chung, New Territories;
“Partial Offer”	means the pre-conditional voluntary cash partial offer by BofAML and Morgan Stanley on behalf of the Offeror to the Qualifying Shareholders, to acquire up to 242,136,536 Shares (representing approximately 10% of the issued share capital of the Company as at the Latest Practicable Date) at HK\$12.70 per share, which has been subsequently amended by the Revised Binding Proposal;

DEFINITIONS

“PRC”	means the People’s Republic of China which, for the purpose of this Composite Document, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Pre-Conditions”	<p>means the pre-conditions to the making of the Revised Partial Offer, being:</p> <ul style="list-style-type: none">(i) Completion having taken place;(ii) the Capital Reduction having been completed;(iii) the Revised Special Dividend having been paid; and(iv) consent from the Executive in respect of the Revised Partial Offer pursuant to Rule 28.1 Code having been obtained;
“Property Valuer” or “Vigers”	means Vigers Appraisal & Consulting Limited;
“Qualifying Shareholders”	means Shareholders other than the Offeror and parties acting in concert with it;
“Register”	means the register of members of the Company;
“Relevant Period”	means the period commencing on 20 October 2014 (being the date falling six months preceding the date of the First Announcement), and up to and including the Latest Practicable Date;
“Remaining Group”	means the Group prior to the Disposal (other than the Disposal Group);
“Revised Binding Proposal”	means the binding proposal dated 15 June 2015 from CRH to the Company setting out, among others, the Revised Partial Offer and enclosing a form of the Supplemental Agreement;
“Revised Partial Offer”	means the Partial Offer as revised by the Revised Binding Proposal, namely the increase in the number of Shares under the Partial Offer from 242,136,536 Shares (representing approximately 10% of the issued share capital of the Company as at the Latest Practicable Date) to 484,273,072 Shares (representing approximately 20% of the issued share capital of the Company as at the Latest Practicable Date);

DEFINITIONS

“Revised Special Dividend”	means the Special Dividend as revised by the Revised Binding Proposal, namely the increase from HK\$11.50 per Share to HK\$12.30 per Share in the aggregate amount of approximately HK\$29,928 million;
“Sale and Purchase Agreement”	means the sale and purchase agreement dated 4 May 2015 entered into between the Company and CRH in respect of, among others, the Disposal, which has been subsequently amended by the Supplemental Agreement;
“Second Announcement”	means the announcement made by the Company dated 4 May 2015 in relation to, among others, the Sale and Purchase Agreement;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	means ordinary share(s) in the capital of the Company;
“Shareholder(s)”	means holder(s) of the Shares;
“Shareholder Loans”	means the shareholders loans owed by the Disposal Group to the Company which are outstanding and not repaid as at Completion;
“Share Registrar”	means Tricor Standard Limited;
“Special Dividend”	means a special dividend of HK\$11.50 per Share which has been subsequently amended by the Supplemental Agreement;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning defined in the Listing Rules;
“substantial shareholder”	has the meaning defined in the Listing Rules;
“Supplemental Agreement”	means the supplemental sale and purchase agreement entered into by the Company and CRH on 15 June 2015;

DEFINITIONS

“Target Companies”	are all engaged in non-beer businesses and means: (i) Ondereel Ltd, a company incorporated under the laws of BVI and a direct wholly-owned subsidiary of the Company; (ii) Best-Growth Resources Limited, a company incorporated under the laws of BVI and a direct wholly-owned subsidiary of the Company; (iii) Havensbrook Investments Limited, a company incorporated under the laws of BVI and a direct wholly-owned subsidiary of the Company; (iv) China Resources Enet Solutions Limited, a company incorporated under the laws of Cayman Islands and a direct wholly-owned subsidiary of the Company; (v) CRE Finance (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a direct wholly-owned subsidiary of the Company; (vi) CRE (Nominees) Limited, a company incorporated under the laws of Hong Kong and a direct wholly-owned subsidiary of the Company; and (vii) CRE Trading (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a direct wholly-owned subsidiary of the Company;
“Third Announcement”	means the joint announcement made by the Company, the Offeror and CRH dated 17 June 2015 in relation to, among others, the Supplemental Agreement and the Revised Partial Offer;
“UBS”	means UBS AG, acting through its Hong Kong branch, an institution licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO and the financial advisor to the Company in relation to the Binding Proposal and the Revised Binding Proposal;
“United States” or “US”	means the United States of America;
“US Business Day”	means any day, other than Saturday, Sunday or a US federal holiday, and shall consist of the time period from 12:01 a.m. through 12:00 midnight Eastern time; and
“%”	means per cent.

In the event of inconsistency, the English text of this Composite Document shall prevail over the Chinese text.

** English translations of these names are provided for ease of reference only and they are not the official English names of the entities concerned*

BofA Merrill Lynch

Morgan Stanley

30 October 2015

To the Qualifying Shareholders

Dear Sir or Madam,

INTRODUCTION

On 20 April, 2015, CRH, the Offeror and the Company jointly announced that the Company received the Binding Proposal from CRH, which include the Disposal, the Capital Reduction, the Special Dividend and the Partial Offer. Under the Partial Offer, BofAML and Morgan Stanley would, on behalf of the Offeror, make a voluntary pre-conditional cash partial offer to acquire a maximum of 242,136,536 Shares (representing approximately 10% of the issued share capital of the Company as at the Latest Practicable Date) to the Qualifying Shareholders at the Offer Price of HK\$12.70 per Share. The making of the Partial Offer is subject to the satisfaction of certain pre-conditions, including completion of the Disposal of the Disposal Assets in accordance with the Sale and Purchase Agreement, the Capital Reduction having been completed, the Special Dividend having been paid, and consent from the Executive in respect of the Partial Offer pursuant to Rule 28.1 of the Code having been obtained.

On 4 May 2015, the Company announced that it entered into the Sale and Purchase Agreement with CRH, pursuant to which, subject to the conditions precedent set therein, the Company agreed to sell and CRH agreed to purchase all of the non-beer businesses of the Company held by the Group for a total consideration of HK\$28,000,000,000.

On 17 June 2015, CRH, the Offeror and the Company jointly announced that the Company had received the Revised Binding Proposal from CRH in relation to revisions to the terms of the Disposal and the Partial Offer. Pursuant to Revised Binding Proposal, (i) the Supplemental Agreement had been entered into to, inter alia, increase the total consideration for the Disposal under the Sale and Purchase Agreement from HK\$28,000,000,000 to HK\$30,000,000,000, (ii) the Special Dividend was increased from HK\$11.50 per Share to HK\$12.30 per Share, and (iii) the maximum number of Shares under the Partial Offer was increased to 484,273,072 Shares (representing approximately 20% of the issued share capital of the Company as at the Latest Practicable Date).

On 20 October 2015, CRH, the Offeror and the Company jointly announced that the Pre-Conditions had all been satisfied.

LETTER FROM BOFAML AND MORGAN STANLEY

This letter forms part of this Composite Document and sets out certain background information of CRH and the Offeror, the reasons for making the Revised Partial Offer and the intentions of the Offeror in relation to the Company. The terms of the Revised Partial Offer are set out in this letter, Appendix I to this Composite Document and in the accompanying Form of Acceptance.

Your attention is also drawn to the letter from the Board on pages 20 to 25, the letter from the Independent Board Committee on pages 26 to 27 and the letter from the Independent Financial Advisor on pages IFA-1 to IFA-18 in this Composite Document.

UNCONDITIONAL REVISED PARTIAL OFFER

1. Principal terms of the Revised Partial Offer

BofAML and Morgan Stanley are, on behalf of the Offeror, making the Revised Partial Offer to acquire up to 484,273,072 Shares (representing approximately 20% of the issued share capital of the Company as at the Latest Practicable Date) to the Qualifying Shareholders on the following basis:

For each Share HK\$12.70 in cash

The Revised Partial Offer is unconditional in all respects (for the avoidance of doubt, the Revised Partial Offer, once made, is not conditional upon any minimum level of acceptances of the Revised Partial Offer).

The Revised Partial Offer will remain open until the Closing Date.

Pursuant to Rule 28.4 of the Code, the Offeror cannot extend the Revised Partial Offer beyond the Closing Date.

2. Comparisons of value

Shareholders should note that Shares to be acquired under the Revised Partial Offer are subject to Completion and payment of Revised Special Dividend. Therefore, for the purpose of making comparisons with the price of Shares as quoted on the Stock Exchange, it is appropriate to aggregate the Offer Price with the amount under the Revised Special Dividend. Comparisons of the Offer Price against the price of Shares not taking into account the payment of the Revised Special Dividend are also included below.

LETTER FROM BOFAML AND MORGAN STANLEY

The comparisons against the price of Shares on the Last Trading Date and on the Latest Practicable Date including and excluding the Revised Special Dividend are set out in the table below:

Comparison with reference to the closing price or the average closing prices [#] related to the Last Trading Date	Offer Price plus the Revised Special Dividend (being in aggregate HK\$25.00 per Share) represent a premium of (%)	Offer Price (not taking into account the payment of the Revised Special Dividend) represents a (discount) of (%)	Comparison with reference to the closing price or the average closing prices [#] related to the Latest Practicable Date	Offer Price plus the Revised Special Dividend (being in aggregate HK\$25.00 per Share) represents a premium of (%)	Offer Price (not taking into account the payment of the Revised Special Dividend) represents a (discount) of (%)
Closing price of HK\$15.20 per Share as quoted on the Stock Exchange on the Last Trading Date	64.5	(16.4)	Closing price of HK\$15.02 per Share as quoted on the Stock Exchange on the Latest Practicable Date	66.4	(15.4)
120 trading days average closing price of HK\$16.41 per Share	52.3	(22.6)	120 trading days average closing price of HK\$22.14 per Share	12.9	(42.6)
90 trading days average closing price of HK\$15.92 per Share	57.0	(20.2)	90 trading days average closing price of HK\$21.61 per Share	15.7	(41.2)
60 trading days average closing price of HK\$15.90 per Share	57.2	(20.1)	60 trading days average closing price of HK\$20.19 per Share	23.8	(37.1)
30 trading days average closing price of HK\$15.35 per Share	62.9	(17.3)	30 trading days average closing price of HK\$16.21 per Share	54.2	(21.7)
10 trading days average closing price of HK\$15.09 per Share	65.7	(15.8)	10 trading days average closing price of HK\$15.03 per Share	66.3	(15.5)
5 trading days average closing price of HK\$15.17 per Share	64.8	(16.3)	5 trading days average closing price of HK\$15.02 per Share	66.4	(15.4)

[#] average closing price inclusive of the closing price of the Last Trading Date or the Latest Practicable Date, as the case may be

The Revised Special Dividend of HK\$12.30 per Share was paid on 20 October 2015.

3. Highest and lowest closing prices of the Shares

During the period from 20 October 2014 to 17 September 2015 (being the last day on which the Shares were traded on a cum-Revised Special Dividend basis) the highest closing price of the Shares as quoted on the Stock Exchange was HK\$25.80 per Share on 18 June 2015 and 25 June 2015, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$14.22 per Share on 16 March 2015.

During the period from 18 September 2015 (being the first day on which the Shares began to be traded on an ex-Revised Special Dividend basis) to the Latest Practicable Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$15.28 on 16 October 2015 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$13.22 on 18 September 2015.

LETTER FROM BOFAML AND MORGAN STANLEY

4. Total consideration under the Revised Partial Offer

As at the Latest Practicable Date, there were 2,433,132,679 Shares in issue. The Revised Partial Offer, based on the Offer Price of HK\$12.70 per Share, is valued at approximately HK\$6,150,268,014 assuming valid acceptances of the Revised Partial Offer are received in respect of 484,273,072 Shares.

As at the Latest Practicable Date, the Company does not have in issue any outstanding options, warrants, derivatives or securities that carry a right to subscribe for or which are convertible into Shares.

5. Confirmation of financial resources

Assuming full acceptance of the Revised Partial Offer in respect of 484,273,072 Shares, the financial resources required by the Offeror to satisfy its obligations under the Revised Partial Offer will amount to approximately HK\$6,150,268,014 in aggregate. The funds required by the Offeror to satisfy the consideration of the Revised Partial Offer will be financed from internal resources of CRH. BofAML and Morgan Stanley, financial advisors to CRH and the Offeror, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Revised Partial Offer in respect of 484,273,072 Shares.

6. Other terms of the Revised Partial Offer

Qualifying Shareholders may accept the Revised Partial Offer in respect of some or all of the Shares held by them. If valid acceptances are received for 484,273,072 or fewer Shares, all Shares validly accepted will be taken up; and if valid acceptances are received for more than 484,273,072 Shares, the total number of Shares to be taken up by the Offeror from each Qualifying Shareholder will be determined in accordance with the following formula:

$$\frac{A \times C}{B}$$

- A: 484,273,072 Shares (being the maximum number of Shares for which the Revised Partial Offer is made)
- B: the total number of Shares tendered by all Qualifying Shareholders under the Revised Partial Offer
- C: the number of Shares tendered by the relevant individual Qualifying Shareholder under the Revised Partial Offer

As a result, it is possible that if a Qualifying Shareholder tenders all his/her/its Shares for acceptance under the Revised Partial Offer, not all of such Shares will be taken up. Assuming no further changes to the number of Shares from the Latest Practicable

LETTER FROM BOFAML AND MORGAN STANLEY

Date, Qualifying Shareholders can, however, be assured that a minimum of approximately 41.44% of the Shares tendered for acceptance under the Revised Partial Offer will be taken up.

Fractions of the Shares will not be taken up under the Revised Partial Offer and, accordingly, the number of the Shares that the Offeror will take up from each Qualifying Shareholder in accordance with the above formula will be rounded up or down to the nearest whole number at the discretion of the Offeror.

7. Effect of accepting the Revised Partial Offer

By validly accepting the Revised Partial Offer, Qualifying Shareholders will sell to the Offeror their tendered Shares which are finally taken up by the Offeror in accordance with the formula set out in the section headed "Other terms of the Revised Partial Offer" above free from all encumbrances and together with all rights and benefits at any time accruing and attaching thereto as of and after the Closing Date including all rights to any dividend or other distributions declared, made or paid by reference to a record date on or after the Closing Date. The Offeror will not be entitled to any dividends or other distributions declared, made or paid by reference to a record date before the Closing Date in respect of the Shares which are taken up by the Offeror under the Revised Partial Offer. Any such dividends or other distributions will be paid to the Shareholders who are qualified for such dividends or distributions.

For the avoidance of doubt, the acceptance by any Qualifying Shareholders of the Revised Partial Offer will not affect their entitlement to the Revised Special Dividend, which was paid on 20 October 2015.

8. Procedures for acceptance

In order to accept the Revised Partial Offer, Qualifying Shareholders should complete and return the accompanying Form of Acceptance to the Share Registrar in accordance with the instructions printed in this Composite Document and on the Form of Acceptance. The instructions in this Composite Document should be read together with the instructions on the Form of Acceptance (which instructions form part of the terms of the Revised Partial Offer).

Qualifying Shareholders are required to submit the duly completed Form of Acceptance, together with the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for the exact number of Shares in respect of which the relevant Qualifying Shareholder wishes to accept the Revised Partial Offer, by post or by hand to the Share Registrar, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, in an envelope marked "China Resources Beer (Holdings) Company Limited — Revised Partial Offer" as soon as possible after receipt of the Form of Acceptance but in any event so as to reach the Share Registrar by no later than 4:00 p.m. (Hong Kong time) on Wednesday, 2 December 2015, being the Closing Date.

No acknowledgement of receipt of any Form of Acceptance, Share certificate(s), transfer receipt(s) or other document(s) of title (and/or any indemnity or indemnities in respect thereof) (if applicable) will be given.

Only one Form of Acceptance will be accepted from each Qualifying Shareholder by the Share Registrar. Tenders duly received will become irrevocable and cannot be withdrawn except in the circumstances as described in the section headed “Irrevocable acceptances” under Appendix I to this Composite Document.

9. Nominee registration of Shares

To ensure equality of treatment of all Qualifying Shareholders, those Qualifying Shareholders who hold Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for beneficial owners of Shares whose investments are registered in nominee names (including those whose interests in Shares are held through CCASS) to accept the Revised Partial Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the Revised Partial Offer.

10. Overseas Shareholders

The Revised Partial Offer is in respect of a Company incorporated and listed in Hong Kong and is thereof subject to the procedure and disclosure requirements of laws, regulatory and rules in Hong Kong which may be different to those in other jurisdictions. The ability of Qualifying Shareholders who are citizens, residents or nationals of jurisdictions outside of Hong Kong to participate in the Revised Partial Offer may be subject to the laws and regulations of the relevant jurisdictions. Such Qualifying Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. It is the responsibility of each such Qualifying Shareholder who wishes to accept the Revised Partial Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including obtaining any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Qualifying Shareholder in such relevant jurisdictions.

Any acceptance of the Revised Partial Offer by any Qualifying Shareholder will be deemed to constitute a representation and warranty from such Qualifying Shareholder to the Offeror that (i) all local laws and requirements in connection with such acceptance have been complied with and (ii) the Revised Partial Offer can be accepted by such Qualifying Shareholder under the laws and regulations of the relevant jurisdiction and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Qualifying Shareholders should consult their professional advisors if in doubt.

11. Settlement

Provided that a duly completed Form of Acceptance, accompanied by the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) are received by the Share Registrar by no later than 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date and are in good order in all respects and in accordance with the Code, the Share Registrar will send to the relevant accepting Shareholder by ordinary post, at his/her/its own risks, a remittance for the amount due to him/her/it under the Revised Partial Offer and (if applicable) any Share certificate(s) and/or any transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities in respect thereof) (if applicable) for Shares not taken up or, if applicable, Share certificate(s) in respect of the balance of such Shares (taking account of any scaling down of his/her/its acceptance, stamp duty and the fees payable to the Share Registrar in respect of lost or unavailable Share certificates) in accordance with the authority and provisions contained in the Form of Acceptance as soon as possible but in any event within seven business days (as defined in the Code) of the Closing Date.

Settlement of the consideration to which any accepting Shareholder is entitled under the Revised Partial Offer will be implemented in full in accordance with the terms of the Revised Partial Offer (save with respect to payment of seller's ad valorem stamp duty) without regard to any lien, right of set-off, counterclaim, or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such accepting Shareholder. No fractions of a cent will be payable and the amount of cash consideration payable to an accepting Shareholder will be rounded down to the nearest cent.

If the Shares tendered by an accepting Shareholder have not been taken up by the Offeror in full, the Share certificate(s) or transfer receipt(s) or other document(s) of title (and/or any indemnity or indemnities in respect thereof) (as the case may be) in respect of the balance of such Shares or a replaced certificate therefor will be returned or sent to him/her/it by ordinary post at his/her/its own risk as soon as possible but in any event within 10 days following the Closing Date.

12. Odd lots

Qualifying Shareholders should note that acceptance of the Revised Partial Offer may result in their holding odd lots of Shares. Accordingly, BOCI Securities Limited, whose address is at 18/F Grand Millenium Plaza, 181 Queen's Road Central, Hong Kong (contact person: Law, Pak Hong Passe; telephone number: +852 2718 9663) has been appointed by the Offeror as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a period of 30 trading days following the closing of the Revised Partial Offer to enable such Qualifying Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots of 2,000 Shares. Qualifying Shareholders should note that the matching of odd lots is not guaranteed.

13. Hong Kong stamp duty

Seller's ad valorem stamp duty at the rate of 0.1% of the value of the consideration arising on acceptance of the Revised Partial Offer will be payable by the Qualifying Shareholders who accept the Revised Partial Offer. The relevant amount of stamp duty payable by the Qualifying Shareholders will be deducted from the consideration payable to the Qualifying Shareholders under the Revised Partial Offer. The Offeror will bear its own portion of buyer's ad valorem stamp duty at the rate of 0.1% of the consideration payable in respect of acceptances of the Revised Partial Offer and will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for the sale and purchase of the Shares which are validly tendered for acceptance under the Revised Partial Offer.

14. Consent from the Executive

Pursuant to Rule 28.1 of the Code, the Executive has consented to the Offeror making the Revised Partial Offer.

15. Tax implications

Qualifying Shareholders are recommended to consult their own professional advisors if they are in any doubt as to the taxation implications of their acceptance of the Revised Partial Offer. It is emphasised that none of CRH, the Offeror, the Company, their ultimate beneficial owners and parties acting in concert with any of them, BofAML, Morgan Stanley, UBS, Rothschild, the Share Registrar or any of their respective directors or professional advisors or any persons involved in the Revised Partial Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance of the Revised Partial Offer.

16. Information on the Company, the Offeror and CRH

The Company is an integral constituent of CRH (with CRH indirectly holding approximately 51.88% interest in the Company), with a strategic focus in the beer industry. The Company is a well-established market leader in the beer industry, with the “雪花 Snow” brand being the best-selling single beer brand in the world in terms of volume since 2008.

The Offeror is an indirectly wholly-owned subsidiary of CRH and is an investment holding company for holding CRH’s Shares in the Company.

CRH is a multi-business holding enterprise group registered and operating in Hong Kong. It operates in seven major sectors, namely the consumables (retail, brewery, food and drinks), power supply, real estate, cement, gas, pharmaceutical and financial services. CRH is equipped with about 2,000 business entities with a total employment of 500,000 people. The ultimate beneficial owner of CRH is China Resources National Corporation* (中國華潤總公司) which is a company incorporated in the PRC.

17. Reasons for the Revised Partial Offer

CRH, through the Offeror, is making the Revised Partial Offer in conjunction with the Disposal, to reinforce its confidence, commitment and dedication to the Group. This confidence is evidenced by the fact that the maximum number of Shares under the Partial Offer of 242,136,536 Shares (representing approximately 10% of the issued share capital of the Company as at the Latest Practicable Date) has been increased to 484,273,072 Shares (representing approximately 20% of the issued share capital of the Company as at the Latest Practicable Date). The Offer Price together with the payment of the Revised Special Dividend is at a premium to the trading price of the Shares on the Last Trading Date.

At the same time, CRH recognises that the trading price of the Shares would likely undergo significant change after the completion of the Disposal. CRH also recognises that the Company would have undertaken a significant change in business direction and composition.

As such the Offer Price reflects CRH and the Offeror’s view of the base value of the Company following Completion. In addition, the Revised Partial Offer provides an opportunity to those Shareholders who wish to realise a greater part of their investment to do so at a premium to the share price (taking into account the Revised Special Dividend) without having to incur certain brokerage fees, transaction levies and trading fees which are customarily payable when disposing of shares in the open market, whilst retaining the balance of their equity interest in the Company in order to participate in the future growth of the Company. Please refer to page 11 of this Composite Document for a full comparison of the Offer Price.

The Offeror has no intention to privatise the Company and therefore has decided to proceed with the Revised Partial Offer instead of a general offer.

* *The English translation of this name is provided for ease of reference only and it is not the official English name of the entity concerned*

18. Intentions of the Offeror with regard to Company

Beyond the effects of the Disposal, Capital Reduction and the Revised Special Dividend, CRH and the Offeror intend to continue the existing businesses of the Group and do not intend to introduce any major changes to the existing business strategies and operations of the Group. CRH and the Offeror also intend that the employment of the employees of the Group will be continued and there will be no material redeployment of financial resources not in the course of normal ordinary business.

The Stock Exchange has stated that if, at the close of the Revised Partial Offer, less than the minimum prescribed percentage applicable to the Company, a listed issuer, being 25%, of the Shares are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

CRH and the Offeror intend to continue the listing of the Company on the Stock Exchange. As at the Latest Practicable Date, the Company has a public float of approximately 48.03% of the entire issued share capital of the Company. Assuming full acceptances of the Revised Partial Offer by all the Qualifying Shareholders, the Company will have a public float of approximately 28.12% of the entire issued share capital of the Company immediately following the completion of the Revised Partial Offer and accordingly the number of Shares in public hands will continue to meet the public float requirement under Rule 8.08 of the Listing Rules. The directors of the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares on the closing of the Revised Partial Offer.

As at the Latest Practicable Date, the Offeror has no intention to privatise the Company. It does not have any compulsory acquisition rights.

19. Responsibility for documents

All communications, notices, Forms of Acceptance, Share certificates, transfer receipts, other documents of title (and/or any indemnity or indemnities in respect thereof) and remittances to be delivered or sent by, to or from any Shareholders will be delivered or sent by, to and from them, or their designated agents, at their own risks and none of CRH, the Offeror, the Company and their ultimate beneficial owners and parties acting in concert with any of them, BofAML, Morgan Stanley, UBS, Rothschild, the Share Registrar or any of their respective directors or professional advisors or any other persons involved in the Revised Partial Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.

LETTER FROM BOFAML AND MORGAN STANLEY
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ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Board on pages 20 to 25, the letter from the Independent Board Committee on pages 26 to 27 and the letter from the Independent Financial Advisor on pages IFA-1 to IFA-18 of this Composite Document in relation to their respective recommendations and advice with respect to the Revised Partial Offer.

Your attention is also drawn to the additional information set out in the appendices to this Composite Document.

Yours faithfully

For and on behalf of
Merrill Lynch (Asia Pacific) Limited
Stephen Gore
Managing Director

For and on behalf of
Morgan Stanley Asia Limited
Mark Schuille
Managing Director

LETTER FROM THE BOARD



華潤啤酒(控股)有限公司

China Resources Beer (Holdings) Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

Executive Directors:

Mr. CHEN Lang (Chairman)
Mr. HONG Jie (Chief Executive Officer)
Mr. LIU Hongji (Vice Chairman)
Mr. LAI Ni Hium, Frank (Chief Financial Officer)

Registered office:

39th Floor,
China Resources Building,
26 Harbour Road, Wanchai,
Hong Kong

Non-executive Directors:

Mr. DU Wenmin
Mr. WEI Bin
Mr. YAN Biao
Mr. CHEN Ying
Mr. WANG Yan

Independent Non-executive Directors:

Mr. HOUANG Tai Ninh
Dr. LI Ka Cheung, Eric
Dr. CHENG Mo Chi, Moses
Mr. Bernard Charnwut CHAN
Mr. SIU Kwing Chue, Gordon

30 October 2015

To the Shareholders,

Dear Sir or Madam,

**REVISED VOLUNTARY UNCONDITIONAL CASH PARTIAL OFFER BY
MERRILL LYNCH (ASIA PACIFIC) LIMITED AND
MORGAN STANLEY ASIA LIMITED
ON BEHALF OF CRH (ENTERPRISE) LIMITED TO ACQUIRE
UP TO 484,273,072 SHARES IN THE CAPITAL OF THE COMPANY
FROM QUALIFYING SHAREHOLDERS**

INTRODUCTION

Reference is made to the Third Announcement in relation to, among other things, the Disposal and the Revised Partial Offer made by BofAML and Morgan Stanley for and on behalf of the Offeror to acquire up to 484,273,072 Shares to Qualifying Shareholders.

LETTER FROM THE BOARD

The making of the Revised Partial Offer is subject to the following pre-conditions:

- (a) Completion having taken place;
- (b) the Capital Reduction having been completed;
- (c) the Revised Special Dividend having been paid; and
- (d) Consent from the Executive in respect of the Revised Partial Offer pursuant to Rule 28.1 of the Code having been obtained.

On 20 October 2015 the Company, CRH and the Offeror jointly announced that all of the Pre-Conditions to the making of the Revised Partial Offer have been fulfilled.

The purpose of the Composite Document, of which this letter forms part, is to provide you with, among other things, (i) information relating to the Company and the Revised Partial Offer; (ii) the letter from BofAML and Morgan Stanley to the Qualifying Shareholders; (iii) the letter from the Independent Board Committee containing its recommendation and advice to the Independent Shareholders; and (iv) the letter from the Independent Financial Advisor containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Revised Partial Offer.

The Revised Partial Offer

BofAML and Morgan Stanley, on behalf of the Offeror, make a voluntary unconditional cash partial offer to acquire up to 484,273,072 Shares (representing approximately 20% of the Shares on issue as at the Latest Practicable Date) to the Qualifying Shareholders on the following basis:

For each Share accepted under the Offer HK\$12.70 in cash

The Revised Partial Offer is made in compliance with the Code, unless otherwise waived by the Executive.

The Revised Partial Offer is unconditional in all respects (for the avoidance of doubt, the Revised Partial Offer, once made, is not conditional upon any minimum level of acceptances of the Revised Partial Offer).

Effect of Accepting the Revised Partial Offer

By validly accepting the Revised Partial Offer, the Qualifying Shareholders will sell to the Offeror their tendered Shares which are finally taken up by the Offeror in accordance with the formula set out in the section headed "Other terms of the Revised Partial Offer" in the Letter from the BofAML and Morgan Stanley on pages 12 to 13 of the Composite Document, free from all encumbrances and together with all rights and benefits at any time accruing thereto including all rights to any dividends or other distributions declared, made or paid by reference to a record date on or after the Closing Date. Any dividends or other distributions declared, made or paid by reference to a record date before the Closing Date will be paid by the Company to the Shareholders who are qualified for such dividends or distributions.

LETTER FROM THE BOARD

The record date for the entitlement to the Revised Special Dividend was 21 September 2015, with the Revised Special Dividend has already been paid on 20 October 2015. Entitlement for the receipt of the Revised Special Dividend by Shareholders will not be affected by their acceptance or non-acceptance of the Revised Partial Offer.

The formula for determining the number of Offer Shares to be taken up by the Offeror from each Qualifying Shareholder is set out in the Letter from the BofAML and Morgan Stanley on pages 12 to 13 of the Composite Document.

It is noted that if all Qualifying Shareholders are to tender their Shares under the Revised Partial Offer, 41.44% of the Shares tendered will be accepted by the Offeror. The Shares are traded in board lots of 2,000 Shares. Qualifying Shareholders should note that acceptance of the Revised Partial Offer may result in their holding odd lots of Shares. Accordingly, BOCI Securities Limited, whose address is at 18/F Grand Millenium Plaza, 181 Queen's Road Central, Hong Kong (contact person: Law, Pak Hong Passe; telephone number: +852 2718 9663) has been appointed by the Offeror as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a period of 30 trading days following the closing of the Revised Partial Offer to enable such Qualifying Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots of 2,000 Shares. Qualifying Shareholders should note that the matching of odd lots is not guaranteed. As such, there is no guarantee by the Offeror that no Qualifying Shareholders would result in holding odd lots.

Further Details of the Revised Partial Offer

Further details of the Revised Partial Offer, including, among others, the terms and procedures for acceptance of the Revised Partial Offer, settlement and acceptance period are set out in the Letter from BofAML and Morgan Stanley contained in this Composite Document, Appendix I (Further Terms of the Revised Partial Offer) to this Composite Document and the accompanying Form of Acceptance.

Information on the Company, the Offeror and CRH

The Company is an integral constituent of CRH, with a strategic focus in the beer industry. The Company is a well-established market leader in the beer industry, with the “雪花 Snow” brand being the best-selling single beer brand in the world in terms of volume since 2008.

Please refer to Appendix II for audited financial information of the Group for the year ended 31 December 2014 and unaudited financial information of the Group for the six months ended 30 June 2015.

The Offeror is an indirectly wholly-owned subsidiary of CRH and is an investment holding company for holding CRH's Shares in the Company.

CRH is a multi-business holding enterprise group registered and operating in Hong Kong. It operates in seven major sectors, namely in consumables (retail, brewery, food and drinks), power supply, real estate, cement, gas, pharmaceutical and financial services.

LETTER FROM THE BOARD

CRH is equipped with about 2,000 business entities and employs 500,000 people. The ultimate beneficial owner of CRH is China Resources National Corporation* (中國華潤總公司) which is a company incorporated in the PRC.

Shareholding Structure of the Company and Public Float

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately after completion of the Revised Partial Offer on the assumption that (i) the Revised Partial Offer is accepted in full by the Qualifying Shareholders and (ii) no additional Shares will be issued or repurchased by the Company from the Latest Practicable Date up to and including the date of completion of the Revised Partial Offer:

	As at the Latest Practicable Date		Upon completion of the Revised Partial Offer (assuming full acceptance by Qualifying Shareholders)	
	No. of Shares	approximately %	No. of Shares	approximately %
CRH, Offeror and other concert parties	1,264,609,854	51.97	1,748,882,926	71.88
BofAML group ⁽¹⁾	46	0.00	46	0.00
Morgan Stanley group ⁽²⁾	202	0.00	202	0.00
Qualifying Shareholders	1,168,522,577	48.03	684,249,505	28.12
Total	<u>2,433,132,679</u>	<u>100.00</u>	<u>2,433,132,679</u>	<u>100.00</u>

Note:

- (1) BofAML, being one of the financial advisors to CRH and the Offeror, and relevant members of the BofAML group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are presumed to be acting in concert with CRH and the Offeror in relation to the Company in accordance with class (5) of the definition of “acting in concert” under the Code. All of the 46 Shares owned or controlled by members of the BofAML group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are represented by American depository receipts (where every one American depository receipt represents two Shares).
- (2) Morgan Stanley, being one of the financial advisors to CRH and the Offeror, and relevant members of the Morgan Stanley group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are presumed to be acting in concert with CRH and the Offeror in relation to the Company in accordance with class (5) of the definition of “acting in concert” under the Code. All of the 202 Shares owned or controlled by members of the Morgan Stanley group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are represented by American depository receipts (where every one American depository receipt represents two Shares).

* The English translation of this name is provided for ease of reference only and it is not the official English name of the entity concerned

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Qualifying Shareholders together held 1,168,522,577 Shares including 1,167,655,974 Shares held by public Shareholders and 866,603 Shares held by Directors (other than the common directors of the Company and CRH and/or the Offeror).

Assuming acceptance in full of the Revised Partial Offer by Qualifying Shareholders, the Company will have a public float of approximately 28.12% of the entire issued share capital of the Company immediately following the completion of the Revised Partial Offer and accordingly the number of Shares in public hands will continue to meet the public float requirement under Rule 8.08 of the Listing Rules.

Offeror's Intention on the Company

Your attention is drawn to the section headed "Intentions of the Offeror with regard to Company" in the Letter from BofAML and Morgan Stanley on page 18 of the Composite Document.

The Board notes that the Offeror (i) intends to continue the existing businesses of the Group; (ii) has no intention to introduce any major changes to the existing business strategies and operations of the Group; and (iii) intends that there will be no material redeployment of financial resources not in the course of normal ordinary business.

The Board also understands that the Offeror has no intention to privatise the Company but would like to reinforce its commitment and dedication to the Group which the Board considers as most encouraging. It is also welcomed that CRH and the Offeror's intention is for the employment of the employees of the Group to be continued.

Maintaining the Listing Status of the Company

The Stock Exchange has stated that if, at the close of the Revised Partial Offer, less than the minimum prescribed percentage applicable to the Company, a listed issuer, being 25%, of the Shares, are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

The Board notes that the Offeror and CRH intend to continue the listing of the Company on the Stock Exchange. The Board further notes that the directors of the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares on the closing of the Revised Partial Offer.

LETTER FROM THE BOARD

Recommendation from the Board

It is noted that all the non-executive Directors (other than the independent non-executive Directors) are directors and/or officers of CRH. Accordingly, they are considered having a conflict of interests in making recommendation to the Independent Shareholders in respect of the Revised Partial Offer. The Independent Board Committee comprising all the independent non-executive Directors is constituted to give recommendation to the Independent Shareholders.

Your attention is drawn to the Letter from the Independent Board Committee and the Letter from the Independent Financial Advisor, which form part of this Composite Document on the recommendation of the Independent Board Committee and views of the Independent Financial Advisor.

Additional Information

Your attention is also drawn to the additional information set out in the appendices to this Composite Document. You are also recommended to read carefully this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Revised Partial Offer. In considering what action to take in connection with the Revised Partial Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisors.

By Order of the Board
China Resources Beer (Holdings) Company Limited
CHEN Lang
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendation to the Independent Shareholders from the Independent Board Committee regarding the terms of the Revised Partial Offer for the purpose of incorporation in this Composite Document.



華潤啤酒(控股)有限公司

China Resources Beer (Holdings) Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

30 October 2015

To the Independent Shareholders

Dear Sir and Madam,

**REVISED VOLUNTARY UNCONDITIONAL CASH PARTIAL OFFER BY
MERRILL LYNCH (ASIA PACIFIC) LIMITED AND
MORGAN STANLEY ASIA LIMITED
ON BEHALF OF CRH (ENTERPRISE) LIMITED
TO ACQUIRE UP TO 484,273,072 SHARES IN THE CAPITAL
OF THE COMPANY (REPRESENTING APPROXIMATELY
20 PER CENT. OF ITS ISSUED SHARE
CAPITAL) FROM QUALIFYING SHAREHOLDERS**

We refer to the composite offer and response document dated 30 October 2015 jointly issued by CRH, the Offeror and the Company (the “Composite Document”) of which this letter forms part. Terms used in this letter shall have the meanings as defined in the Composite Document unless the context requires otherwise.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in respect of the terms of the Revised Partial Offer, details of which are described in the “Letter from the Board” as set out on pages 20 to 25 of the Composite Document.

We also draw your attention to the advice from Rothschild, the Independent Financial Advisor appointed in respect of the Revised Partial Offer, in the “Letter from the Independent Financial Advisor” as set out on pages IFA-1 to IFA-18 of the Composite Document.

As members of the Independent Board Committee, we have discussed with the management of the Company the reasons for accepting the Revised Partial Offer as described in the letter from the Board as set out in the Composite Document. We have also considered the key factors taken into account by Rothschild in arriving at its opinion regarding the terms of the Revised Partial Offer as set out in the letter from the Independent Financial Advisor in the Composite Document, which we urge you to read carefully.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into consideration discussion with management of the Company and the advice from the Independent Financial Advisor, we consider the terms of the Revised Partial Offer to be fair and reasonable so far as the Independent Shareholders are concerned and recommend the Qualifying Shareholders to accept the Revised Partial Offer. In the event that the market price of the Shares exceeds the Offer Price during the period while the Revised Partial Offer is open and the sale proceeds (net of transaction costs) exceed the amount receivable under the Revised Partial Offer, Qualifying Shareholders should consider not accepting the Revised Partial Offer and consider seeking to sell their Shares in the market if they wish to do so.

Yours faithfully,

Independent Board Committee

Houang Tai Ninh	Li Ka Cheung, Eric
Cheng Mo Chi, Moses	Bernard Charnwut Chan
Siu Kwing Chue, Gordon	

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

The following is the text of a letter from Rothschild, the Independent Financial Advisor appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Revised Partial Offer, which has been prepared for the purpose of inclusion in this Composite Document.

30 October 2015

*To the Independent Board Committee
and the Independent Shareholders of
China Resources Beer (Holdings) Company Limited*

Dear Sir/Madam,

**REVISED VOLUNTARY UNCONDITIONAL CASH PARTIAL OFFER
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND
MORGAN STANLEY ASIA LIMITED
ON BEHALF OF CRH (ENTERPRISE) LIMITED
TO ACQUIRE UP TO 484,273,072 SHARES IN THE CAPITAL
OF CHINA RESOURCES BEER (HOLDINGS) COMPANY LIMITED
(REPRESENTING APPROXIMATELY 20 PER CENT. OF
ITS ISSUED SHARE CAPITAL)
FROM QUALIFYING SHAREHOLDERS**

INTRODUCTION

We refer to our engagement to advise the Independent Board Committee with respect to the Revised Partial Offer, details of which are contained in the Composite Document, of which this letter forms a part. Rothschild has been appointed as the independent financial adviser to advise the Independent Board Committee and Independent Shareholders as to whether or not the terms of the Revised Partial Offer are fair and reasonable so far as the Independent Shareholders are concerned, and to advise the Qualifying Shareholders as to whether or not the Qualifying Shareholders should accept the Revised Partial Offer.

The terms used in this letter shall have the same meanings as defined elsewhere in the Composite Document unless the context otherwise requires.

An Independent Board Committee comprising Mr. Houang Tai Ninh, Dr. Li Ka Cheung, Eric, Dr. Cheng Mo Chi, Moses, Mr. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon, all of whom are independent non-executive Directors, has been established for the purpose of advising the Independent Shareholders in connection with the Revised Partial Offer. Other than members of the Independent Board Committee, none of the Directors is considered independent for the purpose of giving any advice or recommendation to the Independent Shareholders in relation to the Revised Partial Offer.

Rothschild is not associated with the Company, the Board, CRH, the Offeror or their respective associates, nor do we have any shareholding in any members of the Group, or any rights (whether legally enforceable or not) to subscribe for or to nominate persons to

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subscribe for securities in any members of the Group that could reasonably be regarded as relevant to the independence of Rothschild. Apart from normal professional fees payable to us, no arrangement exists whereby we will receive any fees or benefits from the Company, the Board, CRH or any of their respective associates in connection with this appointment as the Independent Financial Advisor.

In formulating our recommendation, we have relied on the information and facts supplied to us by the Company and have assumed that any information and representations made to us are true, accurate and complete in all material respects as at the date hereof and that they may be relied upon. We have also assumed that all information, representations and opinions contained or referred to in the Composite Document are accurate and complete in all respects, fair and reasonable and accordingly, we have relied on them.

We have been advised by the Directors that no material facts have been omitted and we are not aware of any facts or circumstances which would render the information provided and the representations made to us untrue, inaccurate, incomplete or misleading. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors. The Directors have declared in a responsibility statement set out in the “General Information” section in Appendix V to the Composite Document that they jointly and severally accepted full responsibility for the accuracy of the information contained in the Composite Document (other than information in relation to CRH, the Offeror or parties acting in concert with them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than opinions expressed by CRH, the Offeror or parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document the omission of which would make any statement in the Composite Document misleading.

In addition, the directors of CRH jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than information in relation to the Company and its subsidiaries) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Composite Document by CRH, the Offeror and parties acting in concert with them have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document the omission of which would make any statement in the Composite Document misleading.

Furthermore, the directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than information in relation to the Company and its subsidiaries or CRH), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Composite Document by the Offeror and parties acting in concert with it have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document the omission of which would make any statement in the Composite Document misleading.

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We believe that we have reviewed sufficient information to reach an informed view in order to provide a reasonable basis for our advice. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Group.

We have not considered the tax consequences on the Qualifying Shareholders of their acceptances or non-acceptances of the Revised Partial Offer since these are particular to their own individual circumstances. In particular, Qualifying Shareholders who are residents outside of Hong Kong or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax position with regard to the Revised Partial Offer and, if in any doubt, should consult their own professional advisers.

THE REVISED PARTIAL OFFER

On 20 April 2015, CRH, the Offeror and the Company jointly announced that the Company received the Binding Proposal from CRH, which included the Disposal, the Capital Reduction, the Special Dividend and the Partial Offer. The Partial Offer is the pre-conditional voluntary cash partial offer by BofAML and Morgan Stanley on behalf of the Offeror to the Qualifying Shareholders, to acquire up to 242,136,536 Shares (representing approximately 10 per cent. of the issued share capital of the Company as at 9 July 2015) at HK\$12.70 per Share in cash. On 17 June 2015, CRH, the Offeror and the Company jointly announced that the Company had received the Revised Binding Proposal from CRH, amongst which the maximum number of Shares under the Partial Offer was increased to 484,273,072 Shares (representing approximately 20 per cent. of the issued Shares as at the Latest Practicable Date). Our opinion on the Disposal, the Capital Reduction and the Revised Special Dividend has been set out in our letter which formed part of the Company's Circular dated 9 July 2015 in respect of, amongst others, the very substantial disposal and connected transaction in relation to disposal of all non-beer businesses (the "Disposal Circular").

The Revised Partial Offer will remain open until the Closing Date. Pursuant to Rule 28.4 of the Code, the Offeror cannot extend the Revised Partial Offer beyond the Closing Date. For details of the terms of the Revised Partial Offer, your attention is drawn to the "Letter from BofAML and Morgan Stanley" and "Letter from the Board" in the Composite Document, as well as "Further terms of the Revised Partial Offer" in Appendix I to the Composite Document.

The making of the Revised Partial Offer is subject to the following pre-conditions:

- (a) Completion having taken place;
- (b) The Capital Reduction having been completed;
- (c) The Revised Special Dividend having been paid; and
- (d) Consent from the Executive in respect of the Revised Partial Offer pursuant to Rule 28.1 of the Code having been obtained.

On 20 October 2015, the Company, CRH and the Offeror jointly announced that all of the Pre-Conditions to the making of the Revised Partial Offer have been fulfilled.

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The Revised Partial Offer is unconditional in all respects (for the avoidance of doubt, the Revised Partial Offer, once made, is not conditional upon any minimum level of acceptances of the Revised Partial Offer). Qualifying Shareholders may accept the Revised Partial Offer in respect of some or all of the Shares held by them. If valid acceptances are received for 484,273,072 or fewer Shares, all Shares validly accepted will be taken up; and if valid acceptances are received for more than 484,273,072 Shares, the total number of Shares to be taken up by the Offeror from each Qualifying Shareholder will be determined in accordance with a formula set out in the “Letter from BofAML and Morgan Stanley” in the Composite Document. As a result, it is possible that if a Qualifying Shareholder tenders all of his/her/its Shares for acceptance under the Revised Partial Offer, not all of such Shares will be taken up. Assuming no further changes to the number of Shares from the Latest Practicable Date, Qualifying Shareholders can, however, be assured that a minimum of approximately 41.44 per cent. of the Shares tendered for acceptance under the Revised Partial Offer will be accepted. The Qualifying Shareholders should also note that since each board lot of the Shares is 2,000 Shares, in the event that not all Shares tendered are accepted, there will be a possibility that any retained shareholding will include an odd lot. In this regard, a designated broker has been appointed to match the sale and purchase of odd lot Shares, for details of odd lot arrangement please refer to the section headed “12. Odd lots” in the “Letter from BofAML and Morgan Stanley” in the Composite Document.

Fractions of the Shares will not be taken up under the Revised Partial Offer and, accordingly, the number of the Shares that the Offeror will take up from each Qualifying Shareholder in accordance with the abovementioned formula will be rounded up or down to the nearest whole number at the discretion of the Offeror.

PRINCIPAL FACTORS, REASONS AND ANALYSES

In arriving at our opinion, we have taken into consideration the following principal factors, reasons and analyses:

1. Background and rationale of the Revised Partial Offer

The Company was the flagship subsidiary of CRH (with CRH indirectly holding approximately 51.88 per cent. interest in the Company, as at the Latest Practicable Date) focusing on retail and consumer business originally. The Group operated four principal businesses, namely retail, beer, food and beverage. Upon Completion, the Company will have a single strategic focus in the beer industry. The Company is a well-established market leader in the beer industry, with the “雪花 Snow” brand being the best-selling single beer brand in the world in terms of volume since 2008. As of 30 June 2015, the Group operated 98 breweries in China, across 25 provinces, with an aggregate annual production capacity of over 20,000,000 kilolitres, as stated in the Company’s 2015 interim report.

As stated in the “Letter from BofAML and Morgan Stanley” in the Composite Document, CRH, through the Offeror, is making the Revised Partial Offer in conjunction with the Disposal, to reinforce its confidence, commitment and dedication to the Company. In addition, the Board also stated in the “Letter from the Board” in the Disposal Circular that since the Revised Partial Offer is an integral

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part of the Revised Binding Proposal, the Board believes that the Disposal and the Revised Partial Offer should be considered as a package.

The Board believes that a more simplified structure could help unlock significant value for all Shareholders, and that CRH's motivations for the Revised Binding Proposal include the removal of the discount in the trading price of the Shares, versus CRH's own assessment of the sum-of-the-parts value of the Company. The Revised Binding Proposal creates an opportunity for Shareholders to have a standalone investment in CR Snow, the leading beer company in the world's largest beer market. As a pure-play beer company with a focused management team, as well as a more simplified structure unencumbered by the conglomerate structure and associated capital constraints, management of the Company is of the view that CR Snow will have greater financial and operational transparency, highlighting the Company's track record of growth and profitability. Management of the Company also anticipates that as a listed company with a focus on the beer business, the Company should enjoy greater flexibility in equity and debt issuance, to fund organic growth and, if desired, lead further industry consolidation. As stated in our letter in the Disposal Circular, we concur with the view of the Board.

The Revised Partial Offer sets a valuation benchmark for the Company, which allows the Qualifying Shareholders to realise part of their investment at a premium over the trading price of the Share before the First Announcement (taking into account the Revised Special Dividend) without having to incur the brokerage fees, transaction levies and trading fees, whilst retaining the balance of their equity interest in the Company in order to participate in the future growth of the Company.

2. Historical financial performance of the Group (excluding the Disposal Assets)

The following is a summary of certain financial information of the Group excluding the Disposal Assets (the "Remaining Business") for the three years ended 31 December 2014, as well as a discussion on the historical financial performance of the Remaining Business.

Table 1 — Summary of certain historical financial information of the Remaining Business

	For the year ended 31 December		
	2012	2013	2014
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Turnover ¹	27,973	32,835	34,376
EBITDA ²	3,824	4,415	4,353
Underlying Profit ³	823	943	761

Source: Company

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Notes

1. Turnover excludes inter-segment sales
2. EBITDA excludes the effect of asset revaluation and major disposal of non-core assets/investments
3. Underlying Profit is defined as profit attributable to the Shareholders excluding the effect of asset revaluation and major disposal of non-core assets/investments

Turnover of the Remaining Business increased by approximately 17.4% from approximately HK\$27,973 million for the year ended 31 December 2012 to approximately HK\$32,835 million for the year ended 31 December 2013. The turnover growth was primarily contributed by the sales volume growth of approximately 10% resulting from the continuous efforts to enhance its production capacity, organic growth and the acquisition of seven breweries of Kingway Brewery Holdings Limited ("Kingway").

EBITDA and Underlying Profit for the year ended 31 December 2013 were approximately HK\$4,415 million and approximately HK\$943 million respectively, representing an increase of approximately 15.5% and approximately 14.6%, respectively. The increase in EBITDA and Underlying Profit was mainly due to the increase in turnover and improved production efficiency by leveraging the Remaining Business' economies of scale.

For the year ended 31 December 2014, the turnover of the Remaining Business increased further by approximately 4.7% to approximately HK\$34,376 million. Compared to the turnover growth in the previous period, the lower turnover growth was primarily due to the sluggish sales volume growth in the three months ended 30 September 2014, which was negatively affected by the cooler than usual summer conditions in the middle and lower reaches of the Yangtze River.

EBITDA and Underlying Profit for the Remaining Business for the year ended 31 December 2014 were approximately HK\$4,353 million and approximately HK\$761 million, respectively, representing a decrease of approximately 1.4% and a decrease of approximately 19.3%, respectively. The decrease in profitability was also due to the sluggish sales and cooler than usual summer conditions as stated above and integration of Kingway.

During the six-month period ended 30 June 2015, as stated in the Company's 2015 interim report, the Company enhanced production capacity with localised and tailored marketing strategies, improved long-standing relationships with local distributors, as well as the stepped up brand promotions and expansion in market share to increase sales volume of premium beer, which in turn boosted growth in the Remaining Business's average selling price. The Remaining Business has also consolidated back office and certain operating functions and has commenced production of "雪花 Snow" beer at Kingway beer's manufacturing facilities during the six months ended 30 June 2015. The integration has further reinforced the position of Snow Beer in Southern China.

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For further detail of the historical performance of the Group (which included that of the Remaining Business), please refer to “Financial Information of the Group” in Appendix II to the Composite Document.

3. Future intentions and prospects

As stated in the “Letter from the Board” in the Composite Document, the Board noted that the Offeror (i) intends to continue the existing businesses of the Group; (ii) has no intention to introduce any major changes to the existing business strategies and operations of the Group; (iii) intends that there will be no material redeployment of financial resources not in the course of normal ordinary business; and (iv) intends to maintain the listing status of the Company on the Stock Exchange upon completion of the Revised Partial Offer.

Furthermore, as stated in the Company’s 2015 interim report, to strengthen the “雪花 Snow” brand’s reputation and customer loyalty, the Remaining Business will continue its marketing campaigns, reinforce the promotion of its premium beers, optimise its product mix and quality, and seek greater value through synergies created from the acquisition of Kingway. At the same time, the Remaining Business will continue its cooperation with SABMiller plc (“SABMiller”), step up its regional presence through organic growth and acquisitions, and consolidate its leading marketing position.

On 16 September 2015, SABMiller, the parent company of the Group’s joint venture partner SABMiller Asia Limited and listed on the London Stock Exchange plc, announced that it had been informed by Anheuser-Busch InBev SA/NV (“ABI”) of its intention to make a takeover proposal. The City Code on Takeovers and Mergers (the “UK Takeovers Code”) stipulates that ABInBev has to make an offer within 28 days of SABMiller’s announcement, or it will be unable to make any formal approach for six months following the expiration of this period. On 13 October 2015, the boards of ABI and SABMiller announced that they have reached agreement in principle on the key terms of a possible recommended offer to be made by ABI for the entire issued share capital of SABMiller (the “Possible Offer”). The announcement of a formal transaction would be subject to a number of pre-conditions. The Board of SABMiller has requested the Panel on Takeovers and Mergers of the United Kingdom (the “Panel”) extends the relevant deadline to enable the parties to continue their talks regarding the Possible Offer. In light of this request, an extension to 28 October 2015 has been granted by the Panel, whereby ABI must announce either a firm intention to offer for SABMiller or that it does not intend to make an offer for SABMiller.

We would therefore like to draw your attention that developments surrounding SABMiller may have an impact on the future of the Company’s joint venture with SABMiller, in terms of shareholding structure, business operations, financial performance and future strategy. While the developments surrounding SABMiller remain preliminary in nature, Independent Shareholders are advised to monitor these developments closely from the public domain and take these developments into consideration as they decide to realise or to hold their investment in the Shares.

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As at the Latest Practicable Date, management of the Company is of the view that the developments surrounding SABMiller and ABI are preliminary in nature to conclude on any potential impact on the Remaining Business.

4. Valuation considerations

In assessing the valuation of the Shares, we have taken into consideration the following principal factors: (a) the historical trading performance of the Shares; (b) liquidity of the Shares; (c) trading multiples of companies comparable to the Company; and (d) recent voluntary partial cash offers of companies listed in Hong Kong.

(a) Historical trading performance of the Shares

The Company has paid a Revised Special Dividend of HK\$12.30 per Share on 20 October 2015. Given the Revised Special Dividend represented value of the Disposal Assets on a per Share basis, and a significant amount of the historical price of the Shares, when comparing and analysing the Offer Price of HK\$12.70 per Share relative to the historical price performance of the Shares, we have added the Revised Special Dividend of HK\$12.30 to the Offer Price and used the historical closing prices of the Shares (“Closing Price”) for comparison.

In addition, since the First Announcement was made by the Company, CRH and the Offeror dated 20 April 2015 in relation to, among others, the potential very substantial disposal of the non-beer businesses of the Company and the Partial Offer, performance of the Shares beyond 2 April 2015 (being the “Last Trading Date” before the First Announcement) has been excluded in our analysis in Table 2 below given the trading price of the Shares has reacted according to the First Announcement.

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Table 2 – Offer Price and Closing Price[#] comparison

Comparison to the Last Trading Date	Premium represented by sum of the Offer Price and the Revised Special Dividend over the Closing Prices
Closing price of HK\$15.20 per Share on the Last Trading Date	64.5%
120 trading days average [#] of HK\$16.41 per Share	52.3%
90 trading days average [#] of HK\$15.92 per Share	57.0%
30 trading days average [#] of HK\$15.35 per Share	62.9%
10 trading days average [#] of HK\$15.09 per Share	65.7%
NAV per Share of HK\$18.21 (as at 30 June 2015)	37.0%

[#] average Closing Price inclusive of the Closing Price of the Last Trading Date.

Table 3 – Offer Price and implied value of Remaining Business comparison

Comparison to the Last Trading Date	Implied value of the Remaining Business	Premium represented by the Offer Price over the implied value of the Remaining Business
Closing price of HK\$15.20 per Share on the Last Trading Date	HK\$2.90 per Share	337.9%
120 trading days average [#] of HK\$16.41 per Share	HK\$4.11 per Share	209.0%
90 trading days average [#] of HK\$15.92 per Share	HK\$3.62 per Share	250.8%
30 trading days average [#] of HK\$15.35 per Share	HK\$3.05 per Share	316.4%
10 trading days average [#] of HK\$15.09 per Share	HK\$2.79 per Share	355.2%

[#] average Closing Price inclusive of the Closing Price of the Last Trading Date.

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Prior to 18 September 2015, the Closing Price represented the market value of the Group, including the Disposal Assets as well as the Remaining Business. The Revised Special Dividend of HK\$12.30 per Share accounted for nearly all the proceeds from the Disposal on a per Share basis. Therefore, on a per Share basis, the Revised Special Dividend implied the value of the Disposal Assets, and the Closing Price less the Revised Special Dividend implied the market value of the Remaining Business. We are of the view that the comparison between the Closing Price and the aggregate of the Revised Special Dividend and the Offer Price is more relevant because the Closing Price reflected market value of the Group (including both the Disposal Assets and the Remaining Business at the time), and in order to compare on a like-for-like basis with the Closing Price we would therefore have to add the Revised Special Dividend to the Offer Price. On the other hand, we are setting out a comparison with the Offer Price on a standalone basis for completeness of our analysis as reference for the Independent Shareholders, and in order to compare on a like-for-like basis with the Offer Price we would therefore have to deduct the Revised Special Dividend from the Closing Price.

The aggregate of the Revised Special Dividend and the Offer Price represents premia over the Closing Price in different periods before the Last Trading Date, ranging from approximately 52.3 per cent to approximately 65.7 per cent. In addition, the Offer Price alone represents significant premia of the theoretical value of the Remaining Business (implied by the Closing Price less the Revised Special Dividend) in different periods before the Last Trading Date, ranging from approximately 209.0 per cent to approximately 355.2 per cent.

Given the record date for the Revised Special Dividend was 21 September 2015, the Closing Price from 18 September 2015 onwards represented the value ascribed by the market for the Remaining Business. The Closing Price from 18 September 2015 up to and including the Latest Practicable Date ranged from HK\$13.22 to HK\$15.28 per Share. The Offer Price therefore represented a discount of approximately 12.33 per cent to the simple average of the Closing Price range of approximately HK\$14.49 per Share.

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(b) Liquidity of the Shares

Table 4 – Average monthly turnover of the Shares

			Total monthly trading volume as % of total issued share capital ¹	Total monthly trading volume as % of public float ²
	Number of trading days (Days)	Total monthly trading volume (Shares)		
2014				
January	21	61,303,405	2.6%	5.2%
February	19	69,475,080	2.9%	5.9%
March	21	93,977,262	3.9%	8.0%
April	20	55,067,727	2.3%	4.7%
May	20	44,861,065	1.9%	3.8%
June	20	35,619,856	1.5%	3.0%
July	22	41,545,270	1.7%	3.5%
August	21	72,415,670	3.0%	6.1%
September	21	76,139,863	3.2%	6.5%
October	21	60,057,781	2.5%	5.1%
November	20	79,625,188	3.3%	6.7%
December	21	71,320,887	2.9%	6.0%
2015				
January	21	104,332,030	4.3%	8.8%
February	18	127,147,042	5.3%	10.7%
March	22	123,894,339	5.1%	10.4%
April	10	270,863,577	11.2%	23.0%
May	19	145,829,289	6.0%	12.5%
June	20	144,577,947	6.0%	12.4%
July	22	151,558,437	6.2%	13.0%
August	21	117,452,569	4.8%	10.0%
September	20	234,268,030	9.6%	20.0%

Source: Bloomberg and the website of the Stock Exchange

Notes

1. The calculation is based on the total monthly trading volumes of the Shares divided by the average total issued share capital of the Company
2. The calculation is based on the total monthly trading volumes of the Shares divided by the average public float during the period

Table 5 – Liquidity of retail and beer Comparable Companies

Comparable Companies in the retail sector	Stock code	Average monthly trading volume of the shares as % of public float from 1 January 2014 to 30 September 2015
Sun Art Retail Group Limited	6808	7.9%
Wumart Stores, Inc.	1025	7.8%
Springland International (Holding) Co. Ltd.	1700	4.1%
Lianhua Supermarket Holdings Co., Ltd.	980	12.2%
CP Lotus Corp.	121	1.2%
Simple average		6.6%
Comparable Companies in the beer sector		
Tsingtao Brewery Co., Ltd	168	9.8%
San Miguel Brewery HK Ltd.	236	3.3%
Simple average		6.6%
The Company		8.8%¹

Source: Bloomberg and the website of the Stock Exchange

Note:

1. The Company's average monthly trading volume of the Shares as a percentage of public float from 1 January 2014 to 30 September 2015 covered the period before and after the First Announcement

On the basis that the retail business and the beer business were the largest revenue contributors to the Group before the Disposal, we set out above the liquidity of the Group's comparable companies in the retail sector and the beer sector – which were the same as those we identified in our letter in the Disposal Circular – as comparison for the liquidity of the Shares. Based on the above table, in our view the liquidity of the Shares was generally in line with that of the comparable companies during the year ended 31 December 2014 until the surge in trading since the beginning of 2015.

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Independent Shareholders should note that following the Revised Partial Offer, public float will be reduced and hence liquidity of the Shares may be reduced and that may have an impact on price and/or timing when Independent Shareholders wish to sell their Shares.

(c) *Trading multiples analysis*

We have reviewed the trading multiples of companies comparable to the Remaining Business (the “Comparable Companies”). Since the majority of the Remaining Business’ turnover was derived from the production and distribution of beer in China, the Comparable Companies we have chosen are companies listed on the Main Board of the Stock Exchange and whose principle activities include production and distribution of beer in China. In selecting the Comparable Companies, we have taken into account their respective sizes, in terms of market capitalisation and their business activities. The companies we have selected based on the criteria set out above are Tsingtao Brewery Co., Ltd (“Tsingtao”) and San Miguel Brewery HK Ltd. However, given that San Miguel Brewer HK Ltd. is much smaller in size compared to the Remaining Business, we think that it should only be regarded as a secondary comparable and we are setting out its trading multiples for reference only, whereas Tsingtao should be regarded as the primary comparable.

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In analysing the trading multiples, we considered that traditional trading multiples such as enterprise value¹ ("EV") to EBITDA² ratio ("EV/EBITDA") and price-to-earnings ratio ("P/E") to be more appropriate, which are valuation metrics commonly used by the market. As such, we have compared these ratios implied by the Offer Price to those of the Comparable Companies, and our analysis is summarised in the following table.

Table 6 – Comparable Companies trading multiples

Stock code	Closing price ¹ (HK\$)	Market capitalisation ¹ (HK\$ million)	Enterprise value (HK\$ million)	For the year ended 31 December 2014		EV/ EBITDA (times)	P/E (times)	
				EBITDA	Net profit			
				(HK\$ million)	(HK\$ million)			
Comparable Companies								
Primary comparable:								
Tsingtao Brewery Co., Ltd	168	38.9	52,553	39,176	4,151 ³	2,511	9.4x	20.9x
Secondary comparable:								
San Miguel Brewery HK Ltd.	236	1.42	530	642	66	35	9.7x	15.1x
The Remaining Business under the Revised Partial Offer								
	291	12.70	30,901 ²	31,921	4,353 ⁴	761 ⁵	7.3x	40.6x

Source: Bloomberg, website of the Stock Exchange and the Company

Notes:

1. As at the Latest Practicable Date
2. Market capitalisation of the Company is derived from multiplying the Offer Price and the number of outstanding shares of approximately 2,433 million of Shares as at 30 September 2015
3. Based on RMB/HKD average exchange rate of RMB1 = HK\$1.2617 from 1 January 2014 to 31 December 2014
4. Group's EBITDA of the Remaining Business excludes the effect of asset revaluation and major disposal of non-core assets/investments
5. Group's net profit represents profit attributable to the Shareholders from the Remaining Business, excluding the effect of asset revaluation and major disposal of non-core assets/investments

As illustrated in Table 5 above, the implied EV/EBITDA of the Company based on the Offer Price of 7.3x is slightly lower than the EV/EBITDA of Tsingtao of 9.4x, while the P/E of the Company based on the Offer Price of 40.6x is significantly higher than of Tsingtao of 20.9x.

- 1 Enterprise value is defined as the equity value plus interest bearing borrowings less bank balances and cash, minority interests, preferred stock, financial leases, pension liability and deduct investment in joint venture and associates
- 2 EBITDA is defined as earnings before interests, tax, depreciation and amortisation

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(d) Recent partial cash offer of companies listed in Hong Kong

We have compared the Revised Partial Offer with other partial cash offer precedents in Hong Kong as identified from the website of the Stock Exchange since 2005. Based on publicly available information, we have identified all the successful partial cash offer proposals since 2005 which involved the controlling shareholders being the offeror. We note that these precedents involved companies in different industries and with different underlying reasons for their respective partial offers, and hence have their limitations. As such, we are only setting out this analysis as additional information for the Independent Shareholders' reference.

In order to compare the premium over / discount to the average share price prior to the partial offer proposal as implied by the Revised Partial Offer to those in the successful partial cash offer precedents on the same basis, we have aggregated the Revised Special Dividend to the Revised Partial Offer – which together form the basis of the Revised Binding Proposal, and compare with the then prevailing Closing Price, which reflected market value of the Disposal Assets and the Remaining Business as a whole on a per Share basis.

Table 7 – Successful partial cash offer precedents

Target	Date	Premium over/ (discount to) the average closing price prior to the partial offer announcement				
		5 trading days	10 trading days	30 trading days	60 trading days	90 trading days
Gold Peak Industries (Holdings) Limited	03-Dec-07	16.4%	15.6%	14.3%	15.3%	11.4%
Royale Furniture Holdings Limited	10-Jun-09	(1.5%)	(4.6%)	(7.0%)	1.5%	0.0%
Shui On Construction and Materials Limited	09-May-11	25.8%	27.2%	31.5%	30.0%	27.6%
CSI Properties Limited	19-Jan-12	32.1%	31.4%	26.9%	34.9%	30.8%
V.S. International Group Limited	07-Jun-13	12.7%	17.5%	24.6%	28.6%	46.1%
Minimum		(1.5%)	(4.6%)	(7.0%)	1.5%	0.0%
Maximum		32.1%	31.4%	31.5%	34.9%	46.1%
Average		17.1%	17.4%	18.0%	22.1%	23.2%
Premium represented by sum of the Offer Price and the Revised Special Dividend over average Closing Price		64.8%	65.7%	62.9%	57.2%	57.0%
Premium represented by the Offer Price over average Closing Price less the Revised Special Dividend (for reference only)		342.8%	355.2%	316.4%	252.6%	250.8%

Sources: Bloomberg, website of the Stock Exchange and the Company

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

Based on the partial cash offer precedents shown in Table 6 above, the offer price represents an average premium of 17.1%, 17.4%, 18.0%, 22.1% and 23.2% over the 5-day, 10-day, 30-day, 60-day and 90-day average. The premium implied by the sum of the Offer Price and the Revised Special Dividend represent a significant premium to the premia of partial cash offer precedents.

(e) Comparison of the Offer Price and NAV of the Group

On a standalone basis, we are of the view that the primary valuation metric for the Remaining Business should be EV/EBITDA and P/E, and that valuation based on NAV is only for reference only.

On a combined basis, as we have set out in our letter in the Disposal Circular, the unaudited NAV attributable to Shareholders for the Group as at 31 March 2015, which included the Disposal Assets at the time and was the latest available before the Binding Proposal, was approximately HK\$48,965 million. The implied valuation for the Group based on the Office Price and the Revised Special Dividend was HK\$60,751 million, representing a premium of approximately 24.1% over the unaudited NAV attributable to Shareholders for the Group (which included the Disposal Assets) as at 31 March 2015. While the unaudited NAV attributable to Shareholders for the Group as at 30 June 2015 was the latest that is available as at the Latest Practicable Date, we are of the view that given the impact of the Capital Reduction and the Revised Special Dividend, there is little value in making such a comparison.

SUMMARY

Having considered the above principal factors, reasons and analyses, we draw your attention to the following in arriving at our recommendation:

- (a) As stated in the “Letter from BofAML and Morgan Stanley” in the Composite Document, CRH, through the Offeror, is making the Revised Partial Offer in conjunction with the Disposal, to reinforce its confidence, commitment and dedication to the Company. Since the Revised Partial Offer is an integral part of the Revised Binding Proposal, the Board believes that the Disposal and the Revised Partial Offer should be considered as a package. In addition, the Board believes that a more simplified structure could help unlock significant value for all Shareholders;
- (b) The Revised Partial Offer sets a valuation benchmark for the Company, which allows the Qualifying Shareholders to realise part of their investment at a premium to the trading price of the Share before the First Announcement (taking into account the Revised Special Dividend) without having to incur the brokerage fees, transaction levies and trading fees, whilst retaining the balance of their equity interest in the Company in order to participate in the future growth of the Company;

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

- (c) The Remaining Business demonstrated healthy top line growth in the past three years, having benefited from sales volume growth resulting from the continuous efforts to enhance the production capacity, organic growth, and the serial acquisitions. Recent performance of the Group has demonstrated its ability to perform better than the market when industry's sales volume has been trending downwards. The Board notes that the Offeror intends to continue the existing businesses of the Group, and has no intention to introduce any major changes to the existing business strategies and operations of the Group;
- (d) The aggregate of the Revised Special Dividend and the Offer Price represents premia over the average Closing Price between the 10- to 120-trading day periods before the Last Trading Date, ranging from 52.3% to 65.7%, and significant premia of over 200% if comparing the Offer Price with the then prevailing Closing Price less the Revised Special Dividend;
- (e) The implied EV/EBITDA of the Company based on the Offer Price is slightly lower than that of Tsingtao, being the primary comparable company, whereas the implied P/E is significantly higher than that of Tsingtao;
- (f) Liquidity of the Shares was generally in line with comparable companies during the year ended 31 December 2014 until the surge in trading since the beginning of the year ending 31 December 2015 (though Independent Shareholders should note liquidity could be reduced following the Revised Partial Offer); and
- (g) The Company and CRH have no intentions to privatise the Company or delist the Shares.

OPINION AND RECOMMENDATIONS

Having considered the above principal factors and reasons, we consider the terms of the Revised Partial Offer to be fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Qualifying Shareholders to accept the Revised Partial Offer.

Qualifying Shareholders are advised that their decision to realise or to hold their investment in the Shares depends on their own individual circumstances and investment objectives. Those Qualifying Shareholders who may not be able to realise a higher return from selling their Shares in the open market or are concerned with the outlook of the Company, are recommended to accept the Revised Partial Offer, which provides a reasonable alternative exit so as to realise all or part of their investment in the Shares. Those Qualifying Shareholders who, after considering the information on the Group, and its intentions regarding the Revised Partial Offer, are attracted by the future prospects of the Group following the Revised Partial Offer, should consider retaining some or all of their Shares.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

We note that trading prices of the Shares since the record date of the Revised Special Dividend have exceeded the Offer Price. However, Independent Shareholders should caution that the Share has a relatively short track record of trading on an ex-dividend basis and the performance could have been affected by the volatility of the stock market in general. There is no assurance that the trading price of the Share would continue to be above the Offer Price during the Offer Period. In considering whether or not to accept the Revised Partial Offer, Independent Shareholders should take into account all factors that we have set out in our letter as a whole. In the event that the market price of the Shares exceeds the Offer Price during the period while the Revised Partial Offer is open and the sales proceeds (net of transaction costs) exceed the amount receivable under the Revised Partial Offer, Qualifying Shareholders should consider not accepting the Revised Partial Offer and consider seeking to sell their Shares in the market if they wish to do so.

Qualifying Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer.

Yours very truly,
For and on behalf of
Rothschild (Hong Kong) Limited

Kelvin Chau
Managing Director

Sharon Wu
Director

PROCEDURES FOR ACCEPTANCE AND SETTLEMENT**1. General procedures for acceptance of the Revised Partial Offer**

- 1.1. If the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities in respect thereof) (if applicable) in respect of the Shares is/are in the name of the Qualifying Shareholder(s), and he/she/it wishes to accept the Revised Partial Offer whether in full or in respect of part of his/her/its holding of Shares, he/she/it should complete and return the accompanying Form of Acceptance in accordance with the instructions printed in this Composite Document and on the Form of Acceptance. The instructions in this Composite Document should be read together with the instructions on the Form of Acceptance (which instructions form part of the terms of the Revised Partial Offer).
- 1.2. In order to be valid, the completed Form of Acceptance should be forwarded, together with the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) for the exact number of Shares in respect of which the relevant Qualifying Shareholder wishes to accept the Revised Partial Offer, by post or by hand to the Share Registrar, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, in an envelope marked "China Resources Beer (Holdings) Company Limited — Revised Partial Offer" as soon as possible after receipt of the Form of Acceptance but in any event so as to reach the Share Registrar by no later than 4:00 p.m. (Hong Kong time) on Wednesday, 2 December 2015, being the Closing Date.
- 1.3. Unless the Revised Partial Offer is revised in accordance with the Code, no Form of Acceptance received after the Closing Date will be accepted. Pursuant to Rule 28.4 of the Code, the Offeror cannot extend the Revised Partial Offer beyond the Closing Date.
- 1.4. If the Form of Acceptance is executed by a person other than the registered holder, appropriate documentary evidence of authority (e.g., a grant of probate or certified copy of a power of attorney) to the satisfaction of the Share Registrar must be delivered to the Share Registrar with the completed Form of Acceptance.
- 1.5. No acknowledgement of receipt of any Form of Acceptance, Share certificate(s), transfer receipt(s) or other document(s) of title (and/or any indemnity or indemnities in respect thereof) (if applicable) will be given.
- 1.6. In relation to any acceptance(s) of the Revised Partial Offer in respect of Shares held in CCASS, the Company reserves the right to make such alterations, additions or modifications to the terms of the Revised Partial Offer as may be necessary or desirable to give effect to any purported acceptance of the Revised Partial Offer, whether to comply with the facilities

or requirements of CCASS or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Code and any applicable laws and regulations or are otherwise made with the Executive's consent.

2. Take-up of Shares under the Revised Partial Offer

- 2.1. Qualifying Shareholders may accept the Revised Partial Offer in respect of some or all of the Shares held by them. If (i) valid acceptances are received for 484,273,072 or fewer Shares, all Shares validly accepted will be taken up; and (ii) if valid acceptances are received for more than 484,273,072 Shares, the total number of Shares to be taken up by the Offeror from each Qualifying Shareholder will be determined in accordance with the following formula:

$$\frac{A \times C}{B}$$

- A: 484,273,072 Shares (being the maximum number of Shares for which the Revised Partial Offer is made)
- B: the total number of Shares tendered by all Qualifying Shareholders under the Revised Partial Offer
- C: the number of Shares tendered by the relevant individual Qualifying Shareholder under the Revised Partial Offer

- 2.2. As a result, it is possible that if a Qualifying Shareholder tenders all his/her/its Shares for acceptance under the Revised Partial Offer, not all of such Shares will be taken up. Assuming no further changes to the number of Shares from the Latest Practicable Date, Qualifying Shareholders can, however, be assured that a minimum of approximately 41.44 per cent. of the Shares tendered for acceptance under the Revised Partial Offer will be taken up.
- 2.3. Fractions of Shares will not be taken up under the Revised Partial Offer and, accordingly, the number of Shares that the Offeror will take up from each Qualifying Shareholder in accordance with the above formula will be rounded up or down to the nearest whole number at the discretion of the Offeror.

3. Nominee holdings

- 3.1. If the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of a Qualifying Shareholder's Share(s) is/are in the name of a nominee company or some name other than his/her/its own,

and such Qualifying Shareholder wishes to accept the Revised Partial Offer (either in full or in respect of part of his/her/its holding(s) of Shares), he/she/it must either:

- (a) lodge the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) with the nominee company, or other nominee, with instructions authorising it to accept the Revised Partial Offer on his/her/its behalf and requesting it to deliver the Form of Acceptance duly completed and signed together with the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) to the Share Registrar, within such deadline (which may be earlier than the deadline specified under the Revised Partial Offer) as may be stipulated by the nominee; or
 - (b) arrange for the Shares to be registered in his/her/its name by the Company through the Share Registrar, and send the Form of Acceptance duly completed and signed together with the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) to the Share Registrar before 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date; or
 - (c) where his/her/its Shares have been deposited in CCASS via his/her/its licensed securities dealer/broker/custodian bank, instruct his/her/its licensed securities dealer/broker/custodian bank to authorise HKSCC Nominees Limited to accept the Revised Partial Offer on his/her/its behalf on or before the deadline set by HKSCC Nominees Limited or any other date as shall be determined by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, that Qualifying Shareholder should check with his/her/its licensed securities dealer/broker/custodian bank for the timing on processing his/her/its instruction, and submit such instruction to his/her/its licensed securities dealer/broker/custodian bank as required by them; or
 - (d) if the Shares have been lodged with his/her/its investor participant account with CCASS, authorise his/her/its instruction via the CCASS phone system or CCASS internet system no later than one business day before the deadline set by HKSCC Nominees Limited or any other date as shall be determined by HKSCC Nominees Limited.
- 3.2. Qualifying Shareholders with a nominee holding of the Shares should ensure that they undertake the above applicable course of action promptly to allow their nominee(s) sufficient time to complete the acceptance procedure on his/her/its behalf before the Closing Date.

4. Recent transfers

- 4.1. If a Qualifying Shareholder has lodged transfer(s) of Shares for registration in his/her/its name and has not yet received the Share certificate(s) and wishes to accept the Revised Partial Offer, he/she/it should nevertheless complete and sign the Form of Acceptance and deliver it to the Share Registrar together with the transfer receipt(s) duly signed by him/her/it. Such action will be deemed to be an irrevocable instruction and authority to CRH, the Offeror, BofAML, Morgan Stanley and any of their respective agent(s) or such other person(s) as any of them may direct for the purpose of collecting from the Company or the Share Registrar on his/her/its behalf the relevant Share certificate(s) when issued and to deliver such Share certificate(s), subject to the terms and conditions of the Revised Partial Offer, as if it was/they were delivered to the Share Registrar with the Form of Acceptance.

5. Lost or unavailable share certificates

- 5.1. If the Share certificate(s), transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost and a Qualifying Shareholder wishes to accept the Revised Partial Offer, the Form of Acceptance should nevertheless be completed, signed and delivered, together with a letter stating that he/she/it has lost one or more of his/her/its Share certificate(s) and/or transfer receipts and/or other document(s) of title or that it/they is/are not readily available, to the Share Registrar so as to reach the Share Registrar no later than 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date. If the Qualifying Shareholder finds such document(s) or if it/they become available, the relevant Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) should be forwarded to the Share Registrar as soon as possible thereafter and in any event no later than 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date.
- 5.2. In addition, if a Qualifying Shareholder has lost his/her/its Share certificate(s), transfer receipt(s) and/or any other document(s) of title, he/she/it should also write to the Share Registrar and request the form of a letter of indemnity in respect of the lost Share certificate(s), transfer receipt(s) and/or any other document(s) of title (as the case may be) which, when completed in accordance with the instructions given, should be returned, together with the Form of Acceptance and any Share certificate(s), transfer receipt(s) and/or any other document(s) of title which are available, to the Share Registrar either by post or by hand, so as to arrive not later than 4:00 p.m. on Wednesday, 2 December 2015 being on the Closing Date. In such cases, the Qualifying Shareholder will be informed of the fees and/or expenses payable to the Share Registrar for which he/she/it will be responsible. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the Share certificate(s), transfer receipt(s)

and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.

6. Additional Forms of Acceptance

- 6.1. If a Qualifying Shareholder has lost the accompanying Form of Acceptance or such original has become unusable, and requires a replacement of such form, he/she/it should write to the Share Registrar or visit the Share Registrar at its office and request an additional Form of Acceptance for completion by such Qualifying Shareholder. Alternatively, he/she/it could download it from the website of the Stock Exchange at www.hkexnews.hk or the website of the Company at www.crbeer.com.hk.

7. Settlement

- 7.1. Provided that a duly completed Form of Acceptance, accompanied by the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) are received by the Share Registrar by no later than 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date and are in good order in all respects and in accordance with the Code, the Share Registrar will send to the relevant accepting Shareholder by ordinary post, at his/her/its own risks (taking into account any scaling down of his/her/its acceptance, seller's ad valorem stamp duty payable by the relevant accepting Shareholder and, if applicable, the fees payable to the Share Registrar in respect of lost or unavailable Share certificates), (a) a remittance for the amount due to him/her/it under the Revised Partial Offer; and (b) (if applicable) any Share certificate(s) and/or any transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities in respect thereof) (if applicable) for Shares not taken up by the Offeror, in each case, as soon as possible but in any event within seven business days (as defined in the Code) of the Closing Date.
- 7.2. Settlement of the consideration to which any accepting Shareholder is entitled under the Revised Partial Offer will be implemented in full in accordance with the terms of the Revised Partial Offer (save with respect to payment of seller's ad valorem stamp duty) without regard to any lien, right of set-off, counterclaim, or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such accepting Shareholder.
- 7.3. No fractions of a cent will be payable and the amount of cash consideration payable to an accepting Shareholder will be rounded down to the nearest cent.
- 7.4. Cheque(s) not presented for payment within six months from the date of issue of the cheque will not be honoured and be of no further effect, and in such circumstances, cheque holder(s) should contact the Offeror for payment.

8. New Shareholders

- 8.1. Any new Shareholder may collect a copy of this Composite Document, together with a blank Form of Acceptance from the Share Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong during the period from the date of this Composite Document to the Closing Date (both days inclusive), between 9:00 a.m. and 4:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays). Such Shareholder may also contact the Share Registrar (through the enquiry general telephone line at +852 2980 1333) and request a copy of this Composite Document and a blank Form of Acceptance (as appropriate) to be sent to his/her/its registered address as recorded in the Register.

EFFECT OF ACCEPTANCE OF THE PARTIAL OFFER

By validly accepting the Revised Partial Offer, Qualifying Shareholders will sell to the Offeror their tendered Shares which are finally taken up by the Offeror in accordance with the formula set out in the section headed "Other terms of the Revised Partial Offer" in the letter from BofAML and Morgan Stanley free from all encumbrances and together with all rights and benefits at any time accruing and attaching thereto as at or after the Closing Date including all rights to any dividend or other distributions declared, made or paid by reference to a record date on or after the Closing Date. The Offeror will not be entitled to any dividends or other distributions declared, made or paid by reference to a record date before the Closing Date in respect of Shares which are taken up by the Offeror under the Revised Partial Offer. Any such dividends or other distributions will be paid to the Shareholders who are qualified for such dividends or distributions.

For the avoidance of doubt, as the Revised Special Dividend was paid on 20 October 2015, the acceptance by any Qualifying Shareholders of the Revised Partial Offer will not affect their entitlement to the Revised Special Dividend.

Each Qualifying Shareholder by whom, or on whose behalf, a Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with CRH, the Offeror, BofAML, Morgan Stanley, the Company and the Share Registrar (so as to bind him/her/it, his/her/its personal representatives, heirs, successors and assigns) to the effect:

1. Irrevocable acceptances

That the Form of Acceptance which has been duly completed and received by the Share Registrar will constitute irrevocable acceptance of the Revised Partial Offer in respect of the number of the Shares inserted in Box A of the Form of Acceptance and subject to the terms and conditions set out or referred to in this Composite Document, except in the circumstances that the Executive requires that such accepting Shareholder is granted a right to withdraw in accordance with Rule 19.2 of the Code.

That the Form of Acceptance which has been duly completed and received by the Share Registrar will constitute (i) acceptance of the Revised Partial Offer on and subject to the terms set out or referred to in this Composite Document and the Form of Acceptance, including any revision of the terms of such Revised Partial Offer, in the case of any revision, where the Revised Partial Offer is revised and the consideration offered under such revised Revised Partial Offer does not represent on such date (on such basis as BofAML and Morgan Stanley, on behalf of the Offeror may consider appropriate) a reduction in the value of the Revised Partial Offer in its original or any previously revised form(s), and also (ii) the accepting Shareholder's instruction and authority to each of CRH, the Offeror and the Share Registrar and their respective agent(s) and such person(s) as any of them may direct for the purpose, to accept any such revised Revised Partial Offer on the accepting Shareholder's behalf and to execute on the accepting Shareholder's behalf and in the accepting Shareholder's name all such further documents (if any) as may be required to give effect to such acceptance.

Rule 19.2 of the Code relates to failure to announce the results of the Revised Partial Offer as set out in the section headed "Announcements" in this Appendix and provides that the Executive may require that accepting Shareholders be granted a right of withdrawal, on terms acceptable to the Executive, until the requirements of Rule 19 of the Code can be met.

If acceptance of the Revised Partial Offer is withdrawn by the accepting Shareholders with the consent of the Executive in accordance with the Code, the Offeror shall, as soon as possible but in any event within 10 days thereof, return the relevant the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of such number of Shares lodged with the Form of Acceptance to the relevant accepting Shareholder(s) by ordinary post.

If the Revised Partial Offer is withdrawn with the consent of the Executive in accordance with the Code, the Offeror shall, as soon as possible but in any event within 10 days thereof, return the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of such number of Shares lodged with the Form of Acceptance to the relevant accepting Shareholder(s) by ordinary post.

2. Representations and warranties

- (a) That if he/she/it is a resident or a citizen of a jurisdiction outside Hong Kong, he/she/it hereby represent and warrants that (i) all local laws and requirements in connection with such acceptance have been complied with and (ii) the Revised Partial Offer can be accepted by such Qualifying Shareholder under the laws and regulations of the relevant jurisdiction and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Qualifying Shareholders should consult their professional advisors if in doubt.

- (b) That acceptance of the Revised Partial Offer by any persons would be deemed to constitute a warranty by such persons to CRH, the Offeror, BofAML, Morgan Stanley, the Company and the Share Registrar that he/she/it has full power and authority to tender, sell, assign and transfer all the Shares (together with all rights accruing or attaching thereto) specified in such Form of Acceptance under the Revised Partial Offer and that the Shares acquired under the Revised Partial Offer are fully paid and sold by any such persons free from all liens, charges, options, claims, equities, adverse interests, third party rights or encumbrances whatsoever and together with all rights and benefits accruing and attaching thereto as at or after the Closing Date including all rights to any dividend or other distributions declared, made or paid by reference to a record date on or after the Closing Date.

3. Appointment and authority

That due execution of the Form of Acceptance constitutes:

An irrevocable instruction and authority to each of CRH, the Offeror, BofAML, Morgan Stanley and such other person as any of them may direct to complete, amend and execute the Form of Acceptance and any other document on behalf of the person accepting the Revised Partial Offer and to do any other acts or things (such as, among others, due execution of instruments of transfer to effect transfers of Shares accepted by the Offeror pursuant to the Revised Partial Offer to the Offeror and to tender the relevant Share certificate(s) for cancellation) as may be necessary, expedient or desirable for the purpose of the Offeror to acquire some or all of the Shares (as the Offeror may in its absolute discretion determine in accordance with the formula as set out in the section headed "Other terms of the Revised Partial Offer" in the letter from BofAML and Morgan Stanley in this Composite Document in respect of which such person has accepted the Partial Offer).

4. Undertakings

That by executing the Form of Acceptance, he/she/it:

- (a) agrees to ratify and confirm each and every act or thing which may be done or effected by each of CRH, the Offeror, BofAML, Morgan Stanley and any of their respective agents or such person or persons as any of them may direct in the proper exercise of his/her/its powers and/or authorities under the terms of the Revised Partial Offer (such as, among others, acts or things effecting the transfer of Shares accepted by the Offeror pursuant to the Revised Partial Offer);

- (b) undertakes to deliver to the Share Registrar the Share certificate(s), transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) in respect of the Shares for which the Revised Partial Offer is accepted, or an indemnity or indemnities acceptable to the Offeror in lieu thereof, or to procure the delivery of such document(s) to the Share Registrar as soon as possible thereafter and, in any event, no later than 4:00 p.m. on Wednesday, 2 December 2015, being the Closing Date;
- (c) accepts that the provisions of the Form of Acceptance and the other terms and conditions in this Composite Document are deemed to be incorporated into the terms and conditions of the Revised Partial Offer;
- (d) undertakes to do all such acts and things and execute all such deeds and documents as the Offeror may consider to be necessary, expedient or desirable to implement or to give legal effect to his/her/its acceptance of the Revised Partial Offer, including, without limitation, to transfer any Shares in respect of which he/she/it has accepted the Revised Partial Offer to the Offeror or such person or persons as it may direct free from all liens, charges, options, claims, equities, adverse interests, third party rights or encumbrances whatsoever and together with all rights and benefits accruing and attaching thereto as at or after the Closing Date including all rights to any dividend or other distributions declared, made or paid by reference to a record date on or after the Closing Date and/or to perfect any of the authorities expressed to be given hereunder;
- (e) authorises each of CRH, the Offeror, BofAML, Morgan Stanley and their respective agent(s) to procure the despatch by post of the consideration to which he/she/it is entitled at his/her/its risk to the address of the registered Shareholder or the first-named of joint registered Shareholders on the Register or, if different, to the name and address of the person as specified on the Form of Acceptance; and
- (f) submits to the non-exclusive jurisdiction of the courts of Hong Kong in relation to all matters arising out of or in connection with the Revised Partial Offer or the Form of Acceptance.

5. General

- (a) Acceptance of the Revised Partial Offer by any persons will be deemed to constitute a warranty by such persons to CRH, the Offeror, BofAML, Morgan Stanley, the Company and the Share Registrar that he/she/it has full power and authority to tender, sell, assign and transfer all the Shares (together with all rights accruing or attaching thereto) specified in such Form of Acceptance under the Revised Partial Offer and that the Shares acquired under the Revised Partial Offer are fully paid and sold by any such persons free from all liens, charges, options, claims, equities, adverse interests, third party rights or encumbrances whatsoever and together with all rights and benefits at any time accruing and attaching thereto as at or after the Closing Date including all rights to any dividend or other distributions declared, made or paid by reference to a record date on or after the Closing Date.
- (b) In making their decisions, the Qualifying Shareholders must rely on their own examination of the Group and the terms of the Revised Partial Offer including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein, together with the Forms of Acceptance, shall not be construed as any legal or business advice on the part of CRH, the Offeror, the Company, BofAML, Morgan Stanley, UBS or Rothschild or their respective professional advisors. Shareholders should consult their own professional advisors for professional advice in relation to their decisions.
- (c) The Qualifying Shareholders may accept the Revised Partial Offer by completing the Form of Acceptance in accordance with the instructions set out in the Form of Acceptance (which constitute part of the terms of the Revised Partial Offer). A Form of Acceptance may be rejected as invalid if the procedures contained in this Composite Document and in the Form of Acceptance are not complied with.
- (d) The Revised Partial Offer and all acceptances of it, the Form of Acceptance and all contracts made pursuant to the Revised Partial Offer, and all action taken or made or deemed to be taken or made pursuant to these terms will be governed by and construed in accordance with Hong Kong laws. Delivery of a Form of Acceptance will constitute submission to the non-exclusive jurisdiction of the Hong Kong courts.
- (e) The accidental omission to dispatch, or the failure of any person to receive this Composite Document or the Form of Acceptance will not invalidate any aspect of the Revised Partial Offer. Extra prints of these documents are available to any Qualifying Shareholder at the office of the Share Registrar during the period from the date of this Composite

Document to the Closing Date (both days inclusive), between 9:00 a.m. and 4:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays), and on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.crbeer.com.hk.

- (f) The Offeror reserves the right, subject to the Code, any applicable law or regulatory requirements and the requirements of the Executive, to amend the Offer Price or other terms of the Revised Partial Offer. In the event of such amendment, a supplemental document and new Form of Acceptance will be despatched to the Qualifying Shareholders. Any revised Revised Partial Offer will be kept open for at least 14 days following the date on which the revised offer document is posted. If in the course of the Revised Partial Offer, the Offeror revises the terms of the Revised Partial Offer, all Qualifying Shareholders, whether they have accepted the Revised Partial Offer or not, will be entitled to the revised terms.
- (g) The right of acceptance of the Revised Partial Offer is personal to the Qualifying Shareholders and is not capable of being assigned or renounced in favour of others or otherwise transferred by the Qualifying Shareholders.
- (h) All questions as to the number of Shares to be taken by the Offeror, the Offer Price to be paid therefor, or any alteration of such price in accordance with the terms contained herein, and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any acceptance will be determined by the Offeror in its sole discretion, which determination will be final and binding on all of the parties (except as otherwise required under the applicable laws or by the Executive). The Offeror reserves the absolute right to reject any or all acceptances it determines not to be in proper form or the acceptance or payment for which may, in the opinion of the Offeror, be unlawful. An acceptance may be rejected as invalid unless all defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Revised Partial Offer will not be despatched until after the Form of Acceptance is completed in all respects and the Share certificate(s), and/or transfer receipt(s) and/or other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) (if applicable) have been received. None of CRH, the Offeror, the Company, BofAML, Morgan Stanley, UBS, Rothschild and the Share Registrar or any of their respective directors or professional advisors or any other persons involved in the Revised Partial Offer is or will be obliged to give notice of any defects or irregularities in acceptances and none of them will incur any liability for failure to give any such notice.

- (i) All communications, notices, the Form of Acceptance, Share certificate(s), transfer receipt(s), other document(s) of title (and/or any indemnity or indemnities in respect thereof) and remittances to be delivered or sent by, to or from any Shareholders will be delivered or sent by, to and from them, or their designated agents, at their own risks and none of CRH, the Offeror, the Company, BofAML, Morgan Stanley, UBS, Rothschild, the Share Registrar or any of their respective directors or professional advisors or any other person involved in the Revised Partial Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.

OVERSEAS SHAREHOLDERS

The Revised Partial Offer is in respect of a company incorporated and listed in Hong Kong and is therefore subject to the procedure and disclosure requirements of laws, regulations and rules in Hong Kong which may be different to those in other jurisdiction.

The ability of Qualifying Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong to participate in the Revised Partial Offer may be subject to the laws and regulations of the relevant jurisdictions. Such Qualifying Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. It is the responsibility of each such Qualifying Shareholder who wishes to accept the Revised Partial Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including obtaining any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Qualifying Shareholder in such relevant jurisdictions.

Any acceptance of the Revised Partial Offer by any Qualifying Shareholder will be deemed to constitute a representation and warranty from such Qualifying Shareholder to CRH, the Offeror, BofAML, Morgan Stanley, the Company and the Share Registrar that (i) all local laws and requirements in connection with such acceptance have been complied with and (ii) the Revised Partial Offer can be accepted by such Qualifying Shareholder under the laws and regulations of the relevant jurisdiction and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Qualifying Shareholders should consult their professional advisors if in doubt.

The Company shall give notice of any matter in relation to the Revised Partial Offer to the overseas Qualifying Shareholders by issuing announcements or advertisements in accordance with its Articles of Association and applicable laws and regulations and which, if so given, shall be deemed to have been sufficient for all effective purposes, despite any failure by any overseas Qualifying Shareholder to receive the same.

TAXATION

Qualifying Shareholders are recommended to consult their own professional advisors if they are in any doubt as to the taxation implications of their acceptance of the Revised Partial Offer. It is emphasised that none of CRH, the Offeror, the Company and their ultimate beneficial owners and parties acting in concert with any of them, BofAML, Morgan Stanley, UBS, Rothschild, the Share Registrar or any of their respective directors or professional advisors or any persons involved in the Revised Partial Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Revised Partial Offer.

ANNOUNCEMENTS

The announcement of the results of the Revised Partial Offer will be jointly issued by CRH, the Offeror and the Company and posted on the website of the Stock Exchange by 7:00 p.m. on the Closing Date. Such announcement will comply with the disclosure requirements under Rule 19.1 and Note 7 to Rule 19 of the Code and will include, among other things, the results of the Revised Partial Offer and details of the way in which each accepting Shareholder's pro-rata entitlement was determined.

The results announcements shall specify the total number of Shares:

- (a) for which acceptances of the Revised Partial Offer have been received;
- (b) held, controlled or directed by the Offeror or parties acting in concert with it before the Offer Period; and
- (c) acquired or agreed to be acquired during the Offer Period by the Offeror or any parties acting in concert with it.

The results announcements must include the details of the way in which each of the accepting Shareholder's pro-rata entitlement was/is to be determined in compliance with Note 7 to Rule 19 of the Code.

The results announcements must include details of any relevant securities (as defined under Note 4 to Rule 22 of the Code) of the Company which the Offeror or any parties acting in concert with it has borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The results announcements shall include the percentages of the relevant classes of share capital of the Company, and the percentages of voting rights, represented by these numbers.

If the Offeror, any parties acting in concert with it or its advisors make any statement about the level of acceptances or the number or percentage of accepting Shareholders during the Offer Period, then the Offeror must make an immediate announcement in compliance with Note 2 to Rule 19 of the Code.

As required under the Code and the Listing Rules, all announcements in relation to the Revised Partial Offer in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments thereon, will be published on the websites of the SFC, the Stock Exchange and the Company.

INTERPRETATION

A reference in this Composite Document to a Qualifying Shareholder includes a reference to a person(s) who, by reason of an acquisition or transfer of Shares, is entitled to execute a Form of Acceptance and in the event of more than one person executing a Form of Acceptance, the provisions of this Composite Document apply to them jointly and severally.

A reference in this Composite Document and the Form of Acceptance to the Revised Partial Offer shall include any extension and/or revision thereof.

A reference in this Composite Document and the Form of Acceptance to the masculine gender includes the feminine and neuter genders, and a reference to the singular includes the plural, and vice versa.

1. SUMMARY OF FINANCIAL INFORMATION

The following is a summary of the financial results of the Group for each of the three years ended 31 December 2012, 2013 and 2014 and the six months ended 30 June 2015 which is extracted from the audited consolidated financial statements of the Group as set forth in the annual reports of the Company for the three years ended 31 December 2012, 2013 and 2014 and the unaudited consolidated financial statement of the Group as set forth in the interim report of the Company for the six months ended 30 June 2015.

	Year ended 31 December			Six months ended
	2012	2013	2014	30 June
	HK\$ million	HK\$ million	HK\$ million	2015
				HK\$ million
Turnover	126,236	146,413	168,864	19,609
Cost of sales	<u>(95,835)</u>	<u>(109,040)</u>	<u>(126,419)</u>	<u>(13,037)</u>
Gross Profit	30,401	37,373	42,445	6,572
Other income	4,459	2,647	3,469	421
Selling and distribution expenses	(21,891)	(27,566)	(34,904)	(3,631)
General and administrative expenses	(6,003)	(7,131)	(8,579)	(1,774)
Finance costs	(361)	(304)	(526)	(92)
Share of net results of associates	48	27	14	–
Share of net results of joint ventures	<u>–</u>	<u>–</u>	<u>(78)</u>	<u>–</u>
Profit before taxation	6,653	5,046	1,841	1,496
Taxation	(1,631)	(1,894)	(1,550)	(438)
Loss for the period from discontinued operation	<u>–</u>	<u>–</u>	<u>–</u>	<u>(5,444)</u>
Profit for the year	<u>5,022</u>	<u>3,152</u>	<u>291</u>	<u>(4,386)</u>
Attributable to:				
Shareholders of the Company	3,945	1,908	(161)	(4,327)
Non-controlling interests	<u>1,077</u>	<u>1,244</u>	<u>452</u>	<u>(59)</u>
	<u>5,022</u>	<u>3,152</u>	<u>291</u>	<u>(4,386)</u>

	Year ended 31 December			Six months ended 30 June
	2012	2013	2014	2015
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Earnings per share				
Basic	HK\$1.64	HK\$0.79	HK\$(0.07)	HK\$(1.79)
Diluted	HK\$1.64	HK\$0.79	HK\$(0.07)	HK\$(1.79)
Dividends				
Interim dividend	(360)	(313)	(265)	–
Final dividend	(360)	(337)	(387)	N/A
Special dividend*	–	–	–	(29,928)
Dividend per share				
Interim dividend	HK\$0.15	HK\$0.13	HK\$0.11	–
Final dividend	HK\$0.15	HK\$0.14	HK\$0.16	N/A
Special dividend*	–	–	–	HK\$12.30

* the special dividend which has been approved by shareholders at the extraordinary general meeting of the Company on 3 August 2015 was satisfied by way of a capital reduction of the Company which became effective on 21 September 2015.

The auditor of the Company, PricewaterhouseCoopers, did not issue any qualified opinion on any of the financial statements of the Group for each of the three years ended 31 December 2012, 2013 and 2014.

The Group did not have any items which are exceptional because of size, nature or incidence for each of the three years ended 31 December 2012, 2013 and 2014 and for the six months ended 30 June 2015.

2. AUDITED FINANCIAL INFORMATION OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2014

The following financial information is extracted from the annual report of the Company for the year ended 31 December 2014:

“CONSOLIDATED BALANCE SHEET

At 31 December 2014

	Notes	2014 HK\$ million	2013 HK\$ million
Non-current assets			
Fixed assets			
– Investment properties	16	21,105	15,952
– Interests in leasehold land held for own use under operating leases	16	10,653	8,492
– Other property, plant and equipment	16	56,302	44,673
Goodwill	17	22,854	19,428
Other intangible assets	19	510	562
Interests in associates	20	368	388
Interests in joint ventures	21	1,014	–
Available for sale investments	22	33	142
Prepayments	23	1,015	876
Deferred taxation assets	28	2,274	1,540
		<u>116,128</u>	<u>92,053</u>
Current assets			
Stocks	24	27,690	25,021
Trade and other receivables	25	16,555	16,428
Taxation recoverable		157	251
Pledged bank deposits		187	336
Cash and bank balances		20,647	21,200
		<u>65,236</u>	<u>63,236</u>
Current liabilities			
Trade and other payables	26	(76,260)	(69,178)
Short term loans	27A	(9,025)	(3,357)
Taxation payable		(1,069)	(1,155)
		<u>(86,354)</u>	<u>(73,690)</u>
Net current liabilities		<u>(21,118)</u>	<u>(10,454)</u>
Total assets less current liabilities		<u>95,010</u>	<u>81,599</u>

		2014	2013
	<i>Notes</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Non-current liabilities			
Long term loans	27B	(19,872)	(19,346)
Deferred taxation liabilities	28	(2,245)	(1,831)
Other non-current liabilities	29	<u>(3,270)</u>	<u>(811)</u>
		<u>(25,387)</u>	<u>(21,988)</u>
		<u>69,623</u>	<u>59,611</u>
Capital and reserves			
Share capital	30	15,740	2,403
Reserves	31	<u>33,007</u>	<u>41,670</u>
Equity attributable to shareholders of the Company		48,747	44,073
Non-controlling interests		<u>20,876</u>	<u>15,538</u>
Total equity		<u>69,623</u>	<u>59,611</u>

BALANCE SHEET*At 31 December 2014*

		2014	2013
	<i>Notes</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Non-current assets			
Fixed assets			
– Investment properties	16	66	66
– Other property, plant and equipment	16	7	8
Interests in subsidiaries	18	28,595	26,797
		<u>28,668</u>	<u>26,871</u>
Current assets			
Trade and other receivables	25	553	1,398
Taxation recoverable		–	4
Cash and bank balances		5,081	5,446
		<u>5,634</u>	<u>6,848</u>
Current liabilities			
Trade and other payables	26	(1,981)	(6,722)
		<u>(1,981)</u>	<u>(6,722)</u>
Net current assets		<u>3,653</u>	<u>126</u>
Total assets less current liabilities		32,321	26,997
Non-current liabilities			
Amount due to subsidiaries	26	(10,879)	(9,069)
Deferred taxation liabilities	28	(1)	(1)
		<u>(10,880)</u>	<u>(9,070)</u>
		<u>21,441</u>	<u>17,927</u>
Capital and reserves			
Share capital	30	15,740	2,403
Reserves	31	5,701	15,524
		<u>21,441</u>	<u>17,927</u>

CONSOLIDATED CASH FLOW STATEMENT*For the year ended 31 December 2014*

	<i>Notes</i>	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Cash flows from operating activities			
Cash generated from operations	32A	6,389	12,827
Hong Kong Profits Tax paid		(178)	(211)
Chinese Mainland income tax paid		(2,024)	(1,909)
Hong Kong Profits Tax refunded		6	31
Chinese Mainland income tax refunded		71	42
Net cash from operating activities		4,264	10,780
Cash flows from investing activities			
Proceeds from disposal of fixed assets		366	394
Proceeds from disposal of available for sale investments		238	–
Proceeds from formation of joint venture/disposal of partial interest in subsidiaries		3,547	4
Proceeds from disposal of associates		–	5
Disposal of subsidiaries/business (net of cash and cash equivalent disposed of)	32B	5	98
Dividends received from associates		29	36
Dividends received from unlisted available for sale investments		7	2
Interest received		714	527
Receipt of government grants		515	490
Repayment of loan from fellow subsidiaries		–	2,466
Repayment of loan from a holding company		1,640	–
Loan to a holding company		–	(1,867)
Loan to a fellow subsidiary		(253)	–
Deposits paid for purchase of fixed assets		(730)	(655)
Purchase of fixed assets		(8,002)	(6,440)
Purchase of other intangible assets		(1)	(96)
Acquisition of associates		–	(13)
Acquisition of subsidiaries/business (net of cash and cash equivalents acquired)	32C	(340)	(4,847)
Settlement of consideration payable for acquisition of subsidiaries in prior year		(672)	–
Changes in pledged bank deposits		149	55
Net cash used in investing activities		(2,788)	(9,841)

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Cash flows from financing activities		
Dividends paid	(276)	(673)
Dividends paid to non-controlling shareholders of subsidiaries	(100)	(124)
Interest paid	(441)	(334)
Net proceeds from issue of ordinary shares	18	18
Proceeds from bank and other borrowings	12,695	9,405
Contribution from non-controlling interest	–	1,520
Repayment of bank and other borrowings	(13,679)	(4,720)
Purchase of additional interests in subsidiaries	(9)	(650)
Purchase of shares under restricted incentive award scheme	(120)	(451)
	<u>(1,912)</u>	<u>3,991</u>
Net cash (used in)/from financing activities	<u>(1,912)</u>	<u>3,991</u>
Net (decrease)/increase in cash and cash equivalents	(436)	4,930
Effect of foreign exchange rate changes	(117)	265
Cash and cash equivalents at 1 January	21,200	16,005
	<u>20,647</u>	<u>21,200</u>
Cash and cash equivalents at 31 December	<u>20,647</u>	<u>21,200</u>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	<u>20,647</u>	<u>21,200</u>

CONSOLIDATED PROFIT AND LOSS ACCOUNT*For the year ended 31 December 2014*

		2014	2013
	<i>Notes</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Turnover	6	168,864	146,413
Cost of sales		<u>(126,419)</u>	<u>(109,040)</u>
Gross profit		42,445	37,373
Other income	7	3,469	2,647
Selling and distribution expenses		(34,904)	(27,566)
General and administrative expenses		(8,579)	(7,131)
Finance costs	8	(526)	(304)
Share of net results of associates		14	27
Share of net results of joint ventures		<u>(78)</u>	<u>–</u>
Profit before taxation		1,841	5,046
Taxation	13	<u>(1,550)</u>	<u>(1,894)</u>
Profit for the year	9	<u>291</u>	<u>3,152</u>
Attributable to:			
Shareholders of the Company		(161)	1,908
Non-controlling interests		<u>452</u>	<u>1,244</u>
		<u>291</u>	<u>3,152</u>
Earnings per share	15		
Basic		<u>HK\$(0.07)</u>	<u>HK\$0.79</u>
Diluted		<u>HK\$(0.07)</u>	<u>HK\$0.79</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Profit for the year	<u>291</u>	<u>3,152</u>
Other comprehensive income/(expenses):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	(110)	1,435
Fair value adjustment on available for sale investments	144	21
Reclassification adjustments:		
– release of valuation reserve upon disposal of available for sale investments	(163)	–
– release of exchange differences upon disposal of subsidiaries/associates	(6)	(13)
Income tax relating to fair value adjustment on available for sale investments	<u>(1)</u>	<u>–</u>
	<u>(136)</u>	<u>1,443</u>
Items that will not be reclassified to profit or loss:		
Surplus on revaluation of properties	69	1,881
Income tax relating to surplus on revaluation of properties	<u>(22)</u>	<u>(150)</u>
	<u>47</u>	<u>1,731</u>
Other comprehensive (expenses)/income for the year, net of tax	<u>(89)</u>	<u>3,174</u>
Total comprehensive income for the year	<u><u>202</u></u>	<u><u>6,326</u></u>
Attributable to:		
Shareholders of the Company	(253)	4,615
Non-controlling interests	<u>455</u>	<u>1,711</u>
	<u><u>202</u></u>	<u><u>6,326</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Equity attributable to shareholders of the Company								Non-controlling interests	Total equity
	Share capital HK\$ million	Share premium HK\$ million	Valuation reserve HK\$ million	Employee share-based compensation reserve HK\$ million	Exchange reserve HK\$ million	Shares held for restricted incentive award scheme HK\$ million	Retained profits HK\$ million	Total HK\$ million	HK\$ million	HK\$ million
At 1 January 2014	2,403	12,992	1,848	172	4,564	(451)	22,545	44,073	15,538	59,611
Exchange differences on translating foreign operations	-	-	-	-	(102)	-	-	(102)	(8)	(110)
Fair value adjustment on available for sale investments	-	-	141	-	-	-	-	141	2	143
Release of exchange differences upon disposal of subsidiaries	-	-	-	-	(6)	-	-	(6)	-	(6)
Release of valuation reserve upon disposal of available for sale investments	-	-	(163)	-	-	-	-	(163)	-	(163)
Surplus on revaluation of properties	-	-	38	-	-	-	-	38	9	47
Profit for the year	-	-	-	-	-	-	(161)	(161)	452	291
Total comprehensive income for the year	-	-	16	-	(108)	-	(161)	(253)	455	202
Shares issued at premium	14	5	-	-	-	-	-	19	-	19
Disposal of partial interest in subsidiaries (Note 36)	-	-	-	-	(373)	-	5,498	5,125	5,000	10,125
Acquisition of subsidiaries or purchase of additional interest in subsidiaries	-	-	-	-	-	-	1	1	(4)	(3)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(13)	(13)
Purchase or sale of shares under restricted incentive award scheme	-	-	-	-	-	58	-	58	-	58
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance	12,997	(12,997)	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(602)	(602)	(100)	(702)
Shares issued in lieu of scrip dividend	326	-	-	-	-	-	-	326	-	326
	13,337	(12,992)	16	-	(481)	58	4,736	4,674	5,338	10,012
At 31 December 2014	15,740	-	1,864	172	4,083	(393)	27,281	48,747	20,876	69,623

APPENDIX II

FINANCIAL INFORMATION OF THE GROUP

	Equity attributable to shareholders of the Company								Non-controlling interests	Total equity
	Share capital HK\$ million	Share premium HK\$ million	Valuation reserve HK\$ million	Employee share-based compensation reserve HK\$ million	Exchange reserve HK\$ million	Shares held for restricted incentive award scheme HK\$ million	Retained profits HK\$ million	Total HK\$ million	HK\$ million	HK\$ million
At 31 January 2013	2,401	12,976	99	172	3,609	–	21,485	40,742	13,042	53,784
Exchange differences on translating foreign operations	–	–	–	–	968	–	–	968	467	1,435
Fair value adjustment on available for sale investments	–	–	21	–	–	–	–	21	–	21
Release of exchange differences upon disposal of subsidiaries	–	–	–	–	(13)	–	–	(13)	–	(13)
Release of valuation reserve upon disposal of subsidiaries	–	–	(3)	–	–	–	3	–	–	–
Surplus on revaluation of properties	–	–	1,731	–	–	–	–	1,731	–	1,731
Profit for the year	–	–	–	–	–	–	1,908	1,908	1,244	3,152
Total comprehensive income for the year	–	–	1,749	–	955	–	1,911	4,615	1,711	6,326
Shares issued at premium	2	16	–	–	–	–	–	18	–	18
Contribution from non-controlling interest	–	–	–	–	–	–	–	–	1,520	1,520
Acquisition of subsidiaries or purchase of additional interest in subsidiaries	–	–	–	–	–	–	(178)	(178)	(459)	(637)
Disposal of subsidiaries or decrease in shareholdings of subsidiaries	–	–	–	–	–	–	–	–	(152)	(152)
Purchase of shares under restricted incentive award scheme	–	–	–	–	–	(451)	–	(451)	–	(451)
Dividends	–	–	–	–	–	–	(673)	(673)	(124)	(797)
	2	16	1,749	–	955	(451)	1,060	3,331	2,496	5,827
At 31 December 2013	2,403	12,992	1,848	172	4,564	(451)	22,545	44,073	15,538	59,611

Note: In 2011, the Group disposed of its 40% interest in beverage business for a net cash consideration of approximately HK\$3.2 billion. Pursuant to the shareholders agreement, the non-controlling interest shall have the right to cause the Group to purchase all the 40% equity interest at fair market value upon the eighth anniversary or the thirteenth anniversary of the date of the agreement.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

A Ultimate holding company

The Company is a public company incorporated in Hong Kong with limited liabilities and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The directors regard the ultimate holding company to be China Resources National Corporation (“CRNC”), a company established in the Chinese Mainland. The address of the registered office and principal place of business of the Company is disclosed in the 2014 Annual Report of the Company.

B Principal activities

The Group is principally engaged in retail, beer, food and beverage businesses. The principal activities of the Company are investment holding and property investment. The activities of its principal subsidiaries, joint ventures and associates are shown on pages 191 to 198 of the 2014 Annual Report of the Company.

C Basis of preparation of the financial statements

The financial statements for the year ended 31 December 2014 have been prepared in accordance with accounting principles generally accepted in Hong Kong. Save as specified in the principal accounting policies as set out in note 2, the financial statements have been prepared under the historical cost convention.

In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

D(i) Adoption of new and revised standards, amendments and interpretations

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has issued a number of new and revised standards, amendments and interpretations on Hong Kong Accounting Standards (“HKAS”) and Hong Kong Financial Reporting Standards (“HKFRS”) that are effective or available for early adoption for the financial year beginning 1 January 2014. In the current year, the Group has adopted the following new and revised standards, amendments and interpretations.

HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-financial Assets
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities
HKFRS Interpretation 21	Levies

The adoption of the new and revised standards, amendments and interpretations has had no material effect on the results or financial positions of the Group for the current and prior accounting periods. Accordingly, no prior period adjustments are required.

D(ii) Accounting standards and amendments that are not yet effective

The Group has not early applied the following new and revised standards and amendments that have been issued but are not yet effective.

HKAS 1 (Amendments)	Disclosure Initiative
HKAS 16 and HKAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements
HKAS 19 (2011) (Amendments)	Defined Benefit Plans: Employee Contributions
HKFRSs (Amendments)	Annual Improvements 2010–2012 Cycle
HKFRSs (Amendments)	Annual Improvements 2011–2013 Cycle
HKFRSs (Amendments)	Annual Improvements 2012–2014 Cycle
HKFRS 9	Financial Instruments
HKFRS 10 and HKAS 28 (Amendments)	Sale and Contribution of Assets between an Investor and its Associate or Joint Venture
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities: Applying the Consolidation Exception
HKFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts
HKFRS 15	Revenue from Contracts with Customers

The Group has not early applied the new standards and amendments that have been issued by the HKICPA but are not yet effective. The Group has already commenced an assessment of the impact of these new standards and amendments but is not yet in a position to determine whether these new standards and amendments would have a material impact on its results of operations and financial position.

In addition, the requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company’s first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

2. PRINCIPAL ACCOUNTING POLICIES**A Consolidation**

The consolidated financial statements of the Group include the financial statements of the Company and of all its direct and indirect subsidiaries and also incorporate the Group’s interests in associates and joint ventures on the basis set out in note 2C and 2D below. The results of subsidiaries, associates and joint ventures acquired or disposed of during the year are included from the effective date of acquisition or up to the effective date of disposal, as appropriate. All material intra-group transactions and balances have been eliminated on consolidation.

Prior to 1 January 2010, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decreases in interests in subsidiaries, regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in the consolidated profit and loss account.

From 1 January 2010 onward, changes in the Group's ownership interests in existing subsidiaries that do not involve a loss of control are accounted for as equity transactions, with no impact on goodwill or profit or loss. When control of subsidiary is lost as a result of a transaction, event or other circumstance, the Group derecognises all assets, liabilities and non-controlling interests at their carrying amount. Any retained interest in the former subsidiary is recognised at its fair value at the date the control is lost, with the gain or loss arising recognised in the consolidated profit and loss account.

B Subsidiaries

A subsidiary is an entity (including a structured entity) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. In the Company's balance sheet, investments in subsidiaries are carried at cost less any impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

C Associates

An associate is an enterprise, not being a subsidiary nor a joint venture, over which the Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee. The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate, the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate. In the consolidated balance sheet, interests in associates are stated at the Group's share of net assets of the associates plus goodwill arising on acquisitions. Goodwill arising on the acquisition of an associate, which forms part of the carrying amount of an investment in an associate, represents the excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities.

D Joint ventures

A joint venture is an arrangement whereby the group contractually agreed to share control of the arrangement and have rights to the net assets of the arrangement. The results and assets and liabilities of joint venture are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in joint ventures are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the joint ventures, less any identified impairment loss. When the Group's share of losses of an joint venture equals or exceeds its interest in that joint venture, the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that joint venture. In the consolidated balance sheet, interests in joint ventures are stated at the Group's share of net assets of the joint ventures plus goodwill arising on acquisitions. Goodwill arising on the acquisition of an joint venture, which forms part of the carrying amount of an investment in an joint venture, represents the excess of the cost of acquisition over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities.

E Goodwill

Goodwill arising on acquisition of a subsidiary prior to 1 January 2010 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition. Goodwill arising on acquisition of a subsidiary on or after 1 January 2010 represents the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the previously held equity interest in the acquiree over the net fair value of the identifiable assets acquired and the liabilities assumed. Goodwill is tested for impairment at the reporting date and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired. Such goodwill is carried at cost less accumulated impairment losses. An impairment loss for goodwill is recognised in the consolidated profit and loss account and is not reversed in a subsequent period. On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Goodwill arising on acquisitions prior to 1 January 2001 continues to be recognised as a deduction from equity and is not recognised in the consolidated profit and loss account when the Group disposes of all or part of the business to which that goodwill relates or when a cash generating unit to which the goodwill relates becomes impaired.

Prior to 1 January 2010, a discount on acquisition arising on an acquisition of a subsidiary represents the excess of the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition over the cost of acquisition. Gain on bargain purchase arising on an acquisition of a subsidiary on or after 1 January 2010 represents the excess of the net fair value of the identifiable assets acquired and the liabilities assumed over the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the previously held equity interest in the acquiree. Discount on acquisition or gain on bargain purchase arising on an acquisition of a subsidiary is recognised immediately in the consolidated profit and loss account.

F Financial assets and liabilities

The Group's financial assets are classified as "financial assets at fair value through profit or loss", "loans and receivables" and "available-for-sale investments" dependent on the purpose for which the assets are acquired. Financial liabilities are classified as "financial liabilities at fair value through profit or loss" and "financial liabilities other than financial liabilities at fair value through profit or loss (other financial liabilities)". Details of classifications and measurements are as follows:

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially measured at fair value and have two subcategories: financial assets held for trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in the profit and loss account in the period in which they arise.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market which are initially measured at fair value. At each balance sheet date subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses.

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original

effective interest rate. Objective evidence of impairment includes significant financial difficulty of the debtors, the Group's past experience of collecting payments, and observable changes in national or local economic conditions that correlate with default on receivables.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(c) *Available for sale investments*

Available for sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories.

The Group holds certain investments in equity securities, that do not have a quoted market price in an active market and whose fair value cannot be measured reliably. These available for sale investments are stated at cost less impairment losses. Apart from this, available for sale investments are initially recognised at fair value plus transaction costs. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in the profit and loss account.

An impairment loss is recognised in the profit and loss account when there is objective evidence that the equity investment is impaired.

Objective evidence of impairment includes significant financial difficulty of the issuer or counterparty and observable changes in national or local economic conditions that correlate with the operations of the investment.

For those investments carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the equity investment and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods. For those investments carried at fair value, any subsequent increase in the fair value of such equity investments is recognised directly in other comprehensive income and accumulated in valuation reserve.

(d) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss are initially measured at fair value. At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in the profit and loss account in the period in which they arise.

(e) *Other financial liabilities*

Other financial liabilities are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

(f) *Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in the profit and loss account.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the profit and loss account.

G Fixed assets

(a) Investment properties

Investment properties are interests in land and buildings which are held for long term rental and/or for capital appreciation. Such properties are carried in the balance sheet at their fair value. Changes in fair value of investment properties are recognised directly in the profit and loss account in the period in which they arise.

(b) Construction in progress

Properties, plant and equipment in the course of construction for production or administrative purposes, are carried at cost less accumulated impairment losses, if any. Cost includes all construction expenditure, professional fees, borrowing costs capitalised and other relevant expenses directly attributable to such projects.

No provision for depreciation is made on construction in progress until such time when construction work is complete and the costs of construction are transferred to the appropriate category of fixed assets when available for use.

(c) Other property, plant and equipment

Fixed assets other than investment properties and construction in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation of other fixed assets is provided to write off the cost of the assets over their estimated useful lives and after taking into account their estimated residual values, using the straight line method. The residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. The estimated useful lives are as follows:

- Interests in leasehold land held for own use under operating leases are amortised on a straight-line basis over the period of the lease term
- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being 20 to 50 years
- Leasehold improvements 3 to 10 years or over the unexpired term of lease, whichever is shorter
- Vessels 5 to 15 years
- Cold storage facilities 10 years
- Plant and machinery 5 to 25 years
- Furniture and equipment 3 to 10 years
- Motor vehicles 3 to 8 years

(d) Leased assets

(i) Assets acquired under finance leases

Assets acquired pursuant to finance leases that transfer to the Group substantially all the risks and rewards incidental to ownership are classified as being held under finance leases and are accounted for as if purchased whereby an amount equivalent to cost is recorded as fixed assets and as obligations under finance leases. Depreciation is provided in accordance with the Group's depreciation policy. Payments to the lessor are treated as consisting of capital and interest elements. The interest element is charged to the profit and loss account.

(ii) Operating lease charges

All leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

Rental income or expense arising from operating leases (net of any benefits received and receivable as an incentive to enter into an operating lease) is recognised in the profit and loss account on a straight line basis over the periods of the respective leases except where an alternative basis is more representative of the time pattern of the user's benefit.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property.

(e) Impairment of fixed assets

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that fixed asset other than investment properties are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount. Such reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the profit and loss account in the year in which the reversals are recognised.

The gain or loss on the disposal or retirement of an item of fixed asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss account.

H Other intangible assets

On initial recognition, other intangible assets acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, other intangible assets with indefinite useful lives are carried at cost less subsequent accumulated impairment losses. Other intangible assets with finite useful lives are stated at cost and are amortised on the straight line method over their useful lives with amortisation commences when the asset is available for use. The estimated useful lives of other intangible assets with finite useful lives are as follows:

Brand names	10 to 20 years
Exploitation rights	17 to 20 years

These intangible assets are assessed for impairment at each balance sheet date by comparing their carrying amounts with their recoverable amounts. Where indication of impairment exists, an impairment loss is charged to the profit and loss account to reduce the assets to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount. Such reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

I Deferred taxation

Deferred taxation is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with limited exceptions. Deferred taxation assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred taxation is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

For the purpose of measuring deferred tax arising from investment properties, the presumption that the carrying amount of the investment properties will be recovered through sales is not rebutted.

J Stock of properties

Stock of properties represents properties held for sale which is stated at the lower of cost and net realisable value. Net realisable value is determined by reference to management estimates based on prevailing market conditions.

K Other stocks

Other stocks which comprise raw materials, consumables and packing materials, work-in-progress, finished goods and merchandise for resale are stated at the lower of cost (include those costs directly attributable to the acquisition of finished goods. Purchase rebates are deducted in determining the cost of purchase) and net realisable value or amortised into expense based upon periods of usage.

Cost of work-in-progress and finished goods comprise direct materials, direct labour and an appropriate proportion of production overheads.

Cost is determined on the weighted average method or in the case of retail business, cost is calculated on the first-in first-out basis.

Net realisable value is determined as the estimated net selling price less all further costs of production and the related costs of marketing, selling and distribution.

L Derivative financial instruments and hedging

Derivative financial instruments (including put options issued by the Group over non-controlling interests in subsidiary companies that may be settled by exchange of a variable amount of cash for a fixed number of shares of the subsidiary companies) are recognised at fair value at each balance sheet date and are deemed as held-for-trading financial assets/liabilities, unless they are designated and qualified as effective hedging instruments. The Group designates certain derivatives as either fair value hedges or cash flow hedges.

(a) Fair value hedges

Hedges are classified as fair value hedges when hedges are made to hedge against exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment.

For fair value hedges that qualifying for hedge accounting, changes in the fair values of hedging instruments and hedged item attributable to the hedged risk are recognised in the profit and loss account in the periods in which fair value changes arise.

(b) Cash flow hedges

Hedges are classified as cash flow hedges when hedges are made to hedge against exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

For cash flow hedges that qualify for hedge accounting, the effective portion of the gains or losses arising on the changes in fair value of hedging instruments is initially recognised in equity and transferred to the profit and loss account when the hedged item affects the profit and loss account. The ineffective portion is recognised immediately in the profit and loss account.

For the hedge of a forecast transaction that subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains or losses are removed from equity and included in the initial cost or other carrying amount of the asset or liability.

Any gains or losses arising from changes in the fair value of derivatives that either do not qualify for hedge accounting or are classified as held-for-trading financial assets/liabilities are taken directly to the profit and loss account.

M Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the profit and loss account over the expected useful life of the relevant asset.

N Recognition of revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business and net of discounts.

Sales are recognised upon delivery of goods and provision of services; and interest income is recognised in the profit and loss account as it accrues.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

O Financial guarantee contracts

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Where consideration is received or receivable for the issuance of the guarantee, the consideration is amortised to the consolidated profit and loss account over the guarantee period.

P Borrowing costs

Borrowing costs are accounted for on the accrual basis and charged to the profit and loss account in the year incurred, except for costs that are directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of that assets, until such time as the assets are substantially ready for their intended use or sale.

Fees paid for the arrangement of syndicated loan facilities and debt securities are deferred, and are carried at amortised cost using the effective interest method.

Q Foreign exchange

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the profit and loss account in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's exchange reserve. Such exchange differences are recognised in the consolidated profit and loss account in the period which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the translation reserve.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation before 1 January 2005 is treated as non-monetary foreign currency items of the acquirer and reported using the historical cost prevailing at the date of acquisition.

R Share-based payment

The Group has granted share options to certain employees and other participants, for their services rendered, to subscribe for shares of the Company in accordance with the Company's share option scheme. The fair value of services received is determined by reference to the fair value of share options granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (employee share-based compensation reserve).

3. CRITICAL ACCOUNTING ESTIMATES**A Investment properties**

The fair values of investment properties are determined annually by independent valuer on market value for existing use basis or calculated on the net rental income and allowing for reversionary income potential.

In making the judgement, considerations have been given to assumptions that are mainly based on market conditions existing at the balance sheet date and appropriate capitalisation rates of the net rental income. These estimates are regularly compared to actual market data and transactions entered into by the Group.

B Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2E. Determining whether goodwill is impaired requires an estimation of the recoverable amounts of cash generating units to which goodwill has been allocated. The recoverable amounts have been determined either based on value-in-use calculations or the cash-generating units' fair value less costs to sell. Details of the key assumptions are disclosed in Note 17.

4. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, interest rate risk and currency risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

A Credit risk

As at 31 December 2014, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

The Group's credit risk is primarily attributable to trade and other receivables, bank balances and derivative financial instruments entered into.

The Group has no significant concentrations of credit risk to trade and other receivables as its customer bases are widely spread across diverse industries and geographical locations. For its retail businesses and some transactions in its beer and beverage businesses, sales of products are made in cash. The Group has policies in place to ensure that open account customers are financially viable and with an appropriate credit history. To minimise its credit risk exposure, credit evaluations are performed for the determination and approval of credit limits granted and other monitoring procedures are implemented to ensure that follow-up actions are taken to recover overdue debts. In addition, regular reviews on aging and recoverability are performed to ensure that adequate impairment losses are made for irrecoverable amounts.

In respect of bank deposits and transactions involving derivative financial instruments, the Group has procedures and policies in place to ensure they are made to counterparties with good credit rating. Except for the financial guarantees given by the Company as set out in Note 35, the Group does not provide any other guarantees which would expose the Group to credit risk as at 31 December 2014.

B Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and the availability of adequate committed credit facilities to fund capital, prospective investment opportunities, debt servicing obligations and dividend payments. Management also closely monitors the Group's rolling forecast and actual cash flows and maturity profiles of financial liabilities.

Other than short term loans, long term loans and derivative financial instruments, all other financial liabilities of the Group are non-interest bearing. The following table details the outstanding contractual maturities at the balance sheet date of the Group's borrowings and derivative financial instruments, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay. For derivative instruments settled on a net basis, undiscounted net cash inflow/(outflow) is presented. Whereas they require gross settlement, the undiscounted gross inflow/(outflow) is presented.

	Within 1 year <i>HK\$ million</i>	Between 1 and 2 years <i>HK\$ million</i>	Between 2 and 5 years <i>HK\$ million</i>	Over 5 years <i>HK\$ million</i>	Total contractual undiscounted cash flow <i>HK\$ million</i>	Carrying amount <i>HK\$ million</i>
2014						
Fixed rate borrowings						
Bank loans	(315)	–	–	–	(315)	(310)
Variable rate borrowings						
Bank loans	(9,248)	(5,458)	(14,577)	(159)	(29,442)	(28,587)
	<u>(9,563)</u>	<u>(5,458)</u>	<u>(14,577)</u>	<u>(159)</u>	<u>(29,757)</u>	<u>(28,897)</u>
2013						
Variable rate borrowings						
Bank loans	<u>(3,591)</u>	<u>(9,273)</u>	<u>(10,286)</u>	<u>(3)</u>	<u>(23,153)</u>	<u>(22,703)</u>

C Interest rate risk

The Group is exposed to interest rate risk mainly from its long term and short term borrowings. Borrowings at fixed and floating interest rates expose the Group to fair value interest rate risk and cash flow interest rate risk respectively. To cover interest rate risk, the Group maintains the loan portfolio in a preferred fixed/floating interest rate mix and review regularly. To avoid undue concentration of risk, the Group entered into interest rate swaps to mitigate current and future corporate profitability from interest rate volatility.

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2014 would decrease/increase by HK\$289 million (2013: decrease/increase by HK\$227 million).

This analysis is prepared by using certain assumptions on a hypothetical situation. In reality, market interest rates would not change in isolation. In management's opinion, the analysis is used for reference purpose and should not be considered a projection of the future profits or losses.

D Currency risk

Some subsidiaries of the Group are operating outside Hong Kong and have their local currencies as their functional currencies.

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 99% (2013: 99%) of the Group's sales are denominated in the group entity's respective functional currencies, whilst approximately 99% (2013: 99%) of costs are denominated in the group entity's respective functional currencies.

The following table details the Group's exposure at the balance sheet date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

	2014		2013	
	Assets	Liabilities	Assets	Liabilities
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Renminbi	476	1	2,207	–
US Dollars	999	5,810	1,184	5,874
HK Dollars	1	–	74	–
	<u>1,476</u>	<u>5,811</u>	<u>3,465</u>	<u>5,874</u>

The following table details the Group's sensitivity to a 5% increase or decrease in the Hong Kong dollars against the Renminbi. Under the linked exchange rate system, the financial impact on exchange difference between Hong Kong dollar and US dollar will be immaterial and therefore no sensitivity analysis has been prepared. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the relevant foreign currency strengthens 5% against Hong Kong dollars. For a 5% weakening of the relevant foreign currency against Hong Kong dollars, there would be an equal and opposite impact on the profit and other equity.

	Effect on profit/(loss) after tax		Effect on other components of equity	
	2014	2013	2014	2013
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Renminbi	24	110	–	–

This analysis is prepared by using certain assumptions on a hypothetical situation. In reality, market exchange rates would not change in isolation. In management's opinion, the analysis is used for reference purpose and should not be considered a projection of the future profits or losses.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from prior year. The capital structure of the Group consists of debt, which includes the borrowings disclosed in Notes 27A and 27B, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained profits as disclosed in the consolidated statement of changes in equity.

The management of the Group reviews the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, new share issues as well as the raise of bank borrowings or the redemption of existing debt.

6. TURNOVER AND SEGMENT INFORMATION

	2014	2013
	HK\$ million	HK\$ million
Turnover comprises revenue from:		
Sales of goods	156,876	136,777
Rendering of services and others	11,084	8,922
Rental income	904	714
	<u>168,864</u>	<u>146,413</u>

Operating segments

Operating segments are reported in a manner consistent with the internal reporting for resource allocation and assessment of performance.

	Retail ¹	Beer ¹	Food	Beverage ¹	Investments and Others	Elimination	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
For the year ended							
31 December 2014							
TURNOVER							
External sales	109,382	34,376	15,295	9,811	–	–	168,864
Inter-segment sales ²	118	106	1,191	80	–	(1,495)	–
	<u>109,500</u>	<u>34,482</u>	<u>16,486</u>	<u>9,891</u>	<u>–</u>	<u>(1,495)</u>	<u>168,864</u>
Total							
	<u>109,500</u>	<u>34,482</u>	<u>16,486</u>	<u>9,891</u>	<u>–</u>	<u>(1,495)</u>	<u>168,864</u>
Segment result³	<u>(1,020)</u>	<u>2,200</u>	<u>181</u>	<u>503</u>	<u>–</u>		<u>1,864</u>
Unallocated corporate expenses							(211)
Interest income							714
Finance costs							(526)
							<u>1,841</u>
Profit before taxation							<u>1,841</u>
Taxation							(1,550)
							<u>291</u>
Profit for the year							<u>291</u>
As at 31 December 2014							
ASSETS							
Segment assets	102,966	54,186	12,961	3,423	–		173,536
Deferred taxation assets							2,274
Taxation recoverable							157
Unallocated corporate assets							5,397
							<u>181,364</u>
Consolidated total assets							<u>181,364</u>
LIABILITIES							
Segment liabilities	56,667	29,587	2,741	3,357	–		92,352
Taxation payable							1,069
Deferred taxation liabilities							2,245
Unallocated corporate liabilities							16,075
							<u>111,741</u>
Consolidated total liabilities							<u>111,741</u>
OTHER INFORMATION							
Additions to non-current assets ⁴	23,372	3,079	458	787	3		27,699
Depreciation and amortisation	2,299	2,153	223	170	2		4,847
Impairment loss recognised ⁵	439	63	15	45	–		562
Valuation gain on Investment properties	610	–	–	–	–		610
	<u>610</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>		<u>610</u>

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	Retail ¹	Beer ¹	Food	Beverage ¹	Investments and Others	Elimination	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
For the year ended							
31 December 2013							
TURNOVER							
External sales	95,072	32,835	11,267	7,239	–	–	146,413
Inter-segment sales ²	102	159	802	66	–	(1,129)	–
	<u>95,174</u>	<u>32,994</u>	<u>12,069</u>	<u>7,305</u>	<u>–</u>	<u>(1,129)</u>	<u>146,413</u>
Total	95,174	32,994	12,069	7,305	–	(1,129)	146,413
Segment result³	1,973	2,581	208	224	–		4,986
Unallocated corporate expenses							(170)
Interest income							534
Finance costs							(304)
Profit before taxation							5,046
Taxation							(1,894)
Profit for the year							3,152
As at 31 December 2013							
ASSETS							
Segment assets	78,652	55,052	9,777	4,342	–		147,823
Deferred taxation assets							1,540
Taxation recoverable							251
Unallocated corporate assets							5,675
Consolidated total assets							155,289
LIABILITIES							
Segment liabilities	43,694	31,367	2,396	2,870	–		80,327
Taxation payable							1,155
Deferred taxation liabilities							1,831
Unallocated corporate liabilities							12,365
Consolidated total liabilities							95,678
OTHER INFORMATION							
Additions to non-current assets ⁴	6,051	9,343	1,283	724	1		17,402
Depreciation and amortisation	1,753	1,834	201	100	1		3,889
Impairment loss recognized	112	109	60	–	–		281
Valuation gain on Investment properties	280	–	–	–	–		280

Notes:

1. These segments have significant non-controlling interest to the Group, details are set out on the principal subsidiaries, joint ventures and associates on pages 191 to 198 of the 2014 Annual Report of the Company.
2. Inter-segment sales were charged at prevailing market rates.
3. Segment result represents earnings before interest income, finance costs and taxation.
4. Additions to non-current assets included fixed assets, goodwill and other intangible assets.
5. As part of the integration process with Tesco's China operations, the Group's retail segment had made provision on assets impairment during the year for the closure of certain less efficient stores and stores with poor prospects.

Geographical segments

	Hong Kong <i>HK\$ million</i>	Chinese Mainland <i>HK\$ million</i>	Other Countries <i>HK\$ million</i>	Total <i>HK\$ million</i>
Turnover for the year ended				
31 December 2014	9,510	159,193	161	168,864
As at 31 December 2014				
Non-current assets (<i>Note</i>)	16,514	97,306	1	113,821
Turnover for the year ended				
31 December 2013	8,100	138,192	121	146,413
As at 31 December 2013				
Non-current assets (<i>Note</i>)	15,637	74,733	1	90,371

Note: Non-current assets excluded available for sale investments and deferred taxation assets.

7. OTHER INCOME

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Other income includes the following:		
Dividends from unlisted available for sale investments	7	2
Interest income	714	534
Valuation gain on investment properties	610	280
Profit on disposal of subsidiaries/business	12	1
Profit on disposal of associates	–	1
Profit on disposal of available for sale investments	147	–
Profit on disposal of fixed assets	–	174
Government grants recognised	336	345

8. FINANCE COSTS

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Interests on bank loans and other loans wholly repayable within five years	433	329
Financing charges (including exchange gain or loss)	114	(2)
	<u>547</u>	<u>327</u>
Less: Amount capitalized in cost of qualifying assets*	(21)	(23)
	<u>526</u>	<u>304</u>

* During the year, the weighted average capitalization rate on funds borrowed generally is 1.64% per annum.

9. PROFIT FOR THE YEAR

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Profit for the year has been arrived at after charging:		
Auditors' remuneration		
– current year	39	33
– underprovision in prior year	2	–
	<u>41</u>	<u>33</u>
Staff costs (including directors' emoluments)	19,396	16,468
Depreciation		
– Owned assets	4,795	3,853
Impairment loss recognised on (included in cost of sales, selling and distribution expenses or general and administrative expenses)		
– fixed assets	524	88
– other intangible assets	–	2
– stocks	38	183
– associate	–	8
Amortisation of other intangible assets (included in general and administrative expenses)	52	36
Operating leases charges on land and buildings (<i>Note 1</i>)	6,135	4,715
Cost of goods sold	126,042	108,656
	<u>126,042</u>	<u>108,656</u>
And after crediting:		
Gross rental income	904	714
Less: Related out-goings	(70)	(63)
	<u>834</u>	<u>651</u>
Net rental income	<u>834</u>	<u>651</u>

Note:

- Including contingent rent of HK\$189 million (2013: HK\$151 million). Contingent rent for certain properties was determined by a certain percentage of turnover of the leases.

10. DIRECTORS' EMOLUMENTS

	2014 HK\$ million	2013 HK\$ million
Fees	1.51	1.50
Basic salaries and allowances	10.97	11.04
Provident fund contributions	0.46	0.42
Bonus	6.92	7.36
	<u>19.86</u>	<u>20.32</u>

2014 Name of director	Fees	Other Emoluments			Total HK\$ million	2013 Total HK\$ million
	HK\$ million	Basic Salaries and Allowances HK\$ million	Provident Fund Contributions HK\$ million	Bonus ¹ HK\$ million		
Chen Lang	0.08	2.56	0.16	–	2.80	4.63
Hong Jie	0.08	2.27	0.15	1.71	4.21	3.26
Liu Hongji	0.08	2.33	0.07	3.19	5.67	5.53
Lai Ni Hium, Frank	0.08	3.81	0.08	2.02	5.99	5.72
Du Wenmin	–	–	–	–	–	–
Wei Bin	–	–	–	–	–	–
Yan Biao	0.08	–	–	–	0.08	0.07
Chen Ying	0.08	–	–	–	0.08	0.08
Wang Yan	0.03	–	–	–	0.03	–
Houang Tai Ninh	0.19	–	–	–	0.19	0.19
Li Ka Cheung, Eric	0.19	–	–	–	0.19	0.19
Cheng Mo Chi, Moses	0.19	–	–	–	0.19	0.19
Bernard Charnwut Chan	0.19	–	–	–	0.19	0.19
Siu Kwing Chue, Gordon	0.19	–	–	–	0.19	0.19
Huang Daoguo	0.05	–	–	–	0.05	0.08
Total	<u>1.51</u>	<u>10.97</u>	<u>0.46</u>	<u>6.92</u>	<u>19.86</u>	<u>–</u>
2013	<u>1.50</u>	<u>11.04</u>	<u>0.42</u>	<u>7.36</u>	<u>–</u>	<u>20.32</u>

¹ The bonus is determined with reference to the operating results, individual performance and comparable market statistics during both years.

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2013: three) directors, details of whose remunerations are set out in note 10 above. The details of the remunerations paid to the other two (2013: two) highest paid employees are as follows:

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Basic salaries and allowances	4.33	4.01
Provident fund contributions	0.21	0.22
Bonus	6.29	4.31
	<u>10.83</u>	<u>8.54</u>

The emoluments of this two (2013: two) highest paid individuals were within the following band:

HK\$	No. of person 2014	2013
3,500,001–4,000,000	–	1
4,500,001–5,000,000	1	1
6,000,001–6,500,001	1	–

12. STAFF PROVIDENT FUND**A Hong Kong**

The Group operates various defined contribution retirement schemes which are available to all Hong Kong employees. The assets of the schemes are held separately from those of the Group in an independently administered fund. The amount of contributions is based on a specified percentage of the basic salary of employees and any forfeited contributions in respect of unvested benefits of staff leavers are used to reduce the Group's contributions.

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Group contributions to staff provident fund, charged to consolidated profit and loss account	<u>44</u>	<u>45</u>
Un-utilised forfeited contributions	<u>–</u>	<u>–</u>

B Chinese Mainland

The employees of the Group in the Chinese Mainland are members of state-managed retirement benefit schemes operated by the respective local government in the Chinese Mainland. The Group is required to contribute a specified percentage of payroll costs to the schemes to fund the benefits. The only obligation of the Group with respect to these schemes is to make the specified contributions.

The total cost charged to the consolidated profit and loss account in respect of the above-mentioned schemes in the Chinese Mainland amounted to approximately HK\$2,096 million (2013: HK\$1,815 million).

13. TAXATION

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Current taxation		
Hong Kong	176	175
Chinese Mainland	1,847	2,200
	<u>2,023</u>	<u>2,375</u>
Deferred taxation		
Hong Kong	(9)	5
Chinese Mainland	(464)	(486)
	<u>(473)</u>	<u>(481)</u>
	<u>1,550</u>	<u>1,894</u>

Hong Kong Profits Tax is calculated at 16.5% (2013: 16.5%) on the estimated assessable profits for the year.

Chinese Mainland income tax has been provided for based on the estimated assessable profits in accordance with the relevant tax laws applicable to the subsidiaries in the Chinese Mainland. Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the domestic rates applicable to the country concerned as follows:

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Profit before taxation (excluding share of net results of associates and joint ventures)	<u>1,905</u>	<u>5,019</u>
Tax calculated at the domestic rates applicable in the country concerned	386	1,166
Income not subject to taxation	(174)	(108)
Expenses not deductible for taxation purposes	145	294
Utilisation of previously unrecognised tax losses	(129)	(219)
Tax loss not recognised	1,280	798
Under/(over) provision on taxation in previous year	45	(29)
Income earning companies exempted from taxation (<i>note</i>)	(13)	(18)
Withholding tax on undistributed profits	<u>10</u>	<u>10</u>
Taxation charge	<u>1,550</u>	<u>1,894</u>

Note: Certain of the Group's subsidiaries operating in the Chinese Mainland are eligible for certain tax holidays or concessions and were exempted and reduced from Chinese Mainland income taxes for the year.

14. DIVIDENDS

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
2014 interim dividend paid of HK\$0.11 (2013: HK\$0.13) per ordinary share	265	313
2014 proposed final dividend of HK\$0.16 (2013: HK\$0.14) per ordinary share	<u>387</u>	<u>337</u>
	<u><u>652</u></u>	<u><u>650</u></u>

At the meeting held on 20 March 2015, the directors proposed final dividend of HK\$0.16 (2013: HK\$0.14) per ordinary share in cash form, with an option to receive new and fully paid shares of the Company in lieu of cash. This proposed dividend, which is calculated on the Company's number of ordinary shares as at the date of the board meeting, is not recognised as a liability in these financial statements. The total dividends paid by the Company, including the final dividend for the year 2013 and the interim dividend for the year 2014, amounting to HK\$602 million (2013: HK\$673 million) are reflected in the current year financial statements.

15. EARNINGS PER SHARE

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The calculation of the basic and diluted earnings per share is based on the following data:		
Earnings		
Profit attributable to shareholders of the Company for the purposes of calculating basic and diluted earnings per share	<u>(161)</u>	<u>1,908</u>
	2014	2013
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	2,409,546,529	2,402,658,243
Effect of dilutive potential ordinary shares:		
– Share options	<u>707,108</u>	<u>1,927,606</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u><u>2,410,253,637</u></u>	<u><u>2,404,585,849</u></u>

16. FIXED ASSETS

	Investment properties <i>HK\$ million</i>	Interests in leasehold land held for own use under operating leases <i>HK\$ million</i>	Other property, plant and equipment			Total <i>HK\$ million</i>
			Buildings held for own use <i>HK\$ million</i>	Other fixed assets <i>HK\$ million</i>	Sub-total <i>HK\$ million</i>	
The Group						
Cost or valuation						
At 1 January 2013	12,735	7,239	17,543	36,416	53,959	73,933
Relating to acquisition of subsidiaries/business	30	873	1,107	1,743	2,850	3,753
Relating to disposal of subsidiaries/business	(83)	(45)	(51)	(13)	(64)	(192)
Additions	11	969	437	7,688	8,125	9,105
Disposals	(12)	(4)	(27)	(1,020)	(1,047)	(1,063)
Reclassifications	2,965	(1,228)	1,880	(3,705)	(1,825)	(88)
Adjustment on valuation	280	1,615	266	–	266	2,161
Exchange difference	26	307	969	2,241	3,210	3,543
At 31 December 2013 and 1 January 2014	15,952	9,726	22,124	43,350	65,474	91,152
Relating to acquisition of subsidiaries/business	–	58	87	108	195	253
Relating to disposal of subsidiaries/business	–	(2)	(11)	(2)	(13)	(15)
Relating to business injected by non-controlling interest (Note 36)	4,014	2,503	2,423	6,377	8,800	15,317
Additions	13	333	411	7,921	8,332	8,678
Disposals	–	(36)	(44)	(2,616)	(2,660)	(2,696)
Reclassifications	517	(717)	2,751	(2,930)	(179)	(379)
Adjustment on valuation	610	–	69	–	69	679
Exchange difference	(1)	(18)	(30)	(89)	(119)	(138)
At 31 December 2014	21,105	11,847	27,780	52,119	79,899	112,851

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	Investment properties <i>HK\$ million</i>	Interests in leasehold land held for own use under operating leases <i>HK\$ million</i>	Other property, plant and equipment			Total <i>HK\$ million</i>
			Buildings held for own use <i>HK\$ million</i>	Other fixed assets <i>HK\$ million</i>	Sub-total <i>HK\$ million</i>	
Accumulated depreciation and impairment						
At 1 January 2013	–	973	3,127	12,862	15,989	16,962
Relating to disposal of subsidiaries/business	–	(3)	(2)	(3)	(5)	(8)
Charge for the year	–	206	637	3,010	3,647	3,853
Written back on disposals	–	(1)	(15)	(780)	(795)	(796)
Impairment loss recognised	–	–	38	50	88	88
Reclassifications	–	(28)	(30)	(18)	(48)	(76)
Exchange difference	–	87	441	1,484	1,925	2,012
At 31 December 2013 and 1 January 2014	–	1,234	4,196	16,605	20,801	22,035
Relating to disposal of subsidiaries/business	–	–	(4)	(1)	(5)	(5)
Charge for the year	–	271	817	3,707	4,524	4,795
Written back on disposals	–	(10)	(21)	(2,109)	(2,130)	(2,140)
Impairment loss recognised	–	–	13	511	524	524
Reclassifications	–	(298)	(111)	30	(81)	(379)
Exchange difference	–	(3)	(12)	(24)	(36)	(39)
At 31 December 2014	–	1,194	4,878	18,719	23,597	24,791
Net book values						
At 31 December 2014	21,105	10,653	22,902	33,400	56,302	88,060
At 31 December 2013	15,952	8,492	17,928	26,745	44,673	69,117
Representing assets stated:						
At cost	–	11,847	27,780	52,119	79,899	91,746
At 2014 professional valuation	21,105	–	–	–	–	21,105
	21,105	11,847	27,780	52,119	79,899	112,851

		Other property, plant and equipment			
	Investment properties <i>HK\$ million</i>	Buildings <i>HK\$ million</i>	Other assets <i>HK\$ million</i>	Sub-total <i>HK\$ million</i>	Total <i>HK\$ million</i>
The Company					
Cost or valuation					
At 1 January 2013	66	2	27	29	95
Additions	–	–	2	2	2
Written back on disposals	–	–	(5)	(5)	(5)
At 31 December 2013 and 1 January 2014	66	2	24	26	92
Additions	–	–	2	2	2
Written back on disposals	–	(2)	(1)	(3)	(3)
At 31 December 2014	66	–	25	25	91
Accumulated depreciation and impairment					
At 1 January 2013	–	1	20	21	21
Charge for the year	–	–	2	2	2
Written back on disposals	–	–	(5)	(5)	(5)
At 31 December 2013 and 1 January 2014	–	1	17	18	18
Charge for the year	–	–	2	2	2
Written back on disposals	–	(1)	(1)	(2)	(2)
At 31 December 2014	–	–	18	18	18
Net book values					
At 31 December 2014	66	–	7	7	73
At 31 December 2013	66	1	7	8	74
Representing assets stated:					
At cost	–	–	25	25	25
At 2014 professional valuation	66	–	–	–	66
	66	–	25	25	91

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Carrying amounts of the property interests comprise:		
The Group		
Hong Kong		
Properties held on long lease	10,605	10,289
Properties held on medium term lease	3,897	3,823
Properties held on short lease	–	12
Chinese Mainland		
Properties held on long lease	71	96
Properties held on medium term lease	38,973	26,536
Properties held on short lease	1,114	1,616
	<u>54,660</u>	<u>42,372</u>
The Company		
Hong Kong		
Properties held on medium term lease	66	66
Chinese Mainland		
Properties held on medium term lease	<u>–</u>	<u>1</u>
	<u>66</u>	<u>67</u>

- A The investment properties have been valued at 31 December 2014 by DTZ Debenham Tie Leung Limited, an independent professional valuer. The valuation is determined on an existing use basis. The valuers have relied on the income capitalization approach and cross-referenced to the direct comparison method. The income capitalization rates (the unobservable input) in the range of 3.75% to 9.0% (2013: 2.5% to 9.0%) were used in the income capitalization approach.

- B** Other fixed assets mainly comprise construction in progress, plant and machinery, leasehold improvements, vessels, cold storage facilities, furniture and equipment and motor vehicles.

	Construction in progress* <i>HK\$ million</i>	Plant and machinery <i>HK\$ million</i>	Leasehold improvements <i>HK\$ million</i>	Others <i>HK\$ million</i>	Total <i>HK\$ million</i>
The Group					
Cost or valuation					
At 1 January 2013	4,535	21,255	6,576	4,050	36,416
Relating to acquisition of subsidiaries/business	274	1,319	–	150	1,743
Relating to disposal of subsidiaries/business	(2)	(7)	(1)	(3)	(13)
Additions	4,431	898	1,577	782	7,688
Disposals	(8)	(490)	(189)	(333)	(1,020)
Reclassifications	(6,067)	2,119	117	126	(3,705)
Exchange difference	104	1,781	219	137	2,241
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013 and 1 January 2014	3,267	26,875	8,299	4,909	43,350
Relating to acquisition of subsidiaries/business	–	105	–	3	108
Relating to disposal of subsidiaries/business	–	(1)	–	(1)	(2)
Relating to business injected by non-controlling interest (Note 36)	3,503	1,226	1,193	455	6,377
Additions	4,724	743	1,906	548	7,921
Disposals	(138)	(819)	(948)	(711)	(2,616)
Reclassifications	(4,485)	534	440	581	(2,930)
Exchange difference	13	(88)	(6)	(8)	(89)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	<u>6,884</u>	<u>28,575</u>	<u>10,884</u>	<u>5,776</u>	<u>52,119</u>

	Construction in progress* HK\$ million	Plant and machinery HK\$ million	Leasehold improvements HK\$ million	Others HK\$ million	Total HK\$ million
Accumulated depreciation and impairment					
At 1 January 2013	–	8,272	2,703	1,887	12,862
Relating to disposal of subsidiaries/business	–	(2)	–	(1)	(3)
Charge for the year	–	1,609	706	695	3,010
Written back on disposals	–	(369)	(136)	(275)	(780)
Impairment loss recognised	–	44	2	4	50
Reclassifications	–	(31)	(2)	15	(18)
Exchange difference	–	1,290	87	107	1,484
At 31 December 2013 and 1 January 2014	–	10,813	3,360	2,432	16,605
Relating to disposal of subsidiaries/business	–	–	–	(1)	(1)
Charge for the year	–	1,979	1,105	623	3,707
Written back on disposals	–	(536)	(908)	(665)	(2,109)
Impairment loss recognised	90	58	263	100	511
Reclassifications	–	(261)	109	182	30
Exchange difference	1	(29)	–	4	(24)
At 31 December 2014	91	12,024	3,929	2,675	18,719
Net book values					
At 31 December 2014	6,793	16,551	6,955	3,101	33,400
At 31 December 2013	3,267	16,062	4,939	2,477	26,745
Representing assets stated:					
At cost	6,884	28,575	10,884	5,776	52,119
At 2014 professional valuation	–	–	–	–	–
	6,884	28,575	10,884	5,776	52,119

* Including interests in leasehold land of HK\$1,748 million for uncompleted properties.

17. GOODWILL

HK\$ million

The Group**Cost**

At 1 January 2013	14,965
Exchange difference	328
Acquisition of subsidiaries/business	4,248
Disposal of subsidiaries/business	(96)

At 31 December 2013 and 1 January 2014	19,445
Exchange difference	(22)
Acquisition of subsidiaries/business	518
Relating to business injected by non-controlling Interest (Note 36)	2,930

At 31 December 2014	22,871
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Accumulated impairment losses

At 31 December 2013, 1 January 2014 and 31 December 2014	17
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Carrying values

At 31 December 2014	22,854
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At 31 December 2013	19,428
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The carrying amount of goodwill was allocated to the cash generating units ("CGU"), each of which represent an operating entity within the operating segments identified by the Group for the purpose of segment reporting. A segment level summary of the goodwill allocation is presented below:

	2014 HK\$ million	2013 HK\$ million
Retail	11,718	8,782
Beer	10,444	9,965
Food	663	652
Beverage	29	29

The recoverable amounts of the CGUs are determined based on a value in use calculation. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period and a discount rate of 9.2% (2013: 8.5%) per annum. Cash flows beyond the five-year period are extrapolated using the nominal growth rates stated below.

Key assumptions used for the value in use calculations:

	Nominal growth rate beyond the initial cash flow projections	
	2014	2013
Retail	8%	8%
Beer	8%	8%
Food	8%	8%
Beverage	8%	8%

18. INTERESTS IN SUBSIDIARIES

	2014 HK\$ million	2013 HK\$ million
The Company		
Unlisted shares, at cost	14,932	14,932
Amounts due from subsidiaries	13,663	11,865

Particulars of the principal subsidiaries at 31 December 2014 are set out on pages 191 to 198 of the 2014 Annual Report of the Company.

19. OTHER INTANGIBLE ASSETS

	Brand names HK\$ million	Exploitation rights HK\$ million	Total HK\$ million
The Group			
Cost			
At 1 January 2013	513	82	595
Additions	96	–	96
Acquisition of subsidiaries/business	200	–	200
Exchange difference	19	2	21
At 31 December 2013 and 1 January 2014	828	84	912
Additions	1	–	1
Acquisition of subsidiaries/business	1	–	1
Exchange difference	(4)	–	(4)
At 31 December 2014	826	84	910
Accumulated amortisation and impairment			
At 1 January 2013	291	9	300
Charge for the year	31	5	36
Impairment loss recognised	2	–	2
Exchange difference	12	–	12
At 31 December 2013 and 1 January 2014	336	14	350
Charge for the year	47	5	52
Exchange difference	(2)	–	(2)
At 31 December 2014	381	19	400
Net book values			
At 31 December 2014	445	65	510
At 31 December 2013	492	70	562

20. INTERESTS IN ASSOCIATES

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The Group		
Unlisted		
Share of net assets	216	236
Goodwill	152	152
	<u>368</u>	<u>388</u>

Particulars of the principal associate at 31 December 2014 are set out on pages 191 to 198 of the 2014 Annual Report of the Company.

The summarised financial information in respect of the Group's associates is set out below:

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Total assets	1,928	2,256
Total liabilities	(1,332)	(1,693)
Net assets	<u>596</u>	<u>563</u>
Group's share of net assets of associates	<u>216</u>	<u>236</u>
Revenue	<u>2,351</u>	<u>3,038</u>
Profit for the year	<u>50</u>	<u>65</u>
Group's share of profits of associates for the year	<u>14</u>	<u>27</u>

21. INTERESTS IN JOINT VENTURES

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The Group		
Unlisted		
Share of net assets	<u>1,014</u>	<u>–</u>

Particulars of the principal joint ventures at 31 December 2014 are set out on pages 191 to 198 of the 2014 Annual Report of the Company.

The summarised financial information in respect of the Group's joint ventures are set out below:

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Total assets	2,659	–
Total liabilities	(631)	–
Net assets	2,028	–
Group's share of net assets of joint ventures	1,014	–
Revenue	177	–
Profit for the year	(156)	–
Group's share of losses of joint venture for the year	(78)	–

22. AVAILABLE FOR SALE INVESTMENTS

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The Group		
Listed equity shares in Chinese Mainland, at fair value	25	128
Unlisted equity shares in Hong Kong	7	11
Unlisted equity shares in Chinese Mainland	1	3
	8	14
	33	142
Analysed as:		
Non-current	33	142

The fair values of investment in listed equity shares are determined with reference to quoted market bid prices.

The investments in unlisted equity shares are measured at costs less impairment at each balance sheet date. As the range of parameters for estimating the reasonable fair values is so significant, their fair values cannot be ascertained reliably.

23. PREPAYMENTS

	2014 HK\$ million	2013 HK\$ million
The Group		
Prepaid rent	285	221
Deposit payment for purchase of fixed assets	730	655
	<u>1,015</u>	<u>876</u>

24. STOCKS

	2014 HK\$ million	2013 HK\$ million
The Group		
Properties held for sale	1,294	63
Raw materials	1,886	1,707
Consumables and packing materials	7,504	7,438
Work-in-progress	602	692
Finished goods	1,569	1,487
Merchandise for resale	14,835	13,634
	<u>27,690</u>	<u>25,021</u>

25. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2014 HK\$ million	2013 HK\$ million	2014 HK\$ million	2013 HK\$ million
Trade receivables	2,351	2,308	–	–
Provision for doubtful debts	(115)	(63)	–	–
	<u>2,236</u>	<u>2,245</u>	<u>–</u>	<u>–</u>
Value-added tax recoverable	5,677	5,051	–	–
Prepayments	3,249	2,432	1	1
Deposits paid	877	1,332	–	3
Other receivables	3,162	2,658	68	24
Amounts due from subsidiaries	–	–	484	1,370
Amount due from a holding company	1,038	2,689	–	–
Amounts due from fellow subsidiaries	261	–	–	–
Amounts due from associates	23	21	–	–
Amounts due from joint ventures	32	–	–	–
	<u>16,555</u>	<u>16,428</u>	<u>553</u>	<u>1,398</u>

The Group normally trades with its customers under the following credit terms:

- (a) cash upon delivery; and
- (b) open credit from 30 to 90 days

Amount due from a holding company include an amount of HK\$1,014 million which is unsecured, bear interest at 5.04% per annum and repayable within six months from the reporting date.

Amount due from fellow subsidiaries include an amount of HK\$254 million which is unsecured, bear interest at 5.05% per annum and repayable within six months from the reporting date.

The following is the aging analysis of trade receivables at the balance sheet date:

	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
The Group		
0 – 30 days	841	1,205
31 – 60 days	400	341
61 – 90 days	220	126
> 90 days	775	573
	<u>2,236</u>	<u>2,245</u>

The fair value of the Group's and the Company's trade and other receivables at balance sheet date was approximate to the corresponding carrying amount.

Movement in the provision for doubtful debts

	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
At 1 January	63	39
Impairment losses recognised	48	25
Amounts written off as uncollectible	(10)	(5)
Acquisition of subsidiaries	13	3
Exchange difference	1	1
	<u>115</u>	<u>63</u>
At 31 December	<u>115</u>	<u>63</u>

Aging of past due but not impaired

	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
Less than 30 days past due	154	165
31 – 60 days past due	229	187
61 – 90 days past due	54	55
Over 90 days past due	182	119
	<u>619</u>	<u>526</u>

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

26. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2014	2013	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Trade payables	26,893	25,822	–	–
Receipt in advance	17,679	16,580	–	–
Accruals	12,893	10,544	23	30
Deposit received	7,758	6,900	–	–
Other payables	11,018	9,212	–	1
Amounts due to subsidiaries	–	–	1,958	6,691
Amounts due to fellow subsidiaries	16	116	–	–
Amounts due to associates	3	4	–	–
	<u>76,260</u>	<u>69,178</u>	<u>1,981</u>	<u>6,722</u>

The following is an aging analysis of trade payables at the balance sheet date:

	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
The Group		
0 – 30 days	16,557	17,919
31 – 60 days	4,227	3,787
61 – 90 days	1,671	1,406
> 90 days	<u>4,438</u>	<u>2,710</u>
	<u>26,893</u>	<u>25,822</u>

The fair value of the Group's and the Company's trade and other payables at balance sheet date was approximate to the corresponding carrying amount.

The Company's non-current portion of amount due to subsidiaries include an advance of HK\$8,740 million which is unsecured and bears interest at HIBOR plus 1.55% per annum.

27A. SHORT TERM LOANS

	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
The Group		
Current portion of long term loans		
– secured bank loans	–	38
– unsecured bank loans	7,472	2,701
– of long term obligations under finance lease	2	–
Short term bank and other loans and trust receipts		
– secured	34	34
– unsecured	<u>1,517</u>	<u>584</u>
	<u>9,025</u>	<u>3,357</u>

27B. LONG TERM LOANS

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The Group		
Secured bank loans repayable within 5 years	–	38
Unsecured bank loans repayable within 5 years	27,342	22,044
Unsecured bank loans not wholly repayable within 5 years	2	3
Obligations under finance leases repayable within 5 years	2	–
	<hr/>	<hr/>
	27,346	22,085
Current portion included in current liabilities	(7,474)	(2,739)
	<hr/>	<hr/>
	19,872	19,346
	<hr/>	<hr/>
	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The Group		
The non-current portion of long term liabilities are repayable as follows:		
Bank Loans		
After 1 year, but within 2 years	6,895	12,443
After 2 years, but within 5 years	12,975	6,900
After 5 years	2	3
	<hr/>	<hr/>
	19,872	19,346
	<hr/>	<hr/>

The aggregate amount of committed borrowing facilities available to the Group is HK\$27.11 billion. As at 31 December 2014, a sum of HK\$26.61 billion has been drawn down.

Under the terms of the agreements of the Group's unsecured bank loans repayable within five years, CRH, a holding company, is required to remain as a beneficial owner of at least 35% of the voting shares of the Company or remain as a single largest shareholder (whether directly or indirectly through its subsidiaries) of the Company.

The Group has floating rate borrowings denominated in Hong Kong Dollars, US Dollars and Renminbi with interest rates linked to HIBOR, London Inter-Bank Offer Rate ("LIBOR") and the lending rate stipulated by the People's Bank of China respectively.

The effective annual interest rates on the Group's floating rate borrowings range from mainly 0.90% to 8.52% (2013: from 0.77% to 9.18%) per annum.

28. DEFERRED TAXATION

The movement in deferred taxation assets and liabilities recognised during the year is as follows:

	Tax losses		Impairment, provision and others		Total	
	2014	2013	2014	2013	2014	2013
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	million	million	million	million	million	million
The Group						
Deferred taxation assets						
At 1 January	79	86	1,461	906	1,540	992
Credited/(Charged) to consolidated profit and loss account	121	(10)	453	519	574	509
Charged to other comprehensive income	–	–	(1)	–	(1)	–
Acquisition of subsidiaries	–	–	–	1	–	1
Relating to business injected by non-controlling interest (<i>Note 36</i>)	65	–	99	–	164	–
Exchange rate adjustment	–	3	(3)	35	(3)	38
At 31 December	<u>265</u>	<u>79</u>	<u>2,009</u>	<u>1,461</u>	<u>2,274</u>	<u>1,540</u>

Deferred taxation assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. At 31 December 2014, the Group has unrecognised tax losses of HK\$15,302 million (2013: HK\$7,203 million) which is uncertain as to whether it can be utilised to set off against future taxable income. Out of this amount, the unrecognised tax loss of HK\$14,342 million (2013: HK\$6,909 million) will expire within 5 years.

The components of deferred taxation liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

	Revaluation of investment property HK\$ million	Accelerated tax depreciation HK\$ million	Withholding tax on undistributed profits HK\$ million	Total HK\$ million
The Group				
At 1 January 2013	99	659	741	1,499
Charged to consolidated profit and loss account	9	9	10	28
Acquisition of subsidiaries	–	157	–	157
Disposal of subsidiaries	(4)	(14)	–	(18)
Charged to other comprehensive income	150	–	–	150
Exchange rate adjustment	11	4	–	15
At 31 December 2013 and 1 January 2014	<u>265</u>	<u>815</u>	<u>751</u>	<u>1,831</u>
Charged/(credited) to consolidated profit and loss account	115	(24)	10	101
Acquisition of subsidiaries	–	16	–	16
Relating to business injected by non-controlling interest (<i>Note 36</i>)	280	–	–	280
Charged to other comprehensive income	21	–	–	21
Exchange rate adjustment	(1)	(3)	–	(4)
At 31 December 2014	<u>680</u>	<u>804</u>	<u>761</u>	<u>2,245</u>

Under the Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has been provided for undistributed profits to the extent that declaration of dividends are anticipated in the foreseeable future.

The Company's deferred taxation liabilities relate to the accelerated tax depreciation of its land and building and other assets.

29. OTHER NON-CURRENT LIABILITIES

At 31 December 2014, other non-current liabilities included government grants of HK\$865 million (2013: HK\$718 million) recognized as deferred revenue and consideration payable for acquisition of subsidiaries. The government grants mainly represent subsidies granted by PRC governmental authorities towards the purchases of leasehold land.

30. SHARE CAPITAL

	2014		2013	
	Number of shares million	Nominal value HK\$ million	Number of shares million	Nominal value HK\$ million
Authorised (Note 1)				
Ordinary shares of HK\$1 each	–	–	3,000	3,000
Issued and fully paid				
At 1 January	2,403	2,403	2,401	2,401
Exercise of share options	2	14	2	2
Issue of scrip dividend shares	16	326	–	–
Transfer of share premium upon abolition of par value (Note 2)	–	12,997	–	–
At 31 December	2,421	15,740	2,403	2,403

Notes:

- Under Chapter 622 of the new Hong Kong Companies Ordinance, the concept of “authorised share capital” had been abolished.
- The Company's shares have no par value from the commencement date of Chapter 622 of the new Hong Kong Companies Ordinance (i.e. 3 March 2014).

The Company operates a share options scheme for the purpose of promoting additional commitment and dedication to the objectives of the Company by the participants (“Scheme”).

The Scheme was approved by the shareholders in general meeting on 31 January 2002, which was subsequently amended on 20 August 2004 by an ordinary resolution passed by shareholders, and expired on 31 January 2012. The Board of Directors of the Company may grant options to eligible participants including any executive or non-executive directors of the Group (or persons proposed to be appointed as such), any discretionary object of a discretionary trust established by any employee, executive or non-executive directors of the Group, any executives and employees, consultants, professional and other advisors to the Group (or persons proposed to be appointed as such), chief executive, substantial shareholder of the Company, associated companies of the Group, associates of director, chief executive and substantial shareholder of the Company, and employees of substantial shareholder and where a substantial shareholder is a company, employees of subsidiaries of a substantial shareholder.

APPENDIX II

FINANCIAL INFORMATION OF THE GROUP

Share options are generally either fully vested or vested over a period of time up to a maximum of four years after the acceptance of a grant and exercisable within a period of 10 years immediately after the date of grant.

Date of grant	Exercise price HK\$	Number of share options					Outstanding at 31/12/2014	Estimated fair value of the share option granted HK\$
		Outstanding at 1/1/2014	Granted during the year	Exercised during the year ¹	Cancelled during the year	Lapsed during the year		
The Scheme								
14/01/2004	9.72	245,000	–	95,000	–	150,000	–	–
25/05/2004	9.15	368,000	–	318,000	–	50,000	–	–
04/10/2004	10.35	1,736,000	–	1,388,000	–	348,000	–	–
		<u>2,349,000</u>	<u>–</u>	<u>1,801,000</u>	<u>–</u>	<u>548,000</u>	<u>–</u>	
Exercisable at the end of the year							<u>–</u>	
Weighted average exercise price (HK\$)		<u>10.10</u>	<u>–</u>	<u>10.11</u>	<u>–</u>	<u>10.07</u>	<u>–</u>	
Holders of the share options are analysed as follows:								
The Scheme								
Directors		290,000	–	290,000	–	–	–	
Employees		<u>2,059,000</u>	<u>–</u>	<u>1,511,000</u>	<u>–</u>	<u>548,000</u>	<u>–</u>	

Date of grant	Exercise price HK\$	Number of share options					Outstanding at 31/12/2013	Estimated fair value of the share option granted HK\$
		Outstanding at 1/1/2013	Granted during the year	Exercised during the year ¹	Cancelled during the year	Lapsed during the year		
The Scheme								
14/04/2003	6.29	4,000	-	4,000	-	-	-	-
08/10/2003	8.90	2,000	-	2,000	-	-	-	-
14/01/2004	9.72	639,000	-	394,000	-	-	245,000	-
20/04/2004	9.89	390,000	-	390,000	-	-	-	-
25/05/2004	9.15	402,000	-	34,000	-	-	368,000	-
02/06/2004	9.55	200,000	-	200,000	-	-	-	-
04/10/2004	10.35	2,566,000	-	830,000	-	-	1,736,000	-
		<u>4,203,000</u>	<u>-</u>	<u>1,854,000</u>	<u>-</u>	<u>-</u>	<u>2,349,000</u>	
Exercisable at the end of the year							<u>2,349,000</u>	
Weighted average exercise price (HK\$)		<u>10.05</u>	<u>-</u>	<u>10.00</u>	<u>-</u>	<u>-</u>	<u>10.10</u>	
Holders of the share options are analysed as follows:								
The Scheme								
Directors		490,000	-	200,000	-	-	290,000	
Employees		<u>3,713,000</u>	<u>-</u>	<u>1,654,000</u>	<u>-</u>	<u>-</u>	<u>2,059,000</u>	

Note:

- The weighted average share price at the date of exercise for share options exercised during the year was HK\$21.35 (2013: HK\$26.22).

31. RESERVES

The Group

Details of changes in reserves of the Group are set out in the consolidated statement of changes in equity on pages II-10 to II-11.

	Share premium <i>HK\$ million</i>	Employee share-based compensation reserve <i>HK\$ million</i>	Shares held for restricted incentive award scheme <i>HK\$ million</i>	Retained profits <i>HK\$ million</i>	Total <i>HK\$ million</i>
The Company					
At 1 January 2013	12,976	172	–	2,631	15,779
Shares issued at premium	16	–	–	–	16
Profit for the year	–	–	–	853	853
Purchase of shares under restricted incentive award scheme	–	–	(451)	–	(451)
Dividends	–	–	–	(673)	(673)
At 31 December 2013 and 1 January 2014	12,992	172	(451)	2,811	15,524
Shares issued at premium	5	–	–	–	5
Profit for the year	–	–	–	3,713	3,713
Purchase or sale of shares under restricted incentive award scheme	–	–	58	–	58
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance	(12,997)	–	–	–	(12,997)
Dividends	–	–	–	(602)	(602)
At 31 December 2014	–	172	(393)	5,922	5,701

Reserves of the Company available for distribution to the shareholders amounted to HK\$5,860 million (2013: HK\$2,749 million).

32. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

A Cash flows from operating activities

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Profit before taxation	1,841	5,046
Adjustments for:		
Share of net results of associates	(14)	(27)
Share of net results of joint ventures	78	–
Profit on disposal of subsidiaries/business	(12)	(1)
Profit on disposal of associates	–	(1)
Profit on disposal of available for sale investments	(147)	–
Dividend income from unlisted available for sale investments	(7)	(2)
Exchange gain	(71)	(181)
Interest income	(714)	(534)
Interest expenses	433	306
Net loss/(profit) on disposal of fixed assets	96	(174)
Impairment loss recognised on fixed assets	524	88
Impairment loss recognised on other intangible assets	–	2
Impairment loss recognised on stocks	38	183
Impairment loss recognised on associates	–	8
Depreciation	4,795	3,853
Amortisation of other intangible assets	52	36
Valuation gain on investment properties	(610)	(280)
Government grants recognised	(336)	(345)
Operating cash inflows before working capital changes	5,946	7,977
Prepayment for rental deposit	(64)	77
Changes in other stocks	479	(3,242)
Changes in trade and other receivables	2,011	(2,210)
Changes in trade and other payables	(1,983)	10,225
Cash generated from operations	6,389	12,827

B Disposal of subsidiaries/business

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Net assets disposed of:		
Fixed assets	10	184
Goodwill	–	96
Available for sales investments	–	7
Stocks	1	12
Trade and other receivables	14	53
Cash and bank balances	–	218
Trade and other payables	(13)	(65)
Tax payable	–	(3)
Deferred taxation liabilities	–	(18)
	<hr/>	<hr/>
	12	484
Non-controlling interests	(13)	(156)
Reserve released	(6)	(13)
Profit on disposal of subsidiaries/business	12	1
	<hr/>	<hr/>
	5	316
	<hr/>	<hr/>
Satisfied by:		
Cash consideration	5	316
	<hr/>	<hr/>
Analysis of the net inflow of cash and cash equivalents in respect of disposal of subsidiaries/business		
Cash considerations received	5	316
Cash and bank balances disposed of	–	(218)
	<hr/>	<hr/>
	5	98
	<hr/>	<hr/>

C Acquisition of subsidiaries/business

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
The assets acquired and liabilities recognised at the dates of acquisition:		
Fixed assets	253	3,753
Other intangible assets	1	200
Deferred taxation assets	–	1
Stocks	14	383
Trade and other receivables	–	967
Cash and bank balances	–	492
Trade and other payables	(124)	(2,327)
Short term loans	–	(219)
Tax payable	–	(1)
Long term loans	–	(68)
Other non-current liabilities	–	(6)
Deferred taxation liabilities	(16)	(157)
	<u>128</u>	<u>3,018</u>
Non-controlling interests	(6)	(13)
Goodwill on acquisition	<u>518</u>	<u>4,248</u>
	<u>640</u>	<u>7,253</u>
Discharged by:		
Cash	340	5,339
Balance of consideration payable	<u>300</u>	<u>1,914</u>
	<u>640</u>	<u>7,253</u>
Analysis of the net outflow of cash and cash equivalents in respect of acquisition of subsidiaries/business's undertaking		
Cash consideration paid	(340)	(5,339)
Cash and bank balances acquired	<u>–</u>	<u>492</u>
	<u>(340)</u>	<u>(4,847)</u>

In 2013, the group acquired Kingway Brewery's business in relation to beer production, distribution and sales. The accounting of the acquisition completed during the year, goodwill arising from the acquisition amounting to HK\$4,292 million in total was recognised.

33. CAPITAL COMMITMENTS

	The Group		The Company	
	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Capital commitments outstanding at the balance sheet date are as follows:				
Contracted but not provided for (<i>Note</i>)	16,935	11,048	–	–
Authorised but not contracted for	<u>4,423</u>	<u>3,150</u>	<u>–</u>	<u>–</u>
	<u>21,358</u>	<u>14,198</u>	<u>–</u>	<u>–</u>

Note: Including contractual commitments for the acquisition of fixed assets of HK\$16,799 million (2013: HK\$9,925 million).

34. OPERATING LEASE COMMITMENTS

A As lessee

	The Group		The Company	
	2014	2013	2014	2013
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At the balance sheet date, the total future minimum lease payments under noncancellable operating leases are payable as follows:				
– Within one year	6,273	4,540	–	4
– In the second to fifth year inclusive	29,051	15,154	–	–
– After five years	21,115	29,484	–	–
	<u>56,439</u>	<u>49,178</u>	<u>–</u>	<u>4</u>

Operating lease payment represents rental payable by the Group for certain of its retail outlets and properties. Leases are negotiated for lease terms principally ranged from 1 to 20 years. The operating lease rentals of certain retail outlets are based on the higher of a minimum guaranteed rental or a sales level based rental of the relevant rental outlets. The minimum guaranteed rental has been used to arrive at the above commitments.

B As lessor

	The Group		The Company	
	2014	2013	2014	2013
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At the balance sheet date, the total future minimum lease payments under noncancellable operating leases are receivable as follows:				
– Within one year	1,660	1,325	1	1
– In the second to fifth year inclusive	3,105	2,355	–	–
– After five years	703	642	–	–
	<u>5,468</u>	<u>4,322</u>	<u>1</u>	<u>1</u>

These properties and retail outlets have committed tenants for lease terms principally ranged from 1 to 20 years.

35. CONTINGENT LIABILITIES

	The Group		The Company	
	2014	2013	2014	2013
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At the balance sheet date, there were contingent liabilities in respect of guarantees for banks loans provided to subsidiaries	–	–	17,121	12,953

36. FORMATION OF JOINT VENTURE WITH TESCO PLC

During the year, a subsidiary of the Group principally engaged in multi-category retailing business issued 20% of its total share capital on a fully diluted basis to a subsidiary of Tesco PLC (“Tesco”) for a total consideration of cash amounting to HK\$4.3 billion and injection of the retail business and real estate properties business operated by Tesco in PRC (“Injected Business”). This transaction constitutes a partial disposal of the Group’s multi-category retailing business (“Partial Disposal”) and upon completion of the formation of joint venture in May 2014 (the “Formation of Joint Venture”), the Group owns 80% interest in the joint venture.

Pursuant to the investment agreement, the non-controlling interest shall have the right to subscribe for additional shares in the joint venture, so that the total interest in the joint venture held by the non-controlling interest will increase by 5% (on a fully diluted basis) upon the earlier of the listing of the joint venture or the fifth anniversary of completion. The non-controlling interests shall have the right to cause the Group to purchase all the 20% equity interest at fair market value if certain events were to occur.

The total consideration of HK\$10.4 billion was arrived at after arm’s length negotiation between the Group and Tesco, after taking into accounts the estimated relative business values of the multi-category retailing business operated by the Group and the Injected Business operated by Tesco. Goodwill arising from the Formation of Joint Venture amounting to HK\$2.9 billion was attributable to the synergies expected to be arisen from the combination of the Group’s multi-category retailing business and the Injected Business. There are adjustments to the goodwill and net asset values acquired related to the Formation of Joint Venture as compared with amounts disclosed in the 2014 interim financial information, which was previously determined on a provisional basis. The adjustments are mainly related to the fixed assets of HK\$1.2 billion and other assets and liabilities of approximately HK\$0.2 billion.

Upon the completion of the Partial Disposal, non-controlling interests amounting to HK\$5.0 billion was recognised. The difference between the non-controlling interest recognised and the fair value of the total consideration received, and after considering the release of exchange reserve and the deduction of transaction costs incurred, amounting to HK\$5.5 billion was recognised directly in equity.

Pursuant to the investment agreement, the Group acquired the remaining 50% equity interest in several real estate properties joint ventures at a cash consideration of HK\$1.7 billion in December 2014 (the “Subsequent Acquisition”). Accordingly, those real estate properties joint ventures are now accounted for as subsidiaries of the Group.

Identifiable assets and liabilities recognised at the date of Formation of Joint Venture and the Subsequent Acquisition are as follows:

	<i>HK\$ million</i>
Fixed assets	15,317
Interest in joint ventures	1,429
Other assets	6,229
Cash and bank balances, including cash consideration received	5,291
Cash consideration receivable	1,000
Borrowings	(7,177)
Trade payable	(3,469)
Receipt in advance	(1,925)
Other liabilities	(7,499)
	<hr/>
Net assets value acquired	9,196
	<hr/>

The turnover contributed by the Injected Business to the consolidated profit and loss account since 28 May 2014 was HK\$10,981 million. The Injected Business also contributed loss of HK\$906 million to the Group's loss attributable to shareholders of the Company over the same period.

37. MATERIAL RELATED PARTY TRANSACTIONS

- A Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

	2014 <i>HK\$ million</i>	2013 <i>HK\$ million</i>
Purchase of goods from		
Fellow subsidiaries	1,100	885
Associates	112	88
Receipt of services from		
Fellow subsidiaries	79	42
Associates	20	20
Sales of goods to		
A holding company	1	15
Fellow subsidiaries	13	14
Rendering of services to		
Fellow subsidiaries	13	3
Associates	9	9
Operating lease payment to		
Fellow subsidiaries	110	96
Associates	–	2
Interest received from		
A holding company	98	91
A fellow subsidiary	25	47
Interest paid to		
A holding company	4	–
A fellow subsidiary	2	–
Transaction under godown management agreement and facilities management		
Receipt of service fee from		
A holding company	98	87
Fellow subsidiaries	86	77
Payment of monthly fee to		
A holding company	9	9
Fellow subsidiaries	27	27

Cash and bank balances or pledged bank deposits included deposits of HK\$252 million (2013: HK\$1,668 million) made by the Group to China Resources Bank of Zhuhai Co., Ltd.

The above transactions also constitute continuing connected transactions under the Listing Rules and with respect to which the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

B Transactions/balances with other state-controlled entities in Chinese Mainland

The Group itself is a part of a larger group of companies under CRNC which is controlled by the PRC government. Apart from the transactions with CRNC group and the associates of the Group, it also conducts businesses with entities directly or indirectly owned or controlled by the PRC government in the ordinary course of business. The directors are of the opinion that those entities other than the CRNC group do not have the power to govern or participate in the financial and operating policies of the Group. The transactions including sales and purchases of goods and services and bank deposits and corresponding interest income, with these entities are conducted in the ordinary course of the Group's business. The Group believes that it has provided, at the best of its knowledge, adequate and appropriate disclosure of related party transactions as summarised above.

C Compensation of key management personnel

Remuneration paid for key management personnel other than directors or the five highest paid employees are as follows:

	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
Basis salaries and allowances	3.75	–
Providend fund contribution	0.23	–
Bonus	1.22	–
	<hr/>	<hr/>
	5.20	–
	<hr/>	<hr/>

38. APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 113 to 198 of the 2014 Annual Report of the Company were approved by the Board of Directors on 20 March 2015."

3. UNAUDITED FINANCIAL INFORMATION OF THE GROUP FOR THE SIX MONTHS ENDED 30 JUNE 2015

The following financial information is extracted from the interim report of the Company for the six months ended 30 June 2015:

“CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the six months ended 30 June 2015

		For the six months ended 30 June	
		2015 (Unaudited) HK\$ million	2014 (Unaudited) HK\$ million
	Notes		
Continuing operations			
Turnover	2	19,609	18,475
Cost of sales		(13,037)	(11,844)
Gross profit		6,572	6,631
Other income	3	421	387
Selling and distribution expenses		(3,631)	(3,973)
General and administrative expenses		(1,774)	(1,638)
Finance costs	4	(92)	(127)
Profit before taxation		1,496	1,280
Taxation	5	(438)	(463)
Profit for the period from continuing operations	6	1,058	817
Discontinued operations			
(Loss)/profit for the period from discontinued operations	8	(5,444)	639
		(4,386)	1,456
Attributable to:			
Shareholders of the Company		(4,327)	929
Non-controlling interests		(59)	527
		(4,386)	1,456
Earnings per share	9		
From continuing and discontinued operations			
Basic		HK\$(1.79)	HK\$0.39
Diluted		HK\$(1.79)	HK\$0.39
From continuing operations			
Basic		HK\$0.22	HK\$0.17
Diluted		HK\$0.22	HK\$0.17

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	For the six months ended 30	
	2015	June
	(Unaudited)	(Unaudited)
	HK\$ million	HK\$ million
(Loss)/profit for the period	(4,386)	1,456
Other comprehensive income/ (expenses):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	11	(470)
Fair value adjustment on available for sale investments	4	8
Reclassification adjustments:		
– release of valuation reserve upon disposal of available for sale investments	(7)	–
– release of exchange differences upon disposal of subsidiaries	–	(6)
Other comprehensive income/(expenses) for the period, net of tax	8	(468)
Total comprehensive (expenses)/ income for the period	(4,378)	988
Attributable to:		
Shareholders of the Company	(4,326)	609
Non-controlling interests	(52)	379
	(4,378)	988
Total comprehensive (expenses)/ income for the period attributable to shareholders of the Company arising from:		
Continuing operations	531	267
Discontinued operations	(4,857)	342
	(4,326)	609

CONDENSED CONSOLIDATED BALANCE SHEET

For the six months ended 30 June 2015

		At 30 June 2015 (Unaudited) HK\$ million	At 31 December 2014 (Audited) HK\$ million
	Notes		
Non-current assets			
Fixed assets			
– Investment properties	10	–	21,105
– Interests in leasehold land held for own use under operating leases	10	3,921	10,653
– Other property, plant and equipment	10	22,600	56,302
Goodwill		10,447	22,854
Other intangible assets		261	510
Interests in associates		–	368
Interests in joint ventures		–	1,014
Available for sale investments		16	33
Prepayments		350	1,015
Deferred taxation assets		1,717	2,274
		<u>39,312</u>	<u>116,128</u>
Current assets			
Stocks		9,170	27,690
Trade and other receivables	11	1,952	16,555
Taxation recoverable		72	157
Pledged bank deposits		152	187
Cash and bank balances		8,112	20,647
		<u>19,458</u>	<u>65,236</u>
Assets classified as held for sale	8	115,314	–
		<u>134,772</u>	<u>65,236</u>
Current liabilities			
Trade and other payables	12	(24,311)	(76,260)
Short term loans		(4,050)	(9,025)
Taxation payable		(190)	(1,069)
		<u>(28,551)</u>	<u>(86,354)</u>
Liabilities associated with assets classified as held for sale	8	(76,172)	–
		<u>(104,723)</u>	<u>(86,354)</u>
Net current assets/(liabilities)		<u>30,049</u>	<u>(21,118)</u>
Total assets less current liabilities		<u>69,361</u>	<u>95,010</u>

		At 30 June 2015 (Unaudited) <i>HK\$ million</i>	At 31 December 2014 (Audited) <i>HK\$ million</i>
	<i>Notes</i>		
Non-current liabilities			
Long term loans		(5,082)	(19,872)
Deferred taxation liabilities		(414)	(2,245)
Other non-current liabilities		(744)	(3,270)
		<u>(6,240)</u>	<u>(25,387)</u>
		<u>63,121</u>	<u>69,623</u>
Capital and reserves			
Share capital	13	15,740	15,740
Reserves		<u>28,337</u>	<u>33,007</u>
Equity attributable to shareholders of the Company		44,077	48,747
Non-controlling interests		<u>19,044</u>	<u>20,876</u>
Total equity		<u>63,121</u>	<u>69,623</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT*For the six months ended 30 June 2015*

	For the six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	<i>HK\$ million</i>	<i>HK\$ million</i>
Net cash from operating activities	<u>7,400</u>	<u>3,936</u>
Cash flows from investing activities		
Acquisition of subsidiaries	20	(463)
Net proceeds from formation of joint venture	1,000	5,252
Purchase of fixed assets and deposits paid for purchase of fixed assets	(4,320)	(3,668)
Other investing cash inflows, net	<u>1,318</u>	<u>2,597</u>
Net cash (used in)/from investing activities	<u>(1,982)</u>	<u>3,718</u>
Cash flows from financing activities		
Net cash outflow from bank and other borrowings	(2,012)	(1,573)
Purchase of additional interests in subsidiaries	(7)	(9)
Dividend paid	(1,861)	(27)
Purchase or sale of share under restricted incentive award scheme	12	(65)
Other financing cash outflows, net	<u>(273)</u>	<u>(182)</u>
Net cash used in financing activities	<u>(4,141)</u>	<u>(1,856)</u>
Net increase in cash and cash equivalents	1,277	5,798
Effect of foreign exchange rate changes	25	(172)
Reclassified to assets classified as held for sale	(13,837)	–
Cash and cash equivalents at 1 January	<u>20,647</u>	<u>21,200</u>
Cash and cash equivalents at 30 June	<u><u>8,112</u></u>	<u><u>26,826</u></u>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	<u><u>8,112</u></u>	<u><u>26,826</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Equity attributable to shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Valuation reserve	Employee share-based compensation reserve	Exchange reserve	Shares held for restricted incentive award scheme	Retained profits	Total		
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2015	15,740	1,864	172	4,083	(393)	27,281	48,747	20,876	69,623
Exchange differences on translating foreign operations	-	-	-	5	-	-	5	6	11
Fair value adjustment on available for sale investments	-	3	-	-	-	-	3	1	4
Release of revaluation reserve upon disposal of available for sales investments	-	(7)	-	-	-	-	(7)	-	(7)
Loss for the period	-	-	-	-	-	(4,327)	(4,327)	(59)	(4,386)
Total comprehensive expenses for the period	-	(4)	-	5	-	(4,327)	(4,326)	(52)	(4,378)
Disposal of partial interest in subsidiaries	-	-	-	-	-	31	31	88	119
Purchase of additional interest in subsidiaries	-	-	-	-	-	-	-	(7)	(7)
Sale of shares under restricted incentive award scheme	-	-	-	-	12	-	12	-	12
Dividends	-	-	-	-	-	(387)	(387)	(1,861)	(2,248)
	-	(4)	-	5	12	(4,683)	(4,670)	(1,832)	(6,502)
At 30 June 2015	15,740	1,860	172	4,088	(381)	22,598	44,077	19,044	63,121

APPENDIX II

FINANCIAL INFORMATION OF THE GROUP

	Equity attributable to shareholders of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Valuation reserve	Employee share-based compensation reserve	Exchange reserve	Shares held for restricted incentive award scheme	Retained profits	Total	
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
At 1 January 2014	2,403	12,992	1,848	172	4,564	(451)	22,545	44,073	59,611
Exchange differences on translating foreign operations	-	-	-	-	(322)	-	-	(322)	(470)
Fair value adjustment on available for sale investments	-	-	8	-	-	-	-	8	8
Release of exchange differences upon disposal of subsidiaries	-	-	-	-	(6)	-	-	(6)	(6)
Profit for the period	-	-	-	-	-	-	929	929	1,456
Total comprehensive income for the period	-	-	8	-	(328)	-	929	609	988
Shares issued at premium	1	5	-	-	-	-	-	6	6
Disposal of partial interest in subsidiaries	-	-	-	-	(373)	-	6,424	6,051	11,282
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(13)
Acquisition of subsidiaries or purchase of additional interest in subsidiaries	-	-	-	-	-	-	1	1	(3)
Purchase or sale of shares under restricted incentive award scheme	-	-	-	-	-	(65)	-	(65)	(65)
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance	12,997	(12,997)	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(337)	(337)	(364)
Shares to be issued in lieu of scrip dividend	-	-	-	-	-	-	180	180	180
	12,998	(12,992)	8	-	(701)	(65)	7,197	6,445	12,012
At 30 June 2014	15,401	-	1,856	172	3,863	(516)	29,742	50,518	71,623

Note: In 2014, the Group disposed its 20% interests in multi-category retailing business for a total consideration of cash amounting to HK\$4.3 billion and injection of the retail business and real estate properties business operated by Tesco PLC in PRC. Pursuant to the investment agreement, the non-controlling interest shall have the right to subscribe for additional shares in the joint venture, so that the total interest in the joint venture held by the non-controlling interest will increase by 5% (on a fully diluted basis) upon the earlier of the listing of the joint venture or the fifth anniversary of completion. The non-controlling interest shall have the right to cause the Group to purchase all the 20% equity interest at fair market value if certain events were occur.

In 2011, the Group disposed of its 40% interest in beverage business for a net cash consideration of approximately HK\$3.2 billion. Pursuant to the shareholders agreement, the non-controlling interest shall have the right to cause the Group to purchase all the 40% equity interest at fair market value upon the eighth anniversary or the thirteenth anniversary of the date of the agreement.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL

A. Independent review

The interim results for the half-year ended 30 June 2015 are unaudited and have been reviewed by the Company's Audit Committee.

B. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2015 ("interim financial information") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting".

On 4 May 2015, the Company entered into a sale and purchase agreement (as supplemented by a supplemental agreement dated 17 June 2015) (the "Sale and Purchase Agreements") with China Resources (Holdings) Company Limited ("CRH"), pursuant to which the Company agreed to sell and CRH agreed to purchase all of the non-beer businesses of the Group (the "Disposal") at a total consideration of HK\$30 billion. CRH is a connected person of the Company and the Disposal constitutes a connected transaction of the Company pursuant to Chapter 14A of the Listing Rules. The completion of the Disposal is subject to conditions precedent, including the approval of the independent shareholders. The resolution approving the aforesaid transaction was duly passed by shareholders of the Group by way of poll at the Company's extraordinary general meeting held on 3 August 2015. As such the completion of the disposal will take place according to the terms of the Sale and Purchase Agreements. The Disposal was treated as discontinued operation in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" in the interim financial information. The financial results of the non-beer business were presented as discontinued operations and prior period comparatives have been represented accordingly.

C. Principal accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2014 except for the adoption of certain new and revised standards, amendments and interpretations (new "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning 1 January 2015, and the accounting policies for discontinued operations and disposal group held for sale as set out in below.

The adoption of these new HKFRSs has had no material effects on the results and financial positions of the Group for the current and prior accounting periods. Accordingly, no prior period adjustments are required.

The Group has not early applied the new standards, amendments and interpretation that have been issued by the HKICPA but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised standards and amendments but is not yet in a position to determine whether these new and revised standards and amendments would have a material impact on its results of operations and financial position.

D. Accounting policies for discontinued operations and disposal group held for sale

A discontinued operation is a component of the group's business, the operations and cash flows of which can be clearly distinguished from the rest of the group and which represents a separate major line of business or geographic area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount is presented in the income statement, which comprises the post-tax profit or loss of the discontinued operation and the

post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The non-current assets (except for certain assets as explained below), (or disposal groups), are stated at the lower of carrying amount and fair value less costs to sell. Deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries and associates) and investment properties, which are classified as held for sale, would continue to be measured in accordance with the policies set out in annual financial statements for the year ended 31 December 2014.

2. TURNOVER AND SEGMENT INFORMATION

Operating segments

	Continuing Operations		Discontinued operations						
	Beer	Sub-total	Retail	Food	Beverage	Elimination	Sub-total	Elimination	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
For the six months ended 30 June 2015									
Turnover									
External sales	19,513	19,513	61,131	7,751	6,265	–	75,147	–	94,660
Inter-segment sales ¹	96	96	15	729	42	(786)	–	(96)	–
Total	19,609	19,609	61,146	8,480	6,307	(786)	75,147	(96)	94,660
Segment result ²	1,507	1,507	(2,838)	74	451		(2,313)		(806)
Unallocated corporate expenses		(11)					(93)		(104)
Interest income		92					140		232
Finance costs		(92)					(194)		(286)
Loss on re-measurement of disposal group ⁴		–					(2,222)		(2,222)
Profit/(loss) before taxation		1,496					(4,682)		(3,186)
Taxation		(438)					(762)		(1,200)
Profit/(loss) for the period		1,058					(5,444)		(4,386)
Other information									
Additions to non-current assets	1,314	1,314	1,844	266	306		2,416		3,730
Depreciation and amortisation	1,109	1,109	1,485	149	96		1,730		2,839
Impairment loss recognised	12	12	3,133 ³	–	–		3,133		3,145

APPENDIX II

FINANCIAL INFORMATION OF THE GROUP

	Continuing Operations		Discontinued operations						Total
	Beer HK\$ million	Sub-total HK\$ million	Retail HK\$ million	Food HK\$ million	Beverage HK\$ million	Elimination HK\$ million	Sub-total HK\$ million	Elimination HK\$ million	
For the six months ended 30 June 2014									
Turnover									
External sales	18,425	18,425	52,532	7,526	5,023	–	65,081	–	83,506
Inter-segment sales ¹	50	50	57	509	34	(600)	–	(50)	–
Total	<u>18,475</u>	<u>18,475</u>	<u>52,589</u>	<u>8,035</u>	<u>5,057</u>	<u>(600)</u>	<u>65,081</u>	<u>(50)</u>	<u>83,506</u>
Segment result²	<u>1,291</u>	<u>1,291</u>	<u>1,122</u>	<u>50</u>	<u>142</u>		<u>1,314</u>		<u>2,605</u>
Unallocated corporate expenses		(11)					(92)		(103)
Interest income		127					188		315
Finance costs		<u>(127)</u>					<u>(193)</u>		<u>(320)</u>
Profit before taxation		1,280					1,217		2,497
Taxation		<u>(463)</u>					<u>(578)</u>		<u>(1,041)</u>
Profit for the period		<u>817</u>					<u>639</u>		<u>1,456</u>
Other information									
Additions to non-current assets	953	953	14,663	223	364		15,250		16,203
Depreciation and amortisation	999	999	1,031	118	71		1,220		2,219
Impairment loss recognised	<u>–</u>	<u>–</u>	<u>21</u>	<u>–</u>	<u>–</u>		<u>21</u>		<u>21</u>

Notes:

1. Inter-segment sales were charged at prevailing market rates.
2. Segment result represents earnings before interest income, finance costs and taxation.
3. The Group's retail segment had made an impairment on goodwill amounting to HK\$2,518 million, following management's assessment of its performance as a results of challenging environment of industry and keen competition.
4. The Group has recognised a loss of HK\$2,222 million in relation to the re-measurement of disposal group to the fair value less cost to sell.

An analysis of the Group's assets by operating segments is set out below:

	Retail* <i>HK\$ million</i>	Beer <i>HK\$ million</i>	Food* <i>HK\$ million</i>	Beverage* <i>HK\$ million</i>	Total <i>HK\$ million</i>
As at 30 June 2015					
ASSETS					
Segment assets	97,207	50,314	19,898	4,404	171,823
Deferred taxation assets					2,302
Taxation recoverable					93
Unallocated corporate assets					2,088
Loss on re-measurement of disposal group					(2,222)
Consolidated total assets					174,084
As at 31 December 2014					
ASSETS					
Segment assets	102,966	54,186	12,961	3,423	173,536
Deferred taxation assets					2,274
Taxation recoverable					157
Unallocated corporate assets					5,397
Consolidated total assets					181,364

* These segments are disposal group classified as held for sale, details are set out in Note 8.

3. OTHER INCOME

	Six months ended 30 June	
	2015	2014
	<i>HK\$ million</i>	<i>HK\$ million</i>
Other income includes the following:		
Continuing operations		
Interest income	92	127

4. FINANCE COSTS

	Six months ended 30 June	
	2015	2014
	HK\$ million	HK\$ million
Continuing operations		
Interest on bank loans and other loans wholly repayable within five years	69	73
Financing charges (including exchange gain or loss)	27	56
	<u>96</u>	<u>129</u>
Less: Amount capitalised in cost of qualifying assets	(4)	(2)
	<u>92</u>	<u>127</u>

5. TAXATION

	Six months ended 30 June	
	2015	2014
	HK\$ million	HK\$ million
Continuing operations		
Current taxation		
Chinese Mainland	637	453
Deferred taxation		
Chinese Mainland	(199)	10
	<u>438</u>	<u>463</u>

Hong Kong Profits Tax is calculated at 16.5% (2014: 16.5%) on the estimated assessable profits for the period.

Chinese Mainland income tax has been provided for based on the estimated assessable profits in accordance with the relevant tax laws applicable to the subsidiaries in the Chinese Mainland. Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

6. (LOSS)/PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2015	2014
	HK\$ million	HK\$ million
(Loss)/profit for the period has been arrived at after charging:		
Continuing operations		
Depreciation		
– Owned assets	1,094	984
Amortisation of other intangible assets	15	15
Impairment loss recognised on		
– Fixed assets	2	–
– Stocks	10	–
Cost of goods sold	13,037	11,844
Loss on disposal of fixed assets	7	4
	<u>13,138</u>	<u>12,853</u>

7. DIVIDENDS

	Six months ended 30 June	
	2015	2014
	HK\$ million	HK\$ million
Final dividend declared and approved for 2014 of HK\$0.16 (2014: HK\$0.14 for 2013) per ordinary share (<i>Note (a)</i>)	387	337

(a) At the board meeting held on 20 March 2015, the directors proposed a final dividend of HK\$0.16 per ordinary share for the year ended 31 December 2014 in cash form, with an option to receive new and fully paid shares of the Company in lieu of cash. Such proposal was subsequently approved by shareholders on 29 May 2015.

(b) At the board meeting held on 21 August 2015, the directors did not recommend the payment of interim dividend (2014: interim dividend of HK\$0.11 per ordinary share).

8. DISCONTINUED OPERATIONS/DISPOSAL GROUP HELD FOR SALE

On 4 May 2015, the Company entered into a sale and purchase agreement (as supplemented by a supplemental agreement dated 17 June 2015) (the "Sale and Purchase Agreements") with China Resources (Holdings) Company Limited ("CRH"), pursuant to which the Company agreed to sell and CRH agreed to purchase all of the non-beer businesses of the Group (the "Disposal") at a total consideration of HK\$30 billion. The completion of the Disposal is subject to conditions precedent, including the approval of the independent shareholders.

The results of the discontinued operations included in the condensed consolidated profit and loss account are set out below:

	For the six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$ million	HK\$ million
(Loss)/profit for the period from discontinued operations		
Revenue	75,848	66,095
Expense	(80,526)	(64,856)
Share of net results of associates	(3)	1
Share of net results of joint ventures	(1)	(23)
	<u>(4,682)</u>	<u>1,217</u>
(Loss)/profit before taxation	(4,682)	1,217
Taxation	(762)	(578)
	<u>(5,444)</u>	<u>639</u>
(Loss)/profit after taxation	(5,444)	639
 (Loss)/profit for the year attributable to:		
Shareholders of the Company	(4,855)	523
Non-controlling interests	(589)	116
	<u>(5,444)</u>	<u>639</u>
 Equity attributable to:		
Shareholders of the Company	32,241	–
Non-controlling interests	6,901	–
	<u>39,142</u>	<u>–</u>
Net assets of discontinued operations transferred	39,142	–

	For the six months ended 30 June	
	2015	2014
	(Unaudited) HK\$ million	(Unaudited) HK\$ million
The analysis of the cash flows of discontinued operations is as follow:		
Net cash from/(used in) operating activities	1,927	(715)
Net cash from investing activities	3,213	2,458
Net cash (used in)/from financing activities	(5,923)	1,252
	<hr/>	<hr/>
Net cash flows	(783)	2,995
	<hr/>	<hr/>

The major classes of assets and liabilities classified as held for sale as at 30 June 2015, which have been presented separately in the condensed consolidated balance sheet, are as follow:

	At 30 June 2015 HK\$ million
Fixed assets	62,218
Goodwill	7,673
Other intangible assets	224
Interests in associates	337
Interests in joint ventures	1,013
Available for sale investments	5
Prepayments	725
Deferred taxation assets	585
Stocks	15,509
Trade and other receivables	12,732
Taxation recoverable	21
Pledged bank deposits	435
Cash and bank balances	13,837
	<hr/>
Total assets classified as held for sale	115,314
	<hr/>
Trade and other payables	(54,378)
Short term loans	(7,077)
Taxation payable	(807)
Long term loans	(10,672)
Deferred taxation liabilities	(1,724)
Other non-current liabilities	(1,514)
	<hr/>
Total liabilities associated with assets classified as held for sale	(76,172)
	<hr/>

The cumulative income or expenses recognised in other comprehensive income relating to the disposal group classified as held for sale are as follows:

	At 30 June 2015	
	<i>HK\$ million</i>	
Exchange differences on translating foreign operations	2,236	
Fair value adjustments on available for sale investments	5	
Surplus on revaluation of properties	1,851	
	<u>4,092</u>	
	<u><u>4,092</u></u>	
	Six months ended 30 June	
	2015	2014
	<i>HK\$ million</i>	<i>HK\$ million</i>
Other income of discontinued operations includes the following:		
Interest income	140	188
Valuation gain on investment properties	<u>107</u>	<u>259</u>
Finance costs of discontinued operations		
Interest on bank loans and other loans wholly repayable within five years	187	138
Financing charges (including exchange gain or loss)	<u>7</u>	<u>55</u>
	<u>194</u>	<u>193</u>
Taxation of discontinued operations		
Current taxation		
Hong Kong	98	89
Chinese Mainland	<u>602</u>	<u>515</u>
	700	604
Deferred taxation		
Hong Kong	(2)	(3)
Chinese Mainland	<u>64</u>	<u>(23)</u>
	<u>762</u>	<u>578</u>
	<u><u>762</u></u>	<u><u>578</u></u>

	Six months ended 30 June	
	2015	2014
	HK\$ million	HK\$ million
(Loss)/profit for the period of discontinued operations has been arrived at after charging:		
Depreciation		
– Owned assets	1,720	1,209
Amortisation of other intangible assets	10	11
Impairment loss recognised on		
– Fixed assets	382	–
– Goodwill (<i>Note 1</i>)	2,518	–
– Stocks	233	21
Loss on re-measurement of disposal group (<i>Note 2</i>)	2,222	–
Cost of goods sold	56,665	50,105
Loss on disposal of fixed assets	32	34
	<u> </u>	<u> </u>

Notes:

1. Impairment loss on goodwill relates to the impairment of a cash generating unit under retail segment, following management's assessment of its performance as a result of challenging environment of industry and keen competition.
2. The Group has recognised a loss of HK\$2,222 million in relation to the re-measurement of disposal group to the fair value less cost to sell.

9. EARNINGS PER SHARE

	Six months ended 30 June	
	2015	2014
	HK\$ million	HK\$ million
For continuing and discontinued operations		
The calculation of the basic and diluted earnings per share is based on the following data:		
Earnings		
(Loss)/profit attributable to shareholders of the Company for the purposes of calculating basic and diluted earnings per share	(4,327)	929
	<u> </u>	<u> </u>
	2015	2014
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	2,421,365,364	2,403,754,753
Effect of dilutive potential ordinary shares		
– Share options	–	1,067,058
	<u> </u>	<u> </u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	2,421,365,364	2,404,821,811
	<u> </u>	<u> </u>

Six months ended 30 June
2015 **2014**
HK\$ million *HK\$ million*

For continuing operations

The calculation of the basic and diluted earnings per share is based on the following data:

Earnings

(Loss)/profit attributable to shareholders of the Company for the purposes of calculating basic and diluted earnings per share	(4,327)	929
Less: Loss/(profit) attributable to shareholders of the company from discontinued operations	4,855	(523)

Profit attributable to shareholders of the Company for the purpose of calculating basic and diluted earnings per share from continuing operations

528 406

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

For discontinued operations

Basic earnings per share and diluted earnings per share for the discontinued operations are HK\$(2.01) per share (2014: HK\$0.22 per share) and HK\$(2.01) per share (2014: HK\$0.22 per share) respectively, based on the loss attributable to shareholders of the Company from the discontinued operations of HK\$4,855 million (2014: profit HK\$523 million) and the denominators detailed above for both basic and diluted earnings per share.

10. FIXED ASSETS

	Investment properties <i>HK\$ million</i>	Interests in leasehold land held for own use under operating leases <i>HK\$ million</i>	Other property, plant and equipment			
			Buildings held for own use <i>HK\$ million</i>	Other fixed assets <i>HK\$ million</i>	Sub-total <i>HK\$ million</i>	Total <i>HK\$ million</i>
Net book values/Fair values						
At 1 January 2015	21,105	10,653	22,902	33,400	56,302	88,060
Relating to acquisition of subsidiaries	–	–	76	118	194	194
Additions	1	93	206	3,398	3,604	3,698
Disposals	–	(1)	(13)	(128)	(141)	(142)
Depreciation	–	(145)	(492)	(2,177)	(2,669)	(2,814)
Adjustment on valuation	107	–	–	–	–	107
Impairment loss recognised	–	–	–	(384)	(384)	(384)
Exchange difference	4	7	6	3	9	20
Reclassifications	–	2,007	323	(2,330)	(2,007)	–
Reclassified to assets classified as held for sale	(21,217)	(8,693)	(14,672)	(17,636)	(32,308)	(62,218)
At 30 June 2015	–	3,921	8,336	14,264	22,600	26,521

The investment properties have been valued at 30 June 2015 by DTZ Debenham Tie Leung Limited, an independent professional valuer. The valuation is determined on an existing use basis. The valuers have relied on the income capitalization approach and cross-referenced to the direct comparison method.

Other fixed assets mainly comprise construction in progress, plant and machinery, leasehold improvements, vessels, cold storage facilities, furniture and equipment and motor vehicles.

	Construction in progress <i>HK\$ million</i>	Plant and machinery <i>HK\$ million</i>	Leasehold improvements <i>HK\$ million</i>	Others <i>HK\$ million</i>	Total <i>HK\$ million</i>
Net book values					
At 1 January 2015	6,793	16,551	6,955	3,101	33,400
Relating to acquisition of subsidiaries	–	111	–	7	118
Additions	2,229	277	473	419	3,398
Disposals	(7)	(87)	(3)	(31)	(128)
Depreciation	–	(1,034)	(636)	(507)	(2,177)
Impairment loss recognised	(91)	(2)	(291)	–	(384)
Exchange difference	(4)	3	3	1	3
Reclassifications	(3,769)	1,279	49	111	(2,330)
Reclassified to assets classified as held for sale	<u>(3,984)</u>	<u>(4,462)</u>	<u>(6,550)</u>	<u>(2,640)</u>	<u>(17,636)</u>
At 30 June 2015	<u>1,167</u>	<u>12,636</u>	<u>–</u>	<u>461</u>	<u>14,264</u>

11. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables and their aging analysis is as follows:

	At 30 June 2015 <i>HK\$ million</i>	At 31 December 2014 <i>HK\$ million</i>
0 – 30 days	457	841
31 – 60 days	139	400
61 – 90 days	62	220
> 90 days	<u>318</u>	<u>775</u>
	<u>976</u>	<u>2,236</u>

The Group normally trades with its customers under the following credit terms:

- (a) cash upon delivery; or
- (b) open credit from 30 to 90 days.

12. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables and their aging analysis is as follows:

	At 30 June 2015 <i>HK\$ million</i>	At 31 December 2014 <i>HK\$ million</i>
0 – 30 days	3,259	16,557
31 – 60 days	91	4,227
61 – 90 days	35	1,671
> 90 days	125	4,438
	<u>3,510</u>	<u>26,893</u>

13. SHARE CAPITAL

	At 30 June 2015		At 31 December 2014	
	Number of shares <i>million</i>	Nominal value <i>HK\$ million</i>	Number of shares <i>million</i>	Nominal value <i>HK\$ million</i>
Issued and fully paid				
At 1 January	2,421	15,740	2,403	2,403
Exercise of share options	–	–	2	14
Issue of scrip dividend shares	–	–	16	326
Transfer of share premium upon abolition of par value (<i>Note</i>)	–	–	–	12,997
	<u>2,421</u>	<u>15,740</u>	<u>2,421</u>	<u>15,740</u>

Note:

The Company's shares have no par value from the commencement date of Chapter 622 of the new Hong Kong Companies Ordinance (i.e. 3 March 2014).

14. CAPITAL COMMITMENTS

	At 30 June 2015 <i>HK\$ million</i>	At 31 December 2014 <i>HK\$ million</i>
Capital commitments outstanding at the balance sheet date are as follows:		
Contracted but not provided for (<i>Note</i>)	15,241	16,935
Authorised but not contracted for	10,090	4,423
	<u>25,331</u>	<u>21,358</u>

Note:

Including contractual commitments for the acquisition of fixed assets of HK\$15,241 million (2014: HK\$16,799 million).

Capital commitment outstanding at the balance sheet date attributable to disposal group held for sale is amounting HK\$14,743 million.

15. MATERIAL RELATED PARTY TRANSACTIONS

- A. Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The Group entered into the following other material related party transactions during the period.

	Six months ended 30 June	
	2015 <i>HK\$ million</i>	2014 <i>HK\$ million</i>
Purchase of goods from		
Fellow subsidiaries	810	680
Associates	48	37
Receipt of services from		
Fellow subsidiaries	192	21
Associates	10	10
Sales of goods to		
A holding company	–	1
Fellow subsidiaries	11	11
Rendering of services to		
Associates	4	4
Operating lease payments to		
Fellow subsidiaries	55	55
Interest received from		
A holding company	6	59
Fellow subsidiaries	10	15
Transactions under godown management agreement and facilities management agreement		
Receipt of service fees from		
A holding company	50	46
Fellow subsidiaries	55	35
Payment of monthly fees to		
A holding company	5	5
Fellow subsidiaries	13	13

B. The Group had the following material related party balances:

	At 30 June 2015 <i>HK\$ million</i>	At 31 December 2014 <i>HK\$ million</i>
Amounts due from:		
A holding company	–	1,038
Fellow subsidiaries	5	261
Associates	30	23
Joint ventures	33	32
Amounts due to:		
Fellow subsidiaries	15	16
Associates	–	3
	<u> </u>	<u> </u>

C. Transactions/balances with other state-controlled entities in Chinese Mainland.

The Group itself is a part of a larger group of companies under China Resources National Corporation (“CRNC”) which is controlled by the People’s Republic of China (“PRC”) government. Apart from the transactions with CRNC group and the associates of the Group, the group also conducts businesses with entities directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government in the ordinary course of business. The directors are of the opinion that those entities other than the CRNC group do not have the power to govern or participate in the financial and operating policies of the Group. The transactions including sales and purchases of goods and services, with these entities are conducted in the ordinary course of the Group’s business. The Group believes that it has provided, at the best of its knowledge, adequate and appropriate disclosure of related party transactions as summarised above.

16. SUBSEQUENT EVENT AFTER REPORTING PERIOD

In accordance with the sales and purchase agreement and the supplemental agreement in relation to disposal of all non-beer businesses, the Group has to pay a special dividend of HK\$12.30 per share (aggregate amount of approximately HK\$29.78 billion). As there are insufficient distributable reserves to support the proposed distribution of the special dividend, therefore, the Group is undergoing a process to reduce its capital of HK\$10 billion.

The resolution approving the aforesaid transaction was duly passed by shareholders of the Group by way of poll at the Company’s extraordinary general meeting held on 3 August 2015. As such the completion of the disposal will take place according to the terms of the Sale and Purchase Agreements.”

4. INDEBTEDNESS STATEMENT

At the close of business on 1 September 2015, being the latest practicable date for the purpose of ascertaining information contained in this statement of indebtedness prior to the printing of this Composite Document, the details of the Group's indebtedness are as follows:

i. Borrowings

As at the close of business on 1 September 2015, the Group had outstanding total borrowings of approximately HK\$8,532 million comprising bank loans of approximately HK\$8,532 million.

ii. Commitments

As at the close of business on 1 September 2015, capital commitments of the Group which are outstanding amounted to HK\$10,972 million.

iii. Pledge of assets

As at the close of business on 1 September 2015, the Group had assets with a carrying value of HK\$114 million pledged for bank loans and notes payable.

iv. Contingent liabilities

As at the close of business on 1 September 2015, the Group had no material contingent liabilities.

Save as aforesaid and apart from intra-group liabilities, the Group did not have any debt securities, any other outstanding loan capital, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills and payables) or other similar indebtedness, debentures, mortgages, charges, loans acceptance credits, hire purchase commitments, guarantees or other material contingent liabilities at the close of business on 1 September 2015.

5. MATERIAL CHANGE

The Directors confirmed that as at the Latest Practicable Date, save as disclosed below, there had been no material change in the financial or trading position or outlook of the Group since 31 December 2014, being the date to which the latest published audited financial statements of the Company were made up, up to and including the Latest Practicable Date:

- (i) a final dividend for the year ended 31 December 2014 of HK\$0.16 per share of the Company was approved by Shareholders at the annual general meeting of the Company on 29 May 2015 and the total amount of final dividend of approximately HK\$387 million was paid on 10 July 2015 (for details, please

refer to disclosure as set out in resolution 2 in the announcement of the Company dated 29 May 2015 for the approval of the final dividend and in the section headed “Effect of the Scrip Dividend Scheme” of the circular of the Company dated 12 June 2015 for the aggregate total amount of final dividend paid);

- (ii) following the completion of the Disposal of all the non-beer businesses of the Company on 1 September 2015, the Company has become a pure play beer business, and the estimated unaudited loss before taxation related to the Disposal was approximately HK\$5 billion (for details, please refer to disclosure as set out in the section headed “Completion of Disposal of Non-Beer Businesses” in the announcement of the Company dated 1 September 2015 on the completion of disposal of the non-beer businesses and the section named “Consideration” in the “Letter from the Board” of the circular of the Company dated 9 July 2015 on the unaudited loss suffered);
- (iii) a reduction in the share capital of the Company by HK\$10,000,000,000 from HK\$16,012,990,157.56 to HK\$6,012,990,157.56 which became effective on 21 September 2015 (for details, please refer to disclosure as set out in the section headed “Effects of the Capital Reduction” in the “Letter from the Board” of the circular of the Company dated 9 July 2015 and the special resolution as set out in the announcement of the Company dated 3 August 2015 on the amount of capital reduction and the announcement of the Company dated 22 September 2015 on the effective date of the capital reduction); and
- (iv) a special dividend of HK\$12.30 per share of the Company was approved by Shareholders at the extraordinary general meeting of the Company on 3 August 2015. The total amount of special dividend of approximately HK\$29,928 million has been paid on 20 October 2015 (for details, please refer to disclosure as set out in the third paragraph of the section named “Completion” in the “Letter from the Board” of the circular of the Company dated 9 July 2015 on the Revised Special Dividend and the announcement of the Company dated 5 October 2015 on the proposed date of payment of the Revised Special Dividend).

The following is the text of a letter from Vigers Appraisal & Consulting Limited, the valuer, reporting on the valuation of the property interests owned by the Group, which has been prepared for the purpose of inclusion in this Composite Document.

Vigers Appraisal & Consulting Limited
International Assets Appraisal Consultants
10th Floor, The Grande Building
398 Kwun Tong Road
Kowloon
Hong Kong



30 October 2015

The Directors
China Resources Beer (Holdings) Company Limited
39th Floor
China Resources Building
No. 26 Harbour Road
Wan Chai
Hong Kong

Dear Sirs,

In accordance with your instructions for us to value the property interests held by China Resources Beer (Holdings) Company Limited (the "Company") and its subsidiaries (hereinafter referred to as the "Group") in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of such property interests as at 1 September 2015 ("date of valuation") for the purpose of incorporating into the Composite Document.

Our valuation is our opinion of the market value of the property interest which we would define market value as intended to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

In valuing the property interests, we have adopted a combination of the market and depreciated replacement cost approach in assessing the land portion of the property and the buildings and structures standing on the land respectively. Hence, the sum of the two results represents the market value of the property as a whole. In the valuation of the land portion, reference has been made to the standard land price and the sales evidence as available to us in the locality. As the nature of the buildings and structures cannot be valued on the basis of market value, they have therefore been valued on the basis of their depreciated replacement costs. The depreciated replacement cost approach considers the current cost of replacement (reproduction) of the buildings and improvements less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost approach generally furnishes the most

reliable indication of value for property in the absence of a known market based on comparable sales. If the Company ceases to continue the current use the property, the value of the property at disposal may be lower. Accordingly, the approach is subject to adequate potential profitability of the business.

In valuing the property interests, we have also valued the properties by the direct comparison approach assuming sale of the properties in their existing states with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market.

Our valuation has been made on the assumption that the owner sells the property interests on the open market in its existing state without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property interests. In addition, no forced sale situation in any manner is assumed in our valuation.

We have not caused title searches to be made for the property interests at the relevant government bureau in the PRC. We have been provided with extracts of title documents relating to the property interests. However, we have not inspected the original documents to verify the ownership, encumbrances or the existence of any subsequent amendments which may not appear on the copies handed to us. In undertaking our valuation for the property interest, we have relied on the legal opinion (the “PRC legal opinion”) provided by the Group’s PRC legal adviser.

We have relied to a considerable extent on information provided by the Group and have accepted advice given to us by the Group on such matters as planning approvals or statutory notices, easements, tenure, occupation, lettings, site and floor areas and in the identification of the properties and other relevant matter. We have also been advised by the Group that no material facts had been concealed or omitted in the information provided to us. All documents have been used for reference only.

All dimensions, measurements and areas included in the valuation certificates are based on information contained in the documents provided to us by the Group and are approximations only. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out a structural survey nor have we inspected woodwork or other parts of the structures which are covered, unexposed or inaccessible and we are therefore unable to report that any such parts of the properties are free from defect. No tests were carried out on any of the services. The properties are in reasonable condition and served with all necessary building services (including gas, water, electricity, etc).

The site inspections were carried out in September 2015 by about 13 technical staff including Ms. Carol Liu, Mr. Jim Wang, Ms. Michelle Li, Ms. Vollin Fan, Mr. Kaka Li, Ms. Lucy Lu, Mr. Michael Qian, Mr. William Jin, Mr. Eric Chen, Ms. Kathy Xu, Mr. Leeto Li, Mr. Frank Li and Ms. Una Luo. They are China Certified Real Estate Appraisers/China Qualified Land Valuers/China Certified Public Valuers and have more than 3 years’ experience in the valuation of properties in the PRC and possess academic background in subjects relating to real estate valuation.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

In valuing the property interests, we have complied with the requirements set out in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, Rule 11 of the Code on Takeovers and mergers issued by the Securities and Futures Commission and the HKIS Valuation Standards (2012 Edition) published by the Hong Kong Institute of Surveyors ("HKIS").

As advised by the Company, the potential tax liabilities which may arise from the sale of the properties in the PRC mainly include corporation income tax (25%, business tax (5%), stamp duty (0.005%, deed tax 3% to 5% and land appreciation tax (30% to 60%) on the appreciation in property value in the range from not more than 50% to more than 200%.

As advised by the Company, there will be no likelihood of such liabilities being crystallized as it is understood that the Group has no intention to dispose the properties as at the Latest Practicable Date.

Unless otherwise stated, all money amounts stated are in Renminbi (RMB). The exchange rate used in valuing the property interests in the PRC as at 1 September 2015 was HK\$1=RMB0.824. There has been no significant fluctuation in the exchange rate for Renminbi against Hong Kong Dollars (HK\$) between that date and the date of this letter.

We enclose herewith a summary of valuation and the valuation certificates.

Yours faithfully,
For and on behalf of
Vigers Appraisal & Consulting Limited
Raymond Ho Kai Kwong
Registered Professional Surveyor (GP)
MRICS MHKIS MSc(e-com)
China Real Estate Appraiser
Managing Director

Notes:

1. Mr. Raymond Ho Kai Kwong, Chartered Surveyor, MRICS MHKIS MSc(e-com), has over twenty seven years' experiences in undertaking valuations of properties in Hong Kong and has over twenty years' experiences in valuations of properties in the PRC.
2. English translations of names of entities incorporated in the PRC in the valuation certificates are provided for ease of reference only and they are not the official English names of the entities concerned.

SUMMARY OF VALUATION

Property interests held and occupied by the Group in the PRC

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
1. An industrial complex located at Xuehua Road, Nongan Industrial Zone, Nongan County, Changchun City, Jilin Province, the PRC	RMB83,310,000 (equivalent to approximately HK\$101,100,000)		51%	RMB42,488,100 (equivalent to approximately HK\$51,563,200)	
2. An industrial complex located at No. 999 Songjiang North Road, Changyi District, Jilin City, Jilin Province, the PRC	RMB147,570,000 (equivalent to approximately HK\$179,090,000)	RMB139,180,000 (equivalent to approximately HK\$168,910,000)	51%	RMB75,260,700 (equivalent to approximately HK\$91,335,800)	RMB70,981,800 (equivalent to approximately HK\$86,143,000)
3. An office unit on Level 5 of a building located at Nanjing Street and Carport No. 53, Block 10 of Yongji Area, Chuanying District, Jilin City, Jilin Province, the PRC	RMB2,250,000 (equivalent to approximately HK\$2,730,000)		51%	RMB1,147,500 (equivalent to approximately HK\$1,392,600)	
4. An industrial complex located at No. 18 Linxiang Road, Yichun District, Yichun City, Heilongjiang Province, the PRC	RMB26,760,000 (equivalent to approximately HK\$32,480,000)	RMB2,430,000 (equivalent to approximately HK\$2,950,000)	51%	RMB13,647,600 (equivalent to approximately HK\$16,562,600)	RMB1,239,300 (equivalent to approximately HK\$1,504,000)

			Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
Property	Market Value in existing state as at 1 September 2015					
5. An industrial complex located at No. 8 Xuehua Street, Yilan County, Harbin City, Heilongjiang Province, the PRC	RMB124,310,000 (equivalent to approximately HK\$150,860,000)			51%	RMB63,398,100 (equivalent to approximately HK\$76,939,400)	
6. An industrial complex located at No. 105 Kuangquan West Street, Wulanhaote City, Xinganmeng, Inner Mongolia Autonomous Region, the PRC	RMB15,360,000 (equivalent to approximately HK\$18,640,000)			51%	RMB7,833,600 (equivalent to approximately HK\$9,506,800)	
7. An industrial complex located at No. 1 Zhongyang North Road, Industrial and Economic Development Zone, Wulanhaote City, Xinganmeng, Inner Mongolia Autonomous Region, the PRC	RMB95,690,000 (equivalent to approximately HK\$116,130,000)			51%	RMB48,801,900 (equivalent to approximately HK\$59,225,600)	
8. An industrial complex located at No. 9 Xuehua Road, Tonghua City, Jilin Province, the PRC	RMB107,770,000 (equivalent to approximately HK\$130,790,000)	RMB17,180,000 (equivalent to approximately HK\$20,850,000)		51%	RMB54,962,700 (equivalent to approximately HK\$66,702,300)	RMB8,761,800 (equivalent to approximately HK\$10,633,300)

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9. An industrial complex located at the south of Zhuhai Road and the east of Xian Street, Limin Development Zone, Harbin City, Heilongjiang Province, the PRC	RMB152,660,000 (equivalent to approximately HK\$185,270,000)	RMB43,220,000 (equivalent to approximately HK\$52,450,000)	51%	RMB77,856,600 (equivalent to approximately HK\$94,486,200)	RMB22,042,200 (equivalent to approximately HK\$26,750,200)
10. An industrial complex located at No. 26 Hulun Street, Hailar District, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC	RMB53,840,000 (equivalent to approximately HK\$65,340,000)		51%	RMB27,458,400 (equivalent to approximately HK\$33,323,300)	
11. An industrial complex located at Lunhe Village, Hake Town, Hailar District, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC	RMB92,310,000 (equivalent to approximately HK\$112,030,000)		51%	RMB47,078,100 (equivalent to approximately HK\$57,133,600)	
12. An industrial complex located at the southwest of Hake Museum, Hake Town, Hailar District, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC	RMB37,120,000 (equivalent to approximately HK\$45,050,000)		51%	RMB18,931,200 (equivalent to approximately HK\$22,974,800)	

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13. An industrial complex located at the east of Manda Road, Jalainur District, Manzhouli City, Inner Mongolia Autonomous Region, the PRC	RMB12,120,000 (equivalent to approximately HK\$14,710,000)		51%	RMB6,181,200 (equivalent to approximately HK\$7,501,500)	
14. An industrial complex located at No. 1 Xuehua Road, Shangzhi City, Heilongjiang Province, the PRC	RMB132,050,000 (equivalent to approximately HK\$160,250,000)		51%	RMB67,345,500 (equivalent to approximately HK\$81,730,000)	
15. An industrial complex located at No. 1 Xinli Street, Yimianpo, Shangzhi City, Heilongjiang Province, the PRC	No commercial value		51%	No commercial value	
16. An industrial complex located at No. 96 Jianbei Road, Jianhua District, Qiqihaer City, Heilongjiang Province, the PRC	RMB32,000,000 (equivalent to approximately HK\$38,830,000)		51%	RMB16,320,000 (equivalent to approximately HK\$19,805,800)	

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Property						
17.	An industrial complex located at No. 49 Jianfu Road, Fulaerji District, Qiqihaer City, Heilongjiang Province, the PRC	RMB6,070,000 (equivalent to approximately HK\$7,370,000)	RMB420,000 (equivalent to approximately HK\$510,000)	51%	RMB3,095,700 (equivalent to approximately HK\$3,756,900)	RMB214,200 (equivalent to approximately HK\$260,000)
18.	An industrial complex located at No. 1 Pijiuchang Road, Morin Dawa Daur Autonomous Banner, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC	RMB42,840,000 (equivalent to approximately HK\$51,990,000)	RMB5,310,000 (equivalent to approximately HK\$6,440,000)	51%	RMB21,848,400 (equivalent to approximately HK\$26,515,000)	RMB2,708,100 (equivalent to approximately HK\$3,286,500)
19.	An industrial complex located at the east of Hangou Railway Station, Beichen District, Tianjin City, the PRC	RMB77,910,000 (equivalent to approximately HK\$94,550,000)	RMB15,510,000 (equivalent to approximately HK\$18,820,000)	49.47%	RMB38,542,077 (equivalent to approximately HK\$46,774,400)	RMB7,672,797 (equivalent to approximately HK\$9,311,600)
20.	5 residential units of Vanke Garden New City, Xinzhong Road, Beichen District, Tianjin City, the PRC	RMB7,200,000 (equivalent to approximately HK\$8,740,000)		49.47%	RMB3,561,840 (equivalent to approximately HK\$4,322,600)	

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21. 2 residential units of Hua Yuan, Rihua Lane, Nankai District, Tianjin City, the PRC	RMB2,700,000 (equivalent to approximately HK\$3,280,000)		49.47%	RMB1,335,690 (equivalent to approximately HK\$1,621,000)	
22. An industrial complex located at No. 185 Jianguo Road, Haigang District, Qinhuangdao City, Hebei Province, the PRC	No commercial value	RMB19,860,000 (equivalent to approximately HK\$24,100,000)	51%	No commercial value	RMB10,128,600 (equivalent to approximately HK\$12,292,000)
23. An industrial complex located at the south of National Route No. 102, Haigang District, Qinhuangdao City, Hebei Province, the PRC	RMB54,650,000 (equivalent to approximately HK\$66,320,000)		51%	RMB27,871,500 (equivalent to approximately HK\$33,824,600)	
24. An industrial complex located at No. 23 Wenhua South Street, Pinggu District, Beijing City, the PRC	RMB60,050,000 (equivalent to approximately HK\$72,880,000)		51%	RMB30,625,500 (equivalent to approximately HK\$37,166,900)	

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Property						
25.	2 residential units in Binhe Residential Area and Jianshe Street South Residential Area, Pinggu Town, Pinggu District, Beijing City, the PRC	RMB3,480,000 (equivalent to approximately HK\$4,220,000)		51%	RMB1,774,800 (equivalent to approximately HK\$2,153,900)	
26.	An industrial complex located at the north of Yinjiagou Yanjiao Development Zone, Yanjiao Town, Sanhe City, Hebei Province, the PRC	RMB256,700,000 (equivalent to approximately HK\$311,530,000)	RMB24,450,000 (equivalent to approximately HK\$29,670,000)	51%	RMB130,917,000 (equivalent to approximately HK\$158,879,900)	RMB12,469,500 (equivalent to approximately HK\$15,132,900)
27.	An industrial complex located at No. 99 Huanhe West Road, Airport Economic Zone, Binhai New District, Tianjin City, the PRC	RMB143,400,000 (equivalent to approximately HK\$174,030,000)		51%	RMB73,134,000 (equivalent to approximately HK\$88,754,900)	
28.	An industrial complex located at Xiaodongguan, Yuci District, Jinzhong City, Shanxi Province, the PRC	RMB64,030,000 (equivalent to approximately HK\$77,710,000)	RMB3,370,000 (equivalent to approximately HK\$4,090,000)	51%	RMB32,655,300 (equivalent to approximately HK\$39,630,200)	RMB1,718,700 (equivalent to approximately HK\$2,085,800)

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Property						
29.	An industrial complex located at No. 9 Xuehua Road, Airport South District, Yuncheng City, Shanxi Province, the PRC	RMB143,450,000 (equivalent to approximately HK\$174,090,000)		51%	RMB73,159,500 (equivalent to approximately HK\$88,785,800)	
30.	An industrial complex located at the north of Yunzhou Street, Equipment and Manufacture Industries Park, Datong City, Shanxi Province, the PRC	RMB96,990,000 (equivalent to approximately HK\$117,710,000)		51%	RMB49,464,900 (equivalent to approximately HK\$60,030,200)	
31.	An industrial complex located at No. 99 Feng Cheng 12th Road, Economic and Technology Development Zone, Xian City, Shaanxi Province, the PRC	RMB189,790,000 (equivalent to approximately HK\$230,330,000)		51%	RMB96,792,900 (equivalent to approximately HK\$117,467,100)	
32.	An industrial complex located at No. 128 Wanghua Zhong Street, Dongling District, Shenyang City, Liaoning Province, the PRC	RMB47,320,000 (equivalent to approximately HK\$57,430,000)		51%	RMB24,133,200 (equivalent to approximately HK\$29,287,900)	

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33. An industrial complex located at No. 159 Xuelian Street, Sujiatun District, Shenyang City, Liaoning Province, the PRC	RMB405,560,000 (equivalent to approximately HK\$492,180,000)	RMB40,680,000 (equivalent to approximately HK\$49,370,000)	51%	RMB206,835,600 (equivalent to approximately HK\$251,014,100)	RMB20,746,800 (equivalent to approximately HK\$25,178,200)
34. An industrial complex located at Dadianzi Village, Caozhuang Town, Xingcheng City, Huludao City, Liaoning Province, the PRC	RMB49,670,000 (equivalent to approximately HK\$60,280,000)		51%	RMB25,331,770 (equivalent to approximately HK\$30,742,400)	
35. An industrial complex located at No. 31 Malan South Street, Shahekou District, and an industrial complex located at Gaojiadian Industrial Zone, Jinzhou District, Dalian City, Liaoning Province, the PRC	RMB48,205,000 (equivalent to approximately HK\$58,500,000)	RMB1,720,000 (equivalent to approximately HK\$2,090,000)	51%	RMB24,584,550 (equivalent to approximately HK\$29,835,600)	RMB877,200 (equivalent to approximately HK\$1,064,600)
36. An industrial complex located at No. 415 Huabei Road, Ganjingzi District, Dalian City, Liaoning Province, the PRC	No commercial value	RMB48,590,000 (equivalent to approximately HK\$58,970,000)	51%	No commercial value	RMB24,780,900 (equivalent to approximately HK\$30,073,900)

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37. An industrial complex located at No. 1 Taoli Street, Tiexi District, Anshan City, Liaoning Province, the PRC	RMB105,470,000 (equivalent to approximately HK\$128,000,000)	RMB42,970,000 (equivalent to approximately HK\$52,150,000)	45.90%	RMB48,410,730 (equivalent to approximately HK\$58,750,900)	RMB19,723,230 (equivalent to approximately HK\$23,936,000)
38. An industrial complex located at Tianjia Village, Tianjia Town, Dawa County, Panjin City, Liaoning Province, the PRC	RMB56,070,000 (equivalent to approximately HK\$68,050,000)		45.90%	RMB25,736,130 (equivalent to approximately HK\$31,233,200)	
39. An industrial complex located at No. 82 Jiudao Street, Yuanbao District, Dandong City, Liaoning Province, the PRC	RMB57,590,000 (equivalent to approximately HK\$69,890,000)	RMB3,330,000 (equivalent to approximately HK\$4,040,000)	45.90%	RMB26,433,810 (equivalent to approximately HK\$32,079,900)	RMB1,528,470 (equivalent to approximately HK\$1,854,900)
40. An industrial complex located at Qingkai Road, Zhang Xiang Town, Qinghe District, Tieling City, Liaoning Province, the PRC	RMB63,720,000 (equivalent to approximately HK\$77,330,000)	RMB1,030,000 (equivalent to approximately HK\$1,250,000)	45.90%	RMB29,247,480 (equivalent to approximately HK\$35,494,500)	RMB472,770 (equivalent to approximately HK\$573,800)

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41. An industrial complex located at No. 3 Honwei Road, Taiping District, Fuxin City, Liaoning Province, the PRC	RMB40,620,000 (equivalent to approximately HK\$49,300,000)	RMB7,250,000 (equivalent to approximately HK\$8,800,000)	45.95%	RMB18,664,890 (equivalent to approximately HK\$22,651,600)	RMB3,331,375 (equivalent to approximately HK\$4,042,900)
42. An industrial complex located at No. 230 Zhonghua Street, Wensheng District, Liaoyang City, Liaoning Province, the PRC	No commercial value	RMB11,930,000 (equivalent to approximately HK\$14,480,000)	51%	No commercial value	RMB6,084,300 (equivalent to approximately HK\$7,383,900)
43. An industrial complex located at No. 1 Liaohe Street 1st Section, Shuangta District, Chaoyang City, Liaoning Province, the PRC	RMB47,900,000 (equivalent to approximately HK\$58,130,000)		51%	RMB24,429,000 (equivalent to approximately HK\$29,646,800)	
44. An industrial complex located at Yebaishou Street, Jianping County, Chaoyang City, Liaoning Province, the PRC	RMB64,290,000 (equivalent to approximately HK\$78,020,000)		51%	RMB32,787,900 (equivalent to approximately HK\$39,791,100)	

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45. An industrial complex located at Wangyuan Industrial Park, Yongning County, Yinchuan City, Ningxia Hui Autonomous Region, the PRC	RMB139,360,000 (equivalent to approximately HK\$169,130,000)		51%	RMB71,073,600 (equivalent to approximately HK\$86,254,400)	
46. An industrial complex located at No. 110 Huang Tu Keng East Road, An Qing City, Anhui Province, the PRC	RMB44,500,000 (equivalent to approximately HK\$54,000,000)	RMB770,000 (equivalent to approximately HK\$930,000)	51%	RMB22,695,000 (equivalent to approximately HK\$27,542,500)	RMB392,700 (equivalent to approximately HK\$476,600)
47. An industrial complex located at Er Zong Er Jie Street East, Food Industrial Park, Tang Yin County, Henan Province, the PRC	RMB17,440,000 (equivalent to approximately HK\$21,170,000)		51%	RMB8,894,400 (equivalent to approximately HK\$10,794,200)	
48. An industrial complex located at No. 1585 Nan Qiao Zhong Road, Chuzhou City, Anhui Province, the PRC	RMB56,310,000 (equivalent to approximately HK\$68,340,000)	RMB1,300,000 (equivalent to approximately HK\$1,580,000)	51%	RMB28,718,100 (equivalent to approximately HK\$34,852,100)	RMB663,000 (equivalent to approximately HK\$804,600)

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Property						
49.	5 residential units located at Hu Xin District, Hu Xin Road, Chuzhou City, Anhui Province, the PRC	No commercial value	RMB2,310,000 (equivalent to approximately HK\$2,800,000)	51%	No commercial value	RMB1,178,100 (equivalent to approximately HK\$1,429,700)
50.	An industrial complex located at Wen Feng Ban Lian Hua Road North, Yingzhou District, Fuyang City, Anhui Province, the PRC	RMB77,700,000 (equivalent to approximately HK\$94,300,000)	RMB8,980,000 (equivalent to approximately HK\$10,900,000)	51%	RMB39,627,000 (equivalent to approximately HK\$48,091,000)	RMB4,579,800 (equivalent to approximately HK\$5,558,000)
51.	An industrial complex located at No. 10 Chen Cun Road, Hefei City, Anhui Province, the PRC	RMB59,060,000 (equivalent to approximately HK\$71,670,000)		51%	RMB30,120,600 (equivalent to approximately HK\$36,554,100)	
52.	An industrial complex located at Wobei District, Huaiyuan County, Anhui Province, the PRC	RMB113,610,000 (equivalent to approximately HK\$137,880,000)	RMB3,560,000 (equivalent to approximately HK\$4,320,000)	51%	RMB57,941,000 (equivalent to approximately HK\$70,316,900)	RMB1,815,600 (equivalent to approximately HK\$2,203,400)

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Property						
53.	A residential unit and a commercial unit located at Block 2, Qing You Court, Wuzhou Trading Street, Youth Road, Fuyang City, Anhui Province, the PRC	No commercial value	RMB1,580,000 (equivalent to approximately HK\$1,920,000)	51%	No commercial value	RMB805,800 (equivalent to approximately HK\$977,900)
54.	An industrial complex located at Tie West Road West and S102 Road North Xue Dian Town, Xin Zheng City, Henan Province, the PRC	RMB85,690,000 (equivalent to approximately HK\$103,990,000)	RMB120,510,000 (equivalent to approximately HK\$146,250,000)	51%	RMB43,701,900 (equivalent to approximately HK\$53,036,300)	RMB61,460,100 (equivalent to approximately HK\$74,587,500)
55.	An industrial complex located at No. 10 Meng Shan Zhong Road, Xiang Shan District, Huaibei City, Anhui Province, the PRC	RMB60,350,000 (equivalent to approximately HK\$73,240,000)	RMB1,200,000 (equivalent to approximately HK\$1,460,000)	51%	RMB30,778,500 (equivalent to approximately HK\$37,352,500)	RMB612,000 (equivalent to approximately HK\$742,700)
56.	An industrial complex located at Xu Ji Shen Road, Jin An District, Liu An City, An Qing City, Anhui Province, the PRC	RMB122,440,000 (equivalent to approximately HK\$148,590,000)		51%	RMB62,444,400 (equivalent to approximately HK\$75,782,000)	

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Property						
57.	An industrial complex located at Zhangjiagang Road Middle, Wuyang County, Henan Province, the PRC	RMB31,790,000 (equivalent to approximately HK\$38,580,000)	RMB2,100,000 (equivalent to approximately HK\$2,550,000)	51%	RMB16,212,900 (equivalent to approximately HK\$19,675,800)	RMB1,071,000 (equivalent to approximately HK\$1,299,800)
58.	An industrial complex located at Gui De Road South, Industrial Avenue North, Sui Yang Industrial Agglomeration Region, Henan Province, the PRC	RMB57,690,000 (equivalent to approximately HK\$70,010,000)	RMB89,990,000 (equivalent to approximately HK\$109,210,000)	51%	RMB29,421,900 (equivalent to approximately HK\$35,706,200)	RMB45,894,900 (equivalent to approximately HK\$55,697,700)
59.	An industrial complex located at Shu Third Road (Long Jin Avenue), Cheng Guan Town, Shucheng County, Anhui Province, the PRC	RMB51,630,000 (equivalent to approximately HK\$62,660,000)	RMB700,000 (equivalent to approximately HK\$850,000)	51%	RMB26,331,300 (equivalent to approximately HK\$31,955,500)	RMB357,000 (equivalent to approximately HK\$433,300)
60.	12 units located at Block 6, Yang Guang District, Jiefang Road, Liu An City, Anhui Province, the PRC	No commercial value	RMB2,000,000 (equivalent to approximately HK\$2,430,000)	51%	No commercial value	RMB1,020,000 (equivalent to approximately HK\$1,237,900)

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61. An industrial complex located at No. 1 Mo Shan Road, San Shan Economic Development Zone, Wuhu City, Anhui Province, the PRC	RMB73,820,000 (equivalent to approximately HK\$89,590,000)	RMB78,780,000 (equivalent to approximately HK\$95,610,000)	51%	RMB37,648,200 (equivalent to approximately HK\$45,689,600)	RMB40,177,800 (equivalent to approximately HK\$48,759,500)
62. An industrial complex located at Zhao Yang Road South, Xin Qu Yu Nan Road West, Wuhe County, Anhui Province, the PRC	RMB24,310,000 (equivalent to approximately HK\$29,500,000)		51%	RMB12,398,100 (equivalent to approximately HK\$15,046,200)	
63. An industrial complex located at Intersection of Central Road and Don Xiang Road, Henan Province, the PRC	RMB114,550,000 (equivalent to approximately HK\$139,020,000)		51%	RMB58,420,500 (equivalent to approximately HK\$70,898,700)	
64. An industrial complex located at No. 118 Gan De Road, Science Park in Jiang Ning District, Nanjing City, Jiangsu Province, the PRC	No commercial value	RMB234,640,000 (equivalent to approximately HK\$284,760,000)	51%	No commercial value	RMB119,666,400 (equivalent to approximately HK\$145,226,200)

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Property						
65.	An industrial complex located at No. 1 Hong Feng Road, Industrial Park, Suzhou City, Jiangsu Province, the PRC	RMB239,720,000 (equivalent to approximately HK\$290,920,000)	RMB3,000,000 (equivalent to approximately HK\$3,640,000)	51%	RMB122,257,200 (equivalent to approximately HK\$148,370,400)	RMB1,530,000 (equivalent to approximately HK\$1,856,800)
66.	An industrial complex located at Ma Shan 5th Bridge, Bin Hu District, Wuxi City, Jiangsu Province, the PRC	RMB65,280,000 (equivalent to approximately HK\$79,220,000)		51%	RMB33,292,800 (equivalent to approximately HK\$40,403,900)	
67.	An industrial complex located at No. 9 Ke Lei Road and Ke Lei Road North, Xin Bei District, Changzhou City, Jiangsu Province, the PRC	RMB129,240,000 (equivalent to approximately HK\$156,840,000)		51%	RMB65,912,400 (equivalent to approximately HK\$79,990,800)	
68.	A commercial building located at No. 24 Bi Qi Lane, Zhonglou District, Changzhou City, Jiangsu Province, the PRC	RMB530,000 (equivalent to approximately HK\$640,000)		51%	RMB270,300 (equivalent to approximately HK\$328,000)	

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69. An industrial complex located at No. 1398 Luo Dong Road, Bao Shan District, Shanghai City, the PRC	RMB321,540,000 (equivalent to approximately HK\$390,220,000)		51%	RMB163,985,400 (equivalent to approximately HK\$199,011,400)	
70. An industrial complex located at Xu Zhuang Zhong Gou East, Chuang Xin Road South, Xu Zhuang Road, Gao Gang District, Taizhou City, Jiangsu Province, the PRC	RMB154,700,000 (equivalent to approximately HK\$187,740,000)		51%	RMB78,897,000 (equivalent to approximately HK\$95,748,800)	
71. An industrial complex located at Bingang Industrial City, Shamen Town, Yuhuan County, Zhejiang Province, the PRC	RMB166,310,000 (equivalent to approximately HK\$201,830,000)	RMB124,000,000 (equivalent to approximately HK\$150,490,000)	51%	RMB84,818,100 (equivalent to approximately HK\$102,934,600)	RMB63,240,000 (equivalent to approximately HK\$76,747,600)
72. An industrial complex located at No. 600 Binhai 15th Road, Wenzhou Economic and Technological Development Zone, Wenzhou City, Zhejiang Province, the PRC	RMB162,670,000 (equivalent to approximately HK\$197,420,000)	RMB173,130,000 (equivalent to approximately HK\$210,110,000)	51%	RMB82,961,700 (equivalent to approximately HK\$100,681,700)	RMB88,296,300 (equivalent to approximately HK\$107,155,700)

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
73. An industrial complex located at Hai Tang Road, Xin Jie Town, Zhejiang Province, the PRC	RMB208,670,000 (equivalent to approximately HK\$253,240,000)	RMB6,900,000 (equivalent to approximately HK\$8,370,000)	51%	RMB106,421,700 (equivalent to approximately HK\$129,152,500)	RMB3,519,000 (equivalent to approximately HK\$4,270,600)
74. An industrial complex located at Dongxing Community, Chengdong Subdistrict, Fengze District, Fujian Province, the PRC	RMB85,890,000 (equivalent to approximately HK\$104,240,000)		51%	RMB43,803,900 (equivalent to approximately HK\$53,160,100)	
75. An industrial complex located at No. 39 Tai Ning Road, Hangzhou Yuhang Economic Development Zone, Zhejiang Province, the PRC	RMB111,610,000 (equivalent to approximately HK\$135,450,000)	RMB11,700,000 (equivalent to approximately HK\$14,200,000)	51%	RMB56,921,100 (equivalent to approximately HK\$69,079,000)	RMB5,967,000 (equivalent to approximately HK\$7,241,500)
76. An industrial complex located at Yan Jia Road and Yuan Tong Street, Hai Yan County, Jiaxing City, Zhejiang Province, the PRC	RMB150,250,000 (equivalent to approximately HK\$182,340,000)	RMB3,080,000 (equivalent to approximately HK\$3,740,000)	51%	RMB76,627,500 (equivalent to approximately HK\$92,994,500)	RMB1,570,800 (equivalent to approximately HK\$1,906,300)

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
77. An industrial complex located at Xinshi Industrial Park, Deqing County, Huzhou City, Zhejiang Province, the PRC	RMB135,120,000 (equivalent to approximately HK\$163,980,000)		51%	RMB68,911,200 (equivalent to approximately HK\$83,630,100)	
78. A commercial building located No. 42 Moganshan Road, Gong Shu District, Hangzhou City, Zhejiang Province, the PRC	No commercial value	RMB5,730,000 (equivalent to approximately HK\$6,950,000)	51%	No commercial value	RMB2,922,300 (equivalent to approximately HK\$3,546,500)
79. A commercial unit located No. 1 Basement Shopping Centre, Block 14, Yong Kang Court, Xia Cheng District, Hangzhou City, Zhejiang Province, the PRC	RMB1,970,000 (equivalent to approximately HK\$2,390,000)		51%	RMB1,004,700 (equivalent to approximately HK\$1,219,300)	
80. 2 residential units located at Block 11, Jia Jia Nong, Gong Shu District, Hangzhou City, Zhejiang Province, the PRC	RMB1,490,000 (equivalent to approximately HK\$1,810,000)		51%	RMB759,900 (equivalent to approximately HK\$922,200)	

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81. An industrial complex located at No. 388 Si Ming East Road, Economic Development Zone, Fenghua City, Zhejiang Province, the PRC	RMB219,370,000 (equivalent to approximately HK\$266,230,000)		51%	RMB111,878,700 (equivalent to approximately HK\$135,755,100)	
82. An industrial complex located at No. 152 Huangshan 4th Road, Zouping County, Binzhou City, Shandong Province, the PRC	RMB83,990,000 (equivalent to approximately HK\$101,930,000)	RMB14,790,000 (equivalent to approximately HK\$17,950,000)	51%	RMB42,834,900 (equivalent to approximately HK\$51,984,100)	RMB7,542,900 (equivalent to approximately HK\$9,154,000)
83. An industrial complex located at No. 16 Yingter Avenue, Fushan District, Yantai City, Shandong Province, the PRC	RMB54,160,000 (equivalent to approximately HK\$65,730,000)	RMB78,950,000 (equivalent to approximately HK\$95,810,000)	51%	RMB27,621,600 (equivalent to approximately HK\$33,521,400)	RMB40,264,500 (equivalent to approximately HK\$48,864,700)
84. An industrial complex located at the east of Zhonghua Road, the north of Liaohe Raod, Liaocheng Economic Development Zone, Liaocheng City, Shandong Province, the PRC	RMB75,070,000 (equivalent to approximately HK\$91,100,000)	RMB500,000 (equivalent to approximately HK\$610,000)	51%	RMB38,285,700 (equivalent to approximately HK\$46,463,200)	RMB255,000 (equivalent to approximately HK\$399,500)

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
85. An industrial complex located at No. 39 Xu Jia Ba, Bei Wai Town, Tongchuan District, Dazhou City, Sichuan Province, the PRC	RMB84,000,000 (equivalent to approximately HK\$101,940,000)		51%	RMB42,840,500 (equivalent to approximately HK\$51,990,300)	
86. 2 industrial lands with a residential building located at Dong Chen Dui Wo Liang and Dong Cheng River, Tongchuan District, Dazhou City, Sichuan Province, the PRC	RMB610,000 (equivalent to approximately HK\$740,000)		51%	RMB311,100 (equivalent to approximately HK\$377,500)	
87. A residential land located at No. 59 Tong Chuan Bei Road, Tong Chuan District, Dazhou City, Sichuan Province, the PRC	No commercial value		51%	No commercial value	
88. An industrial complex located at No. 1 Xue Hua Avenue, Food and Agricultural Processing Industrial Park, Economic Development Zone, Nan Bu County, Sichuan Province, the PRC	RMB51,050,000 (equivalent to approximately HK\$61,950,000)		51%	RMB26,035,500 (equivalent to approximately HK\$31,596,500)	

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
89. An industrial complex located at No. 319 Ming Xing Avenue, Innovation Industrial Park, Suining City, Sichuan Province, the PRC	RMB110,030,000 (equivalent to approximately HK\$133,530,000)	RMB810,000 (equivalent to approximately HK\$980,000)	51%	RMB56,115,300 (equivalent to approximately HK\$68,101,100)	RMB413,100 (equivalent to approximately HK\$501,300)
90. 10 store rooms located at Brewery Block 1, No. 977 Sui Zhou Zhong Road, Chuan Shan District, Suining City, Sichuan Province, the PRC	RMB300,000 (equivalent to approximately HK\$360,000)		51%	RMB153,000 (equivalent to approximately HK\$185,700)	
91. An industrial complex located at Ning Yuan Village, Chang An Village, Xi Jiao Xiang, Xichang City, Sichuan Province, the PRC	RMB107,110,000 (equivalent to approximately HK\$129,990,000)		51%	RMB54,626,100 (equivalent to approximately HK\$66,293,800)	
92. An industrial complex located at Tai Xing Town, Xindu District, Chengdu City, Sichuan Province, the PRC	RMB292,930,000 (equivalent to approximately HK\$355,500,000)		51%	RMB149,394,300 (equivalent to approximately HK\$181,303,800)	

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
93. An industrial complex located at Lan Jian Avenue, Yuan Shi Town, Shifang City, Sichuan Province, the PRC	RMB85,620,000 (equivalent to approximately HK\$103,910,000)	RMB14,080,000 (equivalent to approximately HK\$17,090,000)	51%	RMB43,666,200 (equivalent to approximately HK\$52,993,000)	RMB7,180,800 (equivalent to approximately HK\$8,714,600)
94. An industrial land and a building located at Shuang Tu Village, Zuo Dao Town, Mian Zhu City, Sichuan Province, the PRC	RMB6,160,000 (equivalent to approximately HK\$7,480,000)		51%	RMB3,141,600 (equivalent to approximately HK\$3,812,600)	
95. An industrial land and a building located at Li Jiao Bridge (Northeast United Village), Cheng Qing Road, Mian Zhu City, Sichuan Province, the PRC	RMB1,040,000 (equivalent to approximately HK\$1,260,000)		51%	RMB530,400 (equivalent to approximately HK\$643,700)	

		Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
Property						
96. An industrial complex located at No. 7 Shang You Lane and No. 2 Ren Min North Road, Yan Kou Town, Wu Sheng County, Sichuan Province, the PRC		RMB46,010,000 (equivalent to approximately HK\$55,840,000)	RMB890,000 (equivalent to approximately HK\$1,080,000)	51%	RMB23,465,100 (equivalent to approximately HK\$28,477,100)	RMB453,900 (equivalent to approximately HK\$550,800)
97. A residential unit located at No. 59 Tong Chuan Bei Road, Tong Chuan District, Dazhou City, Sichuan Province, the PRC		No commercial value	RMB40,000 (equivalent to approximately HK\$50,000)	51%	No commercial value	RMB20,400 (equivalent to approximately HK\$24,800)
98. An industrial complex located at Cheng East Business District, Wusheng County, Sichuan Province, the PRC		RMB26,350,000 (equivalent to approximately HK\$31,980,000)		51%	RMB13,438,500 (equivalent to approximately HK\$16,308,900)	
99. A industrial land located at the 2nd and 4th Group of Guang Hui Village, Yan Bei Road, Nan Bei Gan Road West, Shi Shan Town, Sichuan Province, the PRC		RMB16,340,000 (equivalent to approximately HK\$19,830,000)		51%	RMB8,333,400 (equivalent to approximately HK\$10,113,300)	

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100. An industrial complex located at 1st and 9th group of Xian Tang Village, Xin Ping Xiang, and the 1st and 2nd group of Wu Yi Village, Shi Shan Town, Sichuan Province, the PRC	RMB100,830,000 (equivalent to approximately HK\$122,370,000)		51%	RMB51,423,300 (equivalent to approximately HK\$62,406,900)	
101. An industrial complex located at No. 242 Chang Hong Avenue South, Fucheng District, Sichuan Province, the PRC	RMB90,060,000 (equivalent to approximately HK\$109,300,000)	RMB880,000 (equivalent to approximately HK\$1,070,000)	51%	RMB45,930,600 (equivalent to approximately HK\$55,741,000)	RMB448,800 (equivalent to approximately HK\$544,700)
102. 2 residential units located at Block 1, No. 8 Ling Shi Guan Road, Wu Hou District, Chengdu City, Sichuan Province, the PRC	RMB1,090,000 (equivalent to approximately HK\$1,320,000)		51%	RMB555,900 (equivalent to approximately HK\$674,600)	
103. A residential unit located at Block 3, No. 1 Ying Kang Road, Jinniu District, Chengdu City, Sichuan Province, the PRC	RMB880,000 (equivalent to approximately HK\$1,070,000)		51%	RMB448,800 (equivalent to approximately HK\$544,700)	

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104. 2 residential units located at Block 6, No. 119 Hong Xing Street, Fucheng District, Mianyang City, Sichuan Province, the PRC	RMB1,020,000 (equivalent to approximately HK\$1,240,000)		51%	RMB520,200 (equivalent to approximately HK\$631,300)	
105. A residential unit located at No. 17 An Chang Road, Fucheng District, Mianyang City, Sichuan Province, the PRC	RMB830,000 (equivalent to approximately HK\$1,010,000)		51%	RMB423,300 (equivalent to approximately HK\$513,700)	
106. An industrial complex located at No. 221 Le Jiang Xi Road, Central District, Neijiang City, Sichuan Province, the PRC	RMB12,500,000 (equivalent to approximately HK\$15,170,000)	RMB60,000 (equivalent to approximately HK\$70,000)	51%	RMB6,375,000 (equivalent to approximately HK\$7,736,700)	RMB30,600 (equivalent to approximately HK\$37,100)
107. An industrial complex located at Cheng Xi Industrial Park 2nd Road South, Neijiang City, Sichuan Province, the PRC	RMB52,070,000 (equivalent to approximately HK\$63,190,000)	RMB55,460,000 (equivalent to approximately HK\$67,310,000)	51%	RMB26,555,700 (equivalent to approximately HK\$32,227,800)	RMB28,284,600 (equivalent to approximately HK\$34,326,000)

Property	Market Value in existing state as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015	Interest attributable to the Group	Market Value in existing state attributable to the Group as at 1 September 2015	Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
108. An industrial complex located at No. 11 Xi Jiao Heng Road South, Linqiong Town, Qionglai City, Sichuan Province, the PRC	RMB30,420,000 (equivalent to approximately HK\$36,920,000)	RMB16,040,000 (equivalent to approximately HK\$19,470,000)	51%	RMB15,514,200 (equivalent to approximately HK\$18,827,900)	RMB8,180,400 (equivalent to approximately HK\$9,927,700)
109. An industrial complex located at 5th, 6th and 7th groups, Da Shan Village, Da Shan Pu Town, Da An District, Zigong City, Sichuan Province, the PRC	RMB26,340,000 (equivalent to approximately HK\$31,970,000)		51%	RMB13,433,400 (equivalent to approximately HK\$16,302,700)	
110. An industrial complex located at Three Groups of Shi Yang Street, Gao Xin District, Chengdu City, Sichuan Province, the PRC	RMB224,910,000 (equivalent to approximately HK\$272,950,000)		51%	RMB114,704,100 (equivalent to approximately HK\$139,204,000)	
111. An industrial complex located at No. 50 Ying Bin Ave, Zhijiang City, Hubei Province, the PRC	RMB52,740,000 (equivalent to approximately HK\$64,000,000)		51%	RMB26,897,400 (equivalent to approximately HK\$32,642,500)	

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112. An industrial complex located at No. 1 Cao Xie Dian Road, Jingling, Tianmen City, Hubei Province, the PRC	No commercial value	RMB87,310,000 (equivalent to approximately HK\$105,960,000)	51%	No Commercial value	RMB44,528,100 (equivalent to approximately HK\$54,039,000)
113. An industrial complex located at Lijiahu, Chengguan Town, Huarong County, Hunan Province, the PRC	RMB109,830,000 (equivalent to approximately HK\$133,290,000)	RMB9,810,000 (equivalent to approximately HK\$11,900,000)	51%	RMB56,013,300 (equivalent to approximately HK\$67,977,300)	RMB5,003,100 (equivalent to approximately HK\$6,071,700)
114. An industrial complex located at Qiaodong Lingyuan Road, Chengguan Town, Huarong County, Yueyang City, Hunan Province, the PRC	RMB3,410,000 (equivalent to approximately HK\$4,140,000)		51%	RMB1,739,100 (equivalent to approximately HK\$2,110,600)	
115. An industrial complex located at No. 239 Da Qi Avenue, Golden Hill Science & Technology Park, Huangshi City, Hubei Province, the PRC	RMB137,700,000 (equivalent to approximately HK\$167,110,000)		51%	RMB70,227,000 (equivalent to approximately HK\$85,226,900)	

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116. An industrial complex located at north of Qunle Road, Loudi Economic and Technology Development Zone, Loudi City, Hunan Province, the PRC	RMB186,860,000 (equivalent to approximately HK\$226,770,000)		51%	RMB95,298,600 (equivalent to approximately HK\$115,653,600)	
117. A development of an industrial complex located at Xiangxi Economic Development Zone Jifeng, Xiangxi Autonomous District, Hunan Province, the PRC	RMB85,890,000 (equivalent to approximately HK\$104,240,000)		51%	RMB43,803,900 (equivalent to approximately HK\$53,160,100)	
118. An industrial complex located at Teyihao, Yanjiadu, Dongxihu District, Wuhan City, Hubei Province, the PRC	RMB193,220,000 (equivalent to approximately HK\$234,490,000)		45.90%	RMB88,687,980 (equivalent to approximately HK\$107,631,000)	

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119. (A) Two units located at Levels 1 and 2, Unit 1, Block 2, Fenghua Residential District, Fancheng District, Xiangyang City, Hubei Province, the PRC	RMB1,100,000 (equivalent to approximately HK\$1,330,000)		45.90%	RMB504,900 (equivalent to approximately HK\$612,700)	
(B) A residential unit located at Level 5, No. 820-12 Huang Shi Ave, Huangshi City, Hubei Province, the PRC					
120. An industrial complex located at No. 8 Science and Technology Industrial Park, Dong Cheng District, Dongguan City, Guangdong Province, the PRC	No commercial value	RMB241,690,000 (equivalent to approximately HK\$293,310,000)	51%	No commercial value	RMB123,261,900 (equivalent to approximately HK\$149,589,700)
121. An industrial complex located at No. 1 Industrial North 3rd Road, Song Shan Hu High-tech Industrial Park, Dongguan City, Guangdong Province, the PRC	RMB228,980,000 (equivalent to approximately HK\$277,890,000)		51%	RMB116,779,800 (equivalent to approximately HK\$141,723,100)	

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122. An industrial complex located at No. 26 Pingzhou Sanshan Ave, Guicheng Residential District, Nanhai District, Foshan City, Guangdong Province, the PRC	RMB195,620,000 (equivalent to approximately HK\$237,400,000)		51%	RMB99,766,200 (equivalent to approximately HK\$121,075,500)	
123. Sixty eight residential units located at Block 30 and 31 of Zhen Hua Yuan, Shantou City, Guangdong Province, the PRC	RMB24,050,000 (equivalent to approximately HK\$29,190,000)		51%	RMB12,265,500 (equivalent to approximately HK\$14,885,300)	
124. An industrial complex located at No. 108 Chao Shan Road, Shantou City, Guangdong Province, the PRC	No commercial value	RMB154,340,000 (equivalent to approximately HK\$187,310,000)	51%	No commercial value	RMB78,713,400 (equivalent to approximately HK\$95,526,000)
125. An industrial complex located at No. 388 Chuang Ye 2nd Road, Baoan District, Shenzhen City, Guangdong Province, the PRC	RMB466,600,000 (equivalent to approximately HK\$566,260,000)		51%	RMB237,966,000 (equivalent to approximately HK\$288,793,700)	

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126. An industrial complex located at No. 8 Xuehua Road, Anning District, Lanzhou City, Gansu Province, the PRC	RMB58,600,000 (equivalent to approximately HK\$71,120,000)	RMB73,830,000 (equivalent to approximately HK\$89,600,000)	51%	RMB29,886,000 (equivalent to approximately HK\$36,269,400)	RMB37,653,300 (equivalent to approximately HK\$45,695,800)
127. An industrial complex located at Sheng Ge Village, Ka Nuo Town, Changdu County, Tibet Autonomous Region, the PRC	RMB30,040,000 (equivalent to approximately HK\$36,460,000)	RMB2,990,000 (equivalent to approximately HK\$3,630,000)	51%	RMB15,320,400 (equivalent to approximately HK\$18,592,700)	RMB1,524,900 (equivalent to approximately HK\$1,850,600)
128. An industrial complex located at Jinya Village, Yeya township, (No. 222 Bai Yun Avenue) Yunyan District, Guizhou Province, the PRC	RMB72,540,000 (equivalent to approximately HK\$88,030,000)	RMB9,970,000 (equivalent to approximately HK\$12,100,000)	51%	RMB36,995,400 (equivalent to approximately HK\$44,897,300)	RMB5,084,700 (equivalent to approximately HK\$6,170,800)
129. An industrial complex located at Wujia Zhuang, Longli County, Qiannanbuyi Zu Miaozy Autonomous Prefecture, Guizhou Province, the PRC	RMB93,040,000 (equivalent to approximately HK\$112,910,000)		51%	RMB47,450,400 (equivalent to approximately HK\$57,585,400)	

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130. An industrial complex located at Yatang Subdistrict, Kaili City, Qiandongnan Miao Zu Dong Zu Autonomous Prefecture, Guizhou Province, the PRC	No commercial value	RMB170,560,000 (equivalent to approximately HK\$206,990,000)	51%	No commercial value	RMB86,985,600 (equivalent to approximately HK\$105,565,000)
131. An industrial complex located at Chong Qing Road, Huichuan District, Zunyi City, Guizhou Province, the PRC	RMB52,090,000 (equivalent to approximately HK\$63,220,000)		48.82%	RMB25,430,338 (equivalent to approximately HK\$30,862,100)	
132. An industrial complex located at China Resources Hezhou Circular Economy Demonstration Zone, Fuchuan County, Hezhou City, Zhuangzu Autonomous District, Guangxi Province, the PRC	RMB112,230,000 (equivalent to approximately HK\$136,200,000)	RMB13,610,000 (equivalent to approximately HK\$16,520,000)	51%	RMB57,237,300 (equivalent to approximately HK\$69,462,700)	RMB6,941,100 (equivalent to approximately HK\$8,423,700)
Total:	RMB 10,221,665,000 (equivalent to approximately HK\$ 12,404,970,000)	RMB 2,251,000,000 (equivalent to approximately HK\$ 2,731,820,000)		RMB 5,184,183,115 (equivalent to approximately HK\$ 6,291,484,500)	RMB 1,144,992,742 (equivalent to approximately HK\$ 1,389,554,800)

VALUATION CERTIFICATES

Property interests held and occupied by the Group in the PRC

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
1. An industrial complex located at Xuehua Road, Nongan Industrial Zone, Nongan County, Changchun City, Jilin Province, the PRC (Held by 華潤雪花啤酒(長春)有限公司)	The property comprises 6 parcels of land with a total site area of approximately 181,033 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1987 and 2014. The buildings have a total gross floor area of approximately 49,479.68 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for various terms with the earliest expiry date on 9 January 2051 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses. Portions of the property having a total gross floor area of approximately 1,247.82 sq.m. have been leased out. (Refer to Note 3)	RMB83,310,000 (equivalent to approximately HK\$101,100,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB42,488,100 (equivalent to approximately HK\$51,563,200)

Notes:

- According to 6 State-owned Land Use Rights Certificates (Document Nos.: Nong Guo Yong (2004) Nos. 0-12210165, 0-2210166 and 0-2210167 and Nong Guo Yong (2007) Nos. 012210922, 012210923 and 012210924), the land use rights of the property having a total site area of approximately 181,033 sq.m. have been granted to China Resources Snow Breweries (Changchun) Co., Ltd. (華潤雪花啤酒(長春)有限公司) for industrial uses for terms expiring on 9 January 2051, 9 January 2051, 9 January 2051, 22 February 2054, 31 December 2056 and 31 December 2056 respectively.
- According to 53 Building Ownership Certificates (Document Nos.: Nongan County Fang Quan Zheng Nongan Zi Nos. 00010197 to 00010200 and Nongan County Fang Quan Zheng Nongan Zhen Zi Nos. 0021713 to 0021723, 0007858 to 0007861, 0007863 to 0007864, 0007868 to 0007869, 0007871, 0007873 to 0007876, 0007878 to 0007890, 0007893, 0007896 to 0007900, 0007904, 0007906, 0008410, 0027956, 0027878 and 0027879), the building ownership rights of various buildings with a total gross floor area of approximately 49,479.68 sq.m. are owned by China Resources Snow Breweries (Changchun) Co., Ltd..
- Tenancy agreement has been entered into in respect of part (1,247.82 sq.m.) of the property for an indefinite term at an annual rent of RMB60,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the tenant intends to early terminate this tenancy agreement, the tenant should serve a written notice to the landlord 3 months prior to the expiry date.

4. China Resources Snow Breweries (Changchun) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) It is possible that 70,627 out of 181,033 sq.m. of the land may be retrieved by local government due to the fact that such parcel of land was granted in 2007 without any land premium submitted, China Resources Snow Breweries (Changchun) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) As confirmed by China Resources Snow Breweries (Changchun) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Changchun) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Changchun) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
2. An industrial complex located at No. 999 Songjiang North Road, Changyi District, Jilin City, Jilin Province, the PRC	The property comprises a parcel of land with a site area of approximately 298,021.64 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2012 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB147,570,000 (equivalent to approximately HK\$179,090,000)
(Held by 華潤雪花啤酒(吉林)有限公司)	The buildings have a total gross floor area of approximately 86,467.80 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB139,180,000 (equivalent to approximately HK\$168,910,000)
	The structures mainly include roads, walls, sheds and chimneys.		
	The property has been granted land use rights for a term expiring on 26 April 2062 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB75,260,700 (equivalent to approximately HK\$91,335,800)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB70,981,800 (equivalent to approximately HK\$86,143,000)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Ji Shi Guo Yong (2013) No. 220202002278), the land use rights of the property having a site area of approximately 298,021.64 sq.m. have been granted to China Resources Snow Breweries (Jilin) Co., Ltd. (華潤雪花啤酒(吉林)有限公司) for industrial uses for a term expiring on 26 April 2062.
2. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 86,467.80 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB139,180,000 (equivalent to approximately HK\$168,910,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Jilin) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Jilin) Co., Ltd. legally owns the land use rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Jilin) Co., Ltd.
 - (ii) As confirmed by China Resources Snow Breweries (Jilin) Co., Ltd., as of the date hereof, the land use rights of the property is not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Jilin) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Jilin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Jilin) Co., Ltd. has not obtained the Building Ownership Certificate(s) having a total gross floor area of 86,467.8 sq.m. Since China Resources Snow Breweries (Jilin) Co., Ltd. has not provided the Construction Commencement Permit and has not obtained construction completion inspection and acceptance materials of the buildings, if (1) the Construction Commencement Permit of the aforesaid property has not been obtained after Construction Engineering Planning Permit, or (2) the aforesaid property is put into operation before obtaining its Inspection and Acceptance Form for Completion, China Resources Snow Breweries (Jilin) Co., Ltd. may subject to penalties and shall compensate the related losses incurred. China Resources Snow Breweries (Jilin) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	No
6. The land portion of the property was acquired on 26 April 2013 at a total acquisition cost of RMB135,889,817 and the total construction costs expended on the property was RMB176,200,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
3. An office unit on Level 5 of a building located at Nanjing Street and Carport No. 53, Block 10 of Yongji Area, Chuanying District, Jilin City, Jilin Province, the PRC	<p>The property comprises an office on Level 5 of a 7-storey building completed in 1992 and a carport.</p> <p>The property has a total gross floor area of approximately 540.97 sq.m.</p>	<p>The property is currently occupied by the Group for office uses.</p> <p>Portions of the property having a total gross floor area of approximately 516.56 sq.m. have been leased out. (Refer to Note 2)</p>	<p>RMB2,250,000</p> <p>(equivalent to approximately HK\$2,730,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB1,147,500</p> <p>(equivalent to approximately HK\$1,392,600)</p>
(Held by 華潤雪花啤酒 (吉林) 有限公司)			

Notes:

- According to 2 Building Ownership Certificates (Document Nos.: Jilin City Fang Quan Zheng Chuan Zi Nos. HZ10000021 and SW10000002), the building ownership rights of the property with a total gross floor area of approximately 540.97 sq.m. are owned by China Resources Snow Breweries (Jilin) Co., Ltd. (華潤雪花啤酒 (吉林) 有限公司).
- Tenancy agreement has been entered into in respect of part (516.56 sq.m.) of the property for a term of three years from 24 January 2012 to 24 January 2015 at an annual rent of RMB50,000 for the first year, RMB60,000 for the second year and RMB70,000 for the third year. The tenant shall be responsible for all outgoing expenses in relation to the property. The tenant has the first right to renew under the same terms and conditions as in the existing tenancy agreement. If the tenant early terminates this tenancy agreement, the rent paid by the tenant will not be refunded by the landlord.
- China Resources Snow Breweries (Jilin) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Jilin) Co., Ltd. legally owns the building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Jilin) Co., Ltd..
 - As confirmed by China Resources Snow Breweries (Jilin) Co., Ltd., as of the date hereof, the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the documents and confirmation provided by China Resources Snow Breweries (Jilin) Co., Ltd., subject to the terms and provisions as recorded in the Building Ownership Certificates (Document Nos.: Jilin City Fang Quan Zheng Chuan Zi Nos. HZ10000021 and SW10000002), China Resources Snow Breweries (Jilin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

- (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
- 5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - (i) Building Ownership Certificate Yes

4.	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
	An industrial complex located at No. 18 Linxiang Road, Yichun District, Yichun City, Heilongjiang Province, the PRC	The property comprises a parcel of land with a site area of approximately 53,684.30 sq.m. and 21 buildings and various ancillary structures erected thereon completed in various stages between 1985 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB26,760,000 (equivalent to approximately HK\$32,480,000)
	(Held by 華潤雪花啤酒 (伊春) 有限公司)	The buildings have a total gross floor area of approximately 25,543.16 sq.m.	Portions of the property having a total gross floor area of approximately 68 sq.m. have been leased out. (Refer to Note 4)	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB2,430,000
		The structures mainly include roads, walls, sheds and chimneys.		(equivalent to approximately HK\$2,950,000)
		The property has been granted land use rights for a term expiring on 16 May 2059 for industrial uses.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB13,647,600
				(equivalent to approximately HK\$16,562,600)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB1,239,300
				(equivalent to approximately HK\$1,504,000)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Yichun Guo Yong (2009) No. 499), the land use rights of the property having a site area of approximately 53,684.30 sq.m. have been granted to China Resources Snow Breweries (Yichun) Co., Ltd. (華潤雪花啤酒(伊春)有限公司) for industrial uses for a term expiring on 16 May 2059.
2. According to 18 Building Ownership Certificates (Document Nos.: Yi Fang Quan Zheng Yichun Zi Nos. 0001220, 0001221, 000264, 000265, 000267, 007536, 008319 to 008322, 016843 to 016849 and 201402903), the building ownership rights of 17 buildings with a total gross floor area of approximately 23,530.46 sq.m. are owned by China Resources Snow Breweries (Yichun) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 2,012.70 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB2,430,000 (equivalent to approximately HK\$2,950,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Two tenancy agreements have been entered into in respect of part (68 sq.m.) of the property, of which 58 sq.m. have been leased out for a term from 26 January 2015 to 31 December 2015 at a total rent of RMB2,500 and 10 sq.m. have been leased out for a term from 2 November 2014 to 1 November 2015 at an annual rent of RMB10,000 (electricity fees shall be borne by the tenant). If the tenant early terminates the tenancy agreement in respect of 58 sq.m., the tenant shall compensate the landlord all actual losses. If any party early terminates the tenancy agreement in respect of 10 sq.m., the terminating party shall compensate the other party all economic losses.
5. China Resources Snow Breweries (Yichun) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Yichun) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Yichun) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Yichun) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Yichun) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Yichun) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Yichun) Co., Ltd. has not obtained the Building Ownership Certificates having a total gross floor area of 2,012.7 sq.m. among which:
 - (1) buildings with construction area of 1,800 sq.m., although the Construction Land Planning Permit of such property has not been provided, its Inspection and Acceptance Form for Completion has been obtained. Consequently, under the condition that (a) all adequate application materials for the ownership registration of such property are submitted and accepted to the competent authority, and (b) construction of such property is in compliance with the related permits and approvals obtained, the possibility that the Building Ownership Certificate(s) of such property cannot be obtained is relatively small;
 - (2) buildings with construction area of 212.7 sq.m., (a) Construction Land Planning Permit and (b) any construction completion inspection and acceptance materials have not been

obtained. If the aforesaid property is put into operation before obtaining its Inspection and Acceptance Form for Completion, China Resources Snow Breweries (Yichun) Co., Ltd. may subject to penalties and shall compensate the related losses incurred. In addition, they may also face penalties of relevant government departments. China Resources Snow Breweries (Yichun) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.

- (v) According to the information and documents available, as to the property registered on Building Ownership Certificate (Document Nos.: Yi Fang Quan Zheng Yichun Zi Nos. 008319), 234.4 sq.m. out of 372.4 sq.m. has been demolished while the related information recorded on the aforesaid Building Ownership Certificate has not been modified. Consequently, the Building Ownership Certificate of the aforesaid property shall be modified accordingly.
 - (vi) The above-mentioned tenancy agreements entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
5. An industrial complex located at No. 8 Xuehua Street, Yilan County, Harbin City, Heilongjiang Province, the PRC	The property comprises a parcel of land with a site area of approximately 233,979.07 sq.m. and 22 buildings and various ancillary structures erected thereon completed in various stages between 2008 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB124,310,000 (equivalent to approximately HK\$150,860,000)
(Held by 華潤雪花啤酒 (依蘭) 有限公司)	The buildings have a total gross floor area of approximately 54,660.76 sq.m.	Portions of the property (not more than gross floor area of 4,316 sq.m.) have been leased out. (Refer to Note 3)	Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls, sheds and chimneys.		RMB63,398,100 (equivalent to approximately HK\$76,939,400)
	The property has been granted land use rights for a term expiring on 15 March 2057 for industrial uses.		

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Yi Guo You (2007) No. 1-221-001), the land use rights of the property having a site area of approximately 233,979.07 sq.m. have been granted to China Resources Snow Breweries (Yilan) Co., Ltd. (華潤雪花啤酒 (依蘭) 有限公司) for industrial uses for a term expiring on 15 March 2057.
- According to 20 Building Ownership Certificates (Document Nos.: Yi Fang Quan Zheng 2009 Zi Nos. 031569 to 031588), the building ownership rights of 22 buildings with a total gross floor area of approximately 54,660.76 sq.m. are owned by China Resources Snow Breweries (Yilan) Co., Ltd..
- Tenancy agreement has been entered into in respect of part of the property (not more than 4,316 sq.m.) for a term of one year from 1 January 2015 to 31 December 2015 at an annual rent of RMB27,000.
- China Resources Snow Breweries (Yilan) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - Except the bathing pool (浴池) with the gross floor area of 234.4 sq.m. that has been demolished, China Resources Snow Breweries (Yilan) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Yilan) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) According to the materials and information provided by China Resources Snow Breweries (Yilan) Co., Ltd., except the bathing pool (浴池) that has been demolished, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Yilan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
6. An industrial complex located at No. 105 Kuangquan West Street, Wulanhaote City, Xinganmeng, Inner Mongolia Autonomous Region, the PRC (Held by 華潤雪花啤酒(興安)有限公司)	The property comprises 2 parcels of land with a total site area of approximately 48,967.91 sq.m. and 31 buildings and various ancillary structures erected thereon completed in various stages between 1982 and 2009. The buildings have a total gross floor area of approximately 17,012.41 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for various terms with the earliest expiry date in November 2056 for industrial and office uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB15,360,000 (equivalent to approximately HK\$18,640,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB7,833,600 (equivalent to approximately HK\$9,506,800)

Notes:

- According to 4 State-owned Land Use Rights Certificates (Document No.: Wu Guo Yong (2007) Nos. 49497, B44183, B44185 and B44187), the land use rights of the property having a total site area of approximately 48,967.91 sq.m. have been granted to China Resources Snow Breweries (Xingan) Co., Ltd. (華潤雪花啤酒(興安)有限公司) for industrial and office uses for terms expiring in December 2056, November 2056, November 2056 and November 2056 respectively.
- According to 22 Building Ownership Certificates (Document Nos.: Wu Fang Quan Zheng Tie Xi Zi Nos. A030271 to A030273, A030275 to A030286, A038661 to A03864 and A012133 to A012135), the building ownership rights of 31 buildings with a total gross floor area of approximately 17,012.41 sq.m. are owned by China Resources Snow Breweries (Xingan) Co., Ltd..
- China Resources Snow Breweries (Xingan) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Xingan) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Xingan) Co., Ltd..
 - As confirmed by China Resources Snow Breweries (Xingan) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the documents and confirmation provided by China Resources Snow Breweries (Xingan) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Xingan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
7. An industrial complex located at No. 1 Zhongyang North Road, Industrial and Economic Development Zone, Wulanhaote City, Xinganmeng, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises a parcel of land with a site area of approximately 138,794 sq.m. and 23 buildings and various ancillary structures erected thereon completed in various stages between 1996 and 2013.</p> <p>The buildings have a total gross floor area of approximately 38,855.60 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 3 October 2060 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 148.20 sq.m. have been leased out. (Refer to Note 3)</p>	<p>RMB95,690,000</p> <p>(equivalent to approximately HK\$116,130,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB48,801,900</p> <p>(equivalent to approximately HK\$59,225,600)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Wu Guo Yong (2011) No. 56568), the land use rights of the property having a site area of approximately 138,794 sq.m. have been granted to China Resources Snow Breweries (Xingan) Co., Ltd. (華潤雪花啤酒(興安)有限公司) for industrial uses for a term expiring on 3 October 2060.
- According to 19 Building Ownership Certificates (Document Nos.: Xinganmeng Fang Quan Zheng Wulanhaote City Zi Nos. 110011301519 to 110011301537), the building ownership rights of 23 buildings with a total gross floor area of approximately 38,855.60 sq.m. are owned by China Resources Snow Breweries (Xingan) Co., Ltd..
- Tenancy agreement has been entered into in respect of part (148.20 sq.m.) of the property for a term from 9 January 2015 to 31 December 2015 at an annual rent of RMB14,000, exclusive of all outgoing expenses. The tenant shall be responsible for all outgoing expenses in relation to the property.
- China Resources Snow Breweries (Xingan) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Xingan) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Xingan) Co., Ltd..
 - As confirmed by China Resources Snow Breweries (Xingan) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Xingan) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Xingan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
- 6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes
- 7. The land portion of the property was acquired on 22 October 2010 at a total acquisition cost of RMB25,319,203 and the total construction costs expended on the property was RMB81,500,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
8. An industrial complex located at No. 9 Xuehua Road, Tonghua City, Jilin Province, the PRC (Held by 華潤雪花啤酒 (通化) 有限公司)	<p>The property comprises a parcel of land with a site area of approximately 118,221.23 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2009 and 2013.</p> <p>The buildings have a total gross floor area of approximately 42,700.62 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on: (1) for 100,000 sq.m.: 2 September 2056; (2) for the remaining 18,221.23 sq.m.: 18 June 2058 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB107,770,000</p> <p>(equivalent to approximately HK\$130,790,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB17,180,000</p> <p>(equivalent to approximately HK\$20,850,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB54,962,700</p> <p>(equivalent to approximately HK\$66,702,300)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB8,761,800</p> <p>(equivalent to approximately HK\$10,633,300)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Tong Shi Guo Yong (2011) No. 050211867), the land use rights of the property having a site area of approximately 118,221.23 sq.m. have been granted to China Resources Snow Breweries (Tonghua) Co., Ltd. (華潤雪花啤酒(通化)有限公司) for industrial uses for a term expiring on: (1) for 100,000 sq.m.: 2 September 2056; (2) for the remaining 18,221.23 sq.m.: 18 June 2058.
2. According to 10 Building Ownership Certificates (Document Nos.: Ji Fang Chan Quan Tong Zi Nos. S092186, S090387, S090388 and S090390 to S090396), the building ownership rights of 10 buildings with a total gross floor area of approximately 32,287.79 sq.m. are owned by China Resources Snow Breweries (Tonghua) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 10,412.83 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB17,180,000 (equivalent to approximately HK\$20,850,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Tonghua) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) Except for the following possibilities, China Resources Snow Breweries (Tonghua) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Tonghua) Co., Ltd..
 - (a) as to the land with an area of 100,000 sq.m. out of 118,221.23 sq.m., which is recorded in the State-owned Land Use Rights Certificate (Document No.: Tong Shi Guo Yong (2011) No. 050211867), it is unable to determine whether there is any restriction stated in the related original Land Use Rights Grant Contract; and
 - (b) as to the land with an area of 18,221.23 sq.m. out of 118,221.23 sq.m., which is also recorded in the State-owned Land Use Rights Certificate (Document No.: Tong Shi Guo Yong (2011) No. 050211867), it may be resumed by local government since such parcel of land was granted without any land premium being submitted.
 - (ii) As confirmed by China Resources Snow Breweries (Tonghua) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Tonghua) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Tonghua) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Tonghua) Co., Ltd. has not obtained the building ownership certificates of buildings having total gross floor area of 10,412.83 sq.m. due to the fact that the Inspection and Acceptance Form for Completion and other construction completion permits have not been obtained. Consequently, if the aforesaid property is put into operation before obtaining its Inspection and Acceptance Form for Completion, China Resources Snow Breweries (Tonghua) Co., Ltd. may subject to penalties and shall compensate the related losses incurred.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
9. An industrial complex located at the south of Zhuhai Road and the east of Xian Street, Limin Development Zone, Harbin City, Heilongjiang Province, the PRC (Held by 華潤雪花啤酒(黑龍江)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 211,600 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2007 and 2012.</p> <p>The buildings have a total gross floor area of approximately 85,250.68 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 5 December 2056 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 221 sq.m. have been leased out. (Refer to Note 4)</p>	<p>RMB152,660,000</p> <p>(equivalent to approximately HK\$185,270,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB43,220,000</p> <p>(equivalent to approximately HK\$52,450,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB77,856,600</p> <p>(equivalent to approximately HK\$94,486,200)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB22,042,200</p> <p>(equivalent to approximately HK\$26,750,200)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Hu Guo Yong (2006) No. 1109), the land use rights of the property having a site area of approximately 211,600 sq.m. have been granted to China Resources Snow Breweries (Heilongjiang) Co., Ltd. (華潤雪花啤酒(黑龍江)有限公司) for industrial uses for a term expiring on 5 December 2056.
2. According to 16 Building Ownership Certificates (Document Nos.: Ha Fang Quan Zheng Zi Nos. HL09100618 to HL09100626 and Ha Fang Quan Zheng Limin Zi Nos. LM09103824 to LM09103826, LM09103853, LM09104473 to LM09104475), the building ownership rights of 16 buildings with a total gross floor area of approximately 51,228.18 sq.m. are owned by China Resources Snow Breweries (Heilongjiang) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross area of approximately 34,022.5 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB43,220,000 (equivalent to approximately HK\$52,450,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Three Tenancy agreements have been entered into in respect of part (221 sq.m.) of the property, of which 46 sq.m. have been leased out for a term of one year from 21 October 2014 to 20 October 2015 at an annual rent of RMB45,000 (inclusive of water and heat supply fees but exclusive of electricity fee), 150 sq.m. have been leased for a term one year from 1 January 2015 to 31 December 2015 at an annual rent of RMB20,000 and 25 sq.m. have been leased for a term of three years from 1 May 2013 to 30 April 2016 at an annual rent of RMB30,000 (inclusive of all outgoing expenses in relation to the property). The tenant has the first right to renew the tenancy agreement in respect of 25 sq.m. under same conditions.
5. China Resources Snow Breweries (Heilongjiang) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Heilongjiang) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Heilongjiang) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Heilongjiang) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Heilongjiang) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Heilongjiang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Heilongjiang) Co., Ltd. has not obtained the building ownership certificates of 12 buildings having total gross area of 34,022.5 sq.m. due to the fact that the Inspection and Acceptance Form for Completion of the aforesaid property has not been obtained by China Resources Snow Breweries (Heilongjiang) Co., Ltd.. Consequently, if the aforesaid property is put into operation before obtaining its Inspection and Acceptance Form for Completion, China Resources Snow Breweries (Heilongjiang) Co., Ltd. may subject to penalties and shall compensate the related losses incurred.
 - (v) The above-mentioned tenancy agreements entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.

7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
10. An industrial complex located at No. 26 Hulun Street, Hailar District, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC (Held by 華潤雪花啤酒(海拉爾)有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 95,129.60 sq.m. and 79 buildings and various ancillary structures erected thereon completed in 1985.</p> <p>The buildings have a total gross floor area of approximately 61,607.57 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 17 March 2052 for industrial and ancillary uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 677.96 sq.m. have been leased out. (Refer to Note 3)</p>	<p>RMB53,840,000 (equivalent to approximately HK\$65,340,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB27,458,400 (equivalent to approximately HK\$33,323,300)</p>

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Hu Hai Fen Guo Yong (2009) Zi Nos. 0050100314 and 0030100331), the land use rights of the property having a total site area of approximately 95,129.60 sq.m. have been granted to China Resources Snow Breweries (Hailar) Co., Ltd. (華潤雪花啤酒(海拉爾)有限公司) for industrial uses for terms expiring on 17 March 2052 and 29 March 2059 respectively.
- According to 17 Building Ownership Certificates (Document Nos.: Hulunbuir Fang Quan Zheng Hailar Zi Nos. 10035064 to 10035082), the building ownership rights of various buildings with a total gross floor area of approximately 61,607.57 sq.m. are owned by China Resources Snow Breweries (Hailar) Co., Ltd..
- Five tenancy agreements have been entered into in respect of part (677.96 sq.m.) of the property, of which 144.32 sq.m. have been leased out for a term of one year from 1 July 2015 to 30 June 2016 at an annual rent of RMB64,000 (inclusive of water and heat supply fees but exclusive of electricity fee), 72.16 sq.m. have been leased for a term of one year from 1 July 2015 to 30 June 2016 at an annual rent of RMB32,000 (inclusive of all outgoing expenses in relation to the property), 144.32 sq.m. have been leased for a term one year from 1 March 2015 to 28 February 2016 at an annual rent of RMB64,000, 245 sq.m. have been leased for a term one year from 6 July 2015 to 5 July 2016 at an annual rent of RMB80,000 and 72.16 sq.m. have been leased from 1 August 2015 to 31 July 2016 at an annual rent of RMB32,000. The tenants shall be responsible for all outgoing expenses in relation to the property. The tenants shall have the first right to renew the tenancy under the same conditions offered to other potential tenants.
- China Resources Snow Breweries (Hailar) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

5. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Hailar) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Hailar) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Hailar) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Hailar) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Hailar) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
11. An industrial complex located at Lunhe Village, Hake Town, Hailar District, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC (Held by 華潤雪花啤酒(海拉爾)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 169,953 sq.m. and 16 buildings and various ancillary structures erected thereon completed in various stages between 2009 and 2010.</p> <p>The buildings have a total gross floor area of approximately 37,216.76 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 12 December 2058 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 200 sq.m. have been leased out. (Refer to Note 3)</p>	<p>RMB92,310,000 (equivalent to approximately HK\$112,030,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB47,078,100 (equivalent to approximately HK\$57,133,600)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Hu Hai Fen Guo Yong (2009) Zi No. 0110400156), the land use rights of the property having a site area of approximately 169,953 sq.m. have been granted to China Resources Snow Breweries (Hailar) Co., Ltd. (華潤雪花啤酒(海拉爾)有限公司) for industrial uses for a term expiring on 12 December 2058.
- According to 16 Building Ownership Certificates (Document Nos.: Hulunbuir Fang Quan Zheng Hailar Zi Nos. 10053124 to 10053139), the building ownership rights of 16 buildings with a total gross floor area of approximately 37,216.76 sq.m. are owned by China Resources Snow Breweries (Hailar) Co., Ltd..
- Tenancy agreement has been entered into in respect of part (200 sq.m.) of the property for a term from 3 February 2015 to 31 December 2015 at an annual rent of RMB22,000. The tenant shall be responsible for all outgoing expenses in relation to the property.
- China Resources Snow Breweries (Hailar) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Hailar) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Hailar) Co., Ltd.. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium within 60 days after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Hailar) Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relative small.
 - As confirmed by China Resources Snow Breweries (Hailar) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) According to the materials and information provided by China Resources Snow Breweries (Hailar) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Hailar) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
12. An industrial complex located at the southwest of Hake Museum, Hake Town, Hailar District, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC (Held by 華潤雪花啤酒(海拉爾)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 170,000 sq.m. and various buildings and ancillary structures erected thereon to be completed in various stages between 2015 and 2016.</p> <p>The buildings have a total gross floor area of approximately 6,467.49 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 17 July 2063 for industrial uses.</p>	<p>The property is under construction.</p>	<p>RMB37,120,000 (equivalent to approximately HK\$45,050,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB18,931,200 (equivalent to approximately HK\$22,974,800)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Hu Hai Fen Guo Yong (2013) No. 0162), the land use rights of the property having a site area of approximately 170,000 sq.m. have been granted to China Resources Snow Breweries (Hailar) Co., Ltd. (華潤雪花啤酒(海拉爾)有限公司) for industrial uses for a term expiring on 17 July 2063.
- According to a Planning Permit for Construction Land (Document No.: Di Zi No. 150701201300046) dated 14 August 2013, the construction site of a parcel of land with a site area of approximately 170,000 sq.m. is in compliance with the urban construction requirements.
- According to a Planning Permit for Construction Works (Document No.: Jian Zi No. 150701201400015-L) dated 22 May 2014, the construction works of the development of the property with a total gross floor area of 120,837 sq.m. is in compliance with the urban construction requirements and are approved.
- According to 3 Permits for Commencement of Construction Works (Document Nos.: A152101201411190201, A152101201411190301 and A152101201411190401), all dated 19 November 2014 the construction works of the development of the property with a total gross floor area of 6,467.49 sq.m. are in compliance with the requirements for works commencement and are approved.
- The construction cost to complete the property is estimated to be approximately RMB9,420,000. The property is scheduled to be completed in 2016 for occupation.
- The capital value when completed of the proposed development is approximately RMB47,000,000.
- China Resources Snow Breweries (Hailar) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

8. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Hailar) Co., Ltd. legally owns the land use rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Hailar) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Hailar) Co., Ltd., as of the date hereof, the land use rights of the property is not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Hailar) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Hailar) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Hailar) Co., Ltd. has obtained the Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works for the construction-in-progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
9. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|-------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Planning Permit for Construction Land | Yes |
| (iii) | Planning Permit for Construction Works | Yes |
| (iv) | Permit for Commencement of Construction Works | Yes |
10. The land portion of the property was acquired on 8 August 2013 at a total acquisition cost of RMB33,732,582 and the total construction costs expended on the property was RMB7,810,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
13. An industrial complex located at the east of Manda Road, Jalainur District, Manzhouli City, Inner Mongolia Autonomous Region, the PRC (Held by 華潤雪花啤酒(海拉爾)有限公司)	The property comprises a parcel of land with a site area of approximately 52,459.917 sq.m. and 5 buildings and various ancillary structures erected thereon completed in various stages between 1980 and 2010. The buildings have a total gross floor area of approximately 9,636.32 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for a term expiring on 5 September 2058 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB12,120,000 (equivalent to approximately HK\$14,710,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB6,181,200 (equivalent to approximately HK\$7,501,500)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Man Za Guo Yong (2008) No. 001127), the land use rights of the property having a site area of approximately 52,459.917 sq.m. have been granted to China Resources Snow Breweries (Hailar) Co., Ltd. (華潤雪花啤酒(海拉爾)有限公司) for industrial uses for a term expiring on 5 September 2058.
- According to 4 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Man Zi Nos. 700361, 701184, 701438 and 701440), the building ownership rights of 5 buildings with a total gross floor area of approximately 9,636.32 sq.m. are owned by China Resources Snow Breweries (Hailar) Co., Ltd..
- China Resources Snow Breweries (Hailar) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Hailar) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Hailar) Co., Ltd..
 - As confirmed by China Resources Snow Breweries (Hailar) Co., Ltd., as of the date hereof, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the materials and information provided by China Resources Snow Breweries (Hailar) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Hailar) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate Yes
- The land portion of the property was acquired on 8 August 2013 at a total acquisition cost of RMB7,554,000 and the total construction costs expended on the property was RMB7,250,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
14. An industrial complex located at No. 1 Xuehua Road, Shangzhi City, Heilongjiang Province, the PRC	The property comprises a parcel of land with a site area of approximately 271,625.50 sq.m. and various buildings and ancillary structures erected thereon to be completed in 2015.	The property is under construction.	RMB132,050,000 (equivalent to approximately HK\$160,250,000)
(Held by 華潤雪花啤酒 (哈爾濱) 有限公司)	The buildings will have a total gross floor area of approximately 71,202.97 sq.m.		Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls, sheds and chimneys.		RMB67,345,500
	The property has been granted land use rights for a term expiring on 22 July 2064 for industrial uses.		(equivalent to approximately HK\$81,730,000)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Shang Guo Yong (2014) No. 851), the land use rights of the property having a site area of approximately 271,625.60 sq.m. have been granted to China Resources Snow Breweries (Harbin) Co., Ltd. (華潤雪花啤酒 (哈爾濱) 有限公司) for industrial uses for a term expiring on 22 July 2064.
- According to a Planning Permit for Construction Land (Document No.: Di Zi No. 2014029) dated 22 August 2014, the construction site of a parcel of land with a site area of approximately 271,625.50 sq.m. is in compliance with the urban construction requirements.
- According to a Planning Permit for Construction Works (Document No.: Jian Zi No. 2015006) dated 5 February 2015, the construction works of the development of the property with a total gross floor area of 71,202.97 sq.m. is in compliance with the urban construction requirements and are approved.
- According to 9 Permits for Commencement of Construction Works (Document Nos.: 232102201410200101, 232102201504100101, 232102201504100201, 232102201504100301, 232102201504150101, 232102201504150201, 232102201504150301, 23210220504170101 and 232102201508180101) dated 20 October 2014, 10 April 2015, 10 April 2015, 10 April 2015, 15 April 2015, 15 April 2015, 17 April 2015 and 18 August 2015 respectively, the construction works of the development of the property with a total gross floor area of 71,202.97 sq.m. are in compliance with the requirements for works commencement and are approved.
- The construction cost to complete the property is estimated to be approximately RMB66,600,000. The property is scheduled to be completed by the end of 2015 for occupation.
- The capital value when completed of the proposed development is approximately RMB200,000,000.
- China Resources Snow Breweries (Harbin) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

8. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Harbin) Co., Ltd. legally owns the land use rights of the property.
 - (ii) As confirmed by China Resources Snow Breweries (Harbin) Co., Ltd. in written form, as of the date hereof, the land use rights of the property is not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Harbin) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Harbin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Harbin) Co., Ltd. has obtained the Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works for the construction-in-progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
9. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|-------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Planning Permit for Construction Land | Yes |
| (iii) | Planning Permit for Construction Works | Yes |
| (iv) | Permit for Commencement of Construction Works | Yes |
10. The land portion of the property was acquired on 31 July 2014 at a total acquisition cost of RMB57,192,643 and the total construction costs expended on the property was RMB77,350,000.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
15.	An industrial complex located at No. 1 Xinli Street, Yimianpo, Shangzhi City, Heilongjiang Province, the PRC	The property comprises a parcel of land with a site area of approximately 218,804.80 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1968 and 2004.	The property is currently occupied by the Group for production, office and ancillary uses.	No commercial value
	(Held by 華潤雪花啤酒(哈爾濱)有限公司)	The buildings have a total gross floor area of approximately 59,337.79 sq.m.		Interest attributable to the Group 51%
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015 No commercial value
		The structures mainly include roads, walls, sheds and chimneys.		
		The property has been granted land use rights for a term expiring on 28 July 2041 for industrial uses.		

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Shang Guo Yong (2004) No. 501), the land use rights of the property having a site area of approximately 216,241.20 sq.m. have been granted to China Resources Snow Breweries (Harbin) Co., Ltd. (華潤雪花啤酒(哈爾濱)有限公司) for industrial uses for a term expiring on 28 July 2041.
- According to a State-owned Land Use Rights Certificate (Document No.: Shang Guo Yong (2005) No. 815), the land use rights of the property having a site area of approximately 2,563.60 sq.m. have been allocated to China Resources Snow Breweries (Harbin) Co., Ltd. for industrial uses.
- According to 89 Building Ownership Certificates (Document Nos.: Shang Fang Quan Zheng Yimianpo Zi Nos. 005307 to 005370 and 007033 to 007045, 007047 to 007052, 007054, 007056 to 007058 and Ha Fang Quan Zheng Nan Zi No. 1201058478), the building ownership rights of various buildings with a total gross floor area of approximately 59,337.79 sq.m. are owned by China Resources Snow Breweries (Harbin) Co., Ltd..
- According to certain relocation agreements dated 15 August 2014 between China Resources Snow Breweries (Harbin) Co., Ltd. and the Government of Shangzhi City, the property would have to be handed back to the Government of Shangzhi City upon completion of the constructions of the new industrial complex mentioned in Property No. 14. As such, we have ascribed no commercial value to the property.
- China Resources Snow Breweries (Harbin) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Harbin) Co., Ltd. legally owns the land use rights and building ownership rights of the property.

- (ii) As confirmed by China Resources Snow Breweries (Harbin) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Harbin) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Harbin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) According to certain relocation agreements dated 15 August 2014 between China Resources Snow Breweries (Harbin) Co., Ltd. and the Government of Shangzhi City, the property would have to be handed back to the Government of Shangzhi City upon completion of the constructions of the new industrial complex.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
16. An industrial complex located at No. 96 Jianbei Road, Jianhua District, Qiqihaer City, Heilongjiang Province, the PRC	The property comprises a parcel of land with a site area of approximately 38,593.60 sq.m. and 30 buildings and various ancillary structures erected thereon completed in various stages between 1986 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB32,000,000 (equivalent to approximately HK\$38,830,000)
(Held by 華潤雪花啤酒(齊齊哈爾)有限公司)	The buildings have a total gross floor area of approximately 31,984.22 sq.m.	Portions of the property having a total gross floor area of approximately 150 sq.m. have been leased out. (Refer to Note 3)	Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls, sheds and chimneys.		RMB16,320,000 (equivalent to approximately HK\$19,805,800)
	The property has been granted land use rights for a term expiring on 7 December 2055 for industrial uses.		

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Qi Tu Ji Guo Yong (2012) No. 0100375), the land use rights of the property having a site area of approximately 38,593.60 sq.m. have been granted to China Resources Snow Breweries (Qiqihaer) Co., Ltd. (華潤雪花啤酒(齊齊哈爾)有限公司) for industrial uses for a term expiring on 7 December 2055.
- According to 30 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Qi Zi Nos. S201204336, S201204337, S201204340 to S201204343, S201204344, S201204345, S201204346, S201204347, S201204348, S201204349, S201204351 to S201204355, S201204357, S201204358, S201204363, S201204364 to S201204367, S201204368, S201204369 and S201204370 to S201204372), the building ownership rights of 25 buildings with a total gross floor area of approximately 31,984.22 sq.m. are owned by China Resources Snow Breweries (Qiqihaer) Co., Ltd..
- A tenancy agreement has been entered into in respect of part (150 sq.m.) of the property for a term from 1 January 2015 to 31 December 2015 at an annual rent of RMB22,000. The tenant shall be responsible for all outgoing expenses in relation to the property.
- China Resources Snow Breweries (Qiqihaer) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Qiqihaer) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Qiqihaer) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) According to the materials and information provided by China Resources Snow Breweries (Qiqihaer) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Qiqihaer) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
17. An industrial complex located at No. 49 Jianfu Road, Fulaerji District, Qiqihaer City, Heilongjiang Province, the PRC	The property comprises a parcel of land with a site area of approximately 20,643.30 sq.m. and 13 buildings and various ancillary structures erected thereon completed in various stages between 1976 and 1988.	The property is currently vacant.	RMB6,070,000 (equivalent to approximately HK\$7,370,000)
(Held by 華潤雪花啤酒(齊齊哈爾)有限公司)	The buildings have a total gross floor area of approximately 12,674.02 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB420,000 (equivalent to approximately HK\$510,000)
	The structures mainly include roads, walls, sheds and chimneys.		
	The property has been granted land use rights for a term expiring on 7 December 2055 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB3,095,700 (equivalent to approximately HK\$3,756,900)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB214,200 (equivalent to approximately HK\$260,000)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: 0100399), the land use rights of the property having a site area of approximately 20,643.30 sq.m. have been granted to China Resources Snow Breweries (Qiqihaer) Co., Ltd. (華潤雪花啤酒(齊齊哈爾)有限公司) for industrial uses for a term expiring on 7 December 2055.
2. According to 13 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Fu Fang Zi Nos. S2012040339, S2012040340, S2012040341 to S2012040343, S2012040345 to S2012040348, S2012040349 and S2012040350 to S2012040352), the building ownership rights of 11 buildings with a total gross floor area of approximately 9,299.02 sq.m. are owned by China Resources Snow Breweries (Qiqihaer) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 3,375 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB420,000 (equivalent to approximately HK\$510,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Qiqihaer) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Qiqihaer) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) As confirmed by China Resources Snow Breweries (Qiqihaer) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Qiqihaer) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Qiqihaer) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) A water treatment plant (污水處理廠) of the property, with the gross floor area of 3,375 sq.m., is subject to demolition because such plant is located within the red line of demolition (拆遷紅線).
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
18. An industrial complex located at No. 1 Pijiuchang Road, Morin Dawa Daur Autonomous Banner, Hulunbuir City, Inner Mongolia Autonomous Region, the PRC (Held by 華潤雪花啤酒(呼倫貝爾)有限公司)	<p>The property comprises 4 parcels of land with a total site area of approximately 161,932.90 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1991 and 2012.</p> <p>The buildings have a total gross floor area of approximately 37,703.42 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for various terms with the earliest expiry date on 30 June 2054 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 158 sq.m. have been leased out. (Refer to Note 4)</p>	<p>RMB42,840,000</p> <p>(equivalent to approximately HK\$51,990,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB5,310,000</p> <p>(equivalent to approximately HK\$6,440,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB21,848,400</p> <p>(equivalent to approximately HK\$26,515,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB2,708,100</p> <p>(equivalent to approximately HK\$3,286,500)</p>

Notes:

1. According to 4 State-owned Land Use Rights Certificates (Document Nos.: Mo Guo Yong (2008) Nos. 00537, 00538 and 00539 and Mo Guo Yong (2011) No. 000091), the land use rights of the property having a total site area of approximately 161,932.90 sq.m. have been granted to China Resources Snow Breweries (Hulunbuir) Co., Ltd. (華潤雪花啤酒(呼倫貝爾)有限公司) for industrial uses for terms expiring on 15 June 2058, 15 June 2058, 10 July 2057 and 30 June 2054 respectively.
2. According to 20 Building Ownership Certificates (Document Nos.: Mo Qi Fang Quan Zheng Nirji Zhen Nos. 005901 to 005903, 005905 to 005913 and 006674 and Meng Fang Quan Zheng Mo Qi Zi Nos. 11901110379 to 11901110385), the building ownership rights of the buildings with a total gross floor area of approximately 31,482.82 sq.m. are owned by China Resources Snow Breweries (Hulunbuir) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 6,220.60 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB5,310,000 (equivalent to approximately HK\$6,440,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. A tenancy agreement has been entered into in respect of part (158 sq.m.) of the property for a term of one year from 1 January 2015 to 31 December 2015 at an annual rent of RMB26,500. The tenant shall be responsible for all outgoing expenses in relation to the property.
5. China Resources Snow Breweries (Hulunbuir) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) Since the payment certificate of the land grant premium for 39,359.9 out of 161,932.90 sq.m. of the land is not provided, it is possible that such land may be retrieved by local government if such land grant premium is proved to be not paid up, China Resources Snow Breweries (Hulunbuir) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) As confirmed by China Resources Snow Breweries (Hulunbuir) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials and information provided by China Resources Snow Breweries (Hulunbuir) Co., Ltd., during the land use term as recorded in the State -owned Land Use Rights Certificate, China Resources Snow Breweries (Hulunbuir) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) China Resources Snow Breweries (Hulunbuir) Co., Ltd. has not obtained the building ownership certificates with a total gross floor area of 6,220 sq.m. among this:
 - (1) Buildings with construction area of 2,416 sq.m., although the Construction Land Planning Permit of such property is not provided, its Inspection and Acceptance Form for Completion and fire-fighting, planning, environmental protection construction completion permits have been obtained. Consequently, under the condition that (a) all adequate application materials for the ownership registration of such buildings are submitted and accepted to the competent authority, and (b) construction of such buildings is in compliance with the related permits and approvals obtained so far, there shall be no material legal obstacles for China Resources Snow Breweries (Hulunbuir) Co., Ltd. to obtain the building ownership certificate of such buildings;
 - (2) 1 building with gross floor area of 1,500 sq.m.. If such property is put into operation before obtaining its Inspection and Acceptance Form for Completion, China Resources Snow Breweries (Hulunbuir) Co., Ltd. may be subject to penalties by relevant government departments; and

- (3) 11 buildings with gross area of 2,304 sq.m., no construction-related permit of such property has not been obtained. Consequently, such buildings are possible to be demolished at a scheduled time and China Resources Snow Breweries (Hulunbuir) Co., Ltd. is possible to be required to pay penalty, if such buildings are deemed as illegal buildings by the relevant government. As confirmed by China Resources Snow Breweries (Hulunbuir) Co., Ltd. in written form, relevant government authorities haven't imposed any penalties.
 - (v) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
- 7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)
- 8. Part of the land portion of the property was acquired on 5 September 2011 at a total acquisition cost of RMB1,054,200 and the total construction costs expended on the property was RMB52,610,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
19. An industrial complex located at the east of Hangou Railway Station, Beichen District, Tianjin City, the PRC (Held by 華潤雪花啤酒 (天津) 有限公司)	<p>The property comprises 4 parcels of land with a total site area of approximately 116,907 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1995 and 2015.</p> <p>The buildings have a total gross floor area of approximately 52,174.30 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for various terms with the earliest expiry date on 12 November 2046 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB77,910,000</p> <p>(equivalent to approximately HK\$94,550,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB15,510,000</p> <p>(equivalent to approximately HK\$18,820,000)</p> <p>Interest attributable to the Group</p> <p>49.47%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB38,542,077</p> <p>(equivalent to approximately HK\$46,774,400)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB7,672,797</p> <p>(equivalent to approximately HK\$9,311,600)</p>

Notes:

1. According to 4 Real Estate Ownership Certificates (Document Nos.: Fang Di Zheng Jin Zi Nos. 113030912104, 113030912105, 113030913382 and 113050901222), the land use rights of the property having a total site area of approximately 116,907 sq.m. have been granted to China Resources Snow Breweries (Tianjin) Co., Ltd. (華潤雪花啤酒(天津)有限公司) for industrial uses for terms expiring on 12 November 2046, 12 November 2046, 12 November 2046 and 29 March 2057 respectively. And the building ownership rights of various buildings with a total gross floor area of approximately 37,645.37 sq.m. are owned by China Resources Snow Breweries (Tianjin) Co., Ltd..
2. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 14,528.93 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB15,510,000 (equivalent to approximately HK\$18,820,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Tianjin) Co., Ltd. is a 97% owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Tianjin) Co., Ltd. legally owns the land use rights and building ownership rights of the property that have obtained land use right certificates and building ownership rights, except a building with gross floor area of 1,290.56 sq.m. because such building has been demolished. However, the land use rights (Document Nos.: Fang Di Zheng Jin Zi Di 113030912104, 113030913382 and 113030912105) may have the possibility of being expropriated due to the possibilities that relevant land premium are not paid off, although such possibility is relatively small.
 - (ii) As confirmed by China Resources Snow Breweries (Tianjin) Co., Ltd., the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information and documents received, during the land use term as recorded in the Real Estate Ownership Certificate, China Resources Snow Breweries (Tianjin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Tianjin) Co., Ltd. has not obtained the building ownership certificates of buildings with total gross floor area of 14,528.93 sq.m.. As confirmed by China Resources Snow Breweries (Tianjin) Co., Ltd., except the buildings constructed on the land registered under Fang Di Zheng Jin Zi Di 13050901222, other buildings without building ownership certificates are not able to obtain the real estate ownership certificates.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - (i) Real Estate Ownership Certificate Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015	Interest attributable to the Group
20. 5 residential units of Vanke Garden New City, Xinzhong Road, Beichen District, Tianjin City, the PRC (Held by 華潤雪花啤酒(天津)有限公司)	The property comprises 5 residential units of Vanke Garden New City completed in 2014. The property has a total gross floor area of approximately 640.46 sq.m.	The property is currently occupied by the Group for staff quarters uses.	RMB7,200,000 (equivalent to approximately HK\$8,740,000)	49.47%
			Market Value in existing state attributable to the Group as at 1 September 2015	
			RMB3,561,840 (equivalent to approximately HK\$4,322,600)	

Notes:

- According to 5 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Jin Zi Nos. 000003160 to 000003164), the building ownership rights of the property with a total gross floor area of approximately 640.46 sq.m. are owned by China Resources Snow Breweries (Tianjin) Co., Ltd. (華潤雪花啤酒(天津)有限公司).
- China Resources Snow Breweries (Tianjin) Co., Ltd. is a 97%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Tianjin) Co., Ltd. legally owns the building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Tianjin) Co., Ltd., the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the information and documents received, China Resources Snow Breweries (Tianjin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
21. 2 residential units of Hua Yuan, Rihua Lane, Nankai District, Tianjin City, the PRC (Held by 華潤雪花啤酒(天津)有限公司)	The property comprises 2 residential units of Hua Yuan completed in 2004. The property has a total gross floor area of approximately 169.97 sq.m.	The property is currently occupied by the Group for staff quarters uses.	RMB2,700,000 (equivalent to approximately HK\$3,280,000) Interest attributable to the Group 49.47% Market Value in existing state attributable to the Group as at 1 September 2015 RMB1,335,690 (equivalent to approximately HK\$1,621,000)

Notes:

- According to 2 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Jin Zi Nos. 000003158 and 000003159), the building ownership rights of the property with a total gross floor area of approximately 169.97 sq.m. are owned by China Resources Snow Breweries (Tianjin) Co., Ltd. (華潤雪花啤酒(天津)有限公司).
- China Resources Snow Breweries (Tianjin) Co., Ltd. is a 97%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Tianjin) Co., Ltd. legally owns the building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Tianjin) Co., Ltd., the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the information and documents received, China Resources Snow Breweries (Tianjin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - Building Ownership Certificate Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
22.	An industrial complex located at No. 185 Jianguo Road, Haigang District, Qinhuangdao City, Hebei Province, the PRC (Held by 華潤雪花啤酒 (秦皇島) 有限公司)	The property comprises a parcel of land with a site area of approximately 55,149.64 sq.m. and 26 buildings and various ancillary structures erected thereon completed in 1985. The buildings have a total gross floor area of approximately 29,072.63 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys.	The property is currently occupied by the Group for production, office and ancillary uses. Portions of the property having a total gross floor area of approximately 260 sq.m have been leased out. (Refer to Note 4)	No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB19,860,000 (equivalent to approximately HK\$24,100,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB10,128,600 (equivalent to approximately HK\$12,292,000)

Notes:

1. According to a tenancy agreement, the land portion of the property with a site area of approximately 55,149.64 sq.m. has been leased by China Resources Snow Breweries (Qinhuangdao) Co., Ltd. (華潤雪花啤酒(秦皇島)有限公司) for a term of 50 years commencing from 22 December 2005 for industrial uses at an annual rent of RMB551,496.4.
2. According to a Building Ownership Certificate (Document No.: Qin Si Fang Zi No. 30059771), the building ownership rights of 26 buildings with a total gross floor area of approximately 29,072.63 sq.m. are owned by China Resources Snow Breweries (Qinhuangdao) Co., Ltd..
3. We have ascribed no commercial value to the property due to the fact that the land portion is leased by China Resources Snow Breweries (Qinhuangdao) Co., Ltd. and is therefore not freely transferable in the open market, which results in the building portion of the property not having any commercial value in the open market. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures as at the date of valuation would be RMB19,860,000 (equivalent to approximately HK\$24,100,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Tenancy agreement has been entered into in respect of part (260 sq.m.) of the property for a term from 29 January 2015 to 31 December 2015 at an annual rent of RMB75,000. The tenant shall be responsible for all outgoing expenses in relation to the property.
5. China Resources Snow Breweries (Qinhuangdao) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Qinhuangdao) Co., Ltd. legally owns the building ownership rights of the property that have obtained building ownership rights.
 - (ii) As confirmed by China Resources Snow Breweries (Qinhuangdao) Co., Ltd., the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) As to the buildings with the gross floor area of 29,072.63 sq.m., China Resources Snow Breweries (Qinhuangdao) Co., Ltd. shall obtain the land use right of the land where such buildings are attached China Resources Snow Breweries (Qinhuangdao) Co., Ltd. is able to transfer, mortgage or adopt other legal means to handle such buildings.
 - (iv) The above-mentioned tenancy agreement in Note 4 entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	No
(ii) Building Ownership Certificate	Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
23.	An industrial complex located at the south of National Route No. 102, Haigang District, Qinhuangdao City, Hebei Province, the PRC (Held by 華潤雪花啤酒(秦皇島)有限公司)	The property comprises a parcel of land with a site area of approximately 132,962.54 sq.m. The property has been granted land use rights for a term expiring on 29 April 2065 for industrial uses.	The property is currently under site formation works.	RMB54,650,000 (equivalent to approximately HK\$66,320,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB27,871,500 (equivalent to approximately HK\$33,824,600)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Qin Ji Guo Yong (2015) No. Hai 021), the land use rights of the property having a site area of approximately 132,963 sq.m. have been granted to China Resources Snow Breweries (Qinhuangdao) Co., Ltd. (華潤雪花啤酒(秦皇島)有限公司) for industrial uses for a term expiring on 29 April 2065.
- According to a Planning Permit for Construction Land (Document No.: Di Zi No. 130302201522003) dated 4 June 2015, the construction site of a parcel of land with a site area of approximately 132,962.54 sq.m. is in compliance with the urban construction requirements.
- China Resources Snow Breweries (Qinhuangdao) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Qinhuangdao) Co., Ltd. legally owns the land use rights of the property that have obtained land use right certificates.
 - As confirmed by China Resources Snow Breweries (Qinhuangdao) Co., Ltd., the land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the information and documents received, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Qinhuangdao) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - China Resources Snow Breweries (Qinhuangdao) Co., Ltd. has obtained the Planning Permit for Construction Land. The permit is valid and has not been withdrawn or revised as of the date of the PRC legal opinion.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Planning Permit for Construction Land Yes
- The land portion of the property was acquired on 28 August 2015 at a total acquisition cost of RMB55,708,310 and the total construction costs expended on the property was RMB24,070,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
24. An industrial complex located at No. 23 Wenhua South Street, Pinggu District, Beijing City, the PRC (Held by 華潤雪花啤酒 (北京) 有限公司)	The property comprises a parcel of land with a site area of approximately 106,539 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1987 and 2014. The buildings have a total gross floor area of approximately 42,589.48 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for a term expiring on 3 April 2053 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB60,050,000 (equivalent to approximately HK\$72,880,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB30,625,500 (equivalent to approximately HK\$37,166,900)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Jing Ping Guo Yong (2004 Chu) No. 137), the land use rights of the property having a site area of approximately 107,152 sq.m. have been granted to China Resources Snow Breweries (Beijing) Co., Ltd. (華潤雪花啤酒 (北京) 有限公司) for industrial uses for a term expiring on 3 April 2053.
- According to 5 Building Ownership Certificates (Document Nos.: Jing Fang Quan Zheng Ping Zi Nos. 016722 to 016724 and 016681 and Jing Fang Quan Zheng Ping She Wai Yi Zi No. 00005), the building ownership rights of various buildings with a total gross floor area of approximately 42,589.48 sq.m. are owned by China Resources Snow Breweries (Beijing) Co., Ltd..
- China Resources Snow Breweries (Beijing) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Beijing) Co., Ltd. legally owns the land use rights and building ownership rights of the property that have obtained land use right certificates and building ownership rights, except the land with the gross floor area of 0.92 acre and the buildings attached thereto, because such land and the buildings attached thereto have been expropriated by the government.
 - As confirmed by China Resources Snow Breweries (Beijing) Co., Ltd., the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the information and documents received, except the land and buildings that have been expropriated by the government, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Beijing) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
25. 2 residential units in Binhe Residential Area and Jianshe Street South Residential Area, Pinggu Town, Pinggu District, Beijing City, the PRC	<p>The property comprises 2 residential units in Binhe Residential Area and Jianshe Street South Residential Area completed in 2005.</p> <p>The property has a total gross floor area of approximately 250.82 sq.m.</p>	The property is currently occupied by the Group for staff quarters uses.	<p>RMB3,480,000</p> <p>(equivalent to approximately HK\$4,220,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB1,774,800</p> <p>(equivalent to approximately HK\$2,153,900)</p>

Notes:

- According to 2 Building Ownership Certificates (Document Nos.: Jing Fang Quan Zheng Ping She Wai Yi Zi Nos. 00007 and 00008), the building ownership rights of the property with a total gross floor area of approximately 250.82 sq.m. are owned by China Resources Snow Breweries (Beijing) Co., Ltd. (華潤雪花啤酒(北京)有限公司).
- China Resources Snow Breweries (Beijing) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Beijing) Co., Ltd. legally owns the building ownership rights of the property that have obtained building ownership rights.
 - As confirmed by China Resources Snow Breweries (Beijing) Co., Ltd., the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the information and documents received, China Resources Snow Breweries (Beijing) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, since China Resources Snow Breweries (Beijing) Co., Ltd. hasn't provided any documents evidencing the full payment of purchase price of such buildings, it is possible that China Resources Snow Breweries (Beijing) Co., Ltd. may be recoured for such payment. According to the PRC legal opinion, the possibility may materially effect the ownership of the buildings is relatively small.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
26. An industrial complex located at the north of Yinjiagou Yanjiao Development Zone, Yanjiao Town, Sanhe City, Hebei Province, the PRC (Held by 華潤雪花啤酒(河北)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 266,667 sq.m. and 25 buildings and various ancillary structures erected thereon completed in various stages between 2008 and 2015.</p> <p>The buildings have a total gross floor area of approximately 98,301.04 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 28 February 2057 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB256,700,000</p> <p>(equivalent to approximately HK\$311,530,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB24,450,000</p> <p>(equivalent to approximately HK\$29,670,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB130,917,000</p> <p>(equivalent to approximately HK\$158,879,900)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB12,469,500</p> <p>(equivalent to approximately HK\$15,132,900)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: San Guo Yong (Yan Kai) No. 2007-013), the land use rights of the property having a site area of approximately 266,667 sq.m. have been granted to China Resources Snow Breweries (Hebei) Co., Ltd. (華潤雪花啤酒(河北)有限公司) for industrial uses for a term expiring on 28 February 2057.
2. According to 25 Building Ownership Certificates (Document Nos.: Sanhe City Fang Quan Zheng Yan Zi Nos. 063237 to 063250 and 064608 to 064618), the building ownership rights of 25 buildings with a total gross floor area of approximately 84,999.24 sq.m. are owned by China Resources Snow Breweries (Hebei) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 1 building having total gross floor area of approximately 13,301.80 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB24,450,000 (equivalent to approximately HK\$29,670,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Hebei) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Hebei) Co., Ltd. legally owns the land use rights and building ownership rights of the property that have obtained land use right certificates and building ownership rights.
 - (ii) As confirmed by China Resources Snow Breweries (Hebei) Co., Ltd., the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information and documents received, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Hebei) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
27.	An industrial complex located at No. 99 Huanhe West Road, Airport Economic Zone, Binhai New District, Tianjin City, the PRC (Held by 天津濱海新區雪花啤酒有限公司)	The property comprises a parcel of land with a site area of approximately 133,517.30 sq.m. and 12 buildings and various ancillary structures erected thereon completed in various stages between 2006 and 2015. The buildings have a total gross floor area of approximately 50,522.40 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for a term expiring on 7 April 2055 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB143,400,000 (equivalent to approximately HK\$174,030,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB73,134,000 (equivalent to approximately HK\$88,754,900)

Notes:

- According to a Real Estate Ownership Certificate (Document No.: Fang Di Zheng Jin Zi No. 115031400999), the land use rights of the property having a site area of approximately 133,517.30 sq.m. have been granted to Tianjin Binhai New District China Resources Snow Breweries Co., Ltd. (天津濱海新區雪花啤酒有限公司) for industrial use for a term expiring on 7 April 2055. And the building ownership rights of 12 buildings with a total gross floor area of approximately 50,522.40 sq.m. are owned by Tianjin Binhai New District China Resources Snow Breweries Co., Ltd..
- Tianjin Binhai New District China Resources Snow Breweries Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - Tianjin Binhai New District China Resources Snow Breweries Co., Ltd. legally owns the land use rights and building ownership rights of the property that have obtained land use right certificates and building ownership rights.
 - As confirmed by Tianjin Binhai New District China Resources Snow Breweries Co., Ltd., the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the information and documents received, during the land use term as recorded in the Real Estate Ownership Certificate, Tianjin Binhai New District China Resources Snow Breweries Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - Real Estate Ownership Certificate Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
28.	An industrial complex located at Xiaodongguan, Yuci District, Jinzhong City, Shanxi Province, the PRC (Held by 華潤雪花啤酒(山西)有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 69,799.31 sq.m. and 27 buildings and various ancillary structures erected thereon completed in various stages between 2003 and 2015.</p> <p>The buildings have a total gross floor area of approximately 34,643.56 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for various terms with the earliest expiry date on 13 July 2051 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 1,432 sq.m. have been leased out. (Refer to Note 4)</p>	<p>RMB64,030,000</p> <p>(equivalent to approximately HK\$77,710,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB3,370,000</p> <p>(equivalent to approximately HK\$4,090,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB32,655,300</p> <p>(equivalent to approximately HK\$39,630,200)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB1,718,700</p> <p>(equivalent to approximately HK\$2,085,800)</p>

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Shi Guo Yong (2007) Nos. 2310084 and 310386), the land use rights of the property having a total site area of approximately 69,799.31 sq.m. have been granted to China Resources Snow Breweries (Shanxi) Co., Ltd. (華潤雪花啤酒(山西)有限公司) for industrial uses for terms expiring on 13 July 2051 and 20 July 2055 respectively.
2. According to 6 Building Ownership Certificates (Document Nos.: Jinzhong City Fang Quan Zheng Zi Nos. 00066587 to 00066589, 00071602, 00105212 and 00105213), the building ownership rights of 24 buildings with a total gross floor area of approximately 30,713.28 sq.m. are owned by China Resources Snow Breweries (Shanxi) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 3 buildings having total gross floor area of approximately 3,930.28 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB3,370,000 (equivalent to approximately HK\$4,090,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Tenancy agreement has been entered into in respect of part (1,432 sq.m.) of the property for a term of five years from 20 March 2011 to 19 March 2016 at a rent for the whole term RMB330,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the tenant does not intend to renew the tenancy, the tenant shall serve a 30-day advance notice to the landlord prior to the expiry date. If the landlord intends to sell the property, it shall serve a 30-day prior notice to the tenant which shall have the first right to purchase the property under the same conditions offered to other potential purchasers.
5. China Resources Snow Breweries (Shanxi) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Shanxi) Co., Ltd. legally owns the land use rights and building ownership rights of the property whose title certificates have been obtained by China Resources Snow Breweries (Shanxi) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Shanxi) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Shanxi) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Shanxi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Shanxi) Co., Ltd. has not obtained the building ownership certificates of 3,930.28 sq.m. China Resources Snow Breweries (Shanxi) Co., Ltd. explains that it failed to obtain the building ownership certificate of such 3,930.28 square meters due to change of the personnel in charge of the local construction bureau and it needs to reapply for the building ownership certificates of such area after the surveying and mapping is completed.
 - (v) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
29. An industrial complex located at No. 9 Xuehua Road, Airport South District, Yuncheng City, Shanxi Province, the PRC (Held by 華潤雪花啤酒(運城)有限公司)	The property comprises a parcel of land with a site area of approximately 256,339.30 sq.m. and 33 buildings and various ancillary structures erected thereon completed in various stages between 2010 and 2015. The buildings have a total gross floor area of approximately 58,038.86 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for a term expiring on 29 November 2059 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses. Portions of the property having a total gross floor area of approximately 4,635 sq.m have been leased out. (Refer to Note 3)	RMB143,450,000 (equivalent to approximately HK\$174,090,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB73,159,500 (equivalent to approximately HK\$88,785,800)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Yun Zheng Guo Yong (2010) No. 01763), the land use rights of the property having a site area of approximately 256,339.30 sq.m. have been granted to China Resources Snow Breweries (Yuncheng) Co., Ltd. (華潤雪花啤酒(運城)有限公司) for industrial uses for a term expiring on 29 November 2059.
- According to 3 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Yun (Gang) Zi Nos. 00003165, 00007215 and 00012503), the building ownership rights of 33 buildings with a total gross floor area of approximately 58,038.86 sq.m. are owned by China Resources Snow Breweries (Yuncheng) Co., Ltd..
- Tenancy agreement has been entered into in respect of part (4,635 sq.m.) of the property for a term of five years from 1 June 2013 to 31 May 2018 at a rent for the whole term RMB330,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the tenant does not intend to renew the tenancy, the tenant shall serve a 30-day notice to the landlord prior to the expiry date. If the landlord intends to sell the property, it shall serve a 30-day prior notice to the tenant, which shall have the first right to purchase the property under the same conditions offered to other potential purchasers.
- China Resources Snow Breweries (Yuncheng) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Yuncheng) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Yuncheng) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the documents and confirmation provided by China Resources Snow Breweries (Yuncheng) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights

Certificate, China Resources Snow Breweries (Yuncheng) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

- (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
30. An industrial complex located at the north of Yunzhou Street, Equipment and Manufacture Industries Park, Datong City, Shanxi Province, the PRC (Held by 華潤雪花啤酒 (大同) 有限公司)	<p>The property comprises a parcel of land with a site area of approximately 136,209 sq.m. and 12 buildings and various ancillary structures erected thereon completed in various stages between 2011 and 2015.</p> <p>The buildings have a total gross floor area of approximately 37,808 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 19 March 2061 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 4,747 sq.m. have been leased out. (Refer to Note 3)</p>	<p>RMB96,990,000 (equivalent to approximately HK\$117,710,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB49,464,900 (equivalent to approximately HK\$60,030,200)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Da Guo Yong (2011) No. 01016), the land use rights of the property having a site area of approximately 136,209 sq.m. have been granted to China Resources Snow Breweries (Datong) Co., Ltd. (華潤雪花啤酒 (大同) 有限公司) for industrial uses for a term expiring on 19 March 2061.
- According to 12 Building Ownership Certificates (Document Nos.: Tong Fang Quan Zheng Kai Fa Zi Nos. 080394 to 080405), the building ownership rights of 12 buildings with a total gross floor area of approximately 37,676 sq.m. are owned by China Resources Snow Breweries (Datong) Co., Ltd.. A building with a gross floor area of approximately 132 sq.m. has not obtained a Building Ownership Certificate.
- Tenancy agreement has been entered into in respect of part (4,747 sq.m.) of the property for a term of five years from 1 June 2013 to 31 May 2018 at a rent for the whole term RMB330,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the tenant does not intend to renew the tenancy, the tenant shall serve a 30-day notice to the landlord prior to the expiry date. If the landlord intends to sell the property, it shall serve a 30-day prior notice to the tenant, which shall have the first right to purchase the property under the same conditions offered to other potential purchasers.
- China Resources Snow Breweries (Datong) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Datong) Co., Ltd. legally owns the land use rights and building ownership rights of the property.

- (ii) As confirmed by China Resources Snow Breweries (Datong) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Datong) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Datong) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)
7. The land portion of the property was acquired on 1 November 2010 at a total acquisition cost of RMB14,694,768 and the total construction costs expended on the property was RMB85,770,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
31. An industrial complex located at No. 99 Feng Cheng 12th Road, Economic and Technology Development Zone, Xian City, Shaanxi Province, the PRC	The property comprises a parcel of land with a site area of approximately 151,876 sq.m. and 10 buildings and various ancillary structures erected thereon completed in various stages between 2006 and 2012 and various buildings and structures are under construction.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB189,790,000 (equivalent to approximately HK\$230,330,000)
(Held by 華潤雪花啤酒(西安)有限公司)	The buildings have a total gross floor area of approximately 52,496.50 sq.m.	Portions of the property having a total gross floor area of approximately 11,214.57 sq.m. have been leased out. (Refer to Note 3)	Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015 RMB96,792,900
	The structures mainly include roads, walls, sheds and chimneys.		(equivalent to approximately HK\$117,467,100)
	The property has been granted land use rights for a term expiring on 8 September 2056 for industrial uses.		

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Xi Jing Guo Yong (2014 Chu) No. 058), the land use rights of the property having a site area of approximately 151,876 sq.m. have been granted to China Resources Snow Breweries (Xian) Co., Ltd. (華潤雪花啤酒(西安)有限公司) for industrial uses for a term expiring on 8 September 2056.
- According to 10 Building Ownership Certificates (Document Nos.: Xian City Fang Quan Zheng Jing Ji Shu Kai Fa Qu Zi Nos. 1100118023-1-1-10000, 1100118023-1-2-10000, 1100118023-1-3-10000, 1100118023-1-4-10000, 1100118023-1-5-10000, 1100118023-1-6-10000, 1100118023-1-7-10000, 1100118023-1-8-10000, 1100118023-1-9-10000 and 1100118023-1-10-10000), the building ownership rights of 15 buildings with a total gross floor area of approximately 51,636.66 sq.m. are owned by China Resources Snow Breweries (Xian) Co., Ltd.. Various buildings with a total gross floor area of approximately 859.84 sq.m. have not obtained Building Ownership Certificates.
- 2 tenancy agreements have been entered into in respect of part (11,214.57 sq.m.) of the property, of which 1,214.57 sq.m. have been leased for a term of one year from 1 January 2015 to 31 December 2015 at an annual rental of RMB10,000 (exclusive outgoing expenses) and 10,000 sq.m. have been leased for a term of one year from 1 January 2015 to 31 December 2015 at a monthly rental of RMB10,000. Upon expiry of the tenancy in respect of 10,000 sq.m., if the tenant has not breached any terms of the tenancy agreement, it shall have the first right to renew the tenancy under the same conditions offered to other potential tenants. The landlord shall be responsible for the Property All Risks Insurance and Public Liability Insurance of the leased premises.
- China Resources Snow Breweries (Xian) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

5. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Xian) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) As confirmed by China Resources Snow Breweries (Xian) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the documents and confirmation provided by China Resources Snow Breweries (Xian) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Xian) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The above-mentioned tenancy agreements entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
32. An industrial complex located at No. 128 Wanghua Zhong Street, Dongling District, Shenyang City, Liaoning Province, the PRC (Held by 華潤雪花啤酒(遼寧)有限公司瀋陽分公司)	The property comprises a parcel of land with a site area of approximately 56,720 sq.m. and 10 buildings and various ancillary structures erected thereon completed in 1985. The buildings have a total gross floor area of approximately 6,231.20 sq.m. The buildings mainly include workshops and storehouses. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for a term expiring on 6 January 2030 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB47,320,000 (equivalent to approximately HK\$57,430,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB24,133,200 (equivalent to approximately HK\$29,287,900)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Shenyang Guo Yong (2000) Zi No. 0013), the land use rights of the property having a site area of approximately 56,720 sq.m. have been granted to Shenyang China Resources Enterprise Breweries Co., Ltd. (瀋陽華潤創業釀酒有限公司) for industrial uses for a term expiring on 6 January 2030.
- According to 2 Building Ownership Certificates (Document Nos.: Shen Fang Quan Zheng Dongling Zi Nos. 002617 and 002618), the building ownership rights of 10 buildings with a total gross floor area of approximately 6,231.20 sq.m. are owned by Shenyang China Resources Enterprise Breweries Co., Ltd., and China Resources Snow Breweries (Liaoning) Co., Ltd. (華潤雪花啤酒(遼寧)有限公司) has acquired the aforesaid building ownership rights by merger and acquisition but the title have not been transferred to China Resources Snow Breweries (Liaoning) Co., Ltd., Shenyang Branch (華潤雪花啤酒(遼寧)有限公司瀋陽分公司).
- China Resources Snow Breweries (Liaoning) Co., Ltd., Shenyang Branch (華潤雪花啤酒(遼寧)有限公司瀋陽分公司) is a branch of China Resources Snow Breweries (Liaoning) Co., Ltd. which in turn is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., and an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Liaoning) Co., Ltd. Shenyang Branch legally owns the land use rights and building ownership rights of the property. But according to the information provided by China Resources Snow Breweries (Liaoning) Co., Ltd., the land use rights (Document No.: Shenyang Guo Yong (2000) Zi No. 0013) has been acquired by merger and acquisition and the title have not been transferred to China Resources Snow Breweries (Liaoning) Co., Ltd.. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is possible that the Land Use Right Grant Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Liaoning) Co., Ltd. has not received document of recourse from relevant government authorities, the possibility that affecting the land use rights is relatively small.

- (ii) As confirmed by China Resources Snow Breweries (Liaoning) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) China Resources Snow Breweries (Liaoning) Co., Ltd. has the limitation to transfer or adopt other legal means to handle the land use right (Document No.: Shenyang Guo Yong (2000) Zi No. 0013) until the title has transferred to China Resources Snow Breweries (Liaoning) Co., Ltd..
- 5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
33.	An industrial complex located at No. 159 Xuelian Street, Sujiatun District, Shenyang City, Liaoning Province, the PRC	The property comprises 3 parcels of land with a total site area of approximately 433,929.20 sq.m. and 19 buildings and various ancillary structures erected thereon completed in various stages between 2008 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB405,560,000 (equivalent to approximately HK\$492,180,000)
	(Held by 華潤雪花啤酒 (遼寧) 有限公司)	The buildings have a total gross floor area of approximately 185,638.96 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, rest stations, dormitories, canteen, boiler rooms and office buildings.		RMB40,680,000 (equivalent to approximately HK\$49,370,000)
		The structures mainly include roads, walls, sheds and chimneys.		Interest attributable to the Group
		The property has been granted land use rights for various terms with the earliest expiry date on 24 December 2056 for industrial uses.		51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB206,835,600
				(equivalent to approximately HK\$251,014,100)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB20,746,800
				(equivalent to approximately HK\$25,178,200)

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Sujiatun Guo Yong (2007) Nos. 0001462 and 0001463 and Dongling Guo Yong (2010) No. 07190589), the land use rights of the property having a total site area of approximately 433,929.20 sq.m. have been granted to China Resources Snow Breweries (Liaoning) Co., Ltd. (華潤雪花啤酒(遼寧)有限公司) for industrial uses for terms expiring on 24 December 2056, 24 December 2056 and 18 September 2059 respectively.
2. According to 21 Building Ownership Certificates (Document Nos.: Shen Fang Quan Zheng Shi Zhong Xin Zi Nos. N060428796, N060428987, N060428989, N060429072, N060429090, N060429093, N060429096, N060429098, N060429115, N060429149 and N060074105 to N060074113, Shen Fang Quan Zheng Dong Ling Zi Nos. 002617 and 002618), the building ownership rights of 21 buildings with a total gross floor area of approximately 152,599.71 sq.m. are owned by China Resources Snow Breweries (Liaoning) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 33,039.25 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB40,680,000 (equivalent to approximately HK\$49,370,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Liaoning) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Liaoning) Co., Ltd. legally owns the land use rights and building ownership rights of the property with the Document Nos. Sujiatun Guo Yong (2007) No. 0001463. But according to the information provided by China Resources Snow Breweries (Liaoning) Co., Ltd., the land use rights (Document Nos.: Sujiatun Guo Yong (2007) No. 0001462 and Dongling Guo Yong (2010) No. 07190589) were acquired by merger and acquisition but the legal title has not been transferred to China Resources Snow Breweries (Liaoning) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Liaoning) Co., Ltd., as of the date of the PRC legal opinion, The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Liaoning) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property with the Document No. Sujiatun Guo Yong (2007) No. 0001463. But China Resources Snow Breweries (Liaoning) Co., Ltd. has the limitation to transfer or adopt other legal means to handle the land use rights (Document Nos.: Sujiatun Guo Yong (2007) No. 0001462 and Dongling Guo Yong (2010) No. 07190589) until the titles have transferred to China Resources Snow Breweries (Liaoning) Co., Ltd..
 - (iv) China Resources Snow Breweries (Liaoning) Co., Ltd. has not obtained the building ownership certificates of 7 buildings with a gross floor area of approximately 15,039.25 sq.m. It is subject to the possibility that relevant government departments identifying the presence of these buildings as of illegal buildings. In addition, China Resources Snow Breweries (Liaoning) Co., Ltd. may also face penalties by relevant government departments.
 - (v) China Resources Snow Breweries (Liaoning) Co., Ltd. has not obtained Building Ownership Certificate having a gross floor area of approximately 18,000.00 sq.m. due to fail to pass the environmental acceptance which is punishable by a fine of risk due to lack of acceptance procedures, if China Resources Snow Breweries (Liaoning) Co., Ltd. cannot rectify such deficiencies as required by the competent environmental authority as of the date of PRC legal opinion.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015	
34. An industrial complex located at Dadianzi Village, Caozhuang Town, Xingcheng City, Huludao City, Liaoning Province, the PRC	The property comprises 3 parcels of land with a total site area of approximately 77,529.06 sq.m. and 52 buildings and various ancillary structures erected thereon completed in various stages between 1988 and 2012.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB49,670,000	
(Held by 華潤雪花啤酒 (遼寧) 有限公司葫蘆島分公司)	The buildings have a total gross floor area of approximately 26,738.14 sq.m.		(equivalent to approximately HK\$60,280,000)	Interest attributable to the Group
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.			51%
	The structures mainly include roads, walls, sheds and chimneys.		RMB25,331,770	Market Value in existing state attributable to the Group as at 1 September 2015
	The property has been granted a land use rights for various terms with the earliest expiry date on 13 January 2047 for industrial uses.		(equivalent to approximately HK\$30,742,400)	

Notes:

- According to 3 State-owned Land Use Rights Certificates (Document Nos.: Xingcheng Guo Yong (2014) Nos. G1440175, G1440176 and G1440177), the land use rights of the property having a total site area of approximately 77,529.06 sq.m. have been granted to China Resources Snow Breweries (Liaoning) Co., Ltd., Huludao Branch (華潤雪花啤酒 (遼寧) 有限公司葫蘆島分公司) for industrial uses for terms expiring on 13 January 2047, 29 September 2052 and 29 September 2052 respectively.
- According to 52 Building Ownership Certificates (Document Nos.: Xingcheng Zi Nos. SY00013106, SY00013119 to SY00013139 and SY00013143 to SY00013172), the building ownership rights of 52 buildings with a total gross floor area of approximately 26,738.14 sq.m. are owned by China Resources Snow Breweries (Liaoning) Co., Ltd., Huludao Branch.
- China Resources Snow Breweries (Liaoning) Co., Ltd., Huludao Branch is a branch of China Resources Snow Breweries (Liaoning) Co., Ltd. which in turn is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., and an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Liaoning) Co., Ltd., Huludao Branch legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Liaoning) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Liaoning) Co., Ltd., Huludao Branch is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
35.	An industrial complex located at No. 31 Malan South Street, Shahekou District, and an industrial complex located at Gaojiadian Industrial Zone, Jinzhou District, Dalian City, Liaoning Province, the PRC (Held by 華潤雪花啤酒(大連)有限公司 棒棰島分公司)	The property comprises 3 parcels of land with a total site area of approximately 138,559.80 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1970 and 1986. The buildings have a total gross floor area of approximately 61,981.58 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for various terms with the earliest expiry date on 8 March 2031 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses. Portions of the property having a gross floor area of approximately 19,032.77 sq.m. and a site area of approximately 37,841 sq.m. have been leased out.	RMB48,205,000 (equivalent to approximately HK\$58,500,000) Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB1,720,000 (equivalent to approximately HK\$2,090,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB24,584,550 (equivalent to approximately HK\$29,835,600) Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB877,200 (equivalent to approximately HK\$1,064,600)

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Da Guo Yong (2005) Nos. 03023 and 03027), the land use rights of the property having a total site area of approximately 100,718.80 sq.m. have been granted to Dalian China Resources Bangchuidao Breweries Co., Ltd. (大連華潤棒極島啤酒有限公司) for industrial uses for terms expiring on 8 March 2031 and 8 March 2031 respectively.
2. According to a State-owned Land Use Rights Certificate (Document No.: Jin Di Zi No. 94097), the land use rights of the property having a site area of approximately 37,841 sq.m. have been granted to Dalian China Resources Bangchuidao Breweries Co., Ltd..
3. According to 51 Building Ownership Certificates (Document Nos.: Da Fang Quan Zheng Sha Dan Zi Nos. 2002600522 to 2002600525, 2002600531, 2002600532, 2002600534 to 2002600539, 2002600543, 2002600544, 2002600549 to 2002600554 and 2006600475 and Da Fang Zhi Sha Zi Nos. 48082, 48078, 48086, 45339, 45331, 48080, 45346 and 48081 and Shen Fang Quan Zheng Shi Heping Zi No. 12318 and Da Fang Quan Zheng Jin Dan Zi Nos. 2003000075 to 2003000090 and 200300086 to 2003000870), the building ownership rights of 51 buildings with a total gross floor area of approximately 54,134.82 sq.m. are owned by Dalian China Resources Bangchuidao Breweries Co., Ltd..
4. In the valuation of the property, we have attributed no commercial value to 18 buildings having total gross floor area of approximately 7,846.76 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB1,720,000 (equivalent to approximately HK\$2,090,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
5. Tenancy agreement has been entered into in respect of part (gross floor area of 19,032.77 sq.m. and site area of 37,841 sq.m.) of the property for a term of one year from 1 April 2015 to 31 March 2016 at an annual rent of RMB50,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the landlord wishes to continue to lease out the premises, the tenant shall have the first right to renew the tenancy agreement under the same conditions.
6. China Resources Snow Breweries (Dalian) Co., Ltd., Bangchuidao Branch (華潤雪花啤酒(大連)有限公司棒極島分公司) is a branch of China Resources Snow Breweries (Dalian) Co., Ltd. (華潤雪花啤酒(大連)有限公司) which in turn is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., and an indirect 51% owned subsidiary of the Company.
7. The PRC legal opinion states, inter alia, the following:
 - (i) According to the information provided by China Resources Snow Breweries (Dalian) Co., Ltd., the land use rights (Document Nos.: Da Guo Yong (2005) Nos. 03023 and 03027) has been acquired by merger and acquisition and the title have not been transferred to China Resources Snow Breweries (Dalian) Co., Ltd..
 - (ii) As confirmed by China Resources Snow Breweries (Dalian) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Dalian) Co., Ltd. is legally entitled to occupy, use, lease the land use rights and building ownership rights of the property. But China Resources Snow Breweries (Dalian) Co., Ltd. has the limitation to transfer or adopt other legal means to handle the land use rights (Document Nos.: Da Guo Yong (2005) Nos. 03023 and 03027 and Jin Di Zi No 94097) until the titles have transferred to China Resources Snow Breweries (Dalian) Co., Ltd..

- (iv) China Resources Snow Breweries (Dalian) Co., Ltd. has not obtained the building ownership certificates of 18 buildings. China Resources Snow Breweries (Dalian) Co., Ltd. is subject to the possibility of not being able to obtain the building ownership certificates of these buildings. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Dalian) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Dalian) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
- (v) According to the information provided by China Resources Snow Breweries (Dalian) Co., Ltd., China Resources Snow Breweries (Dalian) Co., Ltd. has signed Land Restorage Agreement with authorised land bureau and the aforesaid land and buildings owned by China Resources Snow Breweries (Dalian) Co., Ltd. shall be revoked and demolished by the Government. And the possibility of them to face penalties is small.
8. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
36.	An industrial complex located at No. 415 Huabei Road, Ganjingzi District, Dalian City, Liaoning Province, the PRC (Held by 華潤雪花啤酒 (大連) 有限公司)	The property comprises a parcel of land with a site area of approximately 37,841 sq.m. and 43 buildings and various ancillary structures erected thereon completed in various stages between 1986 and 2011. The buildings have a total gross floor area of approximately 61,103.17 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys.	The property is currently occupied by the Group for production, office and ancillary uses.	<p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB48,590,000</p> <p>(equivalent to approximately HK\$58,970,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB24,780,900</p> <p>(equivalent to approximately HK\$30,073,900)</p>

Notes:

1. According to a tenancy agreement, the land portion of the property with a site area of approximately 37,841 sq.m. and part (19,032.77 sq.m.) of the property above have been leased by China Resources Snow Breweries (Dalian) Co., Ltd. (華潤雪花啤酒(大連)有限公司) for industrial uses at an annual rent of RMB50,000.
2. According to 34 Building Ownership Certificates (Document Nos.: Da Fang Quan Zheng Gan Dan Zi Nos. 2004800815 to 2004800837, 2004800839 and 2004800841 to 2004800850), the building ownership rights of 34 buildings with a total gross floor area of approximately 50,724.68 sq.m. are owned by China Resources Snow Breweries (Dalian) Co., Ltd..
3. We have ascribed no commercial value to the property due to the fact that the land portion is leased by China Resources Snow Breweries (Dalian) Co., Ltd. and is therefore not freely transferable in the open market, which results in the building portion of the property not having any commercial value in the open market. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures as at the date of valuation would be RMB48,590,000 (equivalent to approximately HK\$58,970,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Dalian) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) The land with a total gross floor area of approximately 4,068.35 sq.m. has been allocated to China Resources Snow Breweries (Dalian) Co., Ltd. but China Resources Snow Breweries (Dalian) Co., Ltd. has not obtained State-owned Land Use Rights Certificates.
 - (ii) China Resources Snow Breweries (Dalian) Co., Ltd. legally owns the building ownership rights of the property.
 - (iii) As confirmed by China Resources Snow Breweries (Dalian) Co., Ltd., as of the date of the PRC legal opinion, the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iv) China Resources Snow Breweries (Dalian) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (v) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 10,378.49 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Dalian) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Dalian) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
 - (vi) According to the information and documents available, as to the property registered on Building Ownership Certificate (Document Nos.: Da Fang Quan Zheng Sha Dan Nos. 2002600522 to 2002600525 and 2002600537 and 2002600550) are to be demolished. There is the possibility that such Building Ownership Certificates of such property shall be deregistered.
 - (vii) According to the information provided by China Resources Snow Breweries (Dalian) Co., Ltd., China Resources Snow Breweries (Dalian) Co., Ltd. has signed Land Restorage Agreement with authorised land bureau and the aforesaid land and buildings owned by China Resources Snow Breweries (Dalian) Co., Ltd. shall be revoked and demolished by the Government. And the possibility of them to face penalties is small.
 - (viii) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) Building Ownership Certificate	Yes (Portion)
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Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
37. An industrial complex located at No. 1 Taoli Street, Tiexi District, Anshan City, Liaoning Province, the PRC (Held by 華潤雪花啤酒(鞍山)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 152,699.10 sq.m. and 38 buildings and various ancillary structures erected thereon completed in various stages between 1980 and 2012.</p> <p>The buildings have a total gross floor area of approximately 53,252.29 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 29 August 2059 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB105,470,000</p> <p>(equivalent to approximately HK\$128,000,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB42,970,000</p> <p>(equivalent to approximately HK\$52,150,000)</p> <p>Interest attributable to the Group</p> <p>45.90%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB48,410,730</p> <p>(equivalent to approximately HK\$58,750,900)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB19,723,230</p> <p>(equivalent to approximately HK\$23,936,000)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: An Guo Yong (2010) No. 700158), the land use rights of the property having a site area of approximately 152,699.10 sq.m. have been granted to China Resources Snow Breweries (Anshan) Co., Ltd. (華潤雪花啤酒(鞍山)有限公司) for industrial uses for a term expiring on 29 August 2059.
2. According to 26 Building Ownership Certificates (Document Nos.: An Fang Quan Zheng Qianshan Zi Nos. 200605260150, 200611210240, 200611210258, 200611210262, 200611210266, 200611210269, 200611210297, 200611210307, 200611210311, 200611210376, 200611210379, 200611210383, An Fang Quan Zheng Tiexi Zi Nos. 200611210356, 200611210357, 200611210364, 200611210369, 200611210367, 201306210091, 201306210407, 201306210432, 201306210438, 201306210446, 201306210451, 201306210458, 201306210465, 201306210468, 201306210469 and 201306210471), the building ownership rights of 26 buildings with a total gross floor area of approximately 28,173.28 sq.m. are owned by China Resources Snow Breweries (Anshan) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 12 buildings having total gross floor area of approximately 25,079.01 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB42,970,000 (equivalent to approximately HK\$52,150,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Anshan) Co., Ltd. is a 90%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 45.90% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Anshan) Co., Ltd. legally owns the land use rights and building ownership rights of the property that have received title certificates.
 - (ii) As confirmed by China Resources Snow Breweries (Anshan) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances as of the date of PRC legal opinion.
 - (iii) According to the information and documents available, as to the property registered on Building Ownership Certificates (Document Nos.: An Fang Quan Zheng Tiexi Zi Nos. 201306210407, An Fang Quan Zheng Qianshan Zi Nos. 200611210376 and 200611210379) are to be demolished. There is the possibility that such Building Ownership Certificates of such property shall be deregistered.
 - (iv) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Anshan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property that have received title certificates.
 - (v) China Resources Snow Breweries (Anshan) Co., Ltd. has not obtained the building ownership certificates of 12 buildings, among this:
 - a) 4 buildings, although the Construction Land Planning Permit of such property is not provided, its Construction Engineering Planning Permit, Construction Commencement Permit, and its fire-fighting, planning, environmental protection construction completion permits have been obtained. These permits are valid and have not been withdrawn or revised or abolished as of the date of the PRC legal opinion. Consequently, under the condition that (a) all adequate application materials for the ownership registration of such property are submitted and accepted to the competent authority, (b) all of Construction Land Planning Permit are re-submitted and accepted to the competent authority, and (c) construction of such property is in compliance with the related permits and approvals obtained so far, the possibility that the Building Ownership Certificate of such property cannot be obtained is relatively small.

- b) As for the remaining 8 buildings, it is possible that these buildings to being classified as unauthorized buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Anshan) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, China Resources Snow Breweries (Anshan) Co., Ltd. may also face penalties by fire, environmental protection and other relevant government departments. Relevant government departments did not impose any notice of removal of these buildings or prohibit the continued uses of these buildings as of the date of the PRC legal opinion.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
38. An industrial complex located at Tianjia Village, Tianjia Town, Dawa County, Panjin City, Liaoning Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 108,062.20 sq.m. and 40 buildings and various ancillary structures erected thereon completed in various stages between 1990 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB56,070,000 (equivalent to approximately HK\$68,050,000)
(Held by 華潤雪花啤酒 (盤錦) 有限公司)	The buildings have a total gross floor area of approximately 28,558.15 sq.m.		Interest attributable to the Group 45.90%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls, sheds and chimneys.		RMB25,736,130 (equivalent to approximately HK\$31,233,200)
	The property has been granted land use rights for various terms with the earliest expiry date on 15 July 2052 for industrial uses.		

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Da Guo Yong (2010) Nos. 105023 and 105024), the land use rights of the property having a total site area of approximately 108,062.20 sq.m. have been granted to China Resources Snow Breweries (Panjin) Co., Ltd. (華潤雪花啤酒 (盤錦) 有限公司) for industrial uses for terms expiring on 29 July 2056 and 15 July 2052 respectively.
- According to 40 Building Ownership Certificates (Document Nos.: Cun Fang Zi Nos. 01120001, 01120003, 01120007, 01120009, 01120011-1, 001120011-2, 01120012, 01120015 to 01120021, 01120024, 01120027, 01120028, 01120030 to 01120032 and 01120036 and Wa Fang Quan Zheng Tian Jia Zi Nos. G08000306 to G08000311, G08000313 to G08000320, G08000322, G08000325 to G08000327 and G08000405), the building ownership rights of 40 buildings with a total gross floor area of approximately 27,091.12 sq.m. are owned by China Resources Snow Breweries (Panjin) Co., Ltd.. 9 buildings with a total gross floor area of approximately 1,467.03 sq.m. have not obtained Building Ownership Certificates.
- China Resources Snow Breweries (Panjin) Co., Ltd. is a 90%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Panjin) Co., Ltd. legally owns the land use rights and building ownership rights of the property that have received title certificates.
 - As confirmed by China Resources Snow Breweries (Panjin) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances as of the date of PRC legal opinion.

- (iii) According to the materials provided by China Resources Snow Breweries (Panjin) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Panjin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract of Da Guo Yong (2010) Nos. 105023 and 105024.
- (iv) China Resources Snow Breweries (Panjin) Co., Ltd. has not obtained the building ownership certificates of 9 buildings. China Resources Snow Breweries (Panjin) Co., Ltd. is subject to the possibility of not being able to obtain the building ownership certificates of these buildings. These buildings cannot be transferred and mortgaged. It is possible that relevant government departments identifying the presence of these buildings as of illegal buildings. In addition, China Resources Snow Breweries (Panjin) Co., Ltd. may also face penalties by fire, environmental protection and other relevant government departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. Relevant government departments did not impose any notice of removal of these buildings or prohibit the continued uses of these buildings as of the date of PRC legal opinion.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |
6. The land portion of the property was acquired on 17 November 2010 at a total acquisition cost of RMB23,989,808 and the total construction costs expended on the property was RMB51,400,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
39. An industrial complex located at No. 82 Jiudao Street, Yuanbao District, Dandong City, Liaoning Province, the PRC (Held by 華潤雪花啤酒(丹東)有限公司)	<p>The property comprises 3 parcels of land with a total site area of approximately 54,399.80 sq.m. and 33 buildings and various ancillary structures erected thereon completed in various stages between 1985 and 1990.</p> <p>The buildings have a total gross floor area of approximately 40,717.62 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for various terms with the expiry date on 21 February 2050 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property having a total gross floor area of approximately 30 sq.m have been leased out. (Refer to Note 4)</p>	<p>RMB57,590,000</p> <p>(equivalent to approximately HK\$69,890,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB3,330,000</p> <p>(equivalent to approximately HK\$4,040,000)</p> <p>Interest attributable to the Group</p> <p>45.90%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB26,433,810</p> <p>(equivalent to approximately HK\$32,079,900)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB1,528,470</p> <p>(equivalent to approximately HK\$1,854,900)</p>

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Dandong Guo Yong (2009) Nos. 062705001, 062705002 and 062706002), the land use rights of the property having a total site area of approximately 54,399.80 sq.m. have been granted to China Resources Snow Breweries (Dandong) Co., Ltd. (華潤雪花啤酒(丹東)有限公司) for industrial uses for terms expiring on 21 February 2050, 21 February 2050 and 21 February 2050 respectively.
2. According to 21 Building Ownership Certificates (Document Nos.: Dandong City Fang Quan Zheng Yuanbao District Zi Nos. 2009080702511, 2009080707511, 2009080707611, 2009080708911, 2009080709011, 2009080709411, 2009080709711, 2009080709911, 2009080710011, 2009080710111, 2009080710211, 2009080710311, 2009080711011, 2009080711611, 2009080711711, 2009111103411, 2009120108111, 2010062905711, 2010062906011, 2011110112211 and 2012041909111), the building ownership rights of 21 buildings with a total gross floor area of approximately 35,662.62 sq.m. are owned by China Resources Snow Breweries (Dandong) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 11 buildings and structures having total gross floor area of approximately 5,055 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures as at the date of valuation would be RMB3,330,000 (equivalent to approximately HK\$4,040,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Tenancy agreement has been entered into in respect of part (30 sq.m.) of the property, of which 20 sq.m. have been leased for a term of ten years from 21 November 2005 to 21 November 2015 at an annual rent of RMB12,000. And 10 sq.m. have been leased for a term of one year from effective date of the tenancy agreement (being 31 July 2015) for an annual rent of RMB24,000.
5. China Resources Snow Breweries (Dandong) Co., Ltd. is a 90%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Dandong) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium of the land has been fully settled or not, or there is any limitation affecting the land use rights during the acquisition of the land use rights. According to PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract being terminated and leading to resume of the land. Considering that China Resources Snow Breweries (Dandong) Co., Ltd. have obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) China Resources Snow Breweries (Dandong) Co., Ltd. legally owns the building ownership rights of the buildings have obtained Building Ownership Certificates.
 - (iii) As confirmed by China Resources Snow Breweries (Dandong) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances as of the date of PRC legal opinion.
 - (iv) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Dandong) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract of Dandong Guo Yong (2009) Nos. 062705001, 062705002 and 062706002.

- (v) China Resources Snow Breweries (Dandong) Co., Ltd. has not obtained the building ownership certificates of 11 buildings with construction area of 5,055.00 sq.m.. It is subject to the possibility of relevant government departments identifying the presence of these buildings as of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Dandong) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, China Resources Snow Breweries (Dandong) Co., Ltd. may also face penalties by fire, environmental protection and other relevant government departments. Relevant government departments did not impose any notice of removal of these buildings or prohibit the continued uses of these buildings as of the date of PRC legal opinion.
- (vi) The above-mentioned tenancy agreements entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
40.	An industrial complex located at Qingkai Road, Zhang Xiang Town, Qinghe District, Tieling City, Liaoning Province, the PRC	The property comprises a parcel of land with a site area of approximately 82,335 sq.m. and 21 buildings and various ancillary structures erected thereon completed in various stages between 1985 and 2012.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB63,720,000 (equivalent to approximately HK\$77,330,000)
	(Held by 華潤雪花啤酒 (鐵嶺) 有限公司)	The buildings have a total gross floor area of approximately 32,807.75 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB1,030,000
		The structures mainly include roads, walls, sheds and chimneys.		(equivalent to approximately HK\$1,250,000)
		The property has been granted land use rights for various terms with the earliest expiry date on 30 November 2048 for industrial uses.		Interest attributable to the Group 45.90%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB29,247,480
				(equivalent to approximately HK\$35,494,500)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB472,770
				(equivalent to approximately HK\$573,800)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Qinghe District Guo Yong (2011) No. 022), the land use rights of the property having a site area of approximately 82,335 sq.m. have been granted to China Resources Snow Breweries (Tieling) Co., Ltd. (華潤雪花啤酒(鐵嶺)有限公司) for industrial uses for terms expiring on 30 November 2048 and 8 June 2050.
2. According to 21 Building Ownership Certificates (Document Nos.: Tieling City Fang Chan Zheng Qinghe District Nos. 211204-006132-5, 211204-006133-5, 211204-006134-5, 211204-006135-4, 211204-006136-5, 211204-006137-5, 211204-008587-3, 211204-008588-1, 211204-008593-3, 211204-008594-2, 211204-008595-2, 211204-008596-2, 211204-008597-2, 211204-008601-3, 211204-012975-2, 211204-013461-1, 211204-013476-1, 211204-013477-1, 211204-013487-1, 211204-013488-1 and LTB020519-S1-G1), the building ownership rights of 21 buildings with a total gross floor area of approximately 31,069.11 sq.m. are owned by China Resources Snow Breweries (Tieling) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 6 buildings having total gross floor area of approximately 1,738.64 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB1,030,000 (equivalent to approximately HK\$1,250,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Tieling) Co., Ltd. is a 90%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Tieling) Co., Ltd. legally owns the land use rights and building ownership rights of the property that have received title certificates.
 - (ii) As confirmed by China Resources Snow Breweries (Tieling) Co., Ltd. in written form, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances as of the date of PRC legal opinion.
 - (iii) According to the materials provided by China Resources Snow Breweries (Tieling) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Tieling) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract of Qinghe District Guo Yong (2011) No. 22.
 - (iv) China Resources Snow Breweries (Tieling) Co., Ltd. has not obtained the building ownership certificates or Temporary Construction Engineering Planning Permit of buildings with construction area of 1,738.64 sq.m. It is subject to the possibility of relevant government departments identifying the presence of these buildings as of illegal buildings. In addition, China Resources Snow Breweries (Tieling) Co., Ltd. may also face penalties by fire, environmental protection and other relevant government departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. Relevant government departments did not impose any notice of removal of these buildings or prohibit the continued uses of these buildings as of the date of PRC legal opinion.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
41. An industrial complex located at No. 3 Hongwei Road, Taiping District, Fuxin City, Liaoning Province, the PRC (Held by 華潤雪花啤酒(阜新)有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 41,763.40 sq.m. and 15 buildings and various ancillary structures erected thereon completed in various stages between 1999 and 2015.</p> <p>The buildings have a total gross floor area of approximately 34,737.33 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms, comprehensive building and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for various terms with the earliest expiry date on 30 July 2053 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB40,620,000 (equivalent to approximately HK\$49,300,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB7,250,000 (equivalent to approximately HK\$8,800,000)</p> <p>Interest attributable to the Group</p> <p>45.95%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB18,664,890 (equivalent to approximately HK\$22,651,600)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB3,331,375 (equivalent to approximately HK\$4,042,900)</p>

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Fuxin Guo Yong (2011) No. 0182 and Fuxin Guo Yong (2013) No. 0054), the land use rights of the property having a total site area of approximately 41,763.40 sq.m. have been granted to China Resources Snow Breweries (Fuxin) Co., Ltd. (華潤雪花啤酒(阜新)有限公司) for industrial uses for terms expiring on 30 July 2053 and 16 February 2063 respectively.
2. According to 15 Building Ownership Certificates (Document Nos.: Fu Fang Chan Zheng Taiping District Zi Nos. 2011009121 to 2011009125, 2011009127 to 2011009132, 2011010293 to 2011010295 and 2011010434), the building ownership rights of 15 buildings with a total gross floor area of approximately 31,169.57 sq.m. are owned by China Resources Snow Breweries (Fuxin) Co., Ltd.. There are structures with a total gross floor area of approximately 10,716 sq.m.
3. In the valuation of the property, we have attributed no commercial value to various buildings having total gross floor area of approximately 3,567.76 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB7,250,000 (equivalent to approximately HK\$8,800,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Fuxin) Co., Ltd. is a 90.1%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Fuxin) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) As confirmed by China Resources Snow Breweries (Fuxin) Co., Ltd., as of the date of the PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the materials provided by and the confirmation of China Resources Snow Breweries (Fuxin) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Fuxin) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, China Resources Snow Breweries (Fuxin) Co., Ltd. shall not transfer, lease or impose mortgage on such land use rights without the approval of the relevant authority issuing the State-Owned Land Use Rights Certificate. Regarding the land with the number of the State-Owned Land Use Rights Certificate of which is Fuxin Guo Yong (2011) No. 0182, it is unknown whether the State-Owned Land Use Right Grant Contract of this specific land includes other restrictive clauses.
 - (iv) According to the materials provided by China Resources Snow Breweries (Fuxin) Co., Ltd., as of the date of the PRC legal opinion, China Resources Snow Breweries (Fuxin) Co., Ltd. owns 31 pieces of properties and 16 pieces of which have not obtained the building ownership certificates and the construction of which have been completed. China Resources Snow Breweries (Fuxin) Co., Ltd. is subject to the possibility of not being able to obtain the building ownership certificates of these buildings due to defects in construction certificates. Without Building Ownership Certificates, these buildings cannot be transferred, mortgaged or disposed in other ways. Also, some of these buildings have been put into operation without conducting the construction completion inspection. China Resources Snow Breweries (Fuxin) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
42.	An industrial complex located at No. 230 Zhonghua Da Street, Wensheng District, Liaoyang City, Liaoning Province, the PRC	The property comprises a parcel of land with a site area of approximately 32,915.22 sq.m. and 28 buildings and various ancillary structures erected thereon completed in 1985.	The property is currently occupied by the Group for production, office and ancillary uses.	No commercial value
	(Held by 華潤雪花啤酒 (遼陽) 有限公司)	The buildings have a total gross floor area of approximately 20,079.16 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB11,930,000
		The structures mainly include roads, walls, sheds and chimneys.		(equivalent to approximately HK\$14,480,000)
				Interest attributable to the Group
				51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				No commercial value
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB6,084,300
				(equivalent to approximately HK\$7,383,900)

Notes:

1. According to a tenancy agreement, the land portion of the property with a site area of approximately 32,915.22 sq.m. has been lease by China Resources Snow Breweries (Liaoyang) Co., Ltd. (華潤雪花啤酒(遼陽)有限公司) for a term from 1 April 2001 to 11 April 2031 for industrial uses at an annual rent of RMB6 per sq.m.
2. According to 22 Building Ownership Certificates (Document Nos.: Liao Shi Fang Quan Zheng Liao Shi Zi Nos. 00161704, 00172067, 00172070, 00172071, 00172073 to 00172077, 00172079 to 00172084, 00172086 to 00172088, 00239852, 00239853 and 00262157), the building ownership rights of 27 buildings with a total gross floor area of approximately 19,894.04 sq.m. are owned by China Resources Snow Breweries (Liaoyang) Co., Ltd..
3. We have ascribed no commercial value to the property (including a building without Building Ownership Certificate having a gross floor area of approximately 185.12 sq.m.) due to the fact that the land portion is leased by China Resources Snow Breweries (Liaoyang) Co., Ltd. and is therefore not freely transferable in the open market, which results in the building portion of the property not having any commercial value in the open market. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures as at the date of valuation would be RMB11,930,000 (equivalent to approximately HK\$14,480,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Liaoyang) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) According to the reminder mentioned below, China Resources Snow Breweries (Liaoyang) Co., Ltd. legally owns the building ownership rights of the property that have received title certificates: according to the materials provided by China Resources Snow Breweries (Liaoyang) Co., Ltd., the land use right of the land where such buildings are attached is legally owned by Liaoyang Meiyue Breweries (Liaoyang) Co., Ltd. (遼陽美月啤酒股份有限公司) and the land aforesaid is subject to mortgage, therefore, there is possibility that the buildings on the land shall be disposed of concurrently in case of realization of the right to mortgage.
 - (ii) As confirmed by China Resources Snow Breweries (Liaoyang) Co., Ltd. in written form, the building ownership rights of the property are not subject to seizure, mortgage or other encumbrances, except for the mortgage of the land aforesaid as of the date of PRC legal opinion.
 - (iii) The buildings may not be transferred, mortgaged or handled by other means before China Resources Snow Breweries (Liaoyang) Co., Ltd. shall obtain the land use right of the land where such buildings are attached.
 - (iv) China Resources Snow Breweries (Liaoyang) Co., Ltd. has not obtained the building ownership certificate of 1 building. China Resources Snow Breweries (Liaoyang) Co., Ltd. is subject to the possibility of not being able to obtain the building ownership certificates of these buildings due to the land where such buildings are attached is legally owned by Liaoyang Meiyue Breweries (Liaoyang) Co., Ltd.. Furthermore, such property may not be transferred, mortgaged or handled by other means.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) Building Ownership Certificate	Yes (Portion)
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Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
43. An industrial complex located at No. 1 Liaohe Street 1st Section, Shuangta District, Chaoyang City, Liaoning Province, the PRC (Held by 華潤雪花啤酒 (朝陽) 有限公司)	The property comprises 2 parcels of land with a total site area of approximately 67,438.84 sq.m. and 25 buildings and various ancillary structures erected thereon completed in various stages between 1987 and 2011. The buildings have a total gross floor area of approximately 22,731.56 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for various terms with the earliest expiry date on 3 November 2055 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB47,900,000 (equivalent to approximately HK\$58,130,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB24,429,000 (equivalent to approximately HK\$29,646,800)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Chaoyang Guo Yong (2009) Nos. 152 and 153), the land use rights of the property having a total site area of approximately 67,438.84 sq.m. have been granted to China Resources Snow Breweries (Chaoyang) Co., Ltd. (華潤雪花啤酒 (朝陽) 有限公司) for industrial uses for terms expiring on 3 November 2055.
- According to 25 Building Ownership Certificates (Document Nos.: Chao Fang Quan Zheng Suo Zi Nos. R0900365 to R0900389), the building ownership rights of 25 buildings with a total gross floor area of approximately 22,731.56 sq.m. are owned by China Resources Snow Breweries (Chaoyang) Co., Ltd..
- China Resources Snow Breweries (Chaoyang) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Chaoyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Chaoyang) Co., Ltd., as of the date of PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the materials and information provided to us and the confirmation of China Resources Snow Breweries (Chaoyang) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Chaoyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, it is unknown whether the State-Owned Land Use Right Grant Contract of the land includes any restrictive clauses to restrict the lease, transfer or other legal means to handle the land use rights.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015	Interest attributable to the Group
44. An industrial complex located at Yebaishou Street, Jianping County, Chaoyang City, Liaoning Province, the PRC (Held by 華潤雪花啤酒 (朝陽) 有限公司)	The property comprises a parcel of land with a site area of approximately 78,675.90 sq.m. and 58 buildings and various ancillary structures erected thereon completed in various stages between 1985 and 2011. The buildings have a total gross floor area of approximately 41,704.05 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for a term expiring on 14 April 2056 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB64,290,000 (equivalent to approximately HK\$78,020,000)	51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB32,787,900 (equivalent to approximately HK\$39,791,100)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Jian Guo Yong (2003) Zi No. 12051039-1-1), the land use rights of the property having a site area of approximately 78,675.90 sq.m. have been granted to China Resources Snow Breweries (Chaoyang) Co., Ltd. (華潤雪花啤酒 (朝陽) 有限公司) for industrial uses for a term expiring on 14 April 2056.
- According to 58 Building Ownership Certificates (Document Nos.: Jianping Fang Quan Zheng Yebaishou Zi Nos. 210546, 811316 to 811318, 811320 to 811326, 811328, 811331, 811334 to 811336, 811338 to 811355, 811357 to 811377 and 831646 to 831648), the building ownership rights of 58 buildings with a total gross floor area of approximately 41,704.05 sq.m. are owned by China Resources Snow Breweries (Chaoyang) Co., Ltd..
- China Resources Snow Breweries (Chaoyang) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Chaoyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Chaoyang) Co., Ltd., as of the date of PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - According to the materials and information provided to us and the confirmation of China Resources Snow Breweries (Chaoyang) Co., Ltd., during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Chaoyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. However, it is unknown whether the State-Owned Land Use Right Grant Contract of the land includes any restrictive clauses to restrict the lease, transfer or other legal means to handle the land use rights.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
45. An industrial complex located at Wangyuan Industrial Park, Yongning County, Yinchuan City, Ningxia Hui Autonomous Region, the PRC (Held by 華潤雪花啤酒(寧夏)有限公司)	The property comprises 2 parcels of land with a total site area of approximately 164,955 sq.m. and 19 buildings and various ancillary structures erected thereon completed in various stages between 2012 and 2014. The buildings have a total gross floor area of approximately 50,554.70 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted land use rights for various terms with the earliest expiry date on 30 November 2061 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB139,360,000 (equivalent to approximately HK\$169,130,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB71,073,600 (equivalent to approximately HK\$86,254,400)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Yong Guo Yong (2012) Nos. 60003 and 60079), the land use rights of the property having a total site area of approximately 164,955 sq.m. have been granted to China Resources Snow Breweries (Ningxia) Co., Ltd. (華潤雪花啤酒(寧夏)有限公司) for industrial uses for terms expiring on 30 November 2061 and 20 May 2062 respectively.
- According to 12 Building Ownership Certificates (Document Nos.: Ning Fang Quan Zheng Yongning Nos. 20144809 to 20144820), the building ownership rights of 19 buildings with a total gross floor area of approximately 50,554.70 sq.m. are owned by China Resources Snow Breweries (Ningxia) Co., Ltd..
- China Resources Snow Breweries (Ningxia) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Ningxia) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - As confirmed by China Resources Snow Breweries (Ningxia) Co., Ltd., as of the date of PRC legal opinion, the land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) According to the materials provided by China Resources Snow Breweries (Ningxia) Co., Ltd., as of the date of the PRC legal opinion, China Resources Snow Breweries (Ningxia) Co., Ltd. owns 1 construction work in progress. According to the materials provided by China Resources Snow Breweries (Ningxia) Co., Ltd., relevant government departments would identify the presence of such work as illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits, if China Resources Snow Breweries (Ningxia) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. China Resources Snow Breweries (Ningxia) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |
6. The land portion of the property was acquired on 17 January 2012 and 13 July 2012 at a total acquisition cost of RMB16,318,833 and the total construction costs expended on the property was RMB127,730,000.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
46.	An industrial complex located at No. 110 Huang Tu Keng East Road, An Qing City, Anhui Province, the PRC (Held by 華潤雪花啤酒 (安慶) 有限公司)	The property comprises 3 parcels of land with a total site area of approximately 68,906.85 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1985 and 2014. The buildings have a total gross floor area of approximately 24,616.15 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for various terms with the earliest expiry date in November 2053 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	<p>RMB44,500,000</p> <p>(equivalent to approximately HK\$54,000,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB770,000</p> <p>(equivalent to approximately HK\$930,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB22,695,000</p> <p>(equivalent to approximately HK\$27,542,500)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB392,700</p> <p>(equivalent to approximately HK\$476,600)</p>

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Qing Guo Yong (2009) No. 725, Qing Guo Yong (2009) No. 726 and Qing Guo Yong (2011) No. 029), the land use rights of the property having a total site area of approximately 68,906.85 sq.m. have been granted to China Resources Snow Breweries (An Qing) Co., Ltd. (華潤雪花啤酒(安慶)有限公司) for industrial uses for terms expiring in/on November 2053, November 2053 and 31 August 2060 respectively.
2. According to 4 Building Ownership Certificates (Document Nos.: Fang Di Quan Yi Feng Zi Nos. 3088352 to 3088354 and 3090124), the building ownership rights of various buildings with a total gross floor area of approximately 22,877.14 sq.m. are owned by China Resources Snow Breweries (An Qing) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 1,739.01 sq.m. as at the date of valuation would be RMB770,000 (equivalent to approximately HK\$930,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (An Qing) Co., Ltd. is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (An Qing) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium of the land (Document No. Qing Guo Yong (2011) No. 029) has been fully settled or not, or there is any limitation affecting the land use rights in the original Land Use Rights Grant Contract. According to the PRC law, if the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract being terminated and leading to resume of the land. Considering that China Resources Snow Breweries (An Qing) Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (An Qing) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract of Qing Guo Yong (2011) No. 029.
 - (iv) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 1,739.01 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (An Qing) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (An Qing) Co., Ltd. Has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
47. An industrial complex located at Er Zong Er Jie Street East, Food Industrial Park, Tang Yin County, Henan Province, the PRC (Held by 華潤雪花啤酒(河南)有限公司安陽分公司)	The property comprises a parcel of land with a total site area of approximately 66,666.67 sq.m. and 4 buildings and various ancillary structures erected thereon completed in 2011. The buildings have a total gross floor area of approximately 5,369.46 sq.m. The buildings mainly include workshops, storehouses and canteen. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date on 11 January 2058 for industrial uses.	The property is currently occupied by the Group for production and ancillary uses.	RMB17,440,000 (equivalent to approximately HK\$21,170,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB8,894,400 (equivalent to approximately HK\$10,794,200)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Tang Guo Yong (2011) No. 41052301-895), the land use rights of the property having a total site area of approximately 66,666.67 sq.m. have been granted to China Resources Snow Breweries (Henan) Co., Ltd. Anyang Branch (華潤雪花啤酒(河南)有限公司安陽分公司) for industrial uses for a term expiring on 11 January 2058.
- According to a Building Ownership Certificate (Document No.: Tang Yin Fang Quan Zheng Industrial Agglomeration Zi No. 2011000507), the building ownership rights of 4 buildings with a total gross floor area of approximately 5,369.46 sq.m. are owned by China Resources Snow Breweries (Henan) Co., Ltd. Anyang Branch.
- China Resources Snow Breweries (Henan) Co., Ltd. Anyang Branch is a branch of China Resources Snow Breweries (Henan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Henan) Co., Ltd. Anyang Branch legally owns the land use rights and building ownership rights of the property. The land was transferred from Anyang Aoke Breweries Co., Ltd. (安陽奧克啤酒實業有限公司).
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Henan) Co., Ltd. Anyang Branch is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
48.	An industrial complex located at No. 1585 Nan Qiao Zhong Road, Chuzhou City, Anhui Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 113,162.47 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2006 and 2012. 5 buildings and structures were under construction.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB56,310,000 (equivalent to approximately HK\$68,340,000)
	(Held by 華潤雪花啤酒(滁州)有限公司)	The buildings have a total gross floor area of approximately 36,397.81 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB1,300,000 (equivalent to approximately HK\$1,580,000)
		The structures mainly include roads, walls and sheds.		Interest attributable to the Group
		The property has been granted a land use rights for various terms with the earliest expiry date on 19 October 2055 for mining and warehousing uses and industrial uses.		51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB28,718,100 (equivalent to approximately HK\$34,852,100)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB663,000 (equivalent to approximately HK\$804,600)

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Chu Guo Yong (2009) No. 11626 and Chu Guo Yong (2010) No. 08074), the land use rights of the property having a total site area of approximately 113,162.47 sq.m. have been granted to China Resources Snow Breweries (Chuzhou) Co., Ltd. (華潤雪花啤酒(滁州)有限公司) for mining and warehousing uses and industrial uses for terms expiring on 19 October 2055 and 15 July 2060 respectively.
2. According to 27 Building Ownership Certificates (Document Nos.: Fang Di Quan Zheng Chu Zi Nos. 2009002020 to 2009002025, 2009002027, 2009002028, 2009002031, 2009002032, 2009002034, 2010009160 to 2010009170, 2010012913, 2011020347, 2011020348, 2011020353 and 2011020354), the building ownership rights of 57 buildings with a total gross floor area of approximately 34,670.73 sq.m. are owned by China Resources Snow Breweries (Chuzhou) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to 8 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 1,727.08 sq.m. as at the date of valuation would be RMB1,300,000 (equivalent to approximately HK\$1,580,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. For reference purpose, the cost incurred for 5 buildings and structures which were under construction as at the date of valuation was RMB400,000 (equivalent to approximately HK\$490,000).
5. China Resources Snow Breweries (Chuzhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Chuzhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is possible that the Land Use Rights Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Chuzhou) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Chuzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the Land Use Rights Grant Contract.
 - (iv) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 1,727.08 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Chuzhou) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Chuzhou) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion

7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
49.	5 residential units located at Hu Xin District, Hu Xin Road, Chuzhou City, Anhui Province, the PRC (Held by 華潤雪花啤酒(滁州)有限公司)	The property comprises 5 residential units located at various levels of Block 6 of Hu Xin District completed in 2008. The property has a total gross floor area of approximately 610 sq.m. As advised by the Company, the property has not yet been obtained the State-owned Land Use Rights Certificate and the Building Ownership Certificate.	The property is currently occupied by the Group for residential uses.	<p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB2,310,000</p> <p>(equivalent to approximately HK\$2,800,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB1,178,100</p> <p>(equivalent to approximately HK\$1,429,700)</p>

Notes:

1. The property has not yet obtained the State-owned Land Use Rights Certificate and the Building Ownership Certificate.
2. As advised by the Company, the property has not obtained the State-owned Land Use Rights Certificate and the Building Ownership Certificate. The property cannot be freely transferrable in the market. We have ascribed no commercial value to the property. For reference purpose, assuming the property has obtained the State-owned Land Use Rights Certificate and the Building Ownership Certificate can be freely transferrable in the market as at the date of valuation, the market value of the property as at the date of valuation was RMB2,310,000 (equivalent to approximately HK\$2,800,000).
3. China Resources Snow Breweries (Chuzhou) Co., Ltd. (華潤雪花啤酒(滁州)有限公司) is a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) the ownership and legitimacy of the property cannot be determined due to failure of provision of the relevant certificates by the China Resources Snow Breweries (Chuzhou) Co., Ltd. In consideration of the situation informed by China Resources Snow Breweries (Chuzhou) Co., Ltd., the possibility of unable to obtain the Building Ownership Certificates of these buildings is relatively large due to failure of Initial Registration by the developer as the Fire-fighting Inspection and Acceptance is not passed. In addition, if buildings have not been examined or not passed a test by a firefighting department before using, China Resources Snow Breweries (Chuzhou) Co., Ltd. is subject to discontinue uses and penalty.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	No
(ii)	Building Ownership Certificate	No

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
50.	An industrial complex located at Wen Feng Ban Lian Hua Road North, Yingzhou District, Fuyang City, Anhui Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 102,666.12 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2005 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB77,700,000 (equivalent to approximately HK\$94,300,000)
	(Held by 華潤雪花啤酒(阜陽)有限公司)	The buildings have a total gross floor area of approximately 42,797.04 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB8,980,000
		The structures mainly include roads, walls and sheds.		(equivalent to approximately HK\$10,900,000)
		The property has been granted a land use rights for various terms with the earliest expiry date on 25 June 2047 for industrial uses.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB39,627,000
				(equivalent to approximately HK\$48,091,000)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB4,579,800
				(equivalent to approximately HK\$5,558,000)

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Fuzhou Guo Yong (2005) Zi Nos. A110094 and A110095), the land use rights of the property having a total site area of approximately 102,666.12 sq.m. have been granted to China Resources Snow Breweries (Fuyang) Co., Ltd. (華潤雪花啤酒(阜陽)有限公司) for industrial uses for terms expiring on 25 June 2047.
2. According to 20 Building Ownership Certificates (Document Nos.: Fang Di Quan Fu Zi Nos. 2005005577 to 2005005579, 2005005581, 2005005583, 2005005585, 2005005588, 2005005594 to 2005005596, 2005005598 to 2005005600, 2005005604 to 2005005608 and 2005005798), the building ownership rights of various buildings with a total gross floor area of approximately 36,747.04 sq.m. are owned by China Resources Snow Breweries (Fuyang) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to 3 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 6,050 sq.m. as at the date of valuation would be RMB8,980,000 (equivalent to approximately HK\$10,900,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Fuyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which is in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Fuyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Fuyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 6,050 sq.m. As advised by China Resources Snow Breweries (Fuyang) Co., Ltd., these buildings are not permitted to obtain the building ownership certificates as the filing requirements by the relevant authorities fail to be satisfied and the buildings cannot be transferred and mortgaged.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
51. An industrial complex located at No. 10 Chen Cun Road, Hefei City, Anhui Province, the PRC (Held by 華潤雪花啤酒(安徽)有限公司)	The property comprises a parcel of land with a total site area of approximately 93,030 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2000 and 2015. The buildings have a total gross floor area of approximately 40,425.17 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date in September 2051 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB59,060,000 (equivalent to approximately HK\$71,670,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB30,120,600 (equivalent to approximately HK\$36,554,100)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: He Guo Yong (2004) No. 0330), the land use rights of the property having a total site area of approximately 93,030 sq.m. have been granted to China Resources Snow Breweries (Anhui) Co., Ltd. (華潤雪花啤酒(安徽)有限公司) for industrial uses for a term expiring in September 2051.
- According to 36 Building Ownership Certificates (Document Nos.: Fang Di Quan He Chan Zi Nos. 060080, 060084, 060086, 060088, 060092, 060094, 060096, 060099, 060105, 060107, 060109, 060111, 060439 to 060450, 060473 to 060478, 060481, 060482, 060484, 060716, 114487), the building ownership rights of various buildings with a total gross floor area of approximately 40,425.17 sq.m. are owned by China Resources Snow Breweries (Anhui) Co., Ltd.
- China Resources Snow Breweries (Anhui) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Anhui) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Anhui) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
52.	<p>An industrial complex located at Wobei District, Huaiyuan County, Anhui Province, the PRC</p> <p>(Held by China Resources Snow Breweries (Anhui) Co., Ltd.) 華潤雪花啤酒(安徽)有限公司 and (China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch) 華潤雪花啤酒(安徽)有限公司蚌埠分公司</p>	<p>The property comprises 3 parcels of land with a total site area of approximately 288,858.96 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2000 and 2015.</p> <p>The buildings have a total gross floor area of approximately 84,492.65 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date on 15 December 2060 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB113,610,000</p> <p>(equivalent to approximately HK\$137,880,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB3,560,000</p> <p>(equivalent to approximately HK\$4,320,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB57,941,100</p> <p>(equivalent to approximately HK\$70,316,900)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB1,815,600</p> <p>(equivalent to approximately HK\$2,203,400)</p>

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Huai Guo Yong (2011) Nos. 013 to 015), the land use rights of the property having a total site area of approximately 288,858.96 sq.m. have been granted to China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch. (華潤雪花啤酒(安徽)有限公司蚌埠分公司) for industrial uses for a term expiring on 15 December 2060.
2. According to 48 Building Ownership Certificates (Document Nos.: Fang Di Quan Zheng Huai Zi Zi Nos. 202330, 204546 to 204555, 204557 to 204593), the building ownership rights of various buildings with a total gross floor area of approximately 66,000.67 sq.m. are owned by China Resources Snow Breweries (Anhui) Co., Ltd.
3. According to a Building Ownership Certificate (Document Nos.: Fang Di Quan Zheng Huai Zi Zi No. 203274), the building ownership rights of various buildings with a total gross floor area of approximately 8,711.44 sq.m. are owned by China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch.
4. In the valuation of the property, we have attributed no commercial value to 2 buildings which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 9,780.54 sq.m. as at the date of valuation would be RMB3,560,000 (equivalent to approximately HK\$4,320,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
5. China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch, a branch of China Resources Snow Breweries (Anhui) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership right of the property under the Building Ownership Certificate (Fang Di Quan Zheng Huai Zi Zi No. 203274). China Resources Snow Breweries (Anhui) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property under other Building Ownership Certificates.
 - (v) According to the above registration of the building ownership certificates, China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch cannot, in its own name, transfer, mortgage and dispose the buildings registered in the name of China Resources Snow Breweries (Anhui) Co., Ltd. Before those buildings are registered under its name.
 - (vi) For 2 buildings which have not obtained Building Ownership Certificates, relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Anhui) Co., Ltd. Bengbu Branch has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.

7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |
8. The land portion of the property was acquired on 22 January 2011 at a total acquisition cost of RMB25,414,126 and the total construction costs expended on the property was RMB91,430,000.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
53.	A residential unit and a commercial unit located at Block 2, Qing You Court, Wuzhou Trading Street, Youth Road, Fuyang City, Anhui Province, the PRC (Held by 華潤雪花啤酒(安徽)有限公司蚌埠分公司)	The property comprises a residential unit located at Level 2 and a commercial unit located at Level 1 of block 2 of Qing You Court completed in 2000. The property has a total gross floor area of approximately 111.63 sq.m. As advised by the Company, the property has not yet been obtained the State-owned Land Use Rights Certificate.	The property having a total gross floor area of approximately 111.63 sq.m. has been leased out. (Refer to Note 4)	No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB1,580,000 (equivalent to approximately HK\$1,920,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB805,800 (equivalent to approximately HK\$977,900)

Notes:

1. According to a Building Ownership Certificate (Document Nos.: Fu Fang Quan Zheng Ying Quan Qu Zi No. 2001003255), the building ownership rights of a residential unit with a gross floor area of approximately 71.69 sq.m. for residential uses are owned by Anhui China Resources Breweries Co., Ltd. (安徽華潤啤酒有限公司) which is the former name of China Resources Snow Breweries (Anhui) Co., Ltd.
2. According to a Building Ownership Certificate (Document Nos.: Fu Fang Quan Zheng Ying Quan Qu Zi No. 2001003254), the building ownership rights of a commercial unit with a gross floor area of approximately 39.94 sq.m. for commercial uses are owned by Anhui China Resources Breweries Co., Ltd. which is the former name of China Resources Snow Breweries (Anhui) Co., Ltd. which is the former name of China Resources Snow Breweries (Anhui) Co., Ltd.
3. As advised by the Company, the property has not obtained the State-owned Land Use Rights Certificate. The property cannot be freely transferrable in the market. We have ascribed no commercial value to the property. For reference purpose, assuming the property has obtained the State-owned Land Use Rights Certificate can be freely transferrable in the market as at the date of valuation, the market value of the property as at the date of valuation was RMB1,580,000 (equivalent to approximately HK\$1,920,000).
4. A tenancy agreement has been entered into in respect of the property (111.63 sq.m.) for a term of one year from 1 September 2014 at a monthly rent of RMB1,500. The tenant shall be responsible for all outgoing expenses in relation to the property.
5. Anhui China Resources Breweries Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Anhui) Co., Ltd. legally owns the building ownership rights of the property.
 - (ii) The building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) Due to no State-owned Land Use Rights Certificate, the property may not be handled to freely transfer, mortgage or other encumbrances.
 - (iv) The tenancy agreement entered into in respect of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	No
(ii) Building Ownership Certificate	Yes

54.	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
	An industrial complex located at Tie West Road West and S102 Road North Xue Dian Town, Xin Zheng City, Henan Province, the PRC	The property comprises a parcel of land with a total site area of approximately 209,376.65 sq.m. and various buildings and ancillary structures erected thereon completed in 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB85,690,000 (equivalent to approximately HK\$103,990,000)
	(Held by 華潤雪花啤酒 (河南) 有限公司)	The buildings have a total gross floor area of approximately 101,940.37 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB120,510,000
		The structures mainly include roads, walls and tanks.		(equivalent to approximately HK\$146,250,000)
		The property has been granted a land use rights for a term with the expiry date in July 2064 for industrial uses.		Interest attributable to the Group
				51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB43,701,900
				(equivalent to approximately HK\$53,036,300)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB61,460,100
				(equivalent to approximately HK\$74,587,500)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Xin Tu Guo Yong (2014) No. 113), the land use rights of the property having a total site area of approximately 209,376.65 sq.m. have been granted to China Resources Snow Breweries (Henan) Co., Ltd. (華潤雪花啤酒(河南)有限公司) for industrial uses for a term expiring in July 2064.
2. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 101,940.37 sq.m. as at the date of valuation would be RMB120,510,000 (equivalent to approximately HK\$146,250,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Henan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Henan) Co., Ltd. legally owns the land use rights of the property.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Henan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Henan) Co., Ltd. informed that there are buildings built on the above-mentioned parcel of land which have not obtained Building Ownership Certificates. Such buildings are subject to a possibility of being deemed as illegal buildings by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures. If China Resources Snow Breweries (Henan) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is subject to possibility of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Henan) Co., Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. China Resources Snow Breweries (Henan) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	No
6. The land portion of the property was acquired on 1 August 2014 at a total acquisition cost of RMB42,087,503 and the total construction costs expended on the property was RMB153,510,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
55. An industrial complex located at No. 10 Meng Shan Zhong Road, Xiang Shan District, Huaibei City, Anhui Province, the PRC	The property comprises a parcel of land with a total site area of approximately 83,019.19 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2006 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB60,350,000 (equivalent to approximately HK\$73,240,000)
(Held by 華潤雪花啤酒(淮北)有限公司)	The buildings have a total gross floor area of approximately 24,953.69 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB1,200,000 (equivalent to approximately HK\$1,460,000)
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for a term with the expiry date on 22 July 2053 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB30,778,500 (equivalent to approximately HK\$37,352,500)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB612,000 (equivalent to approximately HK\$742,700)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Huai Tu Guo Yong (2007) Zi No. 97), the land use rights of the property having a total site area of approximately 83,019.19 sq.m. have been granted to China Resources Snow Breweries (Huaibei) Co., Ltd. (華潤雪花啤酒(淮北)有限公司) for industrial uses for a term expiring on 22 July 2053.
2. According to 29 Building Ownership Certificates (Document Nos.: Huai Fang Di Quan Zheng Xiang Shan Qu Zi Nos. 13013365 to 13013393), the building ownership rights of 57 buildings with a total gross floor area of approximately 24,043.19 sq.m. are owned by China Resources Snow Breweries (Huaibei) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to 2 buildings which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 910.50 sq.m. as at the date of valuation would be RMB1,200,000 (equivalent to approximately HK\$1,460,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Huaibei) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Huaibei) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Huaibei) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the Land Use Rights Grant Contract.
 - (iv) China Resources Snow Breweries (Huaibei) Co., Ltd. should remove the temporary buildings without Building Ownership Certificates and China Resources Snow Breweries (Huaibei) Co., Ltd. may be fined.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
56.	An industrial complex located at Xu Ji Shen Road, Jin An District, Liu An City, An Qing City, Anhui Province, the PRC (Held by 華潤雪花啤酒(六安)有限公司)	<p>The property comprises a parcel of land with a total site area of approximately 200,000 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2009 and 2012. 2 buildings and structures were under construction.</p> <p>The buildings have a total gross floor area of approximately 40,738.60 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 13 January 2058 for industrial uses.</p>	The property is currently occupied by the Group for production, office and ancillary uses.	<p>RMB122,440,000</p> <p>(equivalent to approximately HK\$148,590,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB62,444,400</p> <p>(equivalent to approximately HK\$75,782,000)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document Nos.: Liu Tu Guo Yong (2008) No. C.S: 90), the land use rights of the property having a total site area of approximately 200,000 sq.m. have been granted to China Resources Snow Breweries (Liuan) Ltd. (華潤雪花啤酒(六安)有限公司) for industrial uses for a term expiring on 13 January 2058.
2. According to 19 Building Ownership Certificates (Document Nos.: Fang Di Quan Zheng Jin An Zi Nos. 4109518 to 4109536), the building ownership rights of various buildings with a total gross floor area of approximately 40,738.60 sq.m. are owned by China Resources Snow Breweries (Liuan) Ltd.
3. For reference purpose, the cost incurred for 2 buildings and structures which were under construction with a total gross floor area of approximately 15,555 sq.m. as at the date of valuation was RMB8,972,000 (equivalent to approximately HK\$10,888,000).
4. China Resources Snow Breweries (Liuan) Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which is in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Liuan) Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Liuan) Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Liuan) Ltd. has obtained Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
 - (v) According to the Contract for Granting the State-owned Land (Document No.: Liu Gua (2007) No. 34) signed by China Resources Snow Breweries (Liuan) Ltd. the relevant government authority, the buildings and structures erected thereon shall be completed before 31 December, 2008. However, the issue date of the Permit for Commencement of Construction Works of first phase of project is 29 June, 2009. Since no information in relation to the authority's approval regarding the postponement of completion date of such construction has been provided, China Resources Snow Breweries (Liuan) Ltd. may be requested by relevant government authority to bear the liquidated damages under the Contract for Granting the State-owned Land.
 - (vi) For the buildings having not obtained Building Ownership Certificates having a total gross floor area of approximately 368.19 sq.m, as China Resources Snow Breweries (Liuan) Co., Ltd. did not provide any construction-related approval or permit, it is unable to determine if all required approvals and permits have been obtained.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
57.	An industrial complex located at Zhangjiagang Road Middle, Wuyang County, Henan Province, the PRC	The property comprises a parcel of land with a total site area of approximately 102,954.30 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2011 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB31,790,000 (equivalent to approximately HK\$38,580,000)
	(Held by 華潤雪花啤酒(河南)有限公司漯河分公司)	The buildings have a total gross floor area of approximately 39,891.95 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB2,100,000
		The structures mainly include roads, walls and sheds.		(equivalent to approximately HK\$2,550,000)
		The property has been granted a land use rights for a term with the expiry date on 28 January 2053 for industrial uses.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB16,212,900
				(equivalent to approximately HK\$19,675,800)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB1,071,000
				(equivalent to approximately HK\$1,299,800)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document Nos.: Wu Guo Yong (2012) Zi No. 53), the land use rights of the property having a site area of approximately 102,954.30 sq.m. have been granted to China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch (華潤雪花啤酒(河南)有限公司漯河分公司) for industrial uses for a term expiring on 28 January 2053.
2. According to 10 Building Ownership Certificates (Document Nos.: Wu Fang Quan Zheng Chen Qu Zi Nos. 201200002 to 201200010 and 201402250), the building ownership rights of various buildings with a total gross floor area of approximately 14,805.57 sq.m. are owned by China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch.
3. In the valuation of the property, we have attributed no commercial value to 7 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 25,086.38 sq.m. as at the date of valuation would be RMB2,100,000 (equivalent to approximately HK\$2,550,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch is a branch of China Resources Snow Breweries (Henan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) For 7 buildings and structures which have not obtained Building Ownership Certificates, it is possible that relevant government departments identifying the presence of these buildings as of illegal buildings due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch cannot rectify such deficiencies as required by the competent planning authority, it is subject to possibility of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch amending the construction formalities and paying 3% to 6% of construction contract price. In addition, China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch may also face penalties by fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Henan) Co., Ltd. Luohe Branch has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)
7. The land portion of the property was acquired on 23 March 2012 at a total acquisition cost of RMB16,178,632 and the total construction costs expended on the property was RMB21,540,000.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
58.	An industrial complex located at Gui De Road South, Industrial Avenue North, Sui Yang Industrial Agglomeration Region, Henan Province, the PRC (Held by 華潤雪花啤酒(商丘)有限公司)	The property comprises 2 parcels of land with a total site area of approximately 146,667.032 sq.m. and various buildings and ancillary structures erected thereon completed in 2014. The buildings have a total gross floor area of approximately 41,593.42 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for various terms with the earliest expiry date on 27 April 2063 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	<p>RMB57,690,000</p> <p>(equivalent to approximately HK\$70,010,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB89,990,000</p> <p>(equivalent to approximately HK\$109,210,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB29,421,900</p> <p>(equivalent to approximately HK\$35,706,200)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB45,894,900</p> <p>(equivalent to approximately HK\$55,697,700)</p>

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document No.: Shang Guo Yong (2013) No. 91 and Shang Guo Yong (2014) No. 012), the land use rights of the property having a total site area of approximately 146,677.032 sq.m. have been granted to China Resources Snow Breweries (Shangqiu) Co. Ltd. (華潤雪花啤酒(商丘)有限公司) for industrial uses for terms expiring on 27 April 2063 and 19 December 2063 respectively.
2. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 41,593.42 sq.m. as at the date of valuation would be RMB89,990,000 (equivalent to approximately HK\$109,210,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Shangqiu) Co. Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Shangqiu) Co. Ltd. legally owns the land use rights of the property.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Shangqiu) Co. Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Shangqiu) Co. Ltd. informed that there are buildings built on the above-mentioned two parcels of land which have not obtained Building Ownership Certificates. Such buildings are subject to a possibility of being deemed as illegal buildings by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures. If China Resources Snow Breweries (Shangqiu) Co. Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is subject to possibility of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Shangqiu) Co. Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. China Resources Snow Breweries (Shangqiu) Co. Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	No
6. The land portion of the property was acquired on 19 December 2013 at a total acquisition cost of RMB35,063,665 and the total construction costs expended on the property was RMB122,770,000.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
59.	An industrial complex located at Shu Third Road (Long Jin Avenue), Cheng Guan Town, Shucheng County, Anhui Province, the PRC	The property comprises 5 parcels of land with a total site area of approximately 109,617.29 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2004 and 2011.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB51,630,000 (equivalent to approximately HK\$62,660,000)
	(Held by 華潤雪花啤酒 (舒城) 有限公司)	The buildings have a total gross floor area of approximately 36,157.11 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB700,000
		The structures mainly include roads, walls and sheds.		(equivalent to approximately HK\$850,000)
		The property has been granted a land use rights for a term with the expiry date in June 2054 for industrial uses.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB26,331,300
				(equivalent to approximately HK\$31,955,500)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB357,000
				(equivalent to approximately HK\$433,300)

Notes:

1. According to 5 State-owned Land Use Rights Certificates (Document Nos.: Shu Guo Yong (2005) Zi Nos. 101307 to 101311), the land use rights of the property having a total site area of approximately 109,617.29 sq.m. have been granted to China Resources Snow Breweries (Shucheng) Co., Ltd. (華潤雪花啤酒(舒城)有限公司) for industrial uses for a term expiring in June 2054.
2. According to 44 Building Ownership Certificates (Document Nos.: Fang Di Quan Wan Shu Zi No. 00027536, 00040757 to 00040778, 00042421 to 00042435, 00042437 to 00042440), the building ownership rights of various buildings with a total gross floor area of approximately 35,170.19 sq.m. are owned by China Resources Snow Breweries (Shucheng) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to 2 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 986.92 sq.m. as at the date of valuation would be RMB700,000 (equivalent to approximately HK\$850,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Shucheng) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Shucheng) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Shucheng) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) Part of the buildings did not have the relevant certificates, of which buildings have a total gross floor area of approximately 986.9184 sq.m. It is possible that relevant government departments identify the presence of these buildings as of illegal buildings due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Shucheng) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is subject to possibility of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Shucheng) Co., Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. In addition, China Resources Snow Breweries (Shucheng) Co., Ltd. may also face penalties by fire, environmental protection and other relevant government departments.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
60.	12 units located at Block 6, Yang Guang District, Jiefang Road, Liu An City, Anhui Province, the PRC (Held by (華潤雪花啤酒 (舒城) 有限公司))	The property comprises 12 units located at various levels of Block 6 of Yang Guang District completed in 2004. The property has a total gross floor area of approximately 345.77 sq.m. As advised by the Company, the property has not yet been obtained the State-owned Land Use Rights Certificate.	The property is currently occupied by the Group for residential use.	<p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB2,000,000</p> <p>(equivalent to approximately HK\$2,430,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB1,020,000</p> <p>(equivalent to approximately HK\$1,237,900)</p>

Notes:

1. According to 3 Building Ownership Certificates (Document Nos.: Fang Di Quan Zheng Fang Chan Centre Zi Nos. 374929, 374930 and 374933), the building ownership rights of 3 units with a total gross floor area of approximately 322 sq.m. for residential uses are owned by China Resources Snow Breweries (Shucheng) Co., Ltd. (華潤雪花啤酒(舒城)有限公司).
2. According to a Building Ownership Certificate (Document No.: Fang Di Quan Zheng Fang Chan Centre Zi No. 374932), the building ownership rights of a unit with a total gross floor area of approximately 23.77 sq.m. for non-residential uses are owned by China Resources Snow Breweries (Shucheng) Co., Ltd.
3. As advised by the Company, the property has not obtained the State-owned Land Use Rights Certificate. Company advised that according to the local practice the property cannot be freely transferrable in the market though the State-owned Land Use Rights Certificate has not been obtained. We have ascribed no commercial value to the property. For reference purpose, assuming the property can be freely transferrable in the market as at the date of valuation, the market value of the property as at the date of valuation was RMB2,000,000 (equivalent to approximately HK\$2,430,000).
4. China Resources Snow Breweries (Shucheng) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Shucheng) Co., Ltd. legally owns the building ownership rights of the property.
 - (ii) The building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, China Resources Snow Breweries (Shucheng) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	No
(ii) Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
61. An industrial complex located at No. 1 Mo Shan Road, San Shan Economic Development Zone, Wuhu City, Anhui Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 121,889 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2013 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB73,820,000 (equivalent to approximately HK\$89,590,000)
(Held by 華潤雪花啤酒(燕湖)有限公司)	The buildings have a total gross floor area of approximately 40,982.71 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB78,780,000 (equivalent to approximately HK\$95,610,000)
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for various terms with the earliest expiry date on 24 November 2061 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB37,648,200 (equivalent to approximately HK\$45,689,600)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB40,177,800 (equivalent to approximately HK\$48,759,500)

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Wu San Gong Guo Yong (2012) No. 009 and Wu San Gong Guo Yong (2014) No. 022), the land use rights of the property having a total site area of approximately 121,889 sq.m. have been granted to China Resources Snow Breweries (Wuhu) Co., Ltd. (華潤雪花啤酒(蕪湖)有限公司) for industrial uses for terms expiring on 24 November 2061 and 5 December 2063.
2. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 40,982.71 sq.m. as at the date of valuation would be RMB78,780,000 (equivalent to approximately HK\$95,610,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Wuhu) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Wuhu) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Wuhu) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) China Resources Snow Breweries (Wuhu) Co., Ltd. has obtained Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
 - (v) The agreed completion dates of the present construction in progress were 25 November 2013 and 10 December 2014 respectively according to the Land Use Rights Grant Contracts. As a result, China Resources Snow Breweries (Wuhu) Co., Ltd. may be subject to possibility of breach of the Land Use Rights Grant Contracts and paying a penalty for each delayed day at the rate of 1‰ of the land use rights grant fees.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	No
6. The land portion of the property was acquired on 1 January 2012 at a total acquisition cost of RMB34,236,779 and the total construction costs expended on the property was RMB117,210,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
62. An industrial complex located at Zhao Yang Road South, Xin Qu Yu Nan Road West, Wuhe County, Anhui Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 109,811.71 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2007 and 2011.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB24,310,000 (equivalent to approximately HK\$29,500,000)
(Held by 華潤雪花啤酒(五河)有限公司)	The buildings have a total gross floor area of approximately 14,950.03 sq.m.		Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls and sheds.		RMB12,398,100 (equivalent to approximately HK\$15,046,200)
	The property has been granted a land use rights for various terms with the earliest expiry date on 25 July 2056 for industrial uses.		

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Wu Guo Yong (2014) No. 2597 and Wu Guo Yong (2014) No. 2601), the land use rights of the property having a total site area of approximately 109,811.71 sq.m. have been granted to China Resources Snow Breweries (Wuhe) Co., Ltd. (華潤雪花啤酒(五河)有限公司) for industrial uses for terms expiring on 25 July 2056 and 10 February 2059 respectively.
- According to a Building Ownership Certificate (Document No.: Fang Di Quan Wu Gong Zi No. 212091) the building ownership rights of various buildings with a total gross floor area of approximately 14,950.03 sq.m. are owned by China Resources Snow Breweries (Wuhe) Co., Ltd.
- China Resources Snow Breweries (Wuhe) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Wuhe) Co., Ltd. legally owns the land use rights and building ownership rights of the property. One parcel of land (Land Use Rights Certificate Document No. Wu Guo Yong (2014) No. 2597) was transferred from Anhui Wanpi Brewing Co., Ltd. (安徽皖啤釀造有限公司). Regarding the land (Land Use Rights Certificate Document No. Wu Guo Yong (2014) No. 2601), China Resources Snow Breweries (Wuhe) Co., Ltd. did not sign the Land Use Rights Grant Contract and the land premium paid by China Resources Snow Breweries (Wuhe) Co., Ltd. has been refunded by the local government, which may not be in compliance with the PRC laws. Considering that China Resources Snow Breweries (Wuhe) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Wuhe) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract for land (Land Use Rights Certificate Document No. Wu Guo Yong (2014) No. 2597).
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
63. An industrial complex located at Intersection of Central Road and Don Xiang Road, Henan Province, the PRC (Held by 華潤雪花啤酒 (駐馬店) 有限公司)	The property comprises 2 parcels of land with a total site area of approximately 133,333.34 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2012 and 2015. The buildings have a total gross floor area of approximately 37,765.56 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for various terms with the earliest expiry date in January 2061 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB114,550,000 (equivalent to approximately HK\$139,020,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB58,420,500 (equivalent to approximately HK\$70,898,700)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Zhu Shi Guo Yong (2011) No. 8607 and Zhu Shi Guo Yong (2012) No. 8714), the land use rights of the property having a total site area of approximately 133,333.34 sq.m. have been granted to China Resources Snow Breweries (Zhu Ma Dian) Co., Ltd. (華潤雪花啤酒 (駐馬店) 有限公司) for industrial uses for terms expiring in January 2061 and August 2061 respectively.
- According to 17 Building Ownership Certificates (Document Nos.: Zhu Fang Quan Zheng Zi Nos. 201416384 to 201416400), the building ownership rights of various buildings with a total gross floor area of approximately 37,765.56 sq.m. are owned by China Resources Snow Breweries (Zhu Ma Dian) Co., Ltd.
- China Resources Snow Breweries (Zhu Ma Dian) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Zhu Ma Dian) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Zhu Ma Dian) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |
6. The land portion of the property was acquired on 1 January 2011 at a total acquisition cost of RMB24,699,344 and the total construction costs expended on the property was RMB91,160,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
64. An industrial complex located at No. 118 Gan De Road, Science Park in Jiang Ning District, Nanjing City, Jiangsu Province, the PRC (Held by 華潤雪花啤酒(南京)有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 196,064.47 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2008 and 2012.</p> <p>The buildings have a total gross floor area of approximately 81,202 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term of 50 years commencing from 30 June 2013 and for a term of 30 years commencing from 4 February 2016 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB234,640,000</p> <p>(equivalent to approximately HK\$284,760,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB119,666,400</p> <p>(equivalent to approximately HK\$145,226,200)</p>

Notes:

1. According to a State-owned Land Use Rights Grant Contract signed between Nanjing Jiangning Branch of Land and Resources Bureau (南京市國土資源局江寧分局) (Party A) and China Resources Snow Breweries (Nanjing) Co., Ltd. (華潤雪花啤酒(南京)有限公司) (Party B) dated 31 December 2012, Party A agreed to complete application of Land Use Rights Certificate for Party B for the land having a site area of approximately 14,468.30 sq.m. for industrial uses for a term of 50 years commencing from 30 June 2013.
2. According to a State-owned Land Use Rights Grant Contract signed between Nanjing Jiangning Branch of Land and Resources Bureau (Party A) and China Resources Snow Breweries (Nanjing) Co., Ltd. (Party B) dated 4 August 2015, Party A agreed to complete application of Land Use Rights Certificate for Party B for the land having a site area of approximately 181,596.17 sq.m. for industrial uses for a term of 30 years commencing from 4 February 2016.
3. In the valuation of the property, we have attributed no commercial value to the land which has not obtained State-owned Land Use Rights Certificate. On account of the statement stated on the Real Estate Ownership Certificates that the land are not permitted to be transferred in the open market, we have ascribed no commercial value to them. However, for reference purpose, the market value of the land as at the date of valuation was RMB102,770,000 (equivalent to approximately HK\$124,720,000) assuming they are entitled to be transferred in the open market.
4. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 81,202 sq.m. as at the date of valuation would be RMB131,870,000 (equivalent to approximately HK\$160,040,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
5. China Resources Snow Breweries (Nanjing) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Nanjing) Co., Ltd. has not obtained the State-owned Land Use Rights Certificates of the two parcels of land and the lands cannot be handled to freely rent, transfer or dispose of such land use rights.
 - (ii) China Resources Snow Breweries (Nanjing) Co., Ltd. informed that there are buildings built on the above-mentioned two parcels of land which have not obtained Building Ownership Certificates. It is possible that such buildings are deemed as illegal buildings by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures. If China Resources Snow Breweries (Nanjing) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is subject to possibility of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Nanjing) Co., Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. China Resources Snow Breweries (Nanjing) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	No
(ii) Building Ownership Certificate	No
8. The land portion of the property was acquired on 31 December 2012 and 4 August 2015 at a total acquisition cost of RMB101,550,000 and the total construction costs expended on the property was RMB14,200,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
65. An industrial complex located at No. 1 Hong Feng Road, Industrial Park, Suzhou City, Jiangsu Province, the PRC	The property comprises a parcel of land with a total site area of approximately 149,999.30 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1998 and 2013.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB239,720,000 (equivalent to approximately HK\$290,920,000)
(Held by 華潤雪花啤酒(江蘇)有限公司)	The buildings have a total gross floor area of approximately 47,437.20 sq.m.	Portions of the property having a total gross floor area of approximately 70 sq.m. have been leased out. (Refer to Note 4)	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB3,000,000 (equivalent to approximately HK\$3,640,000)
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for a term with the expiry date on 29 June 2045 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015 RMB122,257,000 (equivalent to approximately HK\$148,370,400)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB1,530,000 (equivalent to approximately HK\$1,856,800)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document Nos.: Su Gong Yuan Guo Yong (2004) No. 0156), the land use rights of the property having a total site area of approximately 149,999.30 sq.m. have been granted to China Resources Snow Breweries (Jiangsu) Co., Ltd. (華潤雪花啤酒(江蘇)有限公司) for industrial uses for terms expiring on 29 June 2045.
2. According to a Building Ownership Certificate (Document No.: Su Fang Quan Zheng Yuan Qu Zi No. 00228823), the building ownership rights of various buildings with a total gross floor area of approximately 44,889.12 sq.m. are owned by China Resources Snow Breweries (Jiangsu) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 2,548.08 sq.m. as at the date of valuation would be RMB3,000,000 (equivalent to approximately HK\$3,640,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Tenancy agreement has been entered into in respect of part (70 sq.m.) of the property for a term of one year from 1 April 2015 to 31 March 2016 at a monthly rent of RMB6,000 (inclusive of all outgoing expenses in relation to the property). This tenancy agreement may be terminated by either party by serving a 30-day advance written notice to the other party.
5. China Resources Snow Breweries (Jiangsu) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Jiangsu) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Jiangsu) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) China Resources Snow Breweries (Jiangsu) Co., Ltd. informed that 886 sq.m. of the above-mentioned land may be taken back by the local government with compensation in the future for the reason of subway construction.
 - (iii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iv) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Jiangsu) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (v) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 2,548.08 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Jiangsu) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Jiangsu) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.

- (vi) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
66. An industrial complex located at Ma Shan 5th Bridge, Bin Hu District, Wuxi City, Jiangsu Province, the PRC (Held by 華潤雪花啤酒(無錫)有限公司)	The property comprises a parcel of land with a total site area of approximately 93,466.40 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1992 and 2015. The buildings have a total gross floor area of approximately 35,286.37 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date on 17 July 2045 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB65,280,000 (equivalent to approximately HK\$79,220,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB33,292,800 (equivalent to approximately HK\$40,403,900)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Xi Bin Guo Yong (2005) No. 8), the land use rights of the property having a total site area of approximately 93,466.40 sq.m. have been granted to China Resources Snow Breweries (Wuxi) Co., Ltd. (華潤雪花啤酒(無錫)有限公司) for industrial uses for a term expiring on 17 July 2045.
- According to 9 Building Ownership Certificates (Document Nos.: Xi Fang Quan Zheng Bin Hu Zi Nos. 40093979-1 to 40093979-9), the building ownership rights of various buildings with a total gross floor area of approximately 35,286.37 sq.m. are owned by China Resources Snow Breweries (Wuxi) Co., Ltd.
- China Resources Snow Breweries (Wuxi) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Wuxi) Co., Ltd. legally owns the land use rights and building ownership rights of the property. The land was transferred from Wuxi Brewing Factory (無錫市釀酒總廠), and it is unable to determine whether the transfer price has been fully settled or not. However, considering that China Resources Snow Breweries (Wuxi) Co., Ltd. has obtained the reissued Land Use Rights Certificate and has not received document of recourse, the possibility of affecting the land use rights is relatively small.
 - China Resources Snow Breweries (Wuxi) Co., Ltd. has not provided any document to prove that Wuxi Brewing Factory (無錫市釀酒總廠) was legally permitted to change the nature of land from "allocated land" to "granted land" when transferring to China Resources Snow Breweries (Wuxi) Co., Ltd. We cannot deny the possibility that land use right transfer contract between China Resources Snow Breweries (Wuxi) Co., Ltd. and Wuxi Brewing Factory (無錫市釀酒總廠) may be deemed invalid and the related document may have some restrictions on the land use rights.

- (iii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iv) Subject to the above-mentioned reminder, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Wuxi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
67. An industrial complex located at No. 9 Ke Lei Road and Ke Lei Road North, Xin Bei District, Changzhou City, Jiangsu Province, the PRC (Held by 華潤雪花啤酒(常州)有限公司)	The property comprises 2 parcels of land with a total site area of approximately 142,254.50 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2006 and 2014. The buildings have a total gross floor area of approximately 43,481.96 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for various terms with the earliest expiry date on 15 February 2056 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB129,240,000 (equivalent to approximately HK\$156,840,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB65,912,400 (equivalent to approximately HK\$79,990,800)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Chang Guo Yong (2008) No. 0260381 and Chang Guo Yong (2010) No. 0362581), the land use rights of the property having a total site area of approximately 142,254.50 sq.m. have been granted to China Resources Snow Breweries (Changzhou) Co., Ltd. (華潤雪花啤酒(常州)有限公司) for industrial uses for terms expiring on 27 March 2058 and 15 February 2056.
- According to 4 Building Ownership Certificates (Document Nos.: Chang Fang Quan Zheng Xin Zi Nos. 00503214, 00052037, 00052038 and 00052039), the building ownership rights of various buildings with a total gross floor area of approximately 43,481.96 sq.m. are owned by China Resources Snow Breweries (Changzhou) Co., Ltd.
- China Resources Snow Breweries (Changzhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Changzhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether approximately 2/3 of the land premium of the land (Document No. Chang Guo Yong (2010) No. 0362581) has been fully settled or not. According to the Land Use Rights Grant Contract, if the land premium overdue has not been fully settled for more than 6 months, the grantor has the rights to terminate the contract, withdraw the land, forfeit the deposit and request for compensation as breach of contract. And according to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Contract being terminated and leading to resume of the land. However, considering that China Resources Snow Breweries (Changzhou) Co., Ltd. has obtained

the reissued Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.

- (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) Subject to the above-mentioned reminder, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Changzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
68. A commercial building located at No. 24 Bi Qi Lane, Zhonglou District, Changzhou City, Jiangsu Province, the PRC	<p>The property comprises a 2-storey commercial building completed in about 1990s.</p> <p>The property has a total gross floor area of approximately 64.46 sq.m.</p>	The property is currently occupied by the Group for commercial uses.	<p>RMB530,000</p> <p>(equivalent to approximately HK\$640,000)</p>
(Held by 華潤雪花啤酒(常州)有限公司)	The property has been granted a land use rights for commercial uses.		<p>Interest attributable to the Group</p> <p>51%</p>
			<p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB270,300</p> <p>(equivalent to approximately HK\$328,000)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Chang Zhong Guo Yong (1995) Zi No. 2503502), the land use rights of the property having a site area of approximately 32.60 sq.m. have been granted to Changzhou Brewing Factory (常州釀酒總廠) for commercial uses. As advised by China Resources Snow Breweries (Changzhou) Co., Ltd. (華潤雪花啤酒(常州)有限公司), Changzhou Brewing Factory (常州釀酒總廠) is the former name of China Resources Snow Breweries (Changzhou) Co., Ltd. (華潤雪花啤酒(常州)有限公司).
- According to a Building Ownership Certificate (Document No.: Chang Fang Quan Zheng Xin Zi No. 000375136), the building ownership rights of a building with a gross floor area of approximately 64.46 sq.m. for commercial uses are owned by China Resources Snow Breweries (Changzhou) Co., Ltd. (華潤雪花啤酒(常州)有限公司).
- China Resources Snow Breweries (Changzhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Changzhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances. It is unable to determine whether the land premium and transfer price has been fully settled or not, or there is any limitation affecting the land use rights in the original Land Use Rights Grant Contract. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract being terminated and leading to resume of the land. Considering that China Resources Snow Breweries (Changzhou) Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Changzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property, provided that the name of the land user as indicated in the State-owned Land Use Rights Certificate shall be changed before the transfer. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the Land Use Rights Grant Contract of the land (Land Use Rights Certificate (Document No. Chang Zhong Guo Yong (1995) Zi No. 2503502).
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
69. An industrial complex located at No. 1398 Luo Dong Road, Bao Shan District, Shanghai City, the PRC (Held by 華潤雪花啤酒(上海)有限公司)	The property comprises a parcel of land with a total site area of approximately 196,013.70 sq.m. and a buildings and various ancillary structures erected thereon completed in various stages between 2009 and 2011. 9 buildings and structures were under construction. The buildings have a total gross floor area of approximately 52,395.03 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date on 19 February 2059 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB321,540,000 (equivalent to approximately HK\$390,220,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB163,985,400 (equivalent to approximately HK\$199,011,400)

Notes:

- According to a Shanghai Certificate of Real Estate Ownership (Document No.: Hu Fang Di Bao Zi (2012) No. 012488), the land use rights of the property having a total site area of approximately 196,013.70 sq.m. have been granted to China Resources Snow Breweries (Shanghai) Co., Ltd. (華潤雪花啤酒(上海)有限公司) with a total gross floor area of approximately 52,395.03 sq.m. for industrial uses for a term expiring on 19 February 2059.
- For reference purpose, the cost incurred for various buildings and structures which were under construction as at the date of valuation was RMB22,940,000 (equivalent to approximately HK\$27,840,000).
- China Resources Snow Breweries (Shanghai) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Shanghai) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the Shanghai Certificate of Real Estate Ownership, China Resources Snow Breweries (Shanghai) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

- (iv) China Resources Snow Breweries (Shanghai) Co., Ltd. has obtained Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
 - (v) There is a construction in progress of the property. The agreed completion date of the present construction in progress was 17 January 2012 according to the State-owned Land Use Rights Granted Contract. As a result, China Resources Snow Breweries (Shanghai) Co., Ltd. may be subject to possibility of breach of the Land Use Rights Grant Contract and paying a penalty for each delayed day at the rate of 0.1% of the land use rights grant fees.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
70. An industrial complex located at Xu Zhuang Zhong Gou East, Chuang Xin Road South, Xu Zhuang Road, Gao Gang District, Taizhou City, Jiangsu Province, the PRC (Held by 華潤雪花啤酒(泰州)有限公司)	<p>The property comprises a parcel of land with a total site area of approximately 153,769 sq.m. and various buildings and ancillary structures erected thereon completed in 2012. A shed structure was under construction.</p> <p>The buildings have a total gross floor area of approximately 37,099.79 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date on 31 October 2061 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB154,700,000 (equivalent to approximately HK\$187,740,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB78,897,000 (equivalent to approximately HK\$95,748,800)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Taizhou Guo Yong (2012) No. 20217), the land use rights of the property having a total site area of approximately 153,769 sq.m. have been granted to China Resources Snow Breweries (Taizhou) Co., Ltd. (華潤雪花啤酒(泰州)有限公司) for industrial uses for a term expiring on 31 October 2061.
- According to 4 Building Ownership Certificates (Document Nos.: Tai Fang Quan Zheng Gao Zi Nos. 522852 to 522855), the building ownership rights of various buildings with a total gross floor area of approximately 37,099.79 sq.m. are owned by China Resources Snow Breweries (Taizhou) Co., Ltd.
- For reference purpose, the cost incurred for a shed structure which was under construction as at the date of valuation was RMB490,000 (equivalent to approximately HK\$590,000).
- China Resources Snow Breweries (Taizhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Taizhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Taizhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |
7. The land portion of the property was acquired on 19 December 2012 at a total acquisition cost of RMB47,590,638 and the total construction costs expended on the property was RMB101,990,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
71. An industrial complex located at Bingang Industrial City, Shamen Town, Yuhuan County, Zhejiang Province, the PRC	The property comprises 4 parcels of land with a total site area of approximately 120,792 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2009 and 2013.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB166,310,000 (equivalent to approximately HK\$201,830,000)
(Held by 華潤雪花啤酒(台州)有限公司)	The buildings have a total gross floor area of approximately 61,333.34 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB124,000,000 (equivalent to approximately HK\$150,490,000)
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for various terms with the earliest expiry date on 7 December 2056 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB84,818,100 (equivalent to approximately HK\$102,934,600)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB63,240,000 (equivalent to approximately HK\$76,747,600)

Notes:

1. According to 4 State-owned Land Use Rights Certificates (Document Nos.: Yu Guo Yong (2009) 06014 and 06015, Yu Guo Yong (2011) 00580 and 00581), the land use rights of the property having a total site area of approximately 120,792 sq.m. have been granted to China Resources Snow Breweries (Taizhou) Co., Ltd. (華潤雪花啤酒(台州)有限公司) for industrial uses for terms expiring on 7 December 2056, 16 June 2058, 23 January 2061 and 23 January 2061 respectively.
2. According to 10 Building Ownership Certificates (Document Nos.: Yu Fang Quan Zheng Yu Huan Zi Nos. 1002586, 1002587, 1002588, 1002589, 1002590, 1002591, 1002592, 1002593, 1002594 and 1002595), the building ownership rights of 13 buildings with a total gross floor area of approximately 22,846.67 sq.m. are owned by China Resources Snow Breweries (Taizhou) Co., Ltd. Besides, a portion of the buildings with a total gross floor area of approximately 1,867.58 sq.m. have been demolished.
3. In the valuation of the property, we have attributed no commercial value to 11 buildings which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 40,354.25 sq.m. as at the date of valuation would be RMB124,000,000 (equivalent to approximately HK\$150,490,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Taizhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Taizhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property. 2 parcel of land (State-owned Land Use Rights Certificates Document Nos.: Yu Guo Yong (2009) 06014 and 06015) were transferred from Zhejiang Luoke Breweries Co., Ltd. (浙江洛克啤酒有限公司), it is unable to determine whether the land premium and transfer price has been fully settled or not, or there is any limitation affecting the land use rights in the original Land Use Rights Grant Contract between Zhejiang Luoke Breweries Co., Ltd. (浙江洛克啤酒有限公司) and the grantor. However, considering that China Resources Snow Breweries (Taizhou) Co., Ltd. has obtained the reissued Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Taizhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights, building ownership rights of the property. There is no restriction of the above legal means in the Certificates. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) China Resources Snow Breweries (Taizhou) Co., Ltd. has obtained the Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion. If the construction in progress fails to be completed according to the schedule as stated in the Land Use Rights Grant Contract, China Resources Snow Breweries (Taizhou) Co., Ltd. is subject to a penalty by the relevant land authority.
 - (v) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 1,256 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if

China Resources Snow Breweries (Taizhou) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Taizhou) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.

- (vi) A portion of the buildings under Building Ownership Certificates (Document Nos.: Yu Fang Quan Zheng Yu Huan Zi Nos. 1002588 and 1002591) have been demolished but the relevant Building Ownership Certificates have not been updated. Upon update of these Building Ownership Certificates, China Resources Snow Breweries (Taizhou) Co., Ltd. does not legally own the building ownership rights of such portion of the buildings.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)
7. Part of the land portion of the property was acquired on 24 January 2011 at a total acquisition cost of RMB35,304,432 and the total construction costs expended on the property was RMB230,700,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
72. An industrial complex located at No. 600 Binhai 15th Road, Wenzhou Economic and Technological Development Zone, Wenzhou City, Zhejiang Province, the PRC (Held by 華潤雪花啤酒(溫州)有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 165,902.87 sq.m. and 13 buildings and various ancillary structures erected thereon completed in 2013. A structure is under construction.</p> <p>The buildings have a total gross floor area of approximately 87,826.57 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 24 April 2061 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB162,670,000</p> <p>(equivalent to approximately HK\$197,420,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB173,130,000</p> <p>(equivalent to approximately HK\$210,110,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB82,961,700</p> <p>(equivalent to approximately HK\$100,681,700)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB88,296,300</p> <p>(equivalent to approximately HK\$107,155,700)</p>

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Wen Guo Yong (2011) No. 5-231119 and Wen Guo Yong (2014) No. 800003), the land use rights of the property having a total site area of approximately 165,902.87 sq.m. have been granted to China Resources Snow Breweries (Wenzhou) Co., Ltd. (華潤雪花啤酒(溫州)有限公司) for industrial uses for terms expiring on 24 April 2061 and 26 December 2062 respectively.
2. In the valuation of the property, we have attributed no commercial value to 13 buildings which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 81,826.57 sq.m. as at the date of valuation would be RMB173,130,000 (equivalent to approximately HK\$210,110,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. For reference purpose, the cost incurred for a structure which was under construction as at the date of valuation was RMB2,340,000 (equivalent to approximately HK\$2,840,000).
4. China Resources Snow Breweries (Wenzhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Wenzhou) Co., Ltd. legally owns the land use rights of the property.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Wenzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Wenzhou) Co., Ltd. has obtained the Planning Permit for Construction Land of the construction in progress. The construction has not been commenced.
 - (v) China Resources Snow Breweries (Wenzhou) Co., Ltd. is processing the application of the building ownership certificate of the buildings having a total gross floor area of approximately 81,493.17 sq.m. and has obtained the Planning Permit for Construction Land, Planning Permit for Construction Works, Permit for Commencement of Construction Works and Fling Forms of Completion and Acceptance. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
 - (vi) For the buildings having not obtained Building Ownership Certificates having a total gross floor area of approximately 333.4 sq.m, as China Resources Snow Breweries (Wenzhou) Co., Ltd. did not provide any construction-related approval or permit, it is unable to determine if all required approvals and permits have been obtained.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	No
7. The land portion of the property was acquired on 25 April 2011 and 27 December 2012 at a total acquisition cost of RMB114,248,383 and the total construction costs expended on the property was RMB231,600,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
73. An industrial complex located at Hai Tang Road, Xin Jie Town, Zhejiang Province, the PRC (Held by 華潤雪花啤酒 (浙江) 有限公司)	<p>The property comprises 7 parcels of land with a total site area of approximately 224,135.95 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1982 and 2014. 3 buildings and structures are under construction.</p> <p>The buildings have a total gross floor area of approximately 88,922.80 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 31 December 2048 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB208,670,000</p> <p>(equivalent to approximately HK\$253,240,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB6,900,000</p> <p>(equivalent to approximately HK\$8,370,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB106,421,700</p> <p>(equivalent to approximately HK\$129,152,500)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB3,519,000</p> <p>(equivalent to approximately HK\$4,270,600)</p>

Notes:

1. According to 7 State-owned Land Use Rights Certificates (Document Nos.: Hang Xiao Guo Yong (2005) Nos. 1400026 to 1400032), the land use rights of the property having a total site area of approximately 224,135.95 sq.m. have been granted to China Resources Snow Breweries (Zhejiang) Co., Ltd. (華潤雪花啤酒(浙江)有限公司) for industrial uses for terms expiring on 31 December 2048, 31 December 2048, 28 January 2050, 31 December 2048, 25 August 2053, 31 December 2048 and 9 October 2053 respectively.
2. According to 42 Building Ownership Certificates (Document Nos.: Hang Fang Quan Zheng Xiao Zi Nos. 00028341, 00035090, 00035128, 00035229, 00036017, 00037786, 00041492, 00041551, 00041575, 00041604, 00041687, 00041881, 00042060, 00042487, 00042985, 00043602, 00043603, 00044394, 00067698, 00067701, 00067702, 00067703, 00067705, 00067715 to 00067727, 00067729, 00146301 to 00146304 and 112837), the building ownership rights of various buildings with a total gross floor area of approximately 84,228.05 sq.m. are owned by China Resources Snow Breweries (Zhejiang) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to 14 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 4,694.75 sq.m. as at the date of valuation would be RMB6,900,000 (equivalent to approximately HK\$8,370,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. For reference purpose, the cost incurred for 3 buildings and structures which were under construction as at the date of valuation was RMB1,500,000 (equivalent to approximately HK\$1,820,000).
5. China Resources Snow Breweries (Zhejiang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Zhejiang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Zhejiang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The buildings under Building Ownership Certificates (Document Nos.: Hang Fang Quan Zheng Xiao Zi Nos. 00043603) were located on leased land and the buildings under Building Ownership Certificates (Document Nos.: Hang Fang Quan Zheng Xiao Zi Nos. 00041881) were located on the land which is not legally owned by China Resources Snow Breweries (Zhejiang) Co., Ltd. because of historical reasons. Due to no State-owned Land Use Rights Certificate, these parts of the buildings may not be handled to freely transfer, mortgage or other encumbrances.
 - (v) The buildings under Building Ownership Certificates (Document Nos.: Hang Fang Quan Zheng Xiao Zi Nos. 00035229, 00037786, 00067726, 00067729 and 00146304) are about to be demolished and the buildings under Building Ownership Certificates (Document Nos.: Hang Fang Quan Zheng Xiao Zi Nos. 00042487 and 00042985) have been demolished but the relevant Building Ownership Certificates have not been cancelled. Upon the de-registration of all these Building Ownership Certificates, China Resources Snow Breweries (Zhejiang) Co., Ltd. does not legally own the building ownership rights of these buildings.

- (vi) For the buildings having not obtained Building Ownership Certificates having a total gross floor area of approximately 430.15 sq.m, relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Zhejiang) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Zhejiang) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
- (vii) For the temporary buildings have a total gross floor area of approximately 4,264.6 sq.m., China Resources Snow Breweries (Zhejiang) Co., Ltd. should remove them and China Resources Snow Breweries (Zhejiang) Co., Ltd. may be fined.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
74. An industrial complex located at Dongxing Community, Chengdong Subdistrict, Fengze District, Fujian Province, the PRC (Held by 華潤雪花啤酒 (福建) 有限公司)	The property comprises 2 parcels of land with a total site area of approximately 85,882.2 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1985 and 2013. Some structures are under construction. The buildings have a total gross floor area of approximately 41,952.54 sq.m. The buildings mainly include workshops, storehouses and office buildings. The structures mainly include sheds. The property has been granted a land use rights for various terms with the earliest expiry date on 30 November 2046 for industrial use.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB85,890,000 (equivalent to approximately HK\$104,240,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB43,803,900 (equivalent to approximately HK\$53,160,100)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Quan Guo Yong (2007) No. 200193 and 200626), the land use rights of the property having a total site area of approximately 85,882.2 sq.m. have been granted to China Resources Snow Breweries (Fujian) Co., Ltd. (華潤雪花啤酒 (福建) 有限公司) for industrial use for terms expiring on 30 November 2046 and 26 December 2056 respectively.
- According to a Building Ownership Certificate (Document No.: Quan Fang Quan Zheng Feng Ze Qu (Feng) Zi No. 200610619) the building ownership rights of various buildings with a total gross floor area of approximately 41,952.54 sq.m. are owned by China Resources Snow Breweries (Fujian) Co., Ltd..
- China Resources Snow Breweries (Fujian) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - The ownership of the land use rights is legally vested in China Resources Snow Breweries (Fujian) Co., Ltd..
 - The land use rights is not subject to seizure, mortgage or other encumbrances.
 - It is unable to determine whether the land premium of parent lot (Lot No. 207520003a) of the land (Document No. Quan Guo Yong (2007) No. 200193) has been fully settled or not. According to the Land Use Rights Grant Contract, if the land premium overdue for 15 days has not been fully settled, it is subject to a possibility of paying 30% of land premium as breach of contract. And according to the PRC law, if the land premium has not been fully settled, it is subject to a

possibility of the Land Use Rights Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Fujian) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.

- (iv) According to the information available, during the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Fujian) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights.
 - (v) The ownership of the building is legally vested in China Resources Snow Breweries (Fujian) Co., Ltd..
 - (vi) The ownership of the building is not subject to seizure, mortgage or other encumbrances.
 - (vii) According to the information available, China Resources Snow Breweries (Fujian) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the buildings.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
75. An industrial complex located at No. 39 Tai Ning Road, Hangzhou Yuhang Economic Development Zone, Zhejiang Province, the PRC (Held by 華潤雪花啤酒 (杭州) 有限公司)	<p>The property comprises a parcel of land with a total site area of approximately 110,690.90 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2006 and 2013. 3 buildings and structures are under construction.</p> <p>The buildings have a total gross floor area of approximately 38,721.17 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date on 21 November 2055 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB111,610,000</p> <p>(equivalent to approximately HK\$135,450,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB11,700,000</p> <p>(equivalent to approximately HK\$14,200,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB56,921,100</p> <p>(equivalent to approximately HK\$69,079,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB5,967,000</p> <p>(equivalent to approximately HK\$7,241,500)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Hang Yu Chu Guo Yong (2006) No. 105-592), the land use rights of the property having a total site area of approximately 110,690.90 sq.m. have been granted to China Resources Snow Breweries (Hangzhou) Co., Ltd. (華潤雪花啤酒(杭州)有限公司) for industrial uses for a term expiring on 21 November 2055.
2. According to 9 Building Ownership Certificates (Document Nos.: Yu Fang Quan Zheng Yu Geng Zi Nos. 15442029 to 15442033 and 15442052 to 15442055), the building ownership rights of 9 buildings with a total gross floor area of approximately 27,715.83 sq.m. are owned by China Resources Snow Breweries (Hangzhou) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 11,005.34 sq.m. as at the date of valuation would be RMB11,700,000 (equivalent to approximately HK\$14,200,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. For reference purpose, the cost incurred for 3 buildings and structures which were under construction as at the date of valuation was RMB1,730,000 (equivalent to approximately HK\$2,100,000).
5. China Resources Snow Breweries (Hangzhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Hangzhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) It is unable to determine whether the land premium of the land (Document No. Hang Yu Chu Guo Yong (2006) No. 105-592) has been fully settled or not. According to the Land Use Rights Grant Contract, if the land premium overdue has not been fully settled for more than 6 months, the grantor has the rights to terminate the contract, withdraw the land, forfeit the deposit and request for compensation as breach of contract. And according to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Hangzhou) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (iv) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Hangzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (v) China Resources Snow Breweries (Hangzhou) Co., Ltd. has obtained Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
 - (vi) The buildings and structures have not obtained Building Ownership Certificates having a total gross floor area of approximately 11,005.34 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Hangzhou) Co., Ltd. cannot rectify

such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Hangzhou) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.

7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
76. An industrial complex located at Yan Jia Road and Yuan Tong Street, Hai Yan County, Jiaxing City, Zhejiang Province, the PRC	The property comprises 7 parcels of land with a total site area of approximately 158,215 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1987 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB150,250,000 (equivalent to approximately HK\$182,340,000)
(Held by 華潤雪花啤酒 (嘉興) 有限公司)	The buildings have a total gross floor area of approximately 65,214.07 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB3,080,000 (equivalent to approximately HK\$3,740,000)
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for various terms with the earliest expiry date on 6 June 2051 for industrial uses, storage uses and industrial (storage) uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB76,627,500 (equivalent to approximately HK\$92,994,500)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB1,570,800 (equivalent to approximately HK\$1,906,300)

Notes:

1. According to 5 State-owned Land Use Rights Certificates (Document Nos.: Hai Yan Guo Yong (2007) Nos. 5-8, 5-9, 5-10 and 5-11, Hai Yan Guo Yong (2010) 5-118), the land use rights of the property having a total site area of approximately 161,241 sq.m. have been granted to China Resources Snow Breweries (Jiaxing) Co., Ltd. (華潤雪花啤酒(嘉興)有限公司) for industrial uses and industrial storages uses for terms expiring on 23 July 2052, 6 June 2051, 6 June 2051 and 6 June 2051, 31 January 2058 respectively. Under the State-owned Land Use Rights Certificate (Document No.: Hai Yan Guo Yong (2007) No. 5-9), the land use rights of approximately 3,116 sq.m have been withdrawn by the government but such Certificate has not been updated. The actual area held by China Resources Snow Breweries (Jiaxing) Co., Ltd. under these certificates is 158,215 sq.m..
2. According to a State-owned Land Use Rights Certificate (Document No.: Hai Yan Guo Yong (2015) 6-5), the land use rights of the property having a site area of approximately 3,253 sq.m. have been granted to China Resources Snow Breweries (Jiaxing) Co., Ltd. for storages uses for a term expiring on 24 February 2063.
3. According to a State-owned Land Use Rights Certificate (Document No.: Hai Yan Guo Yong (2014) 6-3), the land use rights of the property having a site area of approximately 3,116 sq.m. have been granted to China Resources Snow Breweries (Jiaxing) Co., Ltd. for industrial (storages) uses for a term expiring on 29 December 2060.
4. According to 15 Building Ownership Certificates (Document Nos.: Fang Quan Zheng Yan Zi Nos. 080109 to 080114, 089012, 130677, J054557, J054558, J062323 to J062326 and Jia Fang Quan Zheng Yan Zi No. 070298-(1-3)), the building ownership rights of 37 buildings with a total gross floor area of approximately 64,224.72 sq.m. are owned by China Resources Snow Breweries (Jiaxing) Co., Ltd.
5. In the valuation of the property, we have attributed no commercial value to 9 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 989.35 sq.m. as at the date of valuation would be RMB3,080,000 (equivalent to approximately HK\$3,740,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
6. China Resources Snow Breweries (Jiaxing) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
7. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Jiaxing) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) It is unable to determine whether the land premium of these lands (Document No. Hai Yan Guo Yong (2007) No. 5-8, 5-9, 5-10, 5-11) have been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Jiaxing) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small
 - (iv) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Jiaxing) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no limitation stated on the documents above regarding adoption of the above legal means to handle the land use rights. However, it is unable to determine whether there is any limitation stated in Land Use Rights Grant Contracts of the Lands (Land Use Rights Certificates (Document Nos. Hai Yan Guo Yong (2007) Nos. 5-9, 5-10 and 5-11).

- (v) China Resources Snow Breweries (Jiaxing) Co., Ltd. has obtained Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion. If China Resources Snow Breweries (Jiaxing) Co., Ltd. uses the building before the construction in progress completes the completion and acceptance procedures, it may face penalties of fire, environmental protection and other relevant government departments.
- (vi) For 9 buildings having not obtained Building Ownership Certificates, relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Jiaxing) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. China Resources Snow Breweries (Jiaxing) Co., Ltd. has not received any notice of removal of these buildings or prohibiting the continued uses of these buildings from relevant government departments as of the date of the PRC legal opinion.
8. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |
9. Part of the land portion of the property was acquired on 8 February 2013 and 7 December 2010 at a total acquisition cost of RMB2,307,535 and the total construction costs expended on the property was RMB97,340,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
77. An industrial complex located at Xinshi Industrial Park, Deqing County, Huzhou City, Zhejiang Province, the PRC (Held by 華潤雪花啤酒(浙江)西湖有限公司)	The property comprises 2 parcels of land with a total site area of approximately 185,060.70 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2007 and 2014. The buildings have a total gross floor area of approximately 32,854.78 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and quarter buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date on 11 December 2056 for industrial uses.	The property is currently occupied by the Group for production, quarter and ancillary uses.	RMB135,120,000 (equivalent to approximately HK\$163,980,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB68,911,200 (equivalent to approximately HK\$83,630,100)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Deqing Guo Yong (2014) Nos. 02303543 and 02303491), the land use rights of the property having a total site area of approximately 185,060.70 sq.m. have been granted to China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. (華潤雪花啤酒(浙江)西湖有限公司) for industrial uses for a term expiring on 11 December 2056.
- According to 7 Building Ownership Certificates (Document Nos.: De Fang Quan Zheng Xin Shi Zhen Zi Nos. 14100663 to 14100669), the building ownership rights of various buildings with a total gross floor area of approximately 32,854.78 sq.m. are owned by China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd.
- China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract being terminated and leading to resume of the land. Considering that China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
78.	A commercial building located No. 42 Moganshan Road, Gong Shu District, Hangzhou City, Zhejiang Province, the PRC (Held by 華潤雪花啤酒(浙江)西湖有限公司)	The property comprises a 6-storey commercial building completed in 1987. The property has a total gross floor area of approximately 245.53 sq.m. As advised by the Company, the property has not yet been obtained the State-owned Land Use Rights Certificate.	The property is currently occupied by the Group for commercial use.	<p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB5,730,000</p> <p>(equivalent to approximately HK\$6,950,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB2,922,300</p> <p>(equivalent to approximately HK\$3,546,500)</p>

Notes:

1. According to a Building Ownership Certificate (Document No.: Hang Fang Quan Zheng Gong Geng Zi No. 14892756), the building ownership rights of a building with a gross floor area of approximately 245.53 sq.m. are owned by China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd.
2. As advised by the Company, the property has not obtained the State-owned Land Use Rights Certificate. The property cannot be freely transferrable in the market. We have ascribed no commercial value to the property. For reference purpose, assuming the property has obtained the State-owned Land Use Rights Certificate can be freely transferrable in the market as at the date of valuation, the market value of the property as at the date of valuation was RMB5,730,000 (equivalent to approximately HK\$6,950,000).
3. China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. (華潤雪花啤酒(浙江)西湖有限公司), a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. legally owns the building ownership rights of the property.
 - (ii) The building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) Due to no State-owned Land Use Rights Certificate, the property may not be handled to freely transfer, mortgage or other encumbrances.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	No
(ii) Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
79. A commercial unit located No. 1 Basement Shopping Centre, Block 14, Yong Kang Court, Xia Cheng District, Hangzhou City, Zhejiang Province, the PRC	The property comprises a commercial unit located at basement of Block 14 of Yong Kang Court completed in 2010.	The property is currently occupied by the Group for commercial uses.	RMB1,970,000 (equivalent to approximately HK\$2,390,000)
(Held by 華潤雪花啤酒(浙江)西湖有限公司)	The property has a total gross floor area of approximately 85.99 sq.m.		Interest attributable to the Group 51%
	The property has been granted a land use rights for a term with the expiry date on 18 September 2037 for commercial and service uses.		Market Value in existing state attributable to the Group as at 1 September 2015 RMB1,004,700 (equivalent to approximately HK\$1,219,300)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Hang Xia Guo Yong (2015) No. 006354), the land use rights of the property having a site area of approximately 24.4 sq.m. have been granted to China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. (華潤雪花啤酒(浙江)西湖有限公司) for commercial and service uses for a term expiring on 18 September 2037.
- According to a Building Ownership Certificate (Document No.: Hang Fang Quan Zheng Xia Geng Zi No. 14891943), the building ownership rights of a building with a gross floor area of approximately 85.99 sq.m. are owned by China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd.
- China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances. It is unable to determine whether the land premium and transfer price has been fully settled or not, or there is any limitation affecting the land use rights in the original Land Use Rights Grant Contract. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract being terminated and leading to resume of the land. Considering that China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the Land Use Rights Grant Contract of the land (Land Use Rights Certificate (Document No. Hang Xia Guo Yong (2015) No. 006354).
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
80. 2 residential units located at Block 11, Jia Jia Nong, Gong Shu District, Hangzhou City, Zhejiang Province, the PRC (Held by 華潤雪花啤酒(浙江)西湖有限公司)	The property comprises 2 residential units located at ground floor of Block 11 of Jia Jia Nong completed in 1990s. The property has a total gross floor area of approximately 107.80 sq.m. The property has been granted a land use rights for a term with the expiry date on 24 April 2069 for residential uses.	The property is currently occupied by the Group for residential uses.	RMB1,490,000 (equivalent to approximately HK\$1,810,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB759,900 (equivalent to approximately HK\$922,200)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Hang Gong Guo Yong (2005) Nos. 664 and 665), the land use rights of the property having a total site area of approximately 27.1 sq.m. have been granted to China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. (華潤雪花啤酒(浙江)西湖有限公司) for residential uses for a term expiring on 24 April 2069.
- According to 2 Building Ownership Certificates (Document Nos.: Hang Fang Quan Zheng Gong Yi Zi Nos. 12071831 and 12071839), the building ownership rights of a building with a gross floor area of approximately 107.80 sq.m. are owned by China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd.
- China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances. It is unable to determine whether the land premium and transfer price has been fully settled or not, or there is any limitation affecting the land use rights in the original Land Use Rights Grant Contracts. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract being terminated and leading to resume of the land. Considering that China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificates, China Resources Snow Breweries (Zhejiang) Xihu Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificates. However, it is unable to determine whether there is any restriction stated in the Land Use Rights Grant Contracts.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
81. An industrial complex located at No. 388 Si Ming East Road, Economic Development Zone, Fenghua City, Zhejiang Province, the PRC (Held by 華潤雪花啤酒(寧波)有限公司)	The property comprises 2 parcels of land with a total site area of approximately 140,165.39 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2009 and 2012. The buildings have a total gross floor area of approximately 73,241.89 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for various terms with the earliest expiry date on 23 December 2057 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB219,370,000 (equivalent to approximately HK\$266,230,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB111,878,700 (equivalent to approximately HK\$135,775,100)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Feng Guo Yong (2010) No. 02542 and Feng Guo Yong (2013) No. 04561), the land use rights of the property having a total site area of approximately 140,165.39 sq.m. have been granted to China Resources Snow Breweries (Ningbo) Co., Ltd. (華潤雪花啤酒(寧波)有限公司) for industrial uses for terms expiring on 23 December 2057 and 11 August 2063 respectively.
- According to 6 Building Ownership Certificates (Document Nos.: Feng Hua Zi No. 01-103904 to 01-103908 and 01-103910), the building ownership rights of various buildings with a total gross floor area of approximately 73,241.89 sq.m. are owned by China Resources Snow Breweries (Ningbo) Co., Ltd.
- China Resources Snow Breweries (Ningbo) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Ningbo) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Ningbo) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |
6. Part of the land portion of the property was acquired on 25 July 2013 at a total acquisition cost of RMB3,510,000 and the total construction costs expended on the property was RMB151,560,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
82. An industrial complex located at No. 152 Huangshan 4th Road, Zouping County, Binzhou City, Shandong Province, the PRC	The property comprises a parcel of land with a site area of approximately 73,735.20 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1992 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB83,990,000 (equivalent to approximately HK\$101,930,000)
(Held by 華潤雪花啤酒(濱州)有限公司)	The buildings have a total gross floor area of approximately 55,757.87 sq.m.	Portions of the property are leased out.	Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.	Portions of the property with a total gross floor area of approximately 3,689.30 sq.m. have been leased out. (Refer to Note 4)	RMB14,790,000 (equivalent to approximately HK\$17,950,000)
	The structures mainly include roads, walls, sheds and chimneys.		Interest attributable to the Group
	The property has been granted land use rights for a term expiring on 30 June 2054 for industrial uses.		51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB42,834,900 (equivalent to approximately HK\$51,984,100)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB7,542,900 (equivalent to approximately HK\$9,154,000)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Zou Guo Yong (2009) No. 010318), the land use rights of the property having a site area of approximately 73,735.20 sq.m. have been granted to China Resources Snow Breweries (Binzhou) Co., Ltd. (華潤雪花啤酒(濱州)有限公司) for industrial uses for a term expiring on 30 June 2054.
2. According to 33 Building Ownership Certificates (Document Nos.: Binzhou City Fang Quan Zheng Zouping County Zi Nos. 010310 to 010313, 010319 and 010355 to 010382), the building ownership rights of 48 buildings with a total gross floor area of approximately 34,875.16 sq.m. are owned by China Resources Snow Breweries (Binzhou) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 31 buildings having total gross floor area of approximately 20,882.71 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB14,790,000 (equivalent to approximately HK\$17,950,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Tenancy agreements have been entered into in respect of Building Ownership Certificates (Document Nos.: Binzhou City Fang Quan Zheng Zouping County Zi Nos. 010311, 010375 and 010377 for various period: 1,182 sq.m. have been leased for a term of one year from 28 July 2015 to 28 July 2016 at an annual rent of RMB56,000 (exclusive of outgoing expenses which shall be borne by the tenant), 1,071 sq.m. have been leased for a term of one year from 1 October 2014 to 30 September 2015 at an annual rent of RMB219,949 (exclusive of outgoing expenses which shall be borne by the tenant) and 366 sq.m. have been leased for a term of one year from 25 November 2014 to 25 November 2015 at an annual rent of RMB26,050 (exclusive of outgoing expenses which shall be borne by the tenant). Under the tenancy agreement in respect of 1,182 sq.m., if the landlord intends to sell the property, it shall serve a 30-day prior written notice to the tenant, which shall have the first right to purchase the property under the same conditions offered to other potential purchasers. In respect of the buildings which have not obtained Building Ownership Certificates, 1,070.3 sq.m. have been leased for a term of five years from 1 July 2011 to 30 June 2016 at nil rent. The tenant has the first right to renew the tenancy agreement in respect of 1,070.3 sq.m..
5. China Resources Snow Breweries (Binzhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Binzhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Binzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) China Resources Snow Breweries (Binzhou) Co., Ltd. has obtained the building ownership certificates of 33 buildings. The building ownership rights of the buildings mentioned above are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Binzhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of such buildings.
 - (v) China Resources Snow Breweries (Binzhou) Co., Ltd. has not obtained the building ownership certificates of buildings with a total gross floor area of 2,253 sq.m.. Relevant government

departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Binzhou) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. However, as of the date of the PRC legal opinion China Resources Snow Breweries (Binzhou) Co., Ltd. has not received any notices from the relevant government to demolish or prohibit using these buildings.

For 31 buildings having not obtained Building Ownership Certificates having a total gross floor area of approximately 20,882.71 sq.m, as China Resources Snow Breweries (Binzhou) Co., Ltd. did not provide any construction-related approval or permit, it is unable to determine if all required approvals and permits have been obtained.

- (vi) The tenancy agreements entered into in respect of Building Ownership Certificates (Document Nos.: Binzhou City Fang Quan Zheng Zouping County Zi Nos. 010311, 010375 and 010377 comply with the mandatory rules in the PRC laws and regulations in material aspects, and are legal and valid. For the tenancy agreements entered into in respect of the buildings which have not obtained Building Ownership Certificates, they may be determined as null and void according to the PRC judicial interpretation.

- 7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
83.	An industrial complex located at No. 16 Yingter Avenue, Fushan District, Yantai City, Shandong Province, the PRC	The property comprises 3 parcels of land with a total site area of approximately 120,273 sq.m. and 11 buildings and various ancillary structures erected thereon completed in various stages between 2010 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB54,160,000 (equivalent to approximately HK\$65,730,000)
	(Held by 華潤雪花啤酒(山東)有限公司)	The buildings have a total gross floor area of approximately 43,479 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB78,950,000
		The structures mainly include roads, walls, sheds and chimneys.		(equivalent to approximately HK\$95,810,000)
		The property has been granted a land use rights for various terms with the earliest expiry date on 17 November 2058 for industrial uses.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB27,621,600
				(equivalent to approximately HK\$33,521,400)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB40,264,500
				(equivalent to approximately HK\$48,864,700)

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Yan Guo Yong (2009) No. 30097 and Yan Guo Yong (2010) Nos. 30011 and 30012), the land use rights of the property having a total site area of approximately 120,273 sq.m. have been granted to China Resources Snow Breweries (Shandong) Co., Ltd. (華潤雪花啤酒(山東)有限公司) for industrial uses for terms expiring on 17 November 2058, 26 March 2059 and 9 August 2059.
2. In the valuation of the property, we have attributed no commercial value to 11 buildings having total gross floor area of approximately 43,479 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB78,950,000 (equivalent to approximately HK\$95,810,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Shandong) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Shandong) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium of the land (Document No. Yan Guo Yong (2010) Nos. 30011 and 30012 and Document No. Yan Guo Yong (2009) No. 30097) has been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Shandong) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Shandong) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Shandong) Co., Ltd. has obtained Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works of the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	No

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
84. An industrial complex located at the east of Zhonghua Road, the north of Liaohu Road, Liaocheng Economic Development Zone, Liaocheng City, Shandong Province, the PRC (Held by 華潤雪花啤酒 (聊城) 有限公司)	<p>The property comprises a parcel of land with a site area of approximately 148,716 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2005 and 2014.</p> <p>The buildings have a total gross floor area of approximately 29,244.42 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 15 October 2052 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB75,070,000</p> <p>(equivalent to approximately HK\$91,100,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB500,000</p> <p>(equivalent to approximately HK\$610,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB38,285,700</p> <p>(equivalent to approximately HK\$46,463,200)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB255,000</p> <p>(equivalent to approximately HK\$309,500)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Liao Guo Yong (2011) No. 158), the land use rights of the property having a site area of approximately 148,716 sq.m. have been granted to China Resources Snow Breweries (Liaocheng) Co., Ltd. (華潤雪花啤酒(聊城)有限公司) for industrial uses for a term expiring on 15 October 2052.
2. According to 7 Building Ownership Certificates (Document Nos.: Liao Fang Quan Zheng Kai Zi Nos. 01110906 to 01110908 and 0114011115 to 0114011118), the building ownership rights of various buildings with a total gross floor area of approximately 25,305.42 sq.m. are owned by China Resources Snow Breweries (Liaocheng) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to 3 buildings having total gross floor area of approximately 3,939 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB500,000 (equivalent to approximately HK\$610,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Liaocheng) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Liaocheng) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, if the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Contract being terminated and leading to resume of the land. However, in consideration that China Resources Snow Breweries (Liaocheng) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affecting the land use rights is relatively small.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) According to the information available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Liaocheng) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. There is no restriction of the above legal means to handle the land use rights and building ownership rights of the property according to the Certificate. However, it is unable to determine whether there is any restriction stated in the original Land Use Rights Grant Contract.
 - (iv) China Resources Snow Breweries (Liaocheng) Co., Ltd. has obtained the building ownership certificates of 7 buildings. The building ownership rights of the buildings mentioned above are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Liaocheng) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of such buildings.
 - (v) China Resources Snow Breweries (Liaocheng) Co., Ltd. has not obtained the building ownership certificates of buildings with a total gross floor area of 3,939 sq.m. Relevant government departments would identify the presence of these buildings as the possibility of illegal buildings which is punishable by a fine of possibility due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Liaocheng) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority. In addition, they may also face penalties of fire, environmental protection and other relevant government departments. However, as of the date of the PRC legal opinion, China Resources Snow Breweries (Liaocheng) Co., Ltd. has not received any notices from the relevant government to demolish or prohibit using these buildings.

6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
85. An industrial complex located at No. 39 Xu Jia Ba, Bei Wai Town, Tongchuan District, Dazhou City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(達州)有限公司)	The property comprises a parcel of land with a total site area of approximately 101,399.6 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2006 and 2015. A structure was under construction erected thereon. The buildings have a total gross floor area of approximately 33,204.68 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the earliest expiry date on 24 October 2057 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB84,000,000 (equivalent to approximately HK\$101,940,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB42,840,000 (equivalent to approximately HK\$51,990,300)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Dazhou Guo Yong (2009) No. 01140), the land use rights of the property having a total site area of approximately 101,399.60 sq.m. have been granted to China Resources Snow Breweries (Dazhou) Co., Ltd. (華潤雪花啤酒(達州)有限公司) for industrial uses for a term expiring on 24 October 2057.
- According to a Building Ownership Certificate (Document No.: Dazhou Fang Quan Zheng Da Zi No. 201303130216X), the building ownership rights of various buildings with a total gross floor area of approximately 33,204.68 sq.m. are owned by China Resources Snow Breweries (Dazhou) Co., Ltd.
- For reference purpose, the cost incurred for a structure which was under construction as at the date of valuation was RMB320,000 (equivalent to approximately HK\$390,000).
- China Resources Snow Breweries (Dazhou) Co., Ltd., is a subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Dazhou) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) Except the land (Document No. Dazhou Guo Yong (2009) No. 01140), for the other three parcels of lands, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Dazhou) Co., Ltd. is legally entitled to occupy, use, lease or adopt other legal means to handle the land use rights and building ownership rights of the property. For the Land Use Rights Certificate (Document No. Dazhou Guo Yong (2009) No. 01140), this land cannot be transferred if not obtain approval, it is not seen limitation stated in the certificate mentioned above regarding adopt other legal means to handle the land use rights.
- (iv) According to the note of the State-owned Land Use Rights Certificate, the land will not be allowed to transfer without approval.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
86. 2 industrial lands with a residential building located at Dong Chen Dui Wo Liang and Dong Cheng River, Tongchuan District, Dazhou City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(達州)有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 1,291.46 sq.m.</p> <p>The property comprises a residential building completed in 1986.</p> <p>The property has a gross floor area of approximately 152.38 sq.m.</p> <p>The property has been granted a land use rights for a term with the expiry date on 13 July 2051 for industrial uses.</p>	<p>The property is currently occupied by the Group for staff quarter use.</p>	<p>RMB610,000 (equivalent to approximately HK\$740,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB311,000 (equivalent to approximately HK\$377,400)</p>

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Tongchuan District Guo Yong (2002) Zi Nos. 01527 and 01531), the land use rights of the property having a total site area of approximately 1,291.46 sq.m. have been granted to China Resources Snow Breweries (Dazhou) Co., Ltd. (華潤雪花啤酒(達州)有限公司) for industrial uses for a term on 13 July 2051.
- According to a Building Ownership Certificate of a portion of building (Document No.: Zi Quan Zi No. 00020531), the building ownership rights of a building with a total gross floor area of approximately 152.38 sq.m. are owned by China Resources Snow Breweries (Dazhou) Co., Ltd.
- China Resources Snow Breweries (Dazhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - The owner name in the 2 Land Use Rights Certificates has not been changed, the land use rights may be subject to cannot be transfer, mortgage or adopt other legal means to handle.
 - Subject to the reminder above, China Resources Snow Breweries (Dazhou) Co., Ltd. legally owns the land use rights and building ownership right of the property.

The Building Ownership Certificate of a portion of building (Building Ownership Certificate (Document No.: Zi Quan Zi No. 00020531) having a gross floor area of approximately 152.38 sq.m. has not been change name, it may be subject to cannot be transfer, mortgage or adopt other legal means to handle these buildings.
 - The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Dazhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property. There are no limitations set on the above legal means to handle such lands in the State-owned Land Use Rights Certificate (Document Nos. Tongchuan District Guo Yong (2002) Zi Nos. 01527 and 01531), but it is unable to determine whether there are any contradictive limitations stated in the Land Use Rights Grant Contracts.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
87. A residential land located at No. 59 Tong Chuan Bei Road, Tong Chuan District, Dazhou City, Sichuan Province, the PRC	The property comprises a parcel of land with a site area of approximately 25.68 sq.m.	The property is currently vacant.	No commercial value
			Interest attributable to the Group
			51%
(Held by 華潤雪花啤酒(達州)有限公司)			Market Value in existing state attributable to the Group as at 1 September 2015
			No commercial value

Notes:

- According to a State-owned Land Use Rights Certificate (Document Nos.: Dazhou Guo Yong (2004) No. 08334), the land use rights of the property having an apportioned site area of approximately 25.68 sq.m. have been allocated to China Resources Lan Jian (Dazhou) Breweries Co., Ltd. (華潤藍劍(達州)啤酒有限公司) for residential uses.
- In the valuation of the property, we have attributed no commercial value to the property which is allocated nature.
- China Resources Snow Breweries (Dazhou) Co., Ltd. (華潤雪花啤酒(達州)有限公司), a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - The owner name in the Land Use Rights Certificate has not been changed, the land use rights may be subject to cannot be transfer, mortgage or adopt other legal means to handle. It is unable to determine whether contradict with limitation stated in the allocation documents.
 - Subject to the above reminders, China Resources Lan Jian (Dazhou) Breweries Co., Ltd. legally owns the land use rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - The transfer, lease and mortgage of the allocated land and buildings need to have the approval of the relevant government department, and requires amend the land transfer contract and pay the land price.
 - If the land is identified as vacant land by the relevant government department. It may be paid for the vacant land fee and may be recovered of vacant land without any compensation.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - State-owned Land Use Rights Certificate Yes
 - Building Ownership Certificate No

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
88. An industrial complex located at No. 1 Xue Hua Avenue, Food and Agricultural Processing Industrial Park, Economic Development Zone, Nan Bu County, Sichuan Province, the PRC (Held by 華潤雪花啤酒(南充)有限公司)	<p>The property comprises a parcel of land with a total site area of approximately 100,012.80 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2001 and 2015. 2 structures were under construction.</p> <p>The buildings have a total gross floor area of approximately 16,564.36 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 13 July 2060 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB51,050,000 (equivalent to approximately HK\$61,950,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB26,035,500 (equivalent to approximately HK\$31,596,500)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Nan Bu Guo Yong (2010) No. 3722), the land use rights of the property having a total site area of approximately 100,012.80 sq.m. have been granted to China Resources Snow Breweries (Nantong) Co., Ltd. (華潤雪花啤酒(南充)有限公司) for industrial uses for a term expiring on 13 July 2060.
- According to 16 Building Ownership Certificates (Document Nos.: Fang Quan Zi Nos. 201305232 to 201305242, 201305246 to 201305249 and 201305488), the building ownership rights of various buildings with a total gross floor area of approximately 16,564.36 sq.m. are owned by China Resources Snow Breweries (Nantong) Co., Ltd.
- For reference purpose, the cost incurred for 2 structures which were under construction as at the date of valuation was RMB30,000 (equivalent to approximately HK\$36,000).
- China Resources Snow Breweries (Nantong) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Nantong) Co., Ltd. legally owns the land use rights and building ownership rights of the property.

- (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Nantong) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
- 6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
 - (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes
- 7. The land portion of the property was acquired on 19 August 2010 at a total acquisition cost of RMB8,405,276 and the total construction costs expended on the property was RMB45,370,000.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
89.	An industrial complex located at No. 319 Ming Xing Avenue, Innovation Industrial Park, Suining City, Sichuan Province, the PRC (Held by 華潤雪花啤酒 (遂寧) 有限公司)	The property comprises a parcel of land with a total site area of approximately 179,971.08 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2007 and 2012. The buildings have a total gross floor area of approximately 48,022.34 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for various terms with the earliest expiry date on 29 August 2056 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses.	<p>RMB110,030,000</p> <p>(equivalent to approximately HK\$133,530,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB810,000</p> <p>(equivalent to approximately HK\$980,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB56,115,300</p> <p>(equivalent to approximately HK\$68,101,100)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB413,100</p> <p>(equivalent to approximately HK\$501,300)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Sui Guo Yong (2008) No. 820), the land use rights of the property having a total site area of approximately 179,971.08 sq.m. have been granted to China Resources Snow Breweries (Suining) Co., Ltd. (華潤雪花啤酒(遂寧)有限公司) for industrial uses for a term expiring on 29 August 2056.
2. According to 6 Building Ownership Certificates (Document Nos.: Sui Fang Quan Zheng Industrial Park Zi Nos. 0186916 to 0186921), the building ownership rights of various buildings with a total gross floor area of approximately 47,292.96 sq.m. are owned by China Resources Snow Breweries (Suining) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to 6 buildings having total gross floor area of approximately 729.38 q.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB810,000 (equivalent to approximately HK\$980,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Suining) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Suining) Co., Ltd. has obtained corresponding State-owned Land Use Rights Certificates and thus legally owns the land use rights on such lands but there are still possibilities as the following: China Resources Snow Breweries (Suining) Co., Ltd. cannot provide payment document of all land premium provided in Land Use Rights Grant Contracts. In accordance with the statement made by China Resources Snow Breweries (Suining) Co., Ltd., the deficiency is due to preferential policy of land premium, but no supporting document of such policy is provided due to policy sensitivity, it is uncertain whether China Resources Snow Breweries (Suining) Co., Ltd. has fully paid the land premium provided in Land Use Rights Grant Contracts. Therefore there are possibilities of recourse of land premium and resumption of land. But considering the fact that China Resources Snow Breweries (Suining) Co., Ltd. has actually fully paid the abovementioned land premium and taxes, and that so far China Resources Snow Breweries (Suining) Co., Ltd. has not been recourse by management authorities of land resources, the possibility of material effect on the land use rights owned by China Resources Snow Breweries (Suining) Co., Ltd. is relatively low.
 - (ii) China Resources Snow Breweries (Suining) Co., Ltd. has obtained corresponding Building Ownership Certificates of the abovementioned property, and thus legally owns the building ownership rights of such property.
 - (iii) In accordance with the confirmation by China Resources Snow Breweries (Suining) Co., Ltd., there are 6 buildings completed without Building Ownership Certificates, with a total area of 729.38 sq.m. In accordance with explanation made by China Resources Snow Breweries (Suining) Co., Ltd., the abovementioned buildings without Building Ownership Certificates are located outside the scope of land red line, thus the Building Ownership Certificates cannot be obtained, and such buildings may be deemed as illegal buildings being confronted with the possibility of being demolished in a given time and cannot be transferred, mortgaged or handled by other means.
 - (iv) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (v) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Suining) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
90.	10 garages located at Brewery Block 1, No. 977 Sui Zhou Zhong Road, Chuan Shan District, Suining City, Sichuan Province, the PRC (Held by 華潤雪花啤酒 (遂寧) 有限公司)	The property comprises 10 garages located at level 1 of a building completed in 2009. The property has a gross floor area of approximately 270.99 sq.m. The property has been granted a land use rights for a term with the expiry date on 10 June 2084 for residential uses.	The property is currently occupied by the Group for storage uses.	RMB300,000 (equivalent to approximately HK\$360,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB153,000 (equivalent to approximately HK\$185,700)

Notes:

- According to 10 State-owned Land Use Rights Certificates (Document Nos.: Sui Guo Yong (2015) Zi Nos. 03086 to 03095), the land use rights of the property having a site area of approximately 34.69 sq.m. have been granted to China Resources Snow Breweries (China) Investment Co., Ltd. (華潤雪花啤酒 (遂寧) 有限公司) for residential uses for a term expiring on 10 June 2084.
- According to 10 Building Ownership Certificates (Document Nos.: Sui Fang Quan Zheng Chuan Shan Qu Zi Nos. 0305417 to 0305426), the building ownership rights of 10 garages of the building with a total gross floor area of approximately 270.99 sq.m. for storage uses are owned by China Resources Snow Breweries (Suining) Co., Ltd.
- China Resources Snow Breweries (Suining) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Suining) Co., Ltd. legally currently owns the land use rights and building ownership rights of the property as listed above. Since China Resources Snow Breweries (Suining) Co., Ltd. has not provided the Land Use Rights Grant Contracts and materials of payment of land premium in respect of the abovementioned lands, it is uncertain whether China Resources Snow Breweries (Suining) Co., Ltd. has fully paid the land premium in respect of such lands. But considering the fact that China Resources Snow Breweries (Suining) Co., Ltd. has obtained the State-owned Land Use Rights Certificates of such lands and that so far China Resources Snow Breweries (Suining) Co., Ltd. has not been recoured by management authorities of land resources, there is low possibility of material effect on land use rights owned by China Resources Snow Breweries (Suining) Co., Ltd. resulted from failure to fully pay the land premium. But if the land premium of such land is indeed not fully paid, there may be impact on procedures of change of name on State-owned Land Use Rights Certificates, transfer, mortgage, including but not limited to requirement by registration authority to make a supplementary payment before conducting the procedures.

- (ii) The garages are currently being disposed of at the auction, China Resources Snow Breweries (Suining) Co., Ltd. will lose land use rights and building ownership rights of such garages if they have been sold out.
 - (iii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iv) In addition to the abovementioned reminder and in accordance with materials and information currently available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Suining) Co., Ltd. is legally entitled to occupy, use, lease, transfer or to adopt other legal means to handle the land use rights and building ownership rights of the property. No restriction on the abovementioned means of handling is provided on the abovementioned certificates, thus it is uncertain whether there are restrictions to the contrary in the original Land Use Rights Grant Contracts.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
91. An industrial complex located at Ning Yuan Village, Chang An Village, Xi Jiao Xiang, Xichang City, Sichuan Province, the PRC	The property comprises a parcel of land with a total site area of approximately 100,000 sq.m. and 8 buildings and various ancillary structures erected thereon completed in various stages between 2007 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB107,110,000 (equivalent to approximately HK\$129,990,000)
(Held by 華潤雪花啤酒(西昌)有限公司)	The buildings have a total gross floor area of approximately 23,376.95 sq.m.		Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls and sheds.		RMB54,626,100 (equivalent to approximately HK\$66,293,800)
	The property has been granted a land use right for a term with the expiry date on 12 April 2057 for industrial uses.		

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Xi Shi Guo Yong (07) Zi No. 02227), the land use rights of the property having a total site area of approximately 100,000 sq.m. have been granted to China Resources Snow Breweries (Xichang) Co., Ltd. (華潤雪花啤酒(西昌)有限公司) for industrial uses for a term expiring on 12 April 2057.
- According to 8 Building Ownership Certificates (Document Nos.: Xi Fang Quan Zheng Xi Chang Zi Nos. 0085836, 0085840, 0085841, 0085844, 0085869 to 0085872), the building ownership rights of 8 buildings with a total gross floor area of approximately 23,376.95 sq.m. are owned by China Resources Snow Breweries (Xichang) Co., Ltd.
- China Resources Snow Breweries (Xichang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Xichang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Xichang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
92. An industrial complex located at Tai Xing Town, Xindu District, Chengdu City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(四川)有限責任公司)	The property comprises 2 parcels of land with a total site area of approximately 322,217.65 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2008 and 2015. 6 buildings and structures were under construction. The buildings have a total gross floor area of approximately 108,410.22 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date on 10 June 2059 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses. Portion of property of 666.67 sq.m. is leased out. (Refer to Note 3)	RMB292,930,000 (equivalent to approximately HK\$355,500,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB149,394,300 (equivalent to approximately HK\$181,303,800)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Xindu Guo Yong Nos. (2009) 20725 and 20726), the land use rights of the property having a total site area of approximately 322,217.65 sq.m. have been granted to China Resources Snow Breweries (Sichuan) Co., Ltd. (華潤雪花啤酒(四川)有限責任公司) for industrial uses for a term expiring on 10 June 2059.
- According to 18 Building Ownership Certificates (Document Nos.: Xin Fang Quan Zheng Jian Zheng Zi Nos. 0686592 to 0686608 and 0737341), the building ownership rights of various buildings with a total gross floor area of approximately 108,123.02 sq.m. are owned by China Resources Snow Breweries (Sichuan) Co., Ltd.
- A tenancy agreement has been entered into in respect of the property (666.67 sq.m.) for a term of 20 years from 2014 to 2034 at an annual rent of RMB10,000 per Mu (1 Mu is approximately 666.67 sq.m.) for the first year and the subsequent annual rent should be determined annually by the landlord and the tenant after negotiation but shall be no less than RMB10,000 per Mu.
- For reference purpose, the cost incurred for 6 buildings and structures which were under construction with a total gross floor area of approximately 14,493.52 sq.m. as at the date of valuation was RMB6,620,000 (equivalent to approximately HK\$8,040,000).
- China Resources Snow Breweries (Sichuan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

6. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Sichuan) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights, building ownership rights and the construction in progress of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Sichuan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) In the matter of the Beer Production Line of 120,000 Tin per Hour, China Resources Snow Breweries (Sichuan) Co., Ltd. has signed and obtained State-owned Land Use Rights Granted Contract and Planning Permit for Construction Works of this construction in progress. And China Resources Snow Breweries (Sichuan) Co., Ltd. also confirms that it has obtained the Land Use Permit even though it cannot find or provide now. These permits are valid. It is possible to be prohibited to construct, to correct within the time limit of the construction and to be imposed a fine by the relevant government departments because of lack of Permit for Commencement of Construction Works. It is recommended to apply the Permit for Commencement of Construction Works immediately.
 - (v) The part of the buildings did not have the relevant certificates and permits. It is possible that relevant government departments would identify the status of these buildings as the illegal buildings which are punishable by a fine or a confiscation regarding the entities or illegal incomes. Relevant government departments are also entitled to remove these buildings, request of demolition at a schedule time and pay penalty of these buildings. In addition, they may also face penalties of fire, environmental protection and other relevant government departments.
 - (vi) The tenancy agreement does not appear to be in breach of any law or regulation and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
93.	An industrial complex located at Lan Jian Avenue, Yuan Shi Town, Shifang City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(德陽)有限責任公司)	<p>The property comprises 13 parcels of land with a total site area of approximately 183,396.90 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1998 and 2009. A structure was under construction.</p> <p>The buildings have a total gross floor area of approximately 55,323.85 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 30 December 2028 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB85,620,000</p> <p>(equivalent to approximately HK\$103,910,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB14,080,000</p> <p>(equivalent to approximately HK\$17,090,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB43,666,200</p> <p>(equivalent to approximately HK\$52,993,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB7,180,800</p> <p>(equivalent to approximately HK\$8,714,600)</p>

Notes:

1. According to 9 State-owned Land Use Rights Certificates (Document Nos.: Shen Guo Yong (1998) Nos. 020062, 020253, 020254, 020255, 020263, 020264, 020265, 020266 and 020268), the land use rights of the property having a total site area of approximately 104,737 sq.m. have been granted to China Resources Snow Breweries (Deyang) Co., Ltd. (華潤雪花啤酒(德陽)有限責任公司) for industrial uses for a term expiring on 30 December 2048.
2. According to a State-owned Land Use Rights Certificate (Document No.: Shen Guo Yong (1998) No. 020257), the land use rights of the property having a total site area of approximately 55,895 sq.m. have been granted to China Resources Snow Breweries (Deyang) Co., Ltd. (華潤雪花啤酒(德陽)有限責任公司) for industrial uses for a term expiring on 30 December 2028.
3. According to a State-owned Land Use Rights Certificate (Document No.: Shen Guo Yong (1999) No. 020513), the land use rights of the property having a total site area of approximately 17,207.30 sq.m. have been granted to China Resources Snow Breweries (Deyang) Co., Ltd. (華潤雪花啤酒(德陽)有限責任公司) for industrial uses for a term expiring on 9 November 2049.
4. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Shen Guo Yong (2000) Nos. 020588 and 020590), the land use rights of the property having a total site area of approximately 5,557.60 sq.m. have been granted to China Resources Snow Breweries (Deyang) Co., Ltd. (華潤雪花啤酒(德陽)有限責任公司) for industrial uses for terms expiring on 2 August 2050 and 8 September 2050 respectively.
5. According to 37 Building Ownership Certificates (Document Nos.: Shen Fang Quan Zheng Shi Zhen Zi Nos. 21928, 21929, 21937, 21938, 21940, 21941, 21942, 21944, 21946 to 21948, 24780 to 24801 and 24803 to 24805, 24808), the building ownership rights of various buildings with a total gross floor area of approximately 40,568.77 sq.m. are owned by China Resources Snow Breweries (Deyang) Co., Ltd..
6. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 14,755.08 sq.m. as at the date of valuation would be RMB14,080,000 (equivalent to approximately HK\$17,090,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
7. For reference purpose, the cost incurred for a structure which was under construction as at the date of valuation was RMB290,000 (equivalent to approximately HK\$350,000).
8. China Resources Snow Breweries (Deyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
9. The PRC legal opinion states, inter alia, the following:
 - (i) It is subject to the possibility that the Land Use Rights Grant Contract will be terminated and lead to resume of the land if China Resources Snow Breweries (Deyang) Co., Ltd. has not been fully settled the land premium, China Resources Snow Breweries (Deyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Deyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. It is not seen contradict with limitation stated in the certificate regarding other legal means to handle the land use rights. However, it is unable to determine whether contradict with limitation stated in the original Land Use Rights Grant Contract.

- (iv) The buildings which have not obtained Building Ownership Certificates have been completed. China Resources Snow Breweries (Deyang) Co., Ltd. have not provided the information of construction permits. The PRC legal opinion cannot determine whether necessary construction permits have been obtained, thus cannot provide further opinion thereon.
10. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
94. An industrial land and a building located at Shuang Tu Village, Zan Dao Town, Mian Zhu City, Sichuan Province, the PRC (Held by 華潤雪花啤酒 (德陽) 有限責任公司)	<p>The property comprises a parcel of land with a total site area of approximately 55,333.61 sq.m. and 2 structures erected thereon completed in 1983.</p> <p>The building have a gross floor area of approximately 133.65 sq.m.</p> <p>The building and structure mainly include walls and guard room.</p> <p>The property has been granted a land use rights for a term with the expiry date on 18 March 2051 for industrial uses.</p>	<p>The property is currently occupied by the Group for industrial uses.</p>	<p>RMB6,160,000 (equivalent to approximately HK\$7,480,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB3,141,600 (equivalent to approximately HK\$3,812,600)</p>

Notes:

- According to a State-owned Land Use Rights Certificates (Document No.: Shen Guo Yong (2013) No. 03925), the land use rights of the property having a total site area of approximately 55,333.61 sq.m. have been granted to China Resources Snow Breweries (Deyang) Co., Ltd. (華潤雪花啤酒 (德陽) 有限責任公司) for industrial use for a term expiring on 18 March 2051.
- According to a Building Ownership Certificate (Document Nos.: Mian Fang Quan Zheng Jian Zheng Zi No. 0040701), the building ownership rights of a building with a gross floor area of approximately 133.65 sq.m. are owned by China Resources Snow Breweries (Deyang) Co., Ltd.
- China Resources Snow Breweries (Deyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - It is subject to the possibility that the Land Use Rights Grant Contract will be terminated and lead to resume of the land if China Resources Snow Breweries (Deyang) Co., Ltd. has not been fully settled the land premium, China Resources Snow Breweries (Deyang) Co., Ltd. legally owns the land use rights of the property.
 - The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Deyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. It is not seen contradict with limitation stated in the certificate regarding other legal means to handle the land use rights. However, it is unable to determine whether contradict with limitation stated in the original Land Use Rights Grant Contract.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
95. An industrial land and a building located at Li Jiao Bridge (Northeast United Village), Cheng Qing Road, Mian Zhu City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(德陽)有限責任公司)	The property comprises a parcel of land with a total site area of approximately 1,892.20 sq.m. and a structure erected thereon completed in 1983. The buildings have a total gross area of approximately 605.2 sq.m. The structure is warehouse. The property has been granted a land use rights for a term with the expiry date on 18 March 2051 for industrial uses.	The property having a site area of approximately 1,892.2 sq.m. have been leased out. (Refer to Note 4)	RMB1,040,000 (equivalent to approximately HK\$1,260,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB530,400 (equivalent to approximately HK\$643,700)

Notes:

- According to a State-owned Land Use Rights Certificates (Document No.: Shen Guo Yong (2013) No. 03926), the land use rights of the property having a total site area of approximately 1,892.20 sq.m. have been granted to China Resources Snow Breweries (Deyang) Co., Ltd. (華潤雪花啤酒(德陽)有限責任公司) for industrial use for a term expiring on 18 March 2051.
- According to a Building Ownership Certificate (Document Nos.: Mian Fang Quan Zheng Jian Zheng Zi No. 0040702), the building ownership rights of various buildings with a total gross floor area of approximately 605.2 sq.m. are owned by China Resources Snow Breweries (Deyang) Co., Ltd..
- China Resources Snow Breweries (Deyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- A tenancy agreement has been entered into in respect (1,892.2 sq.m.) of the property for a term of one year from 1 January 2015 to 31 December 2015 at a monthly rent of RMB15,000. The tenant shall be responsible for all outgoing expenses in relation to the property. Upon expiry, if the landlord continues to lease out the premises, the tenant has the first right to renew. If either party wishes to early terminate the tenancy agreement, one party should notify the other party by serving a 3-month advance notice. The rent shall be calculated according to actual lease term.
- The PRC legal opinion states, inter alia, the following:
 - It is subject to the possibility that the Land Use Rights Grant Contract will be terminated and lead to resume of the land if China Resources Snow Breweries (Deyang) Co., Ltd. has not been fully settled the land premium, China Resources Snow Breweries (Deyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Deyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property. It is not seen contradict with limitation stated in the certificate regarding other legal means to handle the land use rights. However, it is unable to determine whether contradict with limitation stated in the original Land Use Rights Grant Contract.
- (iv) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
96. An industrial complex located at No. 7 Shang You Lane and No. 2 Ren Min North Road, Yan Kou Town, Wu Sheng County, Sichuan Province, the PRC (Held by 華潤雪花啤酒(廣安)有限責任公司)	<p>The property comprises 3 parcels of land with a total site area of approximately 96,701.75 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1986 and 2011.</p> <p>The buildings have a total gross floor area of approximately 30,903.57 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 5 June 2043 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p> <p>Portions of the property (the area of leased premises is not provided in related tenancy agreement) have been leased out. (Refer to Note 5)</p>	<p>RMB46,010,000</p> <p>(equivalent to approximately HK\$55,840,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB890,000</p> <p>(equivalent to approximately HK\$1,080,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB23,465,100</p> <p>(equivalent to approximately HK\$28,477,100)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB453,900</p> <p>(equivalent to approximately HK\$550,800)</p>

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Wu Sheng Guo Yong (2008) Nos. 1793, 1795 and 1796), the land use rights of the property having a total site area of approximately 96,701.75 sq.m. have been granted to China Resources Snow Breweries (Guangan) Co., Ltd. (華潤雪花啤酒(廣安)有限責任公司) for industrial uses for terms expiring on 5 June 2043, 4 April 2049 and 4 April 2049 respectively.
2. According to 9 Building Ownership Certificates (Document Nos.: Wu Fang Quan Zheng 2008 Zi Nos. 0570, 0570-1, 0570-2 (part) and 0570-3 to 0570-8), the building ownership rights of various buildings with a total gross floor area of approximately 29,178.57 sq.m. are owned by China Resources Snow Breweries (Guangan) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 1,725 sq.m. as at the date of valuation would be RMB890,000 (equivalent to approximately HK\$1,080,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Guangan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. 2 tenancy agreements have been entered into in respect of part of the property (the area of leased premises is not provided in such tenancy agreement) for a term from 19 April 2015 to 18 October 2015 at a monthly rent of RMB2,500. The tenant shall be responsible for all outgoing expenses in relation to the property. Upon renewal, the tenant has the first right to renew. The landlord has right to repossess the premises at any time during the tenancy period. The tenant has no right to claim any compensation.
6. The PRC legal opinion states, inter alia, the following:
 - (i) According to the agreement between the government and the company, the land and the buildings except part of buildings registered on Building Ownership Certificates 0570-1 to 0570-6 (totally 4,090.32 sq.m) and the land on which those buildings are located (totally 1,078.5 sq.m.) have been transferred to the government and the company is entitled to use the property for free until resumed by the government within 20 months after the construction date of the new plant. With respect to the land and buildings have been transferred to the government, China Resources Snow Breweries (Guangan) Co., Ltd. did not enjoy the land use rights and building ownership rights and the State-owned Land Use Rights Certificates and Building Ownership Certificates shall be deregistered. According to the clarification of China Resources Snow Breweries (Guangan) Co., Ltd., the land and buildings that have not been transferred (1,078.5 sq.m. land and 4,090.32 sq.m buildings) will be transferred to the government free of charge at the end of this year according to a separate agreement which will be signed with the government later.
 - (ii) The above-mentioned tenancy agreement entered into in respect of part of the property complies with the mandatory rules in the PRC laws and regulations in material aspects, and is legal and valid.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes (Portion)
(ii) Building Ownership Certificate	Yes (Portion)
8. The land portion of the property was acquired on 28 April 2013 at a total acquisition cost of RMB14,836,370 and the total construction costs expended on the property was RMB29,020,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
97. A residential unit located at No. 59 Tong Chuan Bei Road, Tong Chuan District, Dazhou City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(廣安)有限責任公司)	The property comprises a residential unit a building completed in 1987. The property has a gross floor area of approximately 153.36 sq.m.	The property is currently occupied by the Group for residential use.	No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB40,000 (equivalent to approximately HK\$50,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB20,400 (equivalent to approximately HK\$24,800)

Notes:

1. According to a State-owned Land Use Rights Certificates (Document Nos.: Wu Sheng Guo Yong (2008) No. 1794), the land use rights of the property having a total site area of approximately 14,236.26 sq.m. have been allocated to China Resources Snow Breweries (Guangan) Co., Ltd. (華潤雪花啤酒(廣安)有限責任公司) for residential uses.
2. According to a Building Ownership Certificate (Document Nos.: Wu Fang Quan Zheng 2008 Zi Nos. 0570-2 (part)), the building ownership rights of a residential unit with a gross floor area of approximately 153.36 sq.m. are owned by China Resources Snow Breweries (Guangan) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to the property which is allocated nature. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 153.36 sq.m. as at the date of valuation would be RMB40,000 (equivalent to approximately HK\$50,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Guangan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) According to the agreement between the government and the company, the land and the buildings except part of buildings registered on Building Ownership Certificates 0570-1 to 0570-6 (totally 4,090.32 sq.m) and the land on which those buildings are located (totally 1,078.5 sq.m.) have been transferred to the government and the company is entitled to use the property for free until resumed by the government within 20 months after the construction date of the new plant. With respect to the land and buildings have been transferred to the government, China Resources Snow Breweries (Guangan) Co., Ltd. did not enjoy the land use rights and building ownership rights and the State-owned Land Use Rights Certificates and Building Ownership Certificates shall be deregistered. According to the clarification of China Resources Snow Breweries (Guangan) Co., Ltd., the land and buildings that have not been transferred (1,078.5 sq.m. land and 4,090.32 sq.m. buildings) will be transferred to the government free of charge at the end of this year according to a separate agreement which will be signed with the government later.
 - (ii) It cannot be identified as the restriction of allocated land due to lack of the legal document of the land. According to the regulation of the allocated land, the transfer, lease and mortgage of the allocated land and buildings need to have the approval of the relevant government department, and requires conduct supplementary signing of Land Use Rights Grant Contract and pay the land price.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes (Portion)
(ii) Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
98. An industrial complex located at Cheng East Business District, Wusheng County, Sichuan Province, the PRC (Held by 華潤雪花啤酒(廣安)有限責任公司)	<p>The property comprises a parcel of land with a total site area of approximately 158,191.56 sq.m. 3 buildings and structures were under construction.</p> <p>The buildings mainly include workshops.</p> <p>The structures mainly include roads and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date on 3 November 2063 for industrial uses.</p>	<p>The property is currently occupied by the Group for production and ancillary uses.</p>	<p>RMB26,350,000 (equivalent to approximately HK\$31,980,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB13,438,500 (equivalent to approximately HK\$16,308,900)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document Nos.: Wu Sheng Guo Yong (2014) No. 1508), the land use rights of the property having a total site area of approximately 158,191.56 sq.m. have been granted to China Resources Snow Breweries (Guangan) Co., Ltd. (華潤雪花啤酒(廣安)有限責任公司) for industrial uses for a term expiring on 3 November 2063.
- For reference purpose, the cost incurred for 3 buildings and structures which were under construction as at the date of valuation was RMB10,790,000 (equivalent to approximately HK\$13,090,000).
- China Resources Snow Breweries (Guangan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Guangan) Co., Ltd. legally owns the land use rights of the property.
 - The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - During the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Guangan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
- The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	No

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
99. An industrial land located at the 2nd and 4th Group of Guang Hui Village, Yan Bei Road, Nan Bei Gan Road West, Shi Shan Town, Sichuan Province, the PRC (Held by 華潤雪花啤酒(樂山)有限責任公司)	The property comprises 3 parcels of land with a total site area of approximately 78,373.85 sq.m. The property has been granted a land use rights for various terms with the earliest expiry date on 27 April 2051 for industrial uses.	The property is currently occupied by the Group for industrial uses.	RMB16,340,000 (equivalent to approximately HK\$19,830,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB8,333,400 (equivalent to approximately HK\$10,113,300)

Notes:

- According to 3 State-owned Land Use Rights Certificates (Document Nos.: Emei Guo Yong (2009) Nos. 34159 and 34162 Emei Guo Yong (2010) No. 36458), the land use rights of the property having a total site area of approximately 78,373.85 sq.m. have been granted to China Resources Snow Breweries (Leshan) Co., Ltd. (華潤雪花啤酒(樂山)有限責任公司) for industrial uses for terms expiring on 27 April 2051, 27 April 2051 and 28 January 2060 respectively.
- China Resources Snow Breweries (Leshan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Leshan) Co., Ltd. legally owns the land use rights (Document Nos.: Emei Guo Yong (2009) Nos. 34159 and 34162, Emei Guo Yong (2010) No. 36458) of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the overdue land premium has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Leshan) Co., Ltd. obtained the Land Use Rights Certificates of the lands has mentioned above, and has not received documents of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.

According to the mutual agreement between government and China Resources Snow Breweries (Leshan) Co., Ltd., government would pay 98,766,500 for the compensation of recovering the Old Factory lands. However, before the relevant government department recovering 3 State-owned Land Use Rights Certificates and the deregistration of the lands, China Resources Snow Breweries (Leshan) Co., Ltd. still nominally owns the land use rights. However, in consideration of the Old Factory Lands have been delivered to the government and granted to new vendee (namely, Esheng Real Estate Development Co., Ltd. (峨勝房地產開發有限公司)), the recovery of 3 State-owned Land Use Rights Certificates and the deregistration of the lands are only a matter of time.

4. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	No

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
100. An industrial complex located at 1st and 9th group of Xian Tang Village, Xin Ping Xiang, and the 1st and 2nd group of Wu Yi Village, Shi Shan Town, Sichuan Province, the PRC (Held by 華潤雪花啤酒(樂山)有限責任公司)	<p>The property comprises a parcel of land with a total site area of approximately 133,636 sq.m. and various buildings and ancillary structures erected thereon to be completed in various stages between 2013 and 2015.</p> <p>The buildings have a total gross floor area of approximately 43,745.45 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date on 25 March 2063 for 2nd industrial uses.</p>	<p>The property is under construction.</p>	<p>RMB100,830,000 (equivalent to approximately HK\$122,370,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB51,423,300 (equivalent to approximately HK\$62,406,900)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document Nos.: Emei Guo Yong (2013) No. 63911), the land use rights of the property having a total site area of approximately 133,636 sq.m. have been granted to China Resources Snow Breweries (Leshan) Co., Ltd. (華潤雪花啤酒(樂山)有限責任公司) for 2nd industrial uses for a term expiring on 25 March 2063.
- According to a Planning Permit for Construction Land (Document No.: E Gong Di Zi No. (2013) 5) dated 29 May 2013, the construction site of a parcel of land with a site area of approximately 133,696 sq.m. is in compliance with the urban construction requirements.
- According to 3 Planning Permits for Construction Works (Document Nos.: E Gong Jian Zi Nos. (2013) 6, (2013) 42 and (2013) 49) dated 6 June 2013, 17 September 2013 and 4 December 2013, the construction works of the development of the property with a total gross floor area of 40,877.74 sq.m. is in compliance with the urban construction requirements and are approved.
- According to a Permit for Commencement of Construction Works (Document No.: 4111812014050814) dated 8 May 2014, the construction works of the development of the property with a total gross floor area of 6,965.94 sq.m. are in compliance with the requirements for works commencement and are approved.
- The construction cost to complete the property is estimated to be approximately RMB2,150,000. The property is scheduled to be completed by the end of 2015 for occupation.
- The capital value when completed of the proposed development is approximately RMB73,970,000.
- China Resources Snow Breweries (Leshan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

8. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Leshan) Co., Ltd. legally owns the land use rights of the property.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Leshan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) The buildings of China Resources Snow Breweries (Leshan) Co., Ltd. having a total gross floor area of approximately 43,745 sq.m.. Such buildings are possible to be deemed as illegal buildings by the relevant government authorities due to lack of construction planning permits and construction commencement permits as well as completion and acceptance procedures. The buildings has not obtained construction planning permits and construction commencement permits having a total floor area of approximately 3,867.71 sq.m.. The buildings have not obtained construction commencement permits having a total floor area of approximately 33,911.8 sq.m. All of the buildings of China Resources Snow Breweries (Leshan) Co., Ltd. lack completion and acceptance procedures. If China Resources Snow Breweries (Leshan) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is possible that China Resources Snow Breweries (Leshan) Co., Ltd. being requested of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Leshan) Co., Ltd. amending the construction formalities and paying 3% to 6% of the construction contract price. And it is subject to penalty from firefighting and environment conservation departments.
9. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Planning Permit for Construction Land Yes
 - (iii) Planning Permit for Construction Works Yes
 - (iv) Permit for Commencement of Construction Works Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
101.	An industrial complex located at No. 242 Chang Hong Avenue South, Fucheng District, Sichuan Province, the PRC	The property comprises 6 parcels of land with a total site area of approximately 112,892.59 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1997 and 2015. 2 structures were under construction.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB90,060,000 (equivalent to approximately HK\$109,300,000)
	(Held by 華潤雪花啤酒(綿陽)有限責任公司)	The buildings have a total gross floor area of approximately 42,570.78 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB880,000 (equivalent to approximately HK\$1,070,000)
		The structures mainly include roads, walls and sheds.		Interest attributable to the Group
		The property has been granted a land use rights for various terms with the earliest expiry date on 9 October 2047 for industrial and storage tank uses.		51% Market Value in existing state attributable to the Group as at 1 September 2015
				RMB45,930,600 (equivalent to approximately HK\$55,741,000)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB448,800 (equivalent to approximately HK\$544,700)

Notes:

1. According to 5 State-owned Land Use Rights Certificates (Document Nos.: Mian Cheng Guo Yong (2007) Nos. 29741 to 29744 and Mian Cheng Guo Yong (2012) No. 12897), the land use rights of the property having a total site area of approximately 111,300.14 sq.m. have been granted to China Resources Snow Breweries (Mianyang) Co., Ltd. (華潤雪花啤酒(綿陽)有限責任公司) for industrial uses for terms expiring on 9 October 2047, 9 October 2047, 28 March 2051, 28 March 2051, 28 March 2051 and 30 August 2061 respectively.
2. According to a State-owned Land Use Rights Certificate (Document Nos.: Mian Cheng Guo Yong (2007) No. 29745), the land use rights of the property having a total site area of approximately 1,592.45 sq.m. have been granted to China Resources Snow Breweries (Mianyang) Co., Ltd. for storage tank uses for a term expiring on 9 October 2047.
3. According to 13 Building Ownership Certificates (Document Nos.: Mian Fang Quan Zheng Shi Fang Jian Zi Nos. 200720127 to 200720129, 200720131, 200720132, 200720133, 200720134, 200720135, 200720137, 200720139, 200720140 and 200720141 to 200720144), the building ownership rights of various buildings with a total gross floor area of approximately 41,975.15 sq.m. are owned by China Resources Snow Breweries (Mianyang) Co., Ltd. Besides, a portion of buildings with a total gross floor area of approximately 540 sq.m. have been demolished.
4. In the valuation of the property, we have attributed no commercial value to 9 buildings having total gross floor area of approximately 1,135.63 q.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB880,000 (equivalent to approximately HK\$1,070,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
5. For reference purpose, the cost incurred for 2 structures which were under construction as at the date of valuation was RMB8,590,000 (equivalent to approximately HK\$10,420,000).
6. China Resources Snow Breweries (Mianyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
7. The PRC legal opinion states, inter alia, the following:
 - (i) Regarding the land (Document Nos.: Mian Cheng Guo Yong (2012) No. 12897), China Resources Snow Breweries (Mianyang) Co., Ltd. legally owns the land use right and building ownership rights of the property.
 - (ii) Regarding the land (Document Nos.: Mian Cheng Guo Yong (2007) Nos. 29741 to 29744), China Resources Snow Breweries (Mianyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Mianyang) Co., Ltd. have obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.
 - (iii) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 1,135.63 sq.m. are possible of being deemed as illegal buildings by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures, If China Resources Snow Breweries (Mianyang) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is possible of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries

(Mianyang) Co., Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments.

- (iv) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (v) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Mianyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
8. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
102. 2 residential units located at Block 1, No.8 Ling Shi Guan Road, Wu Hou District, Chengdu City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(綿陽)有限責任公司)	The property comprises 2 residential units located at level 7 and level 10 of a building completed in 1998. The property has a total gross floor area of approximately 182.29 sq.m.	The property is currently occupied by the Group for residential use. Portions of the property having a total gross floor area of approximately 75.58 sq.m. have been leased out. (Refer to Note 4)	RMB1,090,000 (equivalent to approximately HK\$1,320,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB555,900 (equivalent to approximately HK\$674,600)

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Wu Guo Yong (2009) Nos. 6389 and 6390), the land use rights of the property having a total site area of approximately 25.49 sq.m. have been granted to China Resources Snow Breweries (Mianyang) Co., Ltd. (華潤雪花啤酒(綿陽)有限責任公司) for residential uses for terms expiring on 15 October 2064.
- According to 2 Building Ownership Certificates (Document Nos.: Cheng Fang Quan Zheng Jian Zheng Zi Nos. 1972736 and 1972740), the building ownership rights of the building with a total gross floor area of approximately 182.29 sq.m. are owned by China Resources Snow Breweries (Mianyang) Co., Ltd.
- China Resources Snow Breweries (Mianyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- A tenancy agreement has been entered into in respect of part (75.58 sq.m.) of the property for a term from 22 July 2015 to 23 July 2015 at a monthly rent of RMB1,200. If the landlord continues to lease out the premises under the same terms and conditions, the tenant has the first right to renew. The landlord should notify the tenant 1 month in advance of the transfer of the premises. Under the same terms and conditions, the tenant has the first right to purchase.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Mianyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Mianyang) Co., Ltd. has obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relatively small.

- (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Mianyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The tenancy agreement has been expired but the tenant has request renew the tenancy, China Resources Snow Breweries (Mianyang) Co., Ltd. has agreed renew the tenancy. However, the renewed tenancy agreement has not been signed. According to the PRC law, the tenancy should be deemed as an indefinite tenancy if the term of the lease is more than 6 months and the written tenancy agreement has not been signed. As China Resources Snow Breweries (Mianyang) Co., Ltd. and the tenant has reached an consensus on renewal of the tenancy, and the tenant is still occupying the building, therefore, before China Resources Snow Breweries (Mianyang) Co., Ltd. and the tenant sign an written tenancy agreement, they have been enter into an indefinite tenancy which is valid and legal.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
103. A residential unit located at Block 3, No.1 Ying Kang Road, Jinniu District, Chengdu City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(綿陽)有限責任公司)	The property comprises a residential unit located at level 3 of a building completed in 1997. The property has a gross floor area of approximately 135.24 sq.m.	The property is currently occupied by the Group for residential use.	RMB880,000 (equivalent to approximately HK\$1,070,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB448,800 (equivalent to approximately HK\$544,700)

Notes:

- According to a State-owned Land Use Rights Certificate (Document Nos.: Jin Guo Yong (2009) No. 8682), the land use rights of the property having a site area of approximately 46.89 sq.m. have been granted to China Resources Snow Breweries (Mianyang) Co., Ltd. (華潤雪花啤酒(綿陽)有限責任公司) for residential uses for terms expiring on 23 March 2068.
- According to a Building Ownership Certificate (Document Nos.: Cheng Fang Quan Zheng Jian Zheng Zi No. 1972754), the building ownership rights of the building with a gross floor area of approximately 135.24 sq.m. are owned by China Resources Snow Breweries (Mianyang) Co., Ltd.
- China Resources Snow Breweries (Mianyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Mianyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Mianyang) Co., Ltd. have obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Mianyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
104. 2 residential units located at Block 6, No. 119 Hong Xing Street, Fucheng District, Mianyang City, Sichuan Province, the PRC	<p>The property comprises 2 residential units located at level 2 of a building completed in 1998.</p> <p>The property has a total gross floor area of approximately 257.16 sq.m.</p>	The property is currently occupied by the Group for residential use.	<p>RMB1,020,000</p> <p>(equivalent to approximately HK\$1,240,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB520,200</p> <p>(equivalent to approximately HK\$631,300)</p>

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Mian Cheng Guo Yong (2007) Nos. 29466 and 29471), the land use rights of the property having a total site area of approximately 47.54 sq.m. have been granted to China Resources Snow Breweries (Mianyang) Co., Ltd. (華潤雪花啤酒(綿陽)有限責任公司) for urban residential uses for terms expiring on 24 August 2045.
- According to 2 Building Ownership Certificates (Document Nos.: Mian Fang Quan Zheng Shi Fang Jian Zi Nos. 200720125 and 200720138), the building ownership rights of the building with a total gross floor area of approximately 257.16 sq.m. are owned by China Resources Snow Breweries (Mianyang) Co., Ltd.
- China Resources Snow Breweries (Mianyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Mianyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Mianyang) Co., Ltd. have obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Mianyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
105. A residential unit located at No.17 An Chang Road, Fucheng District, Mianyang City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(綿陽)有限責任公司)	The property comprises a residential unit located at level 14 of a building completed in 1998. The property has a gross floor area of approximately 165.46 sq.m.	The property is currently occupied by the Group for residential use.	RMB830,000 (equivalent to approximately HK\$1,010,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB423,300 (equivalent to approximately HK\$513,700)

Notes:

- According to a State-owned Land Use Rights Certificate (Document Nos.: Mian Cheng Guo Yong (2007) No. 29470), the land use rights of the property having a site area of approximately 22.78 sq.m. have been granted to China Resources Snow Breweries (Mianyang) Co., Ltd. (華潤雪花啤酒(綿陽)有限責任公司) for urban residential uses for terms expiring on 4 January 2064.
- According to a Building Ownership Certificate (Document Nos.: Mian Fang Quan Zheng Shi Fang Jian Zi No. 200720136), the building ownership rights of the building with a gross floor area of approximately 165.46 sq.m. are owned by China Resources Snow Breweries (Mianyang) Co., Ltd.
- China Resources Snow Breweries (Mianyang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Mianyang) Co., Ltd. legally owns the land use rights and building ownership rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Mianyang) Co., Ltd. have obtained the Land Use Rights Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.

- (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Mianyang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
106.	An industrial complex located at No. 221 Le Jiang Xi Road, Central District, Neijiang City, Sichuan Province, the PRC	The property comprises 4 parcels of land with a total site area of approximately 50,568.08 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1997 and 2010.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB12,500,000 (equivalent to approximately HK\$15,170,000)
	(Held by 華潤雪花啤酒(內江)有限責任公司)	The buildings have a total gross floor area of approximately 14,220.11 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB60,000
		The structures mainly include roads, walls and sheds.		(equivalent to approximately HK\$70,000)
		The property has been granted a land use rights for various terms with the earliest expiry date on 24 July 2027 for industrial uses.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB6,375,000
				(equivalent to approximately HK\$7,736,700)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB30,600
				(equivalent to approximately HK\$37,100)

Notes:

1. According to 4 State-owned Land Use Rights Certificates (Document Nos.: Nei Shi Guo Yong (2007) Nos. 011585, 011590, 011591 and 011594), the land use rights of the property having a total site area of approximately 50,568.08 sq.m. have been granted to China Resources Snow Breweries (Neijiang) Co., Ltd. (華潤雪花啤酒(內江)有限責任公司) for industrial uses for terms expiring on 9 October 2027, 28 February 2031, 4 April 2028 and 24 July 2027 respectively.
2. According to 14 Building Ownership Certificates (Document Nos.: Neijiang Shi Fang Quan Zheng Fang Jian Zi Nos. 200713651, 200713656, 200713684, 200713722, 200713723, 200713791, 200713793, 200713825, 200713826, 200713829, 200713838, 200713841, 200713844 and 200713846), the building ownership rights of various buildings with a total gross floor area of approximately 13,570.11 sq.m. are owned by China Resources Snow Breweries (Neijiang) Co., Ltd.
3. In the valuation of the property, we have attributed no commercial value to a building which has not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 650 sq.m. as at the date of valuation would be RMB60,000 (equivalent to approximately HK\$70,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Neijiang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:

- (i) China Resources Snow Breweries (Neijiang) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on China Resources Snow Breweries (Neijiang) Co., Ltd. have obtained the Land Use Rights Certificates of the lands mentioned above, the government has already confirmed to recover the Old Factory Lands through paying compensation, and China Resources Snow Breweries (Neijiang) Co., Ltd. has not received document of recourse from relevant government authorities, the possibility of affect the land use rights of Old Factory Lands is relative small. The Land Use Rights of the Old Factory Lands are not subject to seizure, mortgage or other encumbrances.

According to the mutual agreement between government and China Resources Snow Breweries (Neijiang) Co., Ltd., government would pay RMB87,342,489 as the compensation for expropriation of the lands mentioned above, but the government has not launched the expropriation procedure as currently it is still in the valuation stage. Once the land is expropriated by the government, and the land will be deregistered thus China Resources Snow Breweries (Neijiang) Co., Ltd. will no longer hold the land use rights of the land.

- (ii) China Resources Snow Breweries (Neijiang) Co., Ltd. legally owns the Building Ownership rights of the buildings. If the land under such buildings are expropriated by the government as mentioned above, such building will be handed over to the government together with the land, and China Resources Snow Breweries (Neijiang) Co., Ltd. will be compensated accordingly. Once the land is expropriated by the government, the buildings thereon will be deregistered thus China Resources Snow Breweries (Neijiang) Co., Ltd. will no longer hold the building ownership of such buildings.

- (iii) The building have not obtained Building Ownership Certificates having a total gross floor area of approximately 650 sq.m. are possible of being deemed as illegal building by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures, If China Resources Snow Breweries (Neijiang) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is possible of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Neijiang) Co., Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
107. An industrial complex located at Cheng Xi Industrial Park 2nd Road South, Neijiang City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(內江)有限責任公司)	<p>The property comprises a parcel of land with a total site area of approximately 159,616 sq.m. and 16 buildings and various ancillary structures erected thereon completed in 2015 and under construction thereon.</p> <p>The buildings have a total gross floor area of approximately 44,928.93 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date on 19 June 2062 for industrial uses.</p>	<p>The property is under construction.</p>	<p>RMB52,070,000</p> <p>(equivalent to approximately HK\$63,190,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB55,460,000</p> <p>(equivalent to approximately HK\$67,310,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB26,555,700</p> <p>(equivalent to approximately HK\$32,227,800)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB28,284,600</p> <p>(equivalent to approximately HK\$34,326,000)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No: Nei Shi Guo Yong (2012) No. 005847), the land use rights of the property having a total site area of approximately 159,616 sq.m. have been granted to China Resources Snow Breweries (Neijiang) Co., Ltd. (華潤雪花啤酒(內江)有限責任公司) for industrial uses for a term expiring on 19 June 2062.
2. According to 2 Planning Permit for Construction Works (Document Nos.: Jian Zi Nos. 511001201300041 and 511001201400016) dated 9 July 2013 and 24 June 2014, the construction works of the development of the property with a total gross floor area of 46,471 sq.m. is in compliance with the urban construction requirements and are approved.
3. According to 4 Permits for Commencement of Construction Works (Document Nos.: Nei Jing Kai 201311003, 201401001, 201406018, 201408020) dated 6 November 2013, 20 February 2014, 1 July 2014 and 1 August 2014, respectively, the construction works of the development of the property with a total gross floor area of 46,392.55 sq.m. are in compliance with the requirements for works commencement and are approved.
4. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 44,928.93 sq.m. as at the date of valuation would be RMB55,460,000 (equivalent to approximately HK\$67,310,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
5. For reference purpose, the cost incurred for various buildings and structures which were under construction as at the date of valuation was RMB24,460,000 (equivalent to approximately HK\$29,680,000).
6. The construction cost to complete the property is estimated to be approximately RMB4,000,000. The property is scheduled to be completed by the end of 2015 for occupation.
7. The capital value when completed of the proposed development is approximately RMB83,920,000.
8. China Resources Snow Breweries (Neijiang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
9. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Neijiang) Co., Ltd. legally owns the land use rights of the property.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Neijiang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (iv) China Resources Snow Breweries (Neijiang) Co., Ltd. has obtained the Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works. These permits are valid. The buildings have not obtained completion certificates but have been in use, the relevant government authorities have the rights to request China Resources Snow Breweries (Neijiang) Co., Ltd. to pay penalty, stop use and rectify the deficiencies. And it is subject to the penalty from firefighting and environment conservation departments.
10. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Planning Permit for Construction Land	Yes
(iii) Planning Permit for Construction Works	Yes
(iv) Permit for Commencement of Construction Works	Yes
11. The land portion of the property was acquired on 1 June 2012 at a total acquisition cost of RMB28,094,544 and the total construction costs expended on the property was RMB79,620,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
108. An industrial complex located at No. 11 Xi Jiao Heng Road South, Linqiong Town, Qionglai City, Sichuan Province, the PRC	The property comprises 3 parcels of land with a total site area of approximately 66,621.80 sq.m. and 17 buildings and various ancillary structures erected thereon completed in various stages between 1983 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB30,420,000 (equivalent to approximately HK\$36,920,000)
(Held by 華潤雪花啤酒(邛崃)有限責任公司)	The buildings have a total gross floor area of approximately 17,330.08 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB16,040,000 (equivalent to approximately HK\$19,470,000)
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for various terms with the earliest expiry date on 15 October 2048 for industrial uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015 RMB15,514,200 (equivalent to approximately HK\$18,827,900)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB8,180,400 (equivalent to approximately HK\$9,927,700)

Notes:

1. According to 3 State-owned Land Use Rights Certificates (Document Nos.: Qiong Guo Yong (2008) Zi Nos. 313 to 315), the land use rights of the property having a total site area of approximately 66,621.80 sq.m. have been granted to China Resources Snow Breweries (Qionglai) Co., Ltd. (華潤雪花啤酒(邛崃)有限責任公司) for industrial uses for terms expiring on 15 October 2048, 15 October 2048 and 30 August 2056 respectively.
2. According to 2 Building Ownership Certificates (Document Nos.: Qiong Fang Quan Zheng Jian Zheng Zi Nos. 0002509 and 0002514), the building ownership rights of 8 buildings with a total gross floor area of approximately 15,926.58 sq.m. are owned by China Resources Snow Breweries (Qionglai) Co., Ltd. Besides, the buildings with a total gross floor area of approximately 7,486.48 sq.m. have been demolished.
3. In the valuation of the property, we have attributed no commercial value to 9 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 9,843.60 sq.m. as at the date of valuation would be RMB16,040,000 (equivalent to approximately HK\$19,470,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Qionglai) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Qionglai) Co., Ltd. legally owns the land use right, since it does not provide any Building Ownership Certificate, we cannot opinion on its ownership rights on these buildings.
 - (ii) The land use rights, building ownership rights including those building having not obtained Building Ownership Certificates of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Qionglai) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
 - (iv) The buildings have not obtained Building Ownership Certificates are possible of being deemed as illegal buildings by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures. If China Resources Snow Breweries (Qionglai) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is possible of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Qionglai) Co., Ltd. amending the construction formailites and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. For those buildings that have obtained construction, planning permits as well as completion and acceptance certificates, but have not obtained Building Ownership Certificates, the PRC legal opinion tends to think these buildings will not be deemed as illegal buildings. However, the registration of property right of these buildings can only be done after the abovementioned buildings obtain Building Ownership Certificates. Thus it is unable to determine whether these buildings can successfully obtain Building Ownership Certificates.

6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
109. An industrial complex located at 5th, 6th and 7th groups, Da Shan Village, Da Shan Pu Town, Da An District, Zigong City, Sichuan Province, the PRC (Held by 華潤雪花啤酒(自貢)有限責任公司)	<p>The property comprises 3 parcels of land with a total site area of approximately 50,716.58 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 1985 and 2015.</p> <p>The buildings have a total gross floor area of approximately 22,263.75 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the expiry date in May 2051 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB26,340,000 (equivalent to approximately HK\$31,970,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB13,433,400 (equivalent to approximately HK\$16,302,700)</p>

Notes:

- According to 3 State-owned Land Use Rights Certificates (Document Nos.: Zi Guo Yong (2009) No. 042498 to 042500), the land use rights of the property having a total site area of approximately 50,716.58 sq.m. have been granted to China Resources Snow Breweries (Zigong) Co., Ltd. (華潤雪花啤酒(自貢)有限責任公司) for industrial uses for a term expiring in May 2051.
- According to 31 Building Ownership Certificates (Document Nos.: Zi Fang Quan Zheng (2009) Zi Nos. 01190054, 022000517, 022000578, 2022300237, 022300298, 022300317, 022300342, 022300378, 022300422, 022300679, 02230070X, 022300747, 022300784, 022301129, 022301130, 022301142, 022301178, 02230118X, 022301209, 022301222, 022301258, 02230126X, 022301271, 022301283, 022301295, 022301302, 022301314, 022301326, 022301338, 022401036, 022401177), the building ownership rights of 31 buildings with a total gross floor area of approximately 22,263.75 sq.m. are owned by China Resources Snow Breweries (Zigong) Co., Ltd.
- China Resources Snow Breweries (Zigong) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Zigong) Co., Ltd. has obtained corresponding State-owned Land Use Rights Certificates and thus legally owns the land use rights on such lands, but there are still possibilities as the following: China Resources Snow Breweries (Zigong) Co., Ltd. cannot provide Land Use Rights Grant Contracts and relevant materials of payment of land premium, thus it is uncertain whether the land premium provided in Land Use Rights Grant Contracts has been fully paid. If China Resources Snow Breweries (Zigong) Co., Ltd. has not fully paid land premium in accordance with Land Use Rights Grant Contracts, there are possibilities of cancellation of contracts, revocation of State-owned Land Use Rights Certificates and resumption of lands. But considering the fact that China Resources Snow Breweries (Zigong) Co., Ltd. has

obtained the reissued State-owned Land Use Rights Certificates, and that so far China Resources Snow Breweries (Zigong) Co., Ltd. has not been recoured by management authorities of land resources, there is low possibility of material effect on land use rights owned by China Resources Snow Breweries (Zigong) Co., Ltd. resulted from failure to fully pay the land premium. In accordance with statements and confirmation made by China Resources Snow Breweries (Zigong) Co., Ltd., there is no building on the land which the corresponding number of State-owned Land Use Rights Certificates is Zi Guo Yong (2009) No. 042499. Due to lack of knowledge of relevant agreements in the original Land Use Rights Grant Contracts and documents of construction index, there are possibilities of being deemed as idle land, and thus possibilities of collection of idle fee of the land or even resumption of the land without compensation.

- (ii) China Resources Snow Breweries (Zigong) Co., Ltd. has obtained corresponding Building Ownership Certificates and thus legally owns the building ownership rights on such property, but there are still possibilities as the following: Building Ownership Certificate Zi Fang Quan Zheng (2009) No. 022301271 provides that the land on which such building is located is obtained through “allocation”, according to statement made by China Resources Snow Breweries (Zigong) Co., Ltd., the corresponding land of such building is Zi Guo Yong (2009) No. 042498, such building belongs to an old factory purchased by China Resources Snow Breweries (Zigong) Co., Ltd., information on such State-owned Land Use Rights Certificate has not been changed when it is reissued, China Resources Snow Breweries (Zigong) Co., Ltd. cannot provide relevant supporting documents due to lapse of a long period of time, there may be relevant limitation of rights on such land and such building. But considering the fact that such State-owned Land Use Rights Certificates has been reissued and the type of land use rights recorded on it is “transfer”, and that so far China Resources Snow Breweries (Zigong) Co., Ltd. has not been recoured by management authorities of land resources, there is low possibility of limitation of rights on such land and building resulted from the land nature of “allocation”. 2 Building Ownership Certificates Zi Fang Quan Zheng (2009) No. 022301326, No. 022401036 do not indicate way of obtaining land use rights and term of use, in accordance with statement made by China Resources Snow Breweries (Zigong) Co., Ltd., such building belongs to an old factory purchased by China Resources Snow Breweries (Zigong) Co., Ltd., the land on which such building is located is granted for free by government, thus there is no indication of way of obtaining land use rights, China Resources Snow Breweries (Zigong) Co., Ltd. cannot provide any relevant supporting materials due to lapse of a long period of time. But considering the fact that the corresponding State-owned Land Use Rights Certificates have been reissued, and that so far China Resources Snow Breweries (Zigong) Co., Ltd. has not been recourse by management authorities of land resources, there is low possibility of limitation of rights on such building resulted from grant for free of such land.
 - (iii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iv) In addition to the abovementioned reminder and in accordance with material and information currently available, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Zigong) Co., Ltd. is legally entitled to occupy, use, lease, transfer or to adopt other legal means to handle the land use rights. No restriction on the abovementioned means of handling is provided on the abovementioned certificates, thus it is uncertain whether there are restrictions to the contrary in the original Land Use Rights Grant Contracts.
 - (v) In addition to the abovementioned reminder of possibilities, China Resources Snow Breweries (Zigong) Co., Ltd. is legally entitled to occupy, use, lease, transfer or to adopt other legal means to handle the building ownership rights.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
110. An industrial complex located at Three Groups of Shi Yang Street, Gao Xin District, Chengdu City, Sichuan Province, the PRC (Held by 雪花啤酒 (成都) 有限公司)	The property comprises a parcel of land with a total site area of approximately 143,802.52 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2007 and 2010. A structure was under construction. The buildings have a total gross floor area of approximately 56,617.71 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds. The property has been granted a land use rights for a term with the expiry date on 24 October 2056 for industrial uses.	The property is currently occupied by the Group for production, office and ancillary uses. Portions of the property having a total gross floor area of approximately 5,880 sq.m. have been leased out. (Refer to Note 4)	RMB224,910,000 (equivalent to approximately HK\$272,950,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB114,704,100 (equivalent to approximately HK\$139,204,000)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Cheng Gao Guo Yong (2014) No. 29855), the land use rights of the property having a total site area of approximately 143,802.52 sq.m. have been granted to Snow Breweries (Chengdu) Co., Ltd. (雪花啤酒 (成都) 有限公司) for industrial uses for a term expiring on 24 October 2056.
2. According to 12 Building Ownership Certificates (Document Nos.: Cheng Fang Quan Zheng Jian Zheng Zi Nos. 4234043 to 4234046, 4234049, 4234052 to 4234054, 4234061, 4234062, 4234066 and 4234067), the building ownership rights of various buildings with a total gross floor area of approximately 56,617.71 sq.m. are owned by Snow Breweries (Chengdu) Co., Ltd..
3. For reference purpose, the cost incurred for a structure which was under construction as at the date of valuation was RMB110,000 (equivalent to approximately HK\$130,000).
4. A tenancy agreement has been entered into in respect of the property (1,800 sq.m.). For a term of 3 years from 1 February 2014 to 31 January 2017 at a monthly rent of RMB8,500. The tenant has the first right to renew. Either party may early terminate the tenancy agreement unilaterally by serving a 2-month notice to the other party. Should the notice is less than 2 months, the terminating party has to compensate the other party 1 month's rent.

A tenancy agreement has been entered into in respect of 2,400 sq.m and 1,680 sq.m. of the property for a term commencing from 2 August 2011 to 31 December 2016 at a monthly rental of RMB15 per sq. m. and RMB4 per sq.m. respectively subject to annual increment of 7.5% per annum (with a rent free period from 2 August 2011 to 31 December 2011). Tenant is free to use the parking lot at the first floor of the property. Tenant shall be responsible for water, electricity, telephone, gas, site management fee and lease related taxes. If the landlord shall continue to lease out the property, the tenant shall have the first right to renew the tenancy.

5. Snow Breweries (Chengdu) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) Snow Breweries (Chengdu) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) During the land use term as recorded in the State-owned Land Use Rights Certificate, Snow Breweries (Chengdu) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.
7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
111. An industrial complex located at No. 50 Ying Bin Ave, Zhijiang City, Hubei Province, the PRC (Held by 華潤雪花啤酒(宜昌)有限公司)	<p>The property comprises 5 parcels of land with a site area of approximately 109,883.61 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1988 and 2015.</p> <p>The buildings have a total gross floor area of approximately 33,798.89 sq.m. (excluded a shed of a boiler room (鍋爐鋼煤棚) (Document No. Zhi Jiang Shi Fang Quan Zheng Ma Jia Dian Zi No. 0127153) have a gross floor area of approximately 695.49 sq.m.) which is in dilapidated state).</p> <p>The buildings mainly include workshops, storehouses, boiler rooms, office buildings and a staff quarters.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 30 December 2053 for industrial use.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB52,740,000 (equivalent to approximately HK\$64,000,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB26,897,400 (equivalent to approximately HK\$32,642,500)</p>

Notes:

- According to 5 State-owned Land Use Rights Certificate (Document No.: Zhi Jiang Guo Yong (2007) No. 1100295, Zhi Jiang Guo Yong (2009) No. 0800093, 0800094 and 0801084 and Zhi Jiang Guo Yong (2010) No. 0800562), the land use rights of the property having a total site area of approximately 109,883.61 sq.m. have been granted to China Resources Snow Breweries (Yichang) Co., Ltd. (華潤雪花啤酒(宜昌)有限公司) for industrial use for terms expiring on 19 August 2056, 26 July 2055, 30 December 2053, 16 March 2059 and 2 November 2059 respectively.
- According to 32 Building Ownership Certificates (Document Nos.: Zhi Jiang Shi Fang Quan Zheng Ma Jia Dian Zi Nos. 0127137, 0127139, 0127140, 0127142, 0127143, 0127145, 0127146, 0127148, 0127154 to 0127156, 20111588 to 20111601, 20130211 to 20130217) the building ownership rights of various buildings with a total gross floor area of approximately 33,798.89 sq.m. are owned by China Resources Snow Breweries (Yichang) Co., Ltd..
- China Resources Snow Breweries (Yichang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

4. The PRC legal opinion states, inter alia, the following:
- (i) It is subject to the following reminder, China Resources Snow Breweries (Yichang) Co., Ltd. legally owns the land use rights of the property:
 - a. Regarding 3 parcels of land (Land Use Rights Certificates (Document No. Zhi Jiang Guo Yong (2007) No. 1100295, Zhi Jiang Guo Yong (2009) No. 0800093, 0800094), China Resources Snow Breweries (Yichang) Co., Ltd. has not provided the original Land Use Rights Grant Contracts, therefore it is unable to determine whether the contract mentioned above have any limitation on the land use rights.
 - b. Regarding the land use rights of the property, the transfer price of the property is much lower than the fair market value, and China Resources Snow Breweries (Yichang) Co., Ltd. has not provided a permit from State-owned Asset Control Management Bureau (國有資產監督管理機構), it is possible State-owned Asset Control Management Bureau (國有資產監督管理機構) or debtor apply to court for confirming the transfer is invalid or revoked. However, from commence of transfer to date of the PRC legal opinion has exceed 10 years, no objection arises, the PRC legal opinion tend towards the possibility mentioned above will be happened is relative small.
 - c. Regarding the land (Land Use Rights Certificate (Document No. Zhi Jiang Guo Yong (2010) No. 0800562), there is no building or construction in progress on the land. China Resources Snow Breweries (Yichang) Co., Ltd. is possible of request paying fee of idle land (土地閒置費), even resume the land without compensation.
 - d. The land use rights of the property are not subject to seizure, mortgage or other encumbrances. During the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Yichang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property. It is not seen any limitation regarding the above legal means to handle the land use rights stated in the Land Use Rights Certificates. However, it is unable to determine whether any contradicted limitation stated in the original Land Use Rights Grant Contracts of 3 parcels of land (Document Nos. Zhi Jiang Guo Yong (2007) No. 1100295, Zhi Jiang Guo Yong (2009) No. 0800093, 0800094).
 - (ii) China Resources Snow Breweries (Yichang) Co., Ltd. legally owns the building ownership rights of the buildings have obtained Building Ownership Certificates. The building ownership rights of the buildings mentioned above are not subject to seizure, mortgage or other encumbrances. It is subject to reminder mentioned above, except contradict with limitation stated in original Land Use Rights Grant Contract, China Resources Snow Breweries (Yichang) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
112. An industrial complex located at No. 1 Cao Xie Dian Road, Jingling, Tianmen City, Hubei Province, the PRC (Held by 華潤雪花啤酒(天門)有限公司)	The property comprises 4 parcels of land with a total site area of approximately 115,436.85 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1985 and 2015. The buildings have a total gross floor area of approximately 28,335.31 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls, sheds and chimneys. The property has been granted a land use rights for various terms with the earliest expiry date on 15 November 2051 for industrial use.	The property is currently occupied by the Group for production, office and ancillary uses.	No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB87,310,000 (equivalent to approximately HK\$105,960,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB44,528,100 (equivalent to approximately HK\$54,039,000)

Notes:

- According to 4 State-owned Land Use Rights Certificates (Document Nos.: Tian Guo Yong (2005) Nos. 1760 and 1768 and Tian Guo Yong (2011) 2059 and 2060), the land use rights of the property having a total site area of approximately 115,436.85 sq.m. have been granted to China Resources Snow Breweries (Tianmen) Co., Ltd. (華潤雪花啤酒(天門)有限公司) for industrial use for terms expiring on 15 November

2051, 21 October 2055, 31 October 2061 and 18 June 2059 respectively. As stated in the 4 aforesaid Land Use Rights Certificates, the 4 parcels of land can be leased, transferred or mortgage if approved by the State-Owned Land Bureau.

2. According to 30 Building Ownership Certificates (Document Nos.: Tian Men Shi Fang Quan Zheng Jing Ling Zi Nos. 00025362 to 00025364, 00025370, 00025371, 00025373, 00025375, 00047348 to 00047350, 00048277 to 00048280, 00048408, 00048410 to 00048421, 00049720, 00055277 and 00055278) the building ownership rights of various buildings with a total gross floor area of approximately 28,335.31 sq.m. are owned by China Resources Snow Breweries (Tianmen) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to all the lands, buildings and structures since all the lands could not be freely transferred without approved by the government. For reference purposes, we are of the opinion that the market value of the land would be RMB59,230,000 (equivalent to approximately HK\$71,880,000) and the depreciated replacement cost of these buildings and structures as at the date of valuation would be RMB28,080,000 (equivalent to approximately HK\$34,080,000) assuming they could be freely transferred.
4. China Resources Snow Breweries (Tianmen) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) It is subject to the following reminders, the ownership of the land use rights is legally vested in China Resources Snow Breweries (Tianmen) Co., Ltd..
 - a. Regarding a portion of the land (Land Use Right Certificates (Document No. Tian Guo Yong (2005) No. 1768) having site area of approximately 845 sq.m. has not signed State-owned Land Use Rights Granted Contract or pay land premium. According to the PRC law, the owner of the land use rights should fully settle the land premium within 60 days after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. It is possible that the Land Use Rights Contract will be terminated and lead to resume of the land.)
 - b. The PRC legal opinion has not received any documents regarding the exempt of tax for the land (Document No. Tian Guo Yong (2005) No. 1768), and according to the PRC law, if the tax has not been settled, China Resources Snow Breweries (Tianmen) Co., Ltd. will have to pay the tax and the corresponding overdue fine. There are no buildings or constructions in progress on the lands (Document Nos. Tian Guo Yong (2011) 2059 and 2060) and China Resources Snow Breweries (Tianmen) Co., Ltd. confirms that the aforementioned lands are used to be the storages for the bottles and boxes. However, these two land parcels are possible to be deemed as idle lands and to be fined, resumed by the land authorities without any compensations based on the stipulations stated in the Land Use Rights Grant Contracts of the 2 aforesaid lands as well as PRC laws and regulations regarding idle land.
 - (ii) The land use rights are not subject to seizure, mortgage or other encumbrances.
 - (iii) As stated in the 4 aforesaid Land Use Rights Certificates, the 4 parcels of land cannot be leased, transferred or mortgaged without approval from Tianmen State-Owned Land Bureau. Although China Resources Snow Breweries (Tianmen) Co., Ltd. declared that such limitation will not affect its disposal on such lands in practice, the PRC legal opinion understand the 4 parcels of lands cannot be leased, transferred or mortgage without the approval from the Tianmen State-Owned Land Bureau. Moreover, regarding one of parcel of land (Document No. Tian Guo Yong (2005) No. 1760), due to the lack of the afore-mentioned original State-owned Land Use Rights Granted Contract, it is unable to determine whether or not exists contradictive limitations therein.
 - (iv) The ownership of the buildings is legally vested in China Resources Snow Breweries (Tianmen) Co., Ltd..

- (v) The ownership of the buildings is not subject to seizure, mortgage or other encumbrances.
 - (vi) China Resources Snow Breweries (Tianmen) Co., Ltd. is legally entitled to occupy, use, lease, transfer the buildings subject to the aforementioned reminders regarding the land use rights.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes
7. Part of the land portion of the property was acquired on 29 June 2011 at a total acquisition cost of RMB2,190,905 and the total construction costs expended on the property was RMB45,000,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
113. An industrial complex located at Lijiahu, Chengguan Town, Huarong County, Hunan Province, the PRC (Held by 華潤雪花啤酒(湖南)有限公司)	<p>The property comprises 9 parcels of land with a total site area of approximately 131,069.94 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2002 and 2014.</p> <p>The buildings have a total gross floor area of approximately 43,481.93 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms, office buildings and staff quarters.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>A portion of the property has been granted a land use rights for various terms with the earliest expiry date on 10 April 2042 for mining warehouse (工礦倉儲) and residential uses. The remaining portion of the property has been allocated a land use rights for residential use.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB109,830,000</p> <p>(equivalent to approximately HK\$133,290,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB9,810,000</p> <p>(equivalent to approximately HK\$11,900,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB56,013,300</p> <p>(equivalent to approximately HK\$67,977,300)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB5,003,100</p> <p>(equivalent to approximately HK\$6,071,700)</p>

Notes:

1. According to 7 State-owned Land Use Rights Certificates (Document Nos.: Hua Guo Yong (2007) No. 0327, 0328, 0330, 0332, 0333 and 0345 and Hua Guo Yong (2008) No. 0345), the land use rights of the property having a total site area of approximately 130,369.5 sq.m. have been granted to China Resources Snow Breweries (Hunan) Co., Ltd. (華潤雪花啤酒(湖南)有限公司) for mining warehouse (工礦倉儲) and residential uses for terms expiring on 24 October 2055, 11 April 2055, 24 October 2055, 24 May 2054, 30 May 2054, 10 April 2042 and 31 July 2058 respectively.
2. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Hua Guo Yong (2007) No. 0329 and 0331), the land use rights of the property having a total site area of approximately 700.44 sq.m. have been allocated to China Resources Snow Breweries (Hunan) Co., Ltd. for residential use.
3. The land use rights under the 2 State-owned Land Use Rights Certificates referred to in Note 2 and a State-owned Land Use Rights Certificate (Document No.: Hua Guo Yong (2007) No. 0327) is jointly used with other third parties.
4. According to 37 Building Ownership Certificates (Document Nos.: Hua Fang Quan Zheng Cheng Guan Zhen Zi Di No. 00066673 to 00066682, 0128080, 0128083 to 0128085, 0128088 to 0128095, 0128097 to 0128104, 0128108 to 0128110, 0128112, 0128114, 0128117 and 0128119) the building ownership rights of various buildings with a total gross floor area of approximately 31,963.21 sq.m. are owned by China Resources Snow Breweries (Hunan) Co., Ltd..
5. In the valuation of the property, we have attributed no commercial value to the lands (Document Nos.: Hua Guo Yong (2007) No. 0329 and 0331) and the buildings erected thereon (Document Nos.: Hua Fang Quan Zheng Cheng Guan Zhen Zi No. 0128089 to 0128094 and 0128097 to 0128102) since the property is allocated property. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB480,000 (equivalent to approximately HK\$580,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
6. In the valuation of the property, we have attributed no commercial value to various buildings which have not obtained Building Ownership Certificates with a total gross floor area of approximately 11,518.72 sq.m.. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB9,330,000 (equivalent to approximately HK\$11,320,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
7. China Resources Snow Breweries (Hunan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
8. The PRC legal opinion states, inter alia, the following:
 - (i) It is subject to the following reminders, China Resources Snow Breweries (Hunan) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium of the land has been fully settled. If China Resources Snow Breweries (Hunan) Co., Ltd. has not been fully settled the land premium, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. The lands and buildings on the allocated land can be transferred, leased or mortgage if approved by the relevant government authorities, had the Land Use Rights Grant Contracts signed and the land premium paid. It is subject to the reminder mentioned above and limitation as stated in the Land Use Rights Grant Contract if any, China Resources Snow Breweries (Hunan) Co., Ltd. is legally entitled to occupy, use, lease and transfer the land use rights during the land use term as stated in the State-owned Land Use Rights Certificates.
 - (ii) The ownership of the buildings which have obtained Building Ownership Certificates is legally vested in China Resources Snow Breweries (Hunan) Co., Ltd.. The lands and buildings on the allocated land can be transferred, leased or mortgage if approved by the relevant government authorities, had the Land Use Rights Grant Contracts signed and the land premium paid. The

buildings mentioned above is not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Hunan) Co., Ltd. is legally entitled to occupy, use, lease or transfer of such buildings.

- (iii) The buildings which have not obtained Building Ownership Certificates have been completed. China Resources Snow Breweries (Hunan) Co., Ltd. have not provided the information of construction permits. The PRC legal opinion assumed China Resources Snow Breweries (Hunan) Co., Ltd. have not obtained all the necessary construction permits. In general, if the construction of such buildings cannot be amended, it is possible that China Resources Snow Breweries (Hunan) Co., Ltd. will be requested of demolition at a scheduled time or forfeit the buildings or illegal income and pay penalty. According to confirmation of China Resources Snow Breweries (Hunan) Co., Ltd., it has not received notice of amended or demolish at a scheduled time or forbid continue use of such buildings from planning authority or other relevant government authorities.

9. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
114. An industrial complex located at Qiaodong Lingyuan Road, Chengguan Town, Huarong County, Yueyang City, Hunan Province, the PRC (Held by 華潤雪花啤酒(湖南)有限公司)	The property comprises a parcel of land with a site area of approximately 7,219 sq.m. and various buildings erected thereon completed in about 2004. The buildings have a total gross floor area of approximately 1,972.8 sq.m. The buildings mainly include storehouses. The property has been granted a land use rights for a term with the expiry date on 13 December 2054 for mining warehouse (工礦倉儲) use.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB3,410,000 (equivalent to approximately HK\$4,140,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB1,739,100 (equivalent to approximately HK\$2,110,600)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Hua Guo Yong (2007) No. 0334), the land use rights of the property having a site area of approximately 7,219 sq.m. have been granted to China Resources Snow Breweries (Hunan) Co., Ltd. (華潤雪花啤酒(湖南)有限公司) for mining warehouse (工礦倉儲) for a term expiring on 13 December 2054.
- According to 3 Building Ownership Certificates (Document Nos.: Hua Fang Quan Zheng Cheng Guan Zhen Zi No. 0128105 to 0128107) the building ownership rights of various buildings with a total gross floor area of approximately 1,972.8 sq.m. are owned by China Resources Snow Breweries (Hunan) Co., Ltd..
- China Resources Snow Breweries (Hunan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - It is subject to the following reminders, China Resources Snow Breweries (Hunan) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium of the land has been fully settled. If China Resources Snow Breweries (Hunan) Co., Ltd. has not been fully settled the land premium, it is possible that the Land Use Rights Grant Contract will be terminated and lead to resume of the land. It is subject to the reminder mentioned above and limitation as stated in the Land Use Rights Grant Contract if any, China Resources Snow Breweries (Hunan) Co., Ltd. is legally entitled to occupy, use, lease and transfer the land use rights during the land use term as stated in the State-owned Land Use Rights Certificates.
 - The ownership of the buildings which have obtained Building Ownership Certificates is legally vested in China Resources Snow Breweries (Hunan) Co., Ltd.. The buildings mentioned above is not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Hunan) Co., Ltd. is legally entitled to occupy, use, lease or transfer of such buildings.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
115. An industrial complex located at No. 239 Da Qi Avenue, Golden Hill Science & Technology Park, Huangshi City, Hubei Province, the PRC	The property comprises a parcel of land with a site area of approximately 153,478 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2012 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB137,700,000 (equivalent to approximately HK\$167,110,000)
(Held by 華潤雪花啤酒(黃石)有限公司)	The buildings have a total gross floor area of approximately 41,983.82 sq.m.		Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, office buildings and staff quarters.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls and sheds.		RMB70,227,000 (equivalent to approximately HK\$85,226,900)
	The property has been granted a land use rights for a term with the expiry date on 30 October 2061 for industrial use.		

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Da Ye Guo Yong (2012) Di 0251040090), the land use rights of the property having a site area of approximately 153,478 sq.m. have been granted to China Resources Snow Breweries (Huangshi) Co., Ltd. (華潤雪花啤酒(黃石)有限公司) for industrial use for a term expiring on 30 October 2061.
- According to 13 Building Ownership Certificates (Document Nos.: Huang Fang Quan Zheng Jing Zi Nos. 201415036, 201415049, 201415055, 201415056, 201415058 to 201415061, 201415063, 201415064, 201415068, 201415069 and 201415071) the building ownership rights of various buildings with a total gross floor area of approximately 41,983.82 sq.m. are owned by China Resources Snow Breweries (Huangshi) Co., Ltd..
- China Resources Snow Breweries (Huangshi) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Huangshi) Co., Ltd. legally owns the land use rights of the property. The land use rights are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Huangshi) Co., Ltd. is legally entitled to occupy, use, lease transfer or adopt other legal means to handle the land use rights of the parcel of land mentioned above during the land use term as stated in the State-owned Land Use Rights Certificates.
 - The ownership of the buildings is legally vested in China Resources Snow Breweries (Huangshi) Co., Ltd.. The buildings are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Huangshi) Co., Ltd. is legally entitled to occupy, use, lease transfer or adopt other legal means to handle the building ownership rights of the buildings.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |
6. The land portion of the property was acquired on 1 November 2011 at a total acquisition cost of RMB27,630,685 and the total construction costs expended on the property was RMB114,310,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
116. An industrial complex located at north of Qunle Road, Loudi Economic and Technology Development Zone, Loudi City, Hunan Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 163,246.83 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2013 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB186,860,000 (equivalent to approximately HK\$226,770,000)
(Held by 華潤雪花啤酒(婁底)有限公司)	The buildings have a total gross floor area of approximately 43,811.61 sq.m.		Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms, office buildings and staff quarters.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls and sheds.		RMB95,298,600 (equivalent to approximately HK\$115,653,600)
	The property has been granted a land use rights for various terms with the earliest expiry date on 25 May 2061 for industrial use.		

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Lou Guo Yong (2011) No. 08613 and Lou Guo Yong (2012) No. 06108), the land use rights of the property having a total site area of approximately 163,246.83 sq.m. have been granted to China Resources Snow Breweries (Loudi) Co., Ltd. (華潤雪花啤酒(婁底)有限公司) for industrial use for terms expiring on 25 May 2061 and 28 March 2062 respectively.
- According to 13 Building Ownership Certificates (Document Nos.: Lou Fang Quan Zheng Lou Di Zi Nos. S201407020001 to S201407020007, S201407020017, S201407020020, S201407020023, S201407020026, S201407020029 and S201407020030) the building ownership rights of various buildings with a total gross floor area of approximately 43,811.61 sq.m. are owned by China Resources Snow Breweries (Loudi) Co., Ltd..
- China Resources Snow Breweries (Loudi) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Loudi) Co., Ltd. legally owns the land use rights of the property, subject to the following reminders. There is no Land Use Rights Grant Contract has been signed for one of the 2 parcels of land (Document No. Lou Guo Yong (2012) No. 06108). In consider of China Resources Snow Breweries (Loudi) Co., Ltd. has obtained the Land Use Rights Certificate, the PRC legal opinion to be of the opinion that the possibility of affecting the land use rights for no Land Use Rights Grant Contract has been signed is relative small and China Resources Snow Breweries (Loudi) Co., Ltd. should sign the corresponding Land Use Rights Grant Contract.

- (ii) During the land use term as stated in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Loudi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the 2 parcels of land. There are no limitations on the above legal means to handle such lands, but China Resources Snow Breweries (Loudi) Co., Ltd. did not sign the Land Use Rights Grant Contract of the land (Document No. (Lou) Guo Yong (2012) No. 06108), it is unable to determine whether there is any contradicted limitations in the Land Use Rights Grant Contract of the said land to be signed.
 - (iii) As stated in the Land Use Rights Certificate of the land (Document No. Lou Guo Yong (2011) No. 08613), a new certificate will be issued upon completion of buildings which erected thereon. China Resources Snow Breweries (Loudi) Co., Ltd. declared that the buildings have been completed but China Resources Snow Breweries (Loudi) Co., Ltd. has not applied for a new Land Use Rights Certificate. The PRC legal opinion understands that China Resources Snow Breweries (Loudi) Co., Ltd. is responsible for exchanging a new Land Use Rights Certificate from Loudi State-land Bureau, otherwise it may affect the disposals of the land such as transfer.
 - (iv) The land use rights of the 2 parcels of land are not subject to seizure, mortgage or other encumbrances.
 - (v) The ownership of the buildings which have obtained Building Ownership Certificates is legally vested in China Resources Snow Breweries (Loudi) Co., Ltd.. The buildings mentioned above are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Loudi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of such buildings subject to the aforementioned reminders regarding the land use rights.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes
6. Part of the land portion of the property was acquired on 1 November 2011 at a total acquisition cost of RMB40,402,541 and the total construction costs expended on the property was RMB125,230,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
117. A development of an industrial complex located at Xiangxi Economic Development Zone Jifeng, Xiangxi Autonomous District, Hunan Province, the PRC (Held by 華潤雪花啤酒(湘西)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 128,497.07 sq.m. and various industrial buildings and structures which are under construction.</p> <p>Phases 1 and 2 upon completion will have a gross floor area of approximately 30,550.72 sq.m. and 39,893.2 sq.m. respectively.</p> <p>The buildings will mainly include workshops, office buildings, staff quarters.</p> <p>The structures will mainly include roads and walls.</p> <p>The property has been granted a land use rights for a term with the expiry date on 5 December 2061 for industrial use.</p>	<p>Phase 1 is currently under construction, most of the buildings are constructed up to roof level and are under renovation and is schedule to be completed at end of 2015. The commence date of Phase 2 has not been confirmed.</p>	<p>RMB85,890,000 (equivalent to approximately HK\$104,240,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB43,803,900 (equivalent to approximately HK\$53,160,100)</p>

Notes:

- According to a Land Use Rights Grant Contract signed between State-owned Land Resources Bureau of Xiangxi Autonomous District (湘西自治州國土資源局) (Party A) and China Resources Snow Breweries (Xiangxi) Co., Ltd. (華潤雪花啤酒(湘西)有限公司) (Party B), Party B agreed to purchase the land uses rights of the property having a site area of approximately 128,497.07 sq.m. for industrial use for a term of 50 years at a consideration of RMB9,330,000.
- According to a State-owned Land Use Rights Certificate (Document No.: Zhou Guo Yong (2012) No. 000021), the land use rights of the property having a site area of approximately 128,497.07 sq.m. have been granted to China Resources Snow Breweries (Xiangxi) Co., Ltd. for industrial use for a term expiring on 5 December 2061.
- According to a Planning Permit for Construction Land (Document No.: Di Zi No. 20141051) dated 29 October 2014, the construction site of a parcel of land with a site area of approximately 128,497.07 sq.m. is in compliance with the urban construction requirements.
- According to 5 Planning Permits for Construction Works (Document Nos.: Jian Zi Nos. 20141223, 20141224 and 20150304 to 20150306) dated 17 December 2014, 17 December 2014, 17 March 2015, 17 March 2015 and 17 March 2015 respectively, the construction works of the development of the property with a total gross floor area of 31,156.83 sq.m. is in compliance with the urban construction requirements and are approved.
- According to 2 Permits for Commencement of Construction Works (Document Nos.: K433101201505250101 and K433101201506080101) dated 25 May 2015 and 8 June 2015 respectively, the construction works of the development of the property with a total gross floor area of 29,371.20 sq.m. are in compliance with the requirements for works commencement and are approved.
- The construction cost to complete the property is estimated to be approximately RMB66,100,000. The property is scheduled to be completed by the end of 2015 for occupation.
- The capital value when completed of the proposed development is approximately RMB152,000,000.

8. China Resources Snow Breweries (Xiangxi) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
9. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Xiangxi) Co., Ltd. legally owns the land use rights of the property. The land use rights are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Xiangxi) Co., Ltd. is legally entitled to occupy, use, lease or transfer the land use rights during the land use term as stated in the State-owned Land Use Rights Certificates.
 - (ii) Some of the construction in progress including joint-workshop (聯合車間), office building (辦公樓), canned workshop (灌裝車間), dormitory (宿舍) and canteen (食堂) have obtained the planning permits for construction land, construction work planning permits and construction commencement permits, these permits are valid and have not been revoked or revised as of the date of PRC legal opinion. Some of the construction in progress including car repair workshop (叉車維修車間), bottle shed (理瓶棚), sewage room (污水站站房), rubbish shed (固廢物鋼棚), washroom (廁所) and guard house (門衛房) have obtained the planning permits for construction land, construction work planning permits but have not obtained the construction commencement permits. Therefore, China Resources Snow Breweries (Xiangxi) Co., Ltd. shall not commence construction before obtaining of the construction commencement permits, otherwise, it is possible that China Resources Snow Breweries (Xiangxi) Co., Ltd. will be ordered to suspend construction, paying penalty by the relevant government authorities.
 - (iii) All the construction in progress of the property is not subject to seizure, mortgage or onerous adverse effect on the ownership of buildings.
10. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|-------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | No |
| (iii) | Planning Permit for Construction Land | Yes |
| (iv) | Planning Permit for Construction Works | Yes |
| (v) | Permit for Commencement of Construction Works | Yes (Portion) |
11. The land portion of the property was acquired on 11 May 2012 at a total acquisition cost of RMB9,891,875 and the total construction costs expended on the property was RMB46,990,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
118. An industrial complex located at Teyihao, Yanjiadu, Dongxihu District, Wuhan City, Hubei Province, the PRC	The property comprises 11 parcels of land with a total site area of approximately 340,478.5 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1982 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB193,220,000 (equivalent to approximately HK\$234,490,000)
(Held by 華潤雪花啤酒(武漢)有限公司)	The buildings have a total gross floor area of approximately 108,752.13 sq.m.	Portions of the property with a total site area of approximately 1,150 sq.m. have been leased out. (Refer to Note 6)	Interest attributable to the Group 45.90%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.	Portions of property with a total gross floor area of approximately 233.41 sq.m. have been leased out. (Refer to Note 7)	Market Value in existing state attributable to the Group as at 1 September 2015 RMB88,687,980 (equivalent to approximately HK\$107,631,000)
	The structures mainly include roads, walls, sheds and chimneys.		
	The property has been granted a land use rights for various terms with the earliest expiry date on 10 June 2048 for industrial and residential uses.		

Notes:

- According to 10 State-owned Land Use Rights Certificates (Document Nos.: Dong Guo Yong (2006) No. 160101001, 160101006, 160101007, 160101009, 160101011 to 160101013, 16101022, 160101023 and 180101983), the land use rights of the property having a total site area of approximately 337,375.95 sq.m. have been granted to China Resources Snow Breweries (Wuhan) Co., Ltd. (華潤雪花啤酒(武漢)有限公司) for industrial use for terms expiring on 10 June 2048, 10 June 2048, 10 June 2048, 14 July 2048, 3 November 2053, 10 June 2048, 14 July 2048, 10 June 2048, 10 June 2048 and 27 October 2048 respectively.
- According to a State-owned Land Use Rights Certificate (Document No.: Dong Guo Yong (2007) No. 160101014), the land use rights of the property having a site area of approximately 3,102.5 sq.m. have been granted to China Resources Snow Breweries (Wuhan) Co., Ltd. for residential use for a term expiring on 11 October 2074.
- According to 8 Building Ownership Certificates (Document Nos.: Wu Fang Quan Zheng Dong Zi Nos. 200403987, 200403988, 2009008248 to 2009008253) the building ownership rights of various buildings with a total gross floor area of approximately 106,621.16 sq.m. are owned by China Resources Snow Breweries (Wuhan) Co., Ltd..
- According to a Building Ownership Certificate (Document No.: Wu Fang Quan Zheng Dong Zi No. 2009006102) the building ownership rights of various buildings with a total gross floor area of approximately 1,046.29 sq.m. are owned by Wuhan China Resources Breweries Co., Ltd..
- According to 5 Building Ownership Certificates (Document Nos.: Wu Fang Quan Zheng Dong Zi Nos. 2009006103 to 2009006107) the building ownership rights of various buildings with a total gross floor area of approximately 1,084.68 sq.m. are owned by Wuhan China Resources Dongxihu Breweries Co., Ltd..

6. Tenancy agreement has been entered into in respect of part (1,150 sq.m.) of the property for a term of two years from 1 November 2013 to 31 October 2015 at a monthly rent of RMB2,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the landlord continues to lease out the premises under the same terms and conditions, the tenant has the first right to renew.
7. Tenancy agreement has been entered into in respect of part (233.41 sq.m.) of the property for a term of one year from 1 January 2015 to 31 December 2015 at a monthly rent of RMB2,000. The tenant shall be responsible for all outgoing expenses in relation to the property. If the landlord transfers the ownership to a third party, this tenancy agreement is still binding to the new owner. The landlord should notify the tenant the transfer 3 months in advance. Under the same terms and conditions, the tenant has the first right to purchase.
8. China Resources Snow Breweries (Wuhan) Co., Ltd., a 90%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
9. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Wuhan) Co., Ltd. legally owns the land use rights of the property, but there are still possibilities as the following: regarding 11 parcels of land (Land Use Rights Certificates (Document Nos. Dong Guo Yong 2006 No. 160101001, 160101006, 160101007, 160101009, 160101011 to 160101014, 160101022, 160101023 and 180101983), China Resources Snow Breweries (Wuhan) Co., Ltd. cannot provide the original Land Use Rights Grant Contracts or any material regarding the payment of land premium, therefore it is unable to determine whether the land premium has been fully settled or not. If the land premium has not been fully settled, there may be possibilities of cancellation of contracts, revocation of certificates, and resumption of the land. However, based on the fact that China Resources Snow Breweries (Wuhan) Co., Ltd. has obtained all reissued Land Use Rights Certificates registered under China Resources Snow Breweries (Wuhan) Co., Ltd. and has not received document of recourse from the relevant government authorities, possibility of material effect on the land use rights is relatively small. The land use rights of the property are not subject to seizure, mortgage or other encumbrances. In accordance with the reminder mentioned above, based on the information obtained so far, during the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Wuhan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or to adopt other legal means to handle the land use rights of the property. There is no restriction on the abovementioned means of handling is provided on the abovementioned certificates, it is unable to determine whether the original Land Use Rights Grant Contracts of the lands contains contrary limitation or not.)
 - (ii) The following buildings are not registered under China Resources Snow Breweries (Wuhan) Co., Ltd. but under Wuhan China Resources Breweries Co., Ltd. or Wuhan China Resources Dongxihu Breweries Co., Ltd.: (Document Nos.: Wu Fang Quan Zheng Dong Zi Nos. 2009006102 to 2009006107).
 - (iii) China Resources Snow Breweries (Wuhan) Co., Ltd. has obtained corresponding Building Ownership Certificates in respect of the abovementioned buildings, and thus legally owns the building ownership rights of the buildings. The buildings mentioned above are not subject to seizure, mortgage or other encumbrances. In accordance with the following possibilities, China Resources Snow Breweries (Wuhan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or to adopt other legal means to handle the building ownership rights of the property. Since refer to certificates in (ii) Wu Fang Quan Zheng Dong Zi Nos. 2009006102 to 2009006107 the Building Ownership Certificates of the buildings has not been registered under China Resources Snow Breweries (Wuhan) Co., Ltd., before China Resources Snow Breweries (Wuhan) Co., Ltd. applies to change the owner name of these Building Ownership Certificates and the reissuance of Building Ownership Certificates, such buildings may not be transferred, mortgaged, or to be handled by other means.

- (iv) As provided by China Resources Snow Breweries (Wuhan) Co., Ltd., the tenancy details are as follows:

China Resources Snow Breweries (Wuhan) Co., Ltd. entered into a tenancy agreement (A-ZF2013-0009) with Wuhan Dongxihu District Dongbao Petrol Station (武漢市東西湖區東寶加油站) on 21 October 2013 in respect of the land with Land Use Rights Certificate (Dong Guo Yong (2006) No. 160101011); and entered into a tenancy agreement (A-QT2014-091) with China Resources Snow Breweries (China) Co., Ltd., Hubei Branch (華潤雪花啤酒(中國)有限公司湖北分公司) on 4 January 2015 in respect of the property with Land Use Rights Certificate (Dong Guo Yong (2006) No. 160101001) and Building Ownership Certificate (Wu Fang Quan Zheng Dong Zi No.200403987).

- (v) The tenancy agreements entered into in respect of the property comply with the mandatory rules in PRC laws or regulations and are legal and valid.

10. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes (Portion) |
| (ii) | Building Ownership Certificate | Yes (Portion) |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
119. (A) Two units located at Levels 1 and 2, Unit 1, Block 2, Fenghua Residential District, Fancheng District, Xiangyang City, Hubei Province, the PRC	The property (A) comprises 2 units located at levels 1 and 2 of a building completed in about 1995.	The property (A) and (B) are currently occupied by the Group for staff quarter use.	RMB1,100,000 (equivalent to approximately HK\$1,330,000)
(B) A residential unit located at Level 5, No. 820-12 Huang Shi Ave, Huangshi City, Hubei Province, the PRC	The property (A) has a total gross floor area of approximately 144.93 sq.m. The property (B) comprises a residential unit located at level 5 of a 9-storey building completed in about 1997.	Portions of property (A) with a gross floor area of approximately 144.93 sq.m. have been leased out. (Refer to Note 4)	Interest attributable to the Group 45.90%
(Held by 華潤雪花啤酒(武漢)有限公司)	The property (B) has a gross floor area of approximately 86.13 sq.m.		Market Value in existing state attributable to the Group as at 1 September 2015 RMB504,900 (equivalent to approximately HK\$612,700)

Notes:

- According to a Building Ownership Certificate (Document No.: Xiang Fan Shi Fang Quan Zheng Fan Cheng Qu Zi No. 00065381), the building ownership rights of the property (A) with a gross floor area of approximately 67.08 sq.m. are owned by China Resources Snow Breweries (Wuhan) Co., Ltd. (華潤雪花啤酒(武漢)有限公司) for non-residential use.
- According to a Building Ownership Certificate (Document No.: Xiang Fan Shi Fang Quan Zheng Fan Cheng Qu Zi No. 00065380), the building ownership rights of the property (A) with a gross floor area of approximately 77.85 sq.m. are owned by China Resources Snow Breweries (Wuhan) Co., Ltd..
- According to a Building Ownership Certificate (Document No.: Huang Fang Quan Zheng 2004 Gang Zi No. 0100635), the building rights of the property (B) with a gross floor area of approximately 86.13 sq.m. are owned by China Resources Snow Breweries (Wuhan) Co., Ltd..
- Tenancy agreement has been entered into in respect of part (144.93 sq.m.) of the property for a term of one year from 1 November 2014 to 31 October 2015 at a monthly rent of RMB2,916.67. The tenant shall be responsible for all outgoing expenses in relation to the property. If the landlord continues to lease out the premises under the same terms and conditions, the tenant has the first right to renew. The landlord has the right to early terminate the tenancy agreement unilaterally by serving a 3-month advance written notice to the tenant and repossess the premises without any liability whatsoever.
- China Resources Snow Breweries (Wuhan) Co., Ltd., a 90%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

6. The PRC legal opinion states, inter alia, the following:

- (i) China Resources Snow Breweries (Wuhan) Co., Ltd. cannot provide the Land Use Rights Certificates corresponding to the property (A), (B) due to historical reasons.
- (ii) China Resources Snow Breweries (Wuhan) Co., Ltd. legally owns the building ownership rights of the property (A), (B). The buildings ownership rights of the property are not subject to seizure, mortgage or other encumbrances. In accordance with the following possibilities, China Resources Snow Breweries (Wuhan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or to adopt other legal means to handle the building ownership rights of the property. Regarding the 3 commodity apartments corresponding to which China Resources Snow Breweries (Wuhan) Co., Ltd. is unable to provided the Land Use Rights Certificates, such apartments may not be transferred, mortgaged or to be handled by other means.
- (iii) As provided by China Resources Snow Breweries (Wuhan) Co., Ltd., the tenancy details are as follows:

China Resources Snow Breweries (Wuhan) Co., Ltd. entered into a tenancy agreement (A-QT2014-068) with Wu Junli (吳俊麗) on 4 November 2004 in respect of the properties with Building Ownership Certificates (Xiang Fan Shi Fang Quan Zheng Fan Cheng Qu Zi Nos. 00065381, 00065380).

- (iv) The tenancy agreement entered into in respect of the property complies with the mandatory rules in the PRC laws or regulations and is legal and valid.

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
120.	An industrial complex located at No. 8 Science and Technology Industrial Park, Dong Cheng District, Dongguan City, Guangdong Province, the PRC	The property comprises a parcel of land with a total site area of approximately 171,040 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2006 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	No commercial value
	(Held by 華潤雪花啤酒(廣東)有限公司)	The buildings have a total gross floor area of approximately 76,880.09 sq.m.		<p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p>
		The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		<p>RMB241,690,000</p> <p>(equivalent to approximately HK\$293,310,000)</p>
		The structures mainly include roads, walls and sheds.		<p>Interest attributable to the Group</p> <p>51%</p>
				<p>Market Value in existing state attributable to the Group as at 1 September 2015</p>
				No commercial value
				<p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p>
				<p>RMB123,261,900</p> <p>(equivalent to approximately HK\$149,589,700)</p>

Notes:

1. According to a State-owned Land Use Rights Granted Contract signed between Dongguan Dongcheng Subdistrict (東莞市東城區辦事處) (Party A) and China Resources Snow Breweries (Guangdong) Co., Ltd. (華潤雪花啤酒(廣東)有限公司)) (Party B) dated 2 December 2004, Party A agreed to complete application of Land Use Rights Certificate for Party B for the land having a site area of approximately 171,040 sq.m. for industrial use for a term of 50 years at a land premium of RMB50,798,880.
2. In the valuation of the property, we have attributed no commercial value to the land which has not obtained State-owned Land Use Rights Certificate. On account of the statement stated on the Real Estate Ownership Certificates that the land are not permitted to be transferred in the open market, we have ascribed no commercial value to them. However, for reference purpose, the market value of the land as at the date of valuation was RMB92,110,000 (equivalent to approximately HK\$111,780,000) assuming they are entitled to be transferred in the open market.
3. In the valuation of the property, we have attributed no commercial value to various buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 76,880.09 sq.m. as at the date of valuation would be RMB149,580,000 (equivalent to approximately HK\$181,530,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Guangdong) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) As for “cross-shaped road of the site” (the cross-shaped area in the centre of the site), China Resources Snow Breweries (Guangdong) Co., Ltd. has signed the “State-owned Construction Land Use Right Transfer contract” with the relevant government department and land price and tax have been paid. Therefore, China Resources Snow Breweries (Guangdong) Co., Ltd. have a right to request the relevant government department for application of the State-owned Land Use Rights Certificate of “cross-shaped road of the site”.
 - (ii) As for “four parcels of land of the site”, China Resources Snow Breweries (Guangdong) Co., Ltd. will be pursued for the unpaid land price and related agreed overdue fine and may be imposed related penalty by the relevant government department and the land may be resumed by the government. Therefore, China Resources Snow Breweries (Guangdong) Co., Ltd. have an uncertainty of obtaining the State-owned Land Use Rights Certificate of “four parcels of land of the site” and continuing to occupy the “four parcels of land of the site”.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	No
(ii) Building Ownership Certificate	No

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
121. An industrial complex located at No. 1 Industrial North 3rd Road, Song Shan Hu High-tech Industrial Park, Dongguan City, Guangdong Province, the PRC (Held by 雪花啤酒 (東莞) 有限公司)	<p>The property comprises a parcel of land with a total site area of approximately 167,163 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2005 and 2015.</p> <p>The buildings have a total gross floor area of approximately 49,939.26 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls and sheds.</p> <p>The property has been granted a land use rights for a term with the earliest expiry date on 19 January 2056 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB228,980,000 (equivalent to approximately HK\$277,890,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB116,779,800 (equivalent to approximately HK\$141,723,100)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Dong Fu Guo Yong (2006) No. Te 803), the land use rights of the property having a total site area of approximately 167,163 sq.m. have been granted to Snow Breweries (Dongguan) Co., Ltd. (雪花啤酒 (東莞) 有限公司) for industrial uses for a term expiring on 19 January 2056.
- According to 11 Building Ownership Certificates (Document Nos.: Yue Fang Di Quan Zheng Guan Zi Nos. 1700753521 to 1700753531), the building ownership rights of 22 buildings with a total gross floor area of approximately 49,939.26 sq.m. are owned by Snow Breweries (Dongguan) Co., Ltd.
- Snow Breweries (Dongguan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - Snow Breweries (Dongguan) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances as of the date of the PRC legal opinion.
 - During the land use term as recorded in the State-owned Land Use Rights Certificate, Snow Breweries (Dongguan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
122. An industrial complex located at No. 26 Pingzhou Sanshan Ave, Guicheng Residential District, Nanhai District, Foshan City, Guangdong Province, the PRC (Held by 雪花啤酒 (佛山) 有限公司)	<p>The property comprises 2 parcels of land with a total site area of approximately 143,419.7 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2008 and 2015.</p> <p>The buildings have a total gross floor area of approximately 47,350.39 sq.m.</p> <p>The buildings mainly include workshops, storehouses and office buildings.</p> <p>The structures mainly include roads and walls.</p> <p>The property has been granted a land use rights for various terms with the earliest expiry date on 12 April 2056 for industrial use.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB195,620,000 (equivalent to approximately HK\$237,400,000)</p> <p>Interest attributable to the Group 51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015 RMB99,766,200 (equivalent to approximately HK\$121,075,500)</p>

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Nan Fu Guo Yong (2015) Nos. 0104524 and 0104525), the land use rights of the property having a total site area of approximately 143,419.7 sq.m. have been granted to China Resources Snow Breweries (Foshan) Co., Ltd. (雪花啤酒 (佛山) 有限公司) for industrial use for terms expiring on 27 August 2057 and 12 April 2056 respectively.
- According to 6 Building Ownership Certificates (Document Nos.: Yue Fang Di Quan Zheng Fo Zi Nos. 0200558600, 0200558604, 0200558607, 0200558610, 0200558613 and 0200558616) the building ownership rights of various buildings with a total gross floor area of approximately 47,350.39 sq.m. are owned by China Resources Snow Breweries (Foshan) Co., Ltd..
- China Resources Snow Breweries (Foshan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Foshan) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium of the land (Document No. Nan Fu Guo Yong (2015) No. 0104525) has been fully settled or not. The possibility that China Resources Snow Breweries (Foshan) Co., Ltd. has not yet settled the land premium and may be subject to subsequent recourse cannot be completely eliminated. However, in consideration of the local tax bureau has issued an invoice with the taxable amount equivalent to the full land premium, China Resources Snow Breweries (Foshan) Co., Ltd. has obtained the Land Use Rights Certificate and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small. And as stated in the State-owned Land Use Rights Assignment Contract of the land (Document No. Nan Fu Guo Yong (2015) No. 0104525), China Resources Snow Breweries (Foshan) Co., Ltd. has the rights to transfer (including sale, exchange, and gift) or lease out the land use rights if fulfill 2 criteria: completed development and obtained

consent of the government. Therefore, China Resources Snow Breweries (Foshan) Co., Ltd. may subject to limitation when handling the land use rights in the future. The land use rights of the property are not subject to seizure, mortgage or other encumbrances. It is subject to the possibilities mentioned above, China Resources Snow Breweries (Foshan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property during the land use term as stated in the State-owned Land Use Rights Certificates.

- (ii) China Resources Snow Breweries (Foshan) Co., Ltd. legally owns the building ownership rights of the property. The building ownership rights of the property are not subject to seizure, mortgage or other encumbrances. It is subject to the risks mentioned in (i) above, China Resources Snow Breweries (Foshan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property.

5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
123. Sixty eight residential units located at Block 30 and 31 of Zhen Hua Yuan, Shantou City, Guangdong Province, the PRC (Held by 雪花啤酒 (汕頭) 有限公司)	The property comprises 68 residential units located at various levels of Block 30 and 31 of Zhen Hua Yuan completed in 1996. The property has a total gross floor area of approximately 7,195.18 sq.m. The property has been granted a land use rights for a term with the expiry date on 30 April 2066 for residential use.	The property is currently occupied by the Group for staff quarter use.	RMB24,050,000 (equivalent to approximately HK\$29,190,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 RMB12,265,500 (equivalent to approximately HK\$14,885,300)

Notes:

- According to 68 Real Estate Ownership Certificates (Document Nos.: Yue Fang De Zheng Zi Di Nos. C2395109, C2549531, C2549533, C2549535, C2549536, C2549538, C2549539, C2549541, C2549543, C2549545 to C2549547, C2549549, C2549551, C2549554, C2549563 to C2549577, C2549579, C2549580, C2549583, C2549585 to C2549588, C2549590, C2549592, C2549594, C2549595, C2549597 to C2549599, C2549603 to C2549608, C2549611, C2549612, C2549614, C2549615, C2549617, C2549619, C2549623, C2549624, C2549628, C2549629, C2549633, C2549634 and C2549637 to C2549642), the land use rights of the property has been granted for residential use for a term expiring on 30 April 2066. And the building ownership rights of the property with a total gross floor area of approximately 7,195.18 sq.m. are owned by Kingway Breweries (Shantou) Co., Ltd..
- China Resources Snow Breweries (Shantou) Co., Ltd. (雪花啤酒 (汕頭) 有限公司), a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Shantou) Co., Ltd. legally owns the land use rights of the property. The land use rights of the property are not subject to seizure, mortgage or other encumbrances. However, before the name in the Real Estate Ownership Certificates is changed to China Resources Snow Breweries (Shantou) Co., Ltd., it may be subject to the possibility of the land use rights cannot be transferred, mortgaged or handled by other legal means.
 - China Resources Snow Breweries (Shantou) Co., Ltd. legally owns the building ownership rights of the property. As informed by China Resources Snow Breweries (Shantou) Co., Ltd., regarding change of owner name in the Real Estate Ownership Certificates, the local tax bureau suggests China Resources Snow Breweries (Shantou) Co., Ltd. is required to pay taxes. Based on China Resources Snow Breweries (Shantou) Co., Ltd. has already legally owned the building ownership rights of the property and the status in negotiation with the relevant government authorities regarding change of owner name in the Real Estate Ownership Certificates, if China Resources Snow Breweries (Shantou) Co., Ltd. pays the taxes and applies for change of owner name

according to the requirement of relevant government authorities, the possibility of cannot change owner name in the Real Estate Ownership Certificates is relatively small. However, before change owner name in the Real Estate Ownership Certificates, such buildings may be subject to the possibility of cannot be transferred, mortgage or adopt other legal means to handle the building ownership rights of the property.

4. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	Real Estate Ownership Certificate	Yes
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Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
124. An industrial complex located at No. 108 Chao Shan Road, Shantou City, Guangdong Province, the PRC (Held by 雪花啤酒 (汕頭) 有限公司)	<p>The property comprises a parcel of land with a site area of approximately 135,419.1 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2004 and 2015.</p> <p>The buildings have a total gross floor area of approximately 31,080.15 sq.m.</p> <p>The buildings mainly include workshops, storehouses and office buildings.</p> <p>The structures mainly include roads and walls.</p> <p>The property has been granted a land use rights for a term with the expiry date on 10 June 2054 for industrial use.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB154,340,000</p> <p>(equivalent to approximately HK\$187,310,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>No commercial value</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB78,713,400</p> <p>(equivalent to approximately HK\$95,526,000)</p>

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Shan Guo Yong (2010) No. 91300016), the land use rights of the property having a site area of approximately 135,419.1 sq.m. have been granted to Kingway Breweries (Shantou) Co., Ltd. for industrial use for a term expiring on 10 June 2054.

2. According to 3 Building Ownership Certificates (Document Nos.: Yue Fang Di Quan Zheng Shan Zi Nos. 1000029243 to 1000029245) the building ownership rights of various buildings with a total gross floor area of approximately 31,080.15 sq.m. are owned by Kingway Breweries (Shantou) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to the land, buildings and structures since the property was obtained at reduced price. For reference purposes, we are of the opinion that the market value of the land would be RMB89,750,000 (equivalent to approximately HK\$108,920,000) and the depreciated replacement cost of these buildings and structures as at the date of valuation would be RMB64,590,000 (equivalent to approximately HK\$78,390,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. Kingway Breweries (Shantou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries China Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Shantou) Co., Ltd. owns the land use rights of the property. The land use rights of the property are not subject to seizure, mortgage or other encumbrances as of the date of the PRC legal opinion. Before the owner name in the Land Use Rights Certificate has been changed, it is possible that the land use rights cannot be transfer, mortgage or adopt other legal means to handle the land use rights of the property. As informed by China Resources Snow Breweries (Shantou) Co., Ltd. about its negotiation with the government on change of owner name in the Land Use Rights Certificate from Kingway Breweries (Shantou) Co., Ltd. to China Resources Snow Breweries (Shantou) Co., Ltd., if China Resources Snow Breweries (Shantou) Co., Ltd. apply continue enjoy reduced land price when change the owner name in the Land Use Rights Certificate, it is subject to paying land premium when China Resources Snow Breweries (Shantou) Co., Ltd. transfer, mortgage or adopt other legal means to handle the land use rights of the property.
 - (ii) China Resources Snow Breweries (Shantou) Co., Ltd. owns the building ownership rights of the property. The change of owner name in the Land Use Rights Certificate has not completed and the change of owner name in the Building Ownership Certificate has not applied. Therefore, it may be subject to the building ownership rights cannot be transfer, mortgage or adopt other legal means to handle the building ownership rights of the property. And if China Resources Snow Breweries (Shantou) Co., Ltd. apply continue enjoy reduced land price when change the owner name in the Land Use Rights Certificate, it may be subject to paying land premium when China Resources Snow Breweries (Shantou) Co., Ltd. transfer, mortgage or adopt other legal means to handle the land use rights of the property.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
125. An industrial complex located at No. 388 Chuang Ye 2nd Road, Baoan District, Shenzhen City, Guangdong Province, the PRC	The property comprises 3 parcels of land with a total site area of approximately 186,502.1 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1998 and 2000.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB466,600,000 (equivalent to approximately HK\$566,260,000)
(Held by 雪花啤酒 (深圳) 有限公司)	The buildings have a total gross floor area of approximately 51,134.65 sq.m.	Portion of the property with a total gross floor area of approximately 200 sq.m. has been leased out. (Refer to Note 2)	Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, an office building and a staff quarter.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls, sheds and chimneys.		RMB237,966,000 (equivalent to approximately HK\$288,793,700)
	The property has been granted a land use rights for a term with the expiry date on 16 March 2047 for industrial use.		

Notes:

- According to 3 Real Estate Ownership Certificates (Document Nos.: Shen Fang Di Zi Nos. 5000633119, 5000642098 and 5000681079), the land use rights of the property having a total site area of approximately 186,502.1 sq.m. have been granted to China Resources Snow Breweries (Shenzhen) Co., Ltd. (雪花啤酒 (深圳) 有限公司) for industrial use for a term expiring on 16 March 2047. And the building ownership rights of various buildings with a total gross floor area of approximately 51,134.65 sq.m. are owned by China Resources Snow Breweries (Shenzhen) Co., Ltd..
- Tenancy agreement has been entered into in respect of part (200 sq.m.) of the property for a term of 10 years from 11 December 2014 to 30 November 2024 at a monthly rent of RMB4,000. The tenant shall be responsible for all outgoing expenses in relation to the property.
- China Resources Snow Breweries (Shenzhen) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - Two of 3 parcels of land (Document No. Shen Fang De Zi Nos. 5000633119 and 5000642098) must be transferred as a whole, cannot be transferred as a portion.
 - China Resources Snow Breweries (Shenzhen) Co., Ltd. legally owns the land use rights of the property. It is unable to determine whether the land premium has been fully settled or not. It is possible that the land use rights are subject to the limitation as stated in the Land Use Rights Grant Contracts and possible the land premium has not been fully settled. According to the PRC law, if land premium has not been fully settled, it is possible that resume the land. However, the aforesaid Land Use Rights Grant Contracts was signed earlier, the supplement Land Use Rights

Grant Contracts was signed later have not stated pay the aforesaid land premium and China Resources Snow Breweries (Shenzhen) Co., Ltd. has obtained the new Real Estate Ownership Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.

- (iii) And it is unable to determine whether the following land premium has been fully settled: RMB458,583 as breach of contract of Supplementary agreement of Shenzhen Land Use Rights Grant Contract (Supplementary Agreement No. 1 of Shen De He Zi (1997) 4-119)《深圳市土地使用權出讓補充合同書》(深地合字(1997) 4-119之補充合同一), land premium as exceed permitted gross floor area RMB64,266.24 under contract of Agreement (Shen De Xie Zi (2014) No. 18015)《協議書》(深地協字(2014) 18015號) and land premium as exceed permitted gross floor area and ancillary facility costs total RMB17,320 under contract of Agreement ((2014) No. 18005)《協議書》((2014) 18005號). Therefore, China Resources Snow Breweries (Shenzhen) Co., Ltd. is possible that not fully settled the land premium. However, in consider the sum is relatively small, China Resources Snow Breweries (Shenzhen) Co., Ltd. has obtained the new Real Estate Ownership Certificates and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small.
 - (iv) As confirmed by China Resources Snow Breweries (Shenzhen) Co., Ltd., the land use rights of the property are not subject to seizure, mortgage or adopt other legal means to handle the land use rights of the property as of the date of the PRC legal opinion. During the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Shenzhen) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property. Except as stated in the Real Estate Ownership Certificates of (Document No. Shen Fang De Zi Nos. 5000633119 and 5000642098) must be transferred as a whole, cannot be transferred as a portion, it is not seen in the aforesaid documents have limitation regarding adopt other legal means to handle the land use rights but it is unable to determine whether contradict with limitation stated in the original Land Use Rights Grant Contract.
 - (v) China Resources Snow Breweries (Shenzhen) Co., Ltd. legally owns the building ownership rights of the property. As confirmed by China Resources Snow Breweries (Shenzhen) Co., Ltd., the land use rights of the property are not subject to seizure, mortgage or adopt other legal means to handle the building ownership rights of the property as of the date of the PRC legal opinion. It is subject to limitation as stated in the Land Use Rights Certificates, China Resources Snow Breweries (Shenzhen) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property.
 - (vi) The building registered under the Real Estate Ownership Certificate is packing zone of Kingway (金威啤酒) packing industry park, which covers an area of 18,037.02 sq.m.; The leased out building is a small part of the abovementioned packing zone. The main content of the tenancy agreement is as follows: the tenant is Guangdong Sales Branch of China Resources Snow Breweries (China) Co., Ltd.. The address of the leased out building is part of packing zone of Kingway packing industry park, Northeast of Baocheng Chuangye Road, Baoan District (寶安區寶城創業路東北側金威啤酒包裝工業園包裝間部分). The agreed purpose is for office-use. The tenancy period is from Dec 11, 2014 to Nov 30, 2024. The tenancy agreement does not appear to be in breach of the mandatory provisions regarding the contract validity in the laws or regulations and is legal and valid.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) Real Estate Ownership Certificate Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
126. An industrial complex located at No. 8 Xuehua Road, Anning District, Lanzhou City, Gansu Province, the PRC (Held by 華潤雪花啤酒(甘肅)有限公司)	<p>The property comprises a parcel of land with a site area of approximately 115,244 sq.m. and 11 buildings and various ancillary structures erected thereon completed in various stages between 2008 and 2013.</p> <p>The buildings have a total gross floor area of approximately 49,932.47 sq.m.</p> <p>The buildings mainly include workshops, storehouses, boiler rooms and office buildings.</p> <p>The structures mainly include roads, walls, sheds and chimneys.</p> <p>The property has been granted land use rights for a term expiring on 27 December 2056 for industrial uses.</p>	<p>The property is currently occupied by the Group for production, office and ancillary uses.</p>	<p>RMB58,600,000</p> <p>(equivalent to approximately HK\$71,120,000)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015</p> <p>RMB73,830,000</p> <p>(equivalent to approximately HK\$89,600,000)</p> <p>Interest attributable to the Group</p> <p>51%</p> <p>Market Value in existing state attributable to the Group as at 1 September 2015</p> <p>RMB29,886,000</p> <p>(equivalent to approximately HK\$36,269,400)</p> <p>Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015</p> <p>RMB37,653,300</p> <p>(equivalent to approximately HK\$45,695,800)</p>

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Lan Guo Yong (2007) No. A0533), the land use rights of the property having a site area of approximately 115,244 sq.m. have been granted to China Resources Snow Breweries (Gansu) Co., Ltd. (華潤雪花啤酒(甘肅)有限公司) for industrial uses for a term expiring on 27 December 2056.
2. In the valuation of the property, we have attributed no commercial value to 11 buildings having total gross floor area of approximately 49,932.47 sq.m., which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB73,830,000 (equivalent to approximately HK\$89,600,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
3. China Resources Snow Breweries (Gansu) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
4. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Gansu) Co., Ltd. legally owns the land use rights of the property.
 - (ii) The land use rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iii) Subject to the approval of Lanzhou Economic Development Zone Management Authority, China Resources Snow Breweries (Gansu) Co., Ltd. can lease and transfer the property.
 - (iv) China Resources Snow Breweries (Gansu) Co., Ltd. has not obtained the building ownership certificates of 11 buildings. China Resources Snow Breweries (Gansu) Co., Ltd. has not received any notices from the relevant government to demolish or prohibit using these buildings.
 - (v) Before obtaining the building ownership certificate of the foregoing buildings, China Resources Snow Breweries (Gansu) Co., Ltd. is unable to transfer, mortgage or adopt other legal means to dispose such buildings.
 - (vi) Subject to the fact that China Resources Snow Breweries (Gansu) Co., Ltd. has been included in the namelist of relocating and reconstructing enterprises, China Resources Snow Breweries (Gansu) Co., Ltd. will lose its land use right and ownership right of the foregoing lands and buildings when China Resources Snow Breweries (Gansu) Co., Ltd. and Landzhou government agree on the relocation issue, and China Resources Snow Breweries (Gansu) Co., Ltd. will be compensated accordingly.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	No

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
127. An industrial complex located at Sheng Ge Village, Ka Nuo Town, Changdu County, Tibet Autonomous Region, the PRC	The property comprises 2 parcels of land with a total site area of approximately 41,170.09 sq.m. and various buildings and ancillary structures erected thereon completed in various stages between 2004 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB30,040,000 (equivalent to approximately HK\$36,460,000)
(Held by 華潤雪花啤酒(西藏)有限公司)	The buildings have a total gross floor area of approximately 12,435.06 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		RMB2,990,000 (equivalent to approximately HK\$3,630,000)
	The structures mainly include roads, walls and sheds.		
	The property has been granted a land use rights for a term with the expiry date on 8 March 2056 for production, industrial, office and residential uses.		Interest attributable to the Group 51%
			Market Value in existing state attributable to the Group as at 1 September 2015
			RMB15,320,400 (equivalent to approximately HK\$18,592,700)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
			RMB1,524,900 (equivalent to approximately HK\$1,850,600)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Chang Di Guo Yong No. (2008) No. 078), the land use rights of the property having a site area of approximately 37,682.56 sq.m. have been granted to China Resources Snow Breweries (Xizang) Co., Ltd. (華潤雪花啤酒(西藏)有限公司) for production, industrial, office and residential uses.
2. According to a State-owned Land Use Rights Certificate (Document No.: Chang Di Guo Yong No. (2010) No. 004), the land use rights of the property having a total site area of approximately 3,487.53 sq.m. have been granted to China Resources Snow Breweries (Xizang) Co., Ltd. (華潤雪花啤酒(西藏)有限公司) for industrial use for a term expiring on 8 March 2056.
3. According to a Building Ownership Certificate (Document No.: Changdu Fang Quan Zheng Changdu Zi No. 2010001108), the building ownership rights of various buildings with a total gross floor area of approximately 9,333.26 sq.m. are owned by China Resources Snow Breweries (Xizang) Co., Ltd.
4. In the valuation of the property, we have attributed no commercial value to 7 buildings and structures which have not obtained Building Ownership Certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures with a total gross floor area of approximately 3,101.80 sq.m. as at the date of valuation would be RMB2,990,000 (equivalent to approximately HK\$3,630,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
5. China Resources Snow Breweries (Xizang) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
6. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Xizang) Co., Ltd. legally owns the land use rights and building ownership rights of the property.
 - (ii) The current documents are not sufficient to prove the full payment of the land premium, and the outstanding land premium (if any) would make China Resources Snow Breweries (Xizang) Co., Ltd. bear the legal possibility of the liability for breach of contract, the cancellation of the contract and the resumption of the land by relevant government department. It is recommended to provide the relevant documents of the payment of the land premium. Meanwhile, only a portion of the Land Use Rights Grant Contract has been provided, therefore, it is possible that there are some defects of obtaining the land uses rights. It is also recommended that China Resources Snow Breweries (Xizang) Co., Ltd. should consummate the land transfer procedures according to the requirement of the relevant government department.
 - (iii) The land use rights and building ownership rights of the property are not subject to seizure, mortgage or other encumbrances.
 - (iv) According to the material and information provided, during the land use term as recorded in the State-owned Land Use Rights Certificate, China Resources Snow Breweries (Xizang) Co., Ltd. Is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights and building ownership rights of the property, and there is no limitation set on the foregoing legal means to handle the land in such certificate, but it is uncertain if there is any opposite limitation provided in the Land Use Rights Grant Contract.
 - (v) The part of the buildings did not have the relevant certificates of construction, but considering that such buildings have already been issued the building ownership certificate, and relevant government departments did not impose any notice of removal of these buildings or prohibit the continued use of these buildings, thus such defects during the construction procedure would not exert any material impact on the ownership right of the foregoing buildings.

7. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes (Portion)

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
128.	An industrial complex located at Jinya Village, Yeya township (No. 222 Bai Yun Avenue), Yunyan District, Guizhou Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 95,009.19 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 1990 and 2014.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB72,540,000 (equivalent to approximately HK\$88,030,000)
	(Held by 華潤雪花啤酒(貴州)有限公司)	The buildings have a total gross floor area of approximately 41,318.85 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015
		The buildings mainly include workshops, storehouses, boiler rooms, office buildings and staff quarters.		RMB9,970,000
		The structures mainly include roads, walls and sheds.		(equivalent to approximately HK\$12,100,000)
		The property has been granted a land use rights for a term with the expiry date on 5 November 2054 for industrial use.		Interest attributable to the Group 51%
				Market Value in existing state attributable to the Group as at 1 September 2015
				RMB36,995,400
				(equivalent to approximately HK\$44,897,300)
				Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015
				RMB5,084,700
				(equivalent to approximately HK\$6,170,800)

Notes:

1. According to 2 State-owned Land Use Rights Certificates (Document Nos.: Zhu Guo Yong (2012) No. 29697 and 29698), the land use rights of the property having a total site area of approximately 95,009.19 sq.m. have been granted to China Resources Snow Breweries (Guizhou) Co., Ltd. (華潤雪花啤酒(貴州)有限公司) for industrial use for terms expiring on 5 November 2054 respectively.
2. According to 14 Building Ownership Certificates (Document Nos.: Zhu Fang Quan Zheng Yun Yan Zi Nos. 010299199, 010299204, 010299207, 010299215, 010299218, 010299221, 010299222, 010299229, 010299266, 010299269, 010299270, 010299273, 010401383 and 010401387) the building ownership rights of various buildings with a total gross floor area of approximately 25,242.05 sq.m. are owned by China Resources Snow Breweries (Guizhou) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings which have not obtained Building Ownership Certificates with a total gross floor area of approximately 16,076.8 sq.m.. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB9,970,000 (equivalent to approximately HK\$12,100,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Guizhou) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Guizhou) Co., Ltd. legally owns the land use rights (Document Nos.: Zhu Guo Yong (2012) Di No. 29697 and 29698) of the property. It is unable to determine whether the land premium has been fully settled or not. According to the PRC law, the owner of the land use rights should fully settle the land premium within 60 days after signing the Land Use Rights Grant Contract. If the land premium overdue has not been fully settled, the vendor has the rights to terminate the contract and request for compensation as breach of contract. If the land premium has not been fully settled, it is subject to a possibility of the Land Use Rights Grant Contract will be terminated and lead to resume of the land. Based on Sichuan Lanjian Group (Guizhou) Pubu Beer Co., Ltd. have obtained the Land Use Rights Certificates and China Resources Snow Breweries (Guizhou) Co., Ltd. have obtained the reissue of the Land Use Rights Certificates with change of owner name and has not received document of recourse from relevant government authorities, the possibility of affect the land use rights is relative small. The land use rights of the 2 parcels of land mentioned above are not subject to seizure, mortgage or other encumbrances. It is subject to the possibility mentioned above, China Resources Snow Breweries (Guizhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the 2 parcels of land mentioned above during the land use term as stated in the State-owned Land Use Rights Certificates.
 - (ii) China Resources Snow Breweries (Guizhou) Co., Ltd. legally owns the building ownership rights of the buildings have obtained Building Ownership Certificates. The building ownership rights of the buildings mentioned above are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Guizhou) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of such buildings.
 - (iii) Regarding the land (Land Use Rights Certificate (Document No. Zhu Guo Yong (2006) No. 01454)), China Resources Snow Breweries (Guizhou) Co., Ltd. owns the land use rights. However, the land use rights are subject to the following issues: the Land Use Rights Certificate is still registered under owner name Sichuan Lanjian Group (Guizhou) Pubu Beer Co., Ltd., since application of change owner name has not been done, this land will subject to a possibility of cannot be transferred, mortgaged or handled by other legal means before change owner name in the Land Use Rights Certificate. There is no building on the land. It will subject to a possibility of being deemed as idle land, paying 20% of land premium and resume of the land without compensation. Furthermore, China Resources Snow Breweries (Guizhou) Co., Ltd. is informed by the government authorities in 2012 that this land is subject to being expropriated due to demolition and relocation plan but the government authorities have not launched the expropriation.

(iv) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 16,076.8 sq.m., of which buildings having a total gross floor area of approximately 9,972.23 sq.m. were constructed by China Resources Snow Breweries (Guizhou) Co., Ltd.. Such buildings are subject to a possibility of being deemed as illegal buildings by the relevant government authorities due to lack of construction, planning permits as well as completion and acceptance procedures, if China Resources Snow Breweries (Guizhou) Co., Ltd. cannot rectify such deficiencies as required by the competent planning authority, it is subject to possibilities of request of demolition at a scheduled time and pay penalty. And the buildings mentioned above have not obtained construction commencement permits and completion certificates but have been in use, the relevant government authorities have the rights of request China Resources Snow Breweries (Guizhou) Co., Ltd. amending the construction formalities and paying 3% to 6% of construction contract price. And it is subject to penalty from firefighting and environment conservation departments. And there is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings which are deemed as illegal buildings. The remaining buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 6,104.57 sq.m., these buildings were originally built by Sichuan Lanjian Group (Guizhou) Pubu Beer Co., Ltd. and now owned by China Resources Snow Breweries (Guizhou) Co., Ltd., as the result of the acquisition of Sichuan Lanjian Group (Guizhou) Pubu Beer Co., Ltd. by China Resources Snow Breweries (China) Co., Ltd.. China Resources Snow Breweries (Guizhou) Co., Ltd. cannot provide documents of applying and commencing construction and completion certificates due to historical reasons, it is unable to determine whether these buildings would be deemed as illegal. In addition, informed by China Resources Snow Breweries (Guizhou) Co., Ltd. these buildings cannot be applied for Building Ownership Certificates due to lost of information and documents. There is legal impediment when transfer, mortgage or adopt other legal means to handle such buildings.

6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i)	State-owned Land Use Rights Certificate	Yes (Portion)
(ii)	Building Ownership Certificate	Yes (Portion)

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
129. An industrial complex located at Wujia Zhuang, Longli County, Qiannanbuyi Zu Miao Autonomous Prefecture, Guizhou Province, the PRC	The property comprises 2 parcels of land with a total site area of approximately 119,903 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2005 and 2015.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB93,040,000 (equivalent to approximately HK\$112,910,000)
(Held by 華潤雪花啤酒(黔南)有限公司)	The buildings have a total gross floor area of approximately 31,648.04 sq.m.		Interest attributable to the Group 51%
	The buildings mainly include workshops, storehouses, boiler rooms and office buildings.		Market Value in existing state attributable to the Group as at 1 September 2015
	The structures mainly include roads, walls and sheds and chimneys.		RMB47,450,400 (equivalent to approximately HK\$57,585,400)
	The property has been granted a land use rights for various terms with the earliest expiry date on 7 March 2054 for industrial use.		

Notes:

- According to 2 State-owned Land Use Rights Certificates (Document Nos.: Long Guo Yong (2011) No. 518 and Long Guo Yong (2014) No. 650), the land use rights of the property having a total site area of approximately 119,903 sq.m. have been granted to China Resources Snow Breweries (Qiannan) Co., Ltd. (華潤雪花啤酒(黔南)有限公司) for industrial use for terms expiring on 6 June 2057 and 1 June 2061 and 7 March 2054 respectively. The particulars of the land portion have been summarized as follows:

Land Use Rights Certificate (Document No.)	Site Area	Land Use Rights Expiry Date
Long Guo Yong (2011) No. 518	52,527 sq.m.	6 June 2057
	47,472.6 sq.m.	1 June 2061
Long Guo Yong (2014) No. 650	19,903.4 sq.m.	7 March 2054
Total	<u>119,903 sq.m.</u>	

- According to 12 Building Ownership Certificates (Document Nos.: Long Fang Quan Zheng Long Shan Zhen Zi Nos. 110701002 to 10701007, 110630009 to 110630011 and 131218018 to 131218020) the building ownership rights of various buildings with a total gross floor area of approximately 31,648.04 sq.m. are owned by China Resources Snow Breweries (Qiannan) Co., Ltd..
- China Resources Snow Breweries (Qiannan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.

4. The PRC legal opinion states, inter alia, the following:
- (i) China Resources Snow Breweries (Qiannan) Co., Ltd. legally owns the land use rights of the two land (Land Use Rights Certificate (Document No. Long Guo Yong (2011) No. 518). The land use rights of the land mentioned above are not subject to seizure, mortgage or other encumbrances. Based on the documents and information available, during the land use term as stated in the State-owned Land Use Rights Certificates, China Resources Snow Breweries (Qiannan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the land. In the State-owned Land Use Rights Certificates, there are no limitations set on the above legal means to handle the land use rights, but it is unable to determine whether there are any contradicted limitations stated in the original Land Use Rights Grant Contract.
 - (ii) China Resources Snow Breweries (Qiannan) Co., Ltd. legally owns the building ownership rights of the property which have obtained Building Ownership Certificates. The building ownership rights of the property are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Qiannan) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property.
 - (iii) Regarding the land use rights of the land (Land Use Rights Certificate (Document No. Long Guo Yong (2014) No. 650) with the area of 19,903.4 sq.m, China Resources Snow Breweries (Qiannan) Co., Ltd. has not signed the Land Use Rights Grant Contract, has not paid the land premium and taxes, issue exists in legality of obtaining the land use rights, it is subject to a possibility of the land use rights being cancelled and resume of the land.
5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- (i) State-owned Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes

	Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
130.	An industrial complex located at Yatang Subdistrict, Kaili City, Qiandongnan Miaozyu Dong Zu Autonomous Prefecture, Guizhou Province, the PRC (Held by 華潤雪花啤酒(黔東南)有限公司)	The property comprises a parcel of land with a site area of approximately 116,038.3 sq.m. and various buildings and various ancillary structures erected thereon completed in about 2013. The buildings have a total gross floor area of approximately 41,073.38 sq.m. The buildings mainly include workshops, storehouses, boiler rooms, office buildings and staff quarters. The structures mainly include roads, walls, sheds and chimneys. The property has been granted a land use rights for a term with the expiry date on 7 November 2061 for industrial use.	The property is currently occupied by the Group for production, office and ancillary uses.	No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB170,560,000 (equivalent to approximately HK\$206,990,000) Interest attributable to the Group 51% Market Value in existing state attributable to the Group as at 1 September 2015 No commercial value Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB86,985,600 (equivalent to approximately HK\$105,565,000)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Kai Li Shi Guo Yong (2013) No. 09692), the land use rights of the property having a site area of approximately 116,038.3 sq.m. have been granted to China Resources Snow Breweries (Qiandongnan) Co., Ltd. (華潤雪花啤酒(黔東南)有限公司) for industrial use for a term expiring on 7 November 2061.

2. As informed by the Company, all the buildings have not obtained the Building Ownership Certificates.
3. As stated in the supplementary Land Use Rights Grant Contract, the land cannot be transferred. In the valuation of the property, we have attributed no commercial value to the land, buildings and structures. For reference purposes, we are of the opinion that the market value of the land would be RMB24,020,000 (equivalent to approximately HK\$29,150,000) and the depreciated replacement cost of buildings with a total gross floor area of approximately 41,073.38 sq.m. and structures as at the date of valuation would be RMB146,540,000 (equivalent to approximately HK\$177,840,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Qiandongnan) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Qiandongnan) Co., Ltd. legally owns the land use rights of the property. The land use rights of the property are not subject to seizure, mortgage or other encumbrances. As stated in the supplementary Land Use Rights Grant Contract, the land cannot be transferred. Therefore, it is subject to the limitation mentioned above, China Resources Snow Breweries (Qiandongnan) Co., Ltd. is legally entitled to occupy, use, lease or adopt other legal means to handle the land use rights of the property but cannot transfer the land use rights of the property.
 - (ii) China Resources Snow Breweries (Qiandongnan) Co., Ltd. is applying for issuance of Building Ownership Certificates of the buildings. China Resources Snow Breweries (Qiandongnan) Co., Ltd. has not obtained the proof of building ownership rights of the property. China Resources Snow Breweries (Qiandongnan) Co., Ltd. has obtained the Planning permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works for the buildings and has gone through the crucial construction completion and acceptance formalities. China Resources Snow Breweries (Qiandongnan) Co., Ltd. is currently applying for filing the Construction Completion and Acceptance Filing Sheet with the government authorities. These permits which have obtained by China Resources Snow Breweries (Qiandongnan) Co., Ltd. are valid and have not been withdrawn or revised as of the date of the PRC legal opinion. The buildings yet to obtain the ownership rights are not subject to seizure, mortgage or other encumbrances. Subject to reminder mentioned below, if China Resources Snow Breweries (Qiandongnan) Co., Ltd. makes application for ownership registration to competent registration department with complete documents according to law, there is no material impediment to obtain the Building Ownership Certificates for such buildings within the scope approved by the above permits and the approval for completion and acceptance, provided that the Construction Completion and Acceptance Filing Sheet will be approved by the government authorities. However, some of the buildings having a total gross floor area of approximately 6,014.14 sq.m. may not be able to apply for issuance of Building Ownership Certificates unless its completion and acceptance formalities are completed and approved by the government authorities and firefighting bureau.
 - (iii) As stated in the Land Use Rights Certificates provided by China Resources Snow Breweries (Qiandongnan) Co., Ltd., China Resources Snow Breweries (Qiandongnan) Co., Ltd. has been granted a land use rights having a site area of approximately 120,019 sq.m. The planning was changed and led to the boundary line of the land has been adjusted, adjusted site area 3,980 sq.m., such area will not be registered and granted with the Land Use Rights Certificate until new approval is obtained, the remaining site area 116,038.3 sq.m. has obtained the Land Use Rights Certificates. Therefore, China Resources Snow Breweries (Qiandongnan) Co., Ltd. has no land use rights of the site area 3,980 sq.m.
6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	No
7. The land portion of the property was acquired on 27 April 2012 at a total acquisition cost of RMB9,279,722 and the total construction costs expended on the property was RMB143,070,000.

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
131. An industrial complex located at Chong Qing Road, Huichuan District, Zunyi City, Guizhou Province, the PRC (Held by 華潤雪花啤酒(遵義)有限公司)	The property comprises a parcel of land with a site area of approximately 71,793.5 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2001 and 2015. The buildings have a total gross floor area of approximately 15,548.17 sq.m. The buildings mainly include workshops, storehouses, boiler rooms and office buildings. The structures mainly include roads, walls and sheds The property has been granted a land use rights for a term with the expiry date on 13 December 2050 for industrial use.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB52,090,000 (equivalent to approximately HK\$63,220,000) Interest attributable to the Group 48.82% Market Value in existing state attributable to the Group as at 1 September 2015 RMB25,430,338 (equivalent to approximately HK\$30,862,100)

Notes:

- According to a State-owned Land Use Rights Certificate (Document No.: Zun Hui Guo Yong (2014) No. 28), the land use rights of the property having a site area of approximately 71,793.5 sq.m. have been granted to China Resources Snow Breweries (Zunyi) Co., Ltd. (華潤雪花啤酒(遵義)有限公司) for industrial use for a term expiring on 13 December 2050.
- According to 18 Building Ownership Certificates (Document Nos.: Zun Fang Quan Zheng Jian Zi Di. Nos. 2014119639, 2014119641, 2014119708, 2014119715, 2014119722, 2014119731, 2014119844, 2014119850, 2014119854, 2014119858, 2014119861, 2014119864, 2014119866, 2014119869, 2014119873, 2014119888, 2014119894 and 2014119898) the building ownership rights of various buildings with a total gross floor area of approximately 15,548.17 sq.m. are owned by China Resources Snow Breweries (Zunyi) Co., Ltd..
- China Resources Snow Breweries (Zunyi) Co., Ltd., a 95.7311%-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
- The PRC legal opinion states, inter alia, the following:
 - China Resources Snow Breweries (Zunyi) Co., Ltd. legally owns the land use rights of the property. As China Resources Snow Breweries (Zunyi) Co., Ltd. has not provided Land Use Rights Grant Contract, proof of payment land premium and taxes, it is unable to determine whether the Land Use Rights Grant Contract has been signed or not as well as whether the land premium has been fully settled or not. If the land premium has not been fully settled, China Resources Snow Breweries (Zunyi) Co., Ltd. will be subject to possibilities of the Land Use Rights Grant Contract being cancelled and resume of the land. However, based on China Resources Snow Breweries (Zunyi) Co., Ltd. has obtained the Land Use Right Certificate and has not received document of recouse from relevant government authorities, the effect on the land use rights is relatively small. The land use rights of the property are not subject to seizure, mortgage or other encumbrances.

Subject to possibilities mentioned above, based on the documents and information available, during the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Zunyi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property, there are no limitations set on the above legal means to handle the land use rights, but it is unable to determine whether there are any contradicted limitations stated in the original Land Use Rights Grant Contract.

- (ii) It is subject to possibilities on land use rights mentioned above, China Resources Snow Breweries (Zunyi) Co., Ltd. legally owns the building ownership rights of the property. The building ownership rights of the property are not subject to seizure, mortgage or other encumbrances. It is subject to possibilities on land use rights mentioned above, China Resources Snow Breweries (Zunyi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of the property.

- 5. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:

- | | | |
|------|---|-----|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes |

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 1 September 2015
132. An industrial complex located at China Resources Hezhou Circular Economy Demonstration Zone, Fuchuan County, Hezhou City, Zhuangzu Autonomous District, Guangxi Province, the PRC	The property comprises a parcel of land with a site area of approximately 151,403 sq.m. and various buildings and various ancillary structures erected thereon completed in various stages between 2013 and 2015. And a construction in progress with a gross floor area of approximately 7,509 sq.m. upon completion.	The property is currently occupied by the Group for production, office and ancillary uses.	RMB112,230,000 (equivalent to approximately HK\$136,200,000)
(Held by 華潤雪花啤酒(廣西)有限公司)	The buildings have a total gross floor area of approximately 37,442.98 sq.m.		Depreciated Replacement Cost of the buildings and structures without title ownership certificate as at 1 September 2015 RMB13,610,000
	The buildings mainly include workshops, storehouses, office buildings and staff quarters.		(equivalent to approximately HK\$16,520,000)
	The structures mainly include roads and walls.		Interest attributable to the Group
	The property has been granted a land use rights for a term with the expiry date on 5 March 2052 for industrial use.		51%
			Market Value in existing state attributable to the Group as at 1 September 2015 RMB57,237,300
			(equivalent to approximately HK\$69,462,700)
			Depreciated Replacement Cost of the buildings and structures without title ownership certificate attributable to the Group as at 1 September 2015 RMB6,941,100
			(equivalent to approximately HK\$8,423,700)

Notes:

1. According to a State-owned Land Use Rights Certificate (Document No.: Fu Guo Yong (2012) No. 1206175), the land use rights of the property having a site area of approximately 151,403 sq.m. have been granted to China Resources Snow Breweries (Guangxi) Co., Ltd. (華潤雪花啤酒(廣西)有限公司) for industrial use for a term expiring on 5 March 2052.
2. According to 8 Building Ownership Certificates (Document Nos.: Fu Fang Quan Zheng Lian Shan Zhen Zi Nos. 57015828, 57015925, 57015926 and 57015929 to 57015933) the building ownership rights of various buildings with a total gross floor area of approximately 29,503 sq.m. are owned by China Resources Snow Breweries (Guangxi) Co., Ltd..
3. In the valuation of the property, we have attributed no commercial value to various buildings which have not obtained Building Ownership Certificates with a total gross floor area of approximately 7,939.98 sq.m.. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings as at the date of valuation would be RMB13,610,000 (equivalent to approximately HK\$16,520,000) assuming relevant title ownership certificates have been obtained and they could be freely transferred.
4. China Resources Snow Breweries (Guangxi) Co., Ltd., a wholly-owned subsidiary of China Resources Snow Breweries (China) Investment Co., Ltd., which in turn is an indirect 51% owned subsidiary of the Company.
5. The PRC legal opinion states, inter alia, the following:
 - (i) China Resources Snow Breweries (Guangxi) Co., Ltd. legally owns the land use rights of the property. The land use rights of the property are not subject to seizure, mortgage or other encumbrances. During the land use term as recorded in the State-owned Land Use Right Certificate, China Resources Snow Breweries (Guangxi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the land use rights of the property.
 - (ii) China Resources Snow Breweries (Guangxi) Co., Ltd. legally owns the building ownership rights of the buildings which have obtained the Building Ownership Certificates. The building ownership rights of the buildings mentioned above are not subject to seizure, mortgage or other encumbrances. China Resources Snow Breweries (Guangxi) Co., Ltd. is legally entitled to occupy, use, lease, transfer or adopt other legal means to handle the building ownership rights of such buildings.
 - (iii) Regarding construction in progress Finished Product Storage (7,509 sq.m.), China Resources Snow Breweries (Guangxi) Co., Ltd. has provided the Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works for the construction in progress. These permits are valid and have not been withdrawn or revised as of the date of the PRC legal opinion. However, the Planning Permit for Construction Land was not registered under China Resources Snow Breweries (Guangxi) Co., Ltd., if registered name would not change, it is subject to possibilities that this construction in progress cannot apply for completion certificate and cannot register ownership. Since China Resources Snow Breweries (Guangxi) Co., Ltd. has successful registered other buildings' ownerships rights on the same land applicable to the same Planning Permit for Construction Land, the above possibility is relatively small. The construction in progress is not subject to seizure, mortgage and onerous adverse effect.
 - (iv) The buildings have not obtained Building Ownership Certificates having a total gross floor area of approximately 7,939.98 sq.m. For some of such buildings, China Resources Snow Breweries (Guangxi) Co., Ltd. may be fined and be ordered to stop using by the firefighting bureau due to that such buildings are put into use before obtaining the firefighting approval. For some of the buildings, China Resources Snow Breweries (Guangxi) Co., Ltd. may be requested by the government authorities to pay penalty at 3% to 6% of the construction contract price and rectify the deficiencies due to lack of construction commencement permit and using the properties before the completion and acceptance procedures are done.

6. The status of title and grant of major approvals and permits in accordance with the PRC legal opinion and information provided by the Company are as follows:
- | | | |
|------|---|---------------|
| (i) | State-owned Land Use Rights Certificate | Yes |
| (ii) | Building Ownership Certificate | Yes (Portion) |
7. The land portion of the property was acquired on 28 April 2012 at a total acquisition cost of RMB15,683,361 and the total construction costs expended on the property was RMB151,090,000.

1. SUMMARY OF FINANCIAL INFORMATION OF CRH

Set out below is the summary of the financial information of CRH for three financial years ended 31 December 2012, 2013 and 2014, as extracted from the audited consolidated financial statements of CRH and its subsidiaries (collectively the “CRH Group”) for the three financial years ended 31 December 2014. There are no qualifications in the auditor’s report on the financial statements of the CRH Group for each of the three years ended 31 December 2014.

(i) Condensed consolidated profit and loss account

	Year ended 31 December		
	2014	2013	2012
	<i>HKD'million</i>	<i>HKD'million</i>	<i>HKD'million</i>
Turnover	557,255	489,047	397,333
Profit before taxation	59,808	53,145	45,582
Taxation	<u>(21,626)</u>	<u>(16,029)</u>	<u>(11,665)</u>
Profit for the year	<u>38,182</u>	<u>37,116</u>	<u>33,917</u>
Profit attributable to:			
Owners of CRH	24,319	18,518	17,995
Non-controlling interests	<u>13,863</u>	<u>18,598</u>	<u>15,922</u>
	<u>38,182</u>	<u>37,116</u>	<u>33,917</u>
Earnings per share	Not applicable	Not applicable	Not applicable
Profit before taxation has included the following items			
Increase in fair value of investment properties	6,185	8,676	8,331
Profit from disposal of subsidiaries	856	154	424
Profit/(loss) from disposal of associates	275	(12)	132

CRH did not declare a dividend in each of the three financial years ended 31 December 2012, 2013 and 2014.

CRH did not have any items which are exceptional because of size, nature or incidence for each of the three years ended 31 December 2012, 2013 and 2014.

(ii) Condensed consolidated statement of comprehensive income

	Year ended 31 December		
	2014	2013	2012
	<i>HKD'million</i>	<i>HKD'million</i>	<i>HKD'million</i>
Profit for the year	38,182	37,116	33,917
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation differences	(1,648)	10,296	365
Share of reserves of associates and joint ventures	(446)	279	225
Fair value change on available-for-sale investments	335	25	177
Fair value change on hedging instruments	83	210	(23)
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Share of reserves of associates and joint ventures	43	–	–
Surplus on revaluation of properties	48	1,731	68
Other comprehensive income for the year	(1,585)	12,541	812
Total comprehensive income for the year	<u>36,597</u>	<u>49,657</u>	<u>34,729</u>
Attributable to:			
Owners of CRH	23,194	25,048	18,427
Non-controlling interests	13,403	24,609	16,302
	<u>36,597</u>	<u>49,657</u>	<u>34,729</u>

(iii) Condensed consolidated balance sheets

	As at 31 December		
	2014	2013	2012
	<i>HKD'million</i>	<i>HKD'million</i>	<i>HKD'million</i> (Restated)
Total non-current assets	553,460	489,244	414,951
Total current assets	514,438	450,042	368,664
Total current liabilities	(440,840)	(381,104)	(311,805)
Total non-current liabilities	(241,045)	(213,477)	(184,731)
	<u>386,013</u>	<u>344,705</u>	<u>287,079</u>
Equity attributable to:			
Owners of CRH	212,565	186,174	156,231
Non-controlling interests	<u>173,448</u>	<u>158,531</u>	<u>130,848</u>
	<u>386,013</u>	<u>344,705</u>	<u>287,079</u>

Note:

In 2013, CRH Group finalised the acquisition accounting in relation to the acquisitions in July 2012 of an entity, which is principally engaged in operation of city gas pipelines, gas selling and distribution and operation of compressed natural gas, liquefied natural gas and liquefied petroleum gas stations in the PRC from an independent third party for a cash consideration of approximately US\$236,672,000 (equivalent to HK\$1,857,946,000). The adjustments to the fair value of consideration and net assets acquired, being made within one year after the completion of acquisition, were made retrospectively in the financial statements. The restatements have no effect on the consolidated balance sheet at 1 January 2012 as are related to the acquisitions made during 2012, the effects of the restatement has been disclosed in below:

At the date of acquisition, goodwill of HK\$324,403,000 has been determined provisionally based on the net identifiable assets of the entity. During the year ended 31 December 2013, the identification and determination of fair values of the net identifiable assets acquired have been completed. The following adjustments have been made to retrospectively adjust the provisional amounts recognised at the date of acquisition.

	Amounts recognised at fair value the date of upon acquisition (provisional basis) <i>HKD'million</i>	Fair value adjustments (Restated) <i>HKD'million</i>	Fair value upon completion of acquisition accounting (Restated) <i>HKD'million</i>
Net identifiable assets of the subsidiary acquired:			
Non-current assets	1,985	432	2,417
Current assets	605	–	605
Current liabilities	(794)	–	(794)
Non-current liabilities	(206)	(108)	(314)
	<u>1,590</u>	<u>324</u>	<u>1,914</u>
Consideration transferred, satisfied by cash			1,858
Plus: Non-controlling interests in subsidiaries held by the entity			56
Less: Net assets acquired			<u>(1,914)</u>
Goodwill arising on acquisition (provisional basis)			<u>–</u>

(iv) Condensed consolidated cash flow statements

	Year ended 31 December		
	2014	2013	2012
	<i>HKD'million</i>	<i>HKD'million</i>	<i>HKD'million</i>
Net cash flow from/(used in):			
Operating activities	63,627	59,900	49,645
Investing activities	(58,341)	(54,986)	(48,269)
Financing activities	<u>11,290</u>	<u>12,189</u>	<u>2,931</u>
Net increase in cash and cash equivalents	16,576	17,103	4,307
Cash and cash equivalents at 1 January	94,341	77,813	73,098
Effect of foreign exchange rate changes	<u>(116)</u>	<u>(575)</u>	<u>408</u>
Cash and cash equivalents at 31 December	<u>110,801</u>	<u>94,341</u>	<u>77,813</u>

(v) Condensed consolidated statement of changes in equity

	Attributable to owners of CRH				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained profits	Total		
	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million
Balance at 1 January 2012	9,000	26,376	103,028	138,404	116,993	255,397
Profit for the year	–	–	17,995	17,995	15,922	33,917
Other comprehensive income for the year	–	432	–	432	380	812
Total comprehensive income for the year	–	432	17,995	18,427	16,302	34,729
Acquisition of subsidiaries	–	–	–	–	1,443	1,443
Acquisition of additional interests in subsidiaries	–	(2,045)	–	(2,045)	(2,268)	(4,313)
Disposal of subsidiaries	–	–	–	–	(1,088)	(1,088)
Change in ownership interests in a subsidiary without change of control	–	1,372	–	1,372	1,850	3,222
Recognition of equity-settled share-based payments	–	–	–	–	1	1
Capital contributions from non-controlling shareholders	–	–	–	–	919	919
Dividends paid to non-controlling shareholders	–	–	–	–	(3,214)	(3,214)
Transfer of reserves	–	804	(804)	–	–	–
Release of hedging reserve	–	19	–	19	9	28
Disposal of shares held for strategic incentive award schemes of listed subsidiaries	–	–	87	87	25	112
Share vested under shares held for strategic incentive award schemes of listed subsidiaries	–	–	(46)	(46)	200	154
Purchase of shares under strategic incentive award schemes	–	–	–	–	(13)	(13)
Recognition of under long term award scheme	–	–	13	13	111	124
Coupon paid on perpetual capital securities	–	–	–	–	(422)	(422)
At 31 December 2012	9,000	26,958	120,273	156,231	130,848	287,079

	Attributable to owners of CRH					
	Share capital	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million
Balance at 1 January 2013	9,000	26,958	120,273	156,231	130,848	287,079
Profit for the year	–	–	18,518	18,518	18,598	37,116
Other comprehensive income for the year	–	6,530	–	6,530	6,011	12,541
Total comprehensive income for the year	–	6,530	18,518	25,048	24,609	49,657
Capital contribution from shareholder	–	5,183	–	5,183	–	5,183
Acquisition of subsidiaries	–	–	–	–	7,872	7,872
Acquisition of additional interests in subsidiaries	–	(139)	(92)	(231)	(1,235)	(1,466)
Disposal of subsidiaries	–	(40)	–	(40)	(315)	(355)
Change in ownership interests in a subsidiary without change of control	–	188	44	232	2,374	2,606
Exercise of share options	–	–	–	–	(116)	(116)
Capital contributions from non-controlling shareholders	–	–	–	–	2,160	2,160
Dividends paid to non-controlling shareholders	–	–	–	–	(6,798)	(6,798)
Issue of share pursuant to scrip dividend scheme of a subsidiary	–	–	–	–	13	13
Transfer of reserves	–	1,762	(1,762)	–	–	–
Release of investment revaluation reserve	–	(297)	–	(297)	–	(297)
Disposal of shares held for strategic incentive award schemes of listed subsidiaries	–	–	30	30	25	55
Share vested under shares held for strategic incentive award schemes of listed subsidiaries	–	–	–	–	(114)	(114)
Purchase of shares under strategic incentive award schemes	–	–	–	–	(451)	(451)
Recognition of under long term award scheme	–	–	18	18	81	99
Coupon paid on perpetual capital securities	–	–	–	–	(422)	(422)
At 31 December 2013	9,000	40,145	137,029	186,174	158,531	344,705

	Attributable to owners of CRH					Non-controlling interests	Total equity
	Share capital	Other reserves	Retained profits	Total			
	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million	HKD'million
At 1 January 2014	9,000	40,145	137,029	186,174	158,531	344,705	
Profit for the year	–	–	24,319	24,319	13,863	38,182	
Other comprehensive income for the year	–	(1,125)	–	(1,125)	(460)	(1,585)	
Total comprehensive income for the year	–	(1,125)	24,319	23,194	13,403	36,597	
Acquisition of subsidiaries	–	–	–	–	301	301	
Acquisition of additional interests in subsidiaries	–	3	–	3	(86)	(83)	
Disposal of subsidiaries	–	(47)	(2)	(49)	(410)	(459)	
Change in ownership interests in a subsidiary without change of control	–	153	3,152	3,305	7,940	11,245	
Exercise of share options	–	–	–	–	(26)	(26)	
Capital contributions from non-controlling shareholders	–	–	–	–	943	943	
Dividends paid to non-controlling shareholders	–	–	–	–	(6,848)	(6,848)	
Issue of share pursuant to scrip dividend scheme of a subsidiary	–	–	–	–	17	17	
Transfer of reserves	–	1,921	(1,921)	–	–	–	
Release of revaluation reserve	–	(102)	–	(102)	(79)	(181)	
Disposal of shares held for strategic incentive award schemes of listed subsidiaries	–	–	19	19	18	37	
Share vested under shares held for strategic incentive award schemes of listed subsidiaries	–	–	–	–	27	27	
Purchase or sale of shares under restricted incentive award scheme	–	–	–	–	58	58	
Recognition of under long term award scheme	–	–	21	21	81	102	
Coupon paid on perpetual capital securities	–	–	–	–	(422)	(422)	
At 31 December 2014	9,000	40,948	162,617	212,565	173,448	386,013	

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRS. Save as specified in the accounting policies set out below, the consolidated financial statements have been prepared under the historical cost convention.

Consolidation

The consolidated financial statements of CRH Group include the financial statements of CRH and all its direct and indirect subsidiaries. CRH Group's interests in associates and joint ventures have been accounted for on the basis set out below. The results of subsidiaries, associates and joint ventures acquired or disposed of during the year are included from the effective date of acquisition or up to the effective date of disposal, as appropriate. All material intra-group transactions and balances have been eliminated on consolidation.

From 1 January 2008 onward, changes in CRH Group's ownership interests in existing subsidiaries that do not involve a loss of control are accounted for as equity transactions, with no impact on goodwill or profit or loss. When control of subsidiary is lost as a result of a transaction, event or other circumstance, CRH Group derecognises all assets, liabilities and non-controlling interests at their carrying amount. Any retained interest in the former subsidiary is recognised at its fair value at the date the control is lost, with the gain or loss arising recognised in the consolidated profit and loss account.

Subsidiaries

A subsidiary is an entity (including a structured entity) over which CRH Group has control. CRH Group controls an entity when CRH Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to CRH Group. They are deconsolidated from the date that control ceases.

Associates

An associate is an enterprise, not being a subsidiary nor a joint venture, over which CRH Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee. The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in CRH Group's share of the net assets of the associates, less any identified impairment losses. When CRH Group's share of losses of an associate equals or exceeds its interest in that associate, CRH Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that CRH Group has incurred legal or constructive obligations or made payments on behalf of that associate. In the consolidated balance sheet, interests in associates are stated

at CRH Group's share of net assets of the associates plus goodwill arising on acquisitions. Goodwill arising on the acquisition of an associate, which forms part of the carrying amount of an investment in an associate, represents the excess of the cost of acquisition over CRH Group's share of the net fair value of the associate's identifiable assets and liabilities.

In CRH's balance sheet, investments in associates are stated at cost less any impairment losses.

Joint ventures

Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. CRH Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise CRH Group's share of the post-acquisition profits or losses and movements in other comprehensive income. CRH Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and CRH Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When CRH Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of CRH Group's net investment in the joint ventures), CRH Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between CRH Group and its joint ventures are eliminated to the extent of CRH Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Acquisition accounting and goodwill

CRH Group applies the acquisition method to account for business combinations rather than those involving entities under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by CRH Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. CRH Group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by CRH Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with CRH Group's accounting policies.

Goodwill arising on acquisition of a subsidiary represents the excess of the cost of acquisition over CRH Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition. Goodwill arising on acquisition of a subsidiary on or after 1 January 2008 represents the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the previously held equity interest in the acquire over the net fair value of the identifiable assets acquired and the liabilities assumed. Goodwill is tested for impairment at the reporting date and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired. Such goodwill is carried at cost less accumulated impairment losses. An impairment loss for goodwill is recognized in the consolidated profit and loss account and is not reversed in a subsequent period. On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalized is included in the determination of the amount of profit or loss on disposal.

Goodwill arising on acquisitions prior to 1 January 2001 continues to be recognized as a deduction from equity and is not recognized in the consolidated profit and loss account when CRH Group disposes of all or part of the business to which that goodwill relates or when a cash generating unit to which the goodwill relates becomes impaired.

Prior to 1 January 2008, a discount on acquisition arising on an acquisition of a subsidiary represents the excess of CRH Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition over the cost of acquisition. Gain on bargain purchase arising on an

acquisition of a subsidiary on or after 1 January 2008 represents the excess of the net fair value of the identifiable assets acquired and the liabilities assumed over the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the previously held equity interest in the acquiree. Discount on acquisition or gain on bargain purchase arising on an acquisition of a subsidiary is recognized immediately in the consolidated profit and loss account.

Fixed assets

(a) *Investment properties*

Investment properties are interests in land and buildings which are held for long term rental and/or for capital appreciation. Such properties are carried in the balance sheet at their fair values. Changes in fair value of investment properties are recognised directly in the consolidated profit and loss account in the period in which they arise.

(b) *Construction in progress*

Fixed assets in the course of construction for production or administrative purposes or for purposes not yet determined, are carried at cost less accumulated impairment losses, if any. Cost includes all construction expenditure, professional fees, borrowing costs capitalised and other relevant expenses directly attributable to such projects.

No provision for depreciation is made on construction in progress until such time when construction work is completed and the costs of construction are transferred to the appropriate category of fixed assets when available for use.

(c) *Other fixed assets – Property, plant and equipment (“PPE”)*

PPE are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation of PPE is provided to write off the cost of the assets over their estimated useful lives and after taking into account of their estimated residual values, using the straight line method. The residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. The estimated useful lives are as follows:

Buildings	20 to 50 years or over the remaining unexpired term of lease, whichever is shorter
Leasehold improvements	3 to 10 years or over the remaining unexpired term of lease, whichever is shorter
Furniture and equipment	3 to 16 ² / ₃ years
Motor vehicles	3 to 12 years
Vessels	5 to 15 years
Others	
– Cold storage facilities	10 years
– Plant and machinery	3 to 40 years
– Gas pipelines	20 to 30 years

The gain or loss on the disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated profit and loss account.

Impairment of non-financial assets (other than goodwill)

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In addition, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that they may be impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the consolidated profit and loss account.

Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount. Such reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the consolidated profit and loss account in the year in which the reversals are recognised.

Leases – as lessee

(a) Assets acquired under finance leases

Assets acquired pursuant to finance leases that transfer to CRH Group substantially all the risks and rewards incidental to ownership are classified as being held under finance leases and are accounted for as if purchased whereby an amount equivalent to cost is recorded as fixed assets and as obligations under finance leases. Depreciation is provided in accordance with CRH Group's depreciation policy. Payments to the lessor are treated as consisting of capital and interest elements. The interest element is charged to the consolidated profit and loss account.

(b) Operating leases charges

All leases which do not transfer substantially all the risks and rewards of ownership to CRH Group are classified as operating leases.

Rental income or expense arising from operating leases (net of any benefits received and receivable as an incentive to enter into an operating lease) is recognised in the profit or loss on a straight line basis over the periods of the respective leases except where an alternative basis is more representative of the time pattern of the user's benefit.

The cost of acquiring land held under an operating lease is amortised on a straight line basis over the period of the lease term except where the property is classified as an investment property.

Mining rights and other intangible assets

Mining rights are stated at cost less accumulated amortisation and accumulated impairment losses. Mining rights are amortised using the unit of production method based on the proved and probable mineral reserves.

Upon initial recognition, other intangible assets acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, other intangible assets with indefinite useful lives are carried at cost less subsequent accumulated impairment losses. Other intangible assets with finite useful lives are stated at cost and are amortised on the straight line method over their estimated useful lives with amortisation commences when the asset is available for use. The estimated useful lives of other intangible assets with definite useful lives are as follows:

Brand names	10 to 20 years
Operating rights	10 to 50 years
Exploitation rights	17 to 20 years
Patent royalty	50 years
Technical know-how	10 to 12 years
Customer relationships	20 years

Exploration and resources rights are recognised at cost upon initial recognition. Subsequent to initial recognition, exploration and resources rights are stated at cost less any accumulated impairment losses. Exploration and resources rights include the cost of exploration rights and the expenditures incurred in the search for mineral resources as well as the determination of the technical feasibility and commercial viability of extracting those resources. When the technical feasibility and commercial viability of extracting mineral resources become demonstrable and the relevant mining rights certificate is obtained, previously recognised exploration and resources rights are reclassified as either intangible assets or other fixed assets. These assets are assessed for impairment before reclassifications.

These intangible assets are assessed for impairment at each balance sheet date by comparing their carrying amounts with their recoverable amounts. Where indication of impairment exists, an impairment loss is charged to the consolidated profit and loss account to reduce the assets to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount. Such reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

Stocks of properties

Stocks of properties include properties under development and properties held for sale, which are stated at lower of cost and net realisable value. Net realisable value is determined by reference to management estimates based on prevailing market conditions.

The carrying value of stocks of properties comprises the leasehold interest in land together with development expenditures incurred, which includes construction costs and borrowing costs capitalised.

Other stocks

Other stocks which comprise raw materials, consumables and packing materials, work-in-progress and finished goods are stated at the lower of cost and net recoverable value.

Costs of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of production overheads.

Cost is determined on the weighted average method or in the case of retail business operated by CRH Group, cost is calculated on the first-in first-out basis.

Net realisable value is determined as the estimated net selling price less all further costs of production and the related costs of marketing, selling and distribution.

Construction contracts

When the outcome of a construction contract can be estimated reliably and the stage of contract completion at balance sheet date can be measured reliably, contract costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date on the same basis as contract revenue is recognised.

When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts receivable on contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts payable on contract work. Amounts received before the related work is performed are included in the consolidated balance sheet, as a liability, under trade and other payables. Amounts billed for work performed but not yet paid by the customer are included in the consolidated balance sheet under trade and other receivables.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated and entity balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition.

Non-current assets or disposal groups classified as held for sale are measured at the lower of the assets' or disposal groups' previous carrying amounts and their fair values less costs to sell.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

Sales

Revenue from sales of commodity and merchandises is recognised when a group entity has delivered products to the customer.

Revenue from sales of electricity and heat is recognised when electricity and heat has been delivered.

Revenue from sales of coal is recognised when coal is delivered and title has passed.

Revenue from sale of properties held for sale in the ordinary course of business is recognised when all the following conditions are satisfied.

- CRH Group has transferred to the buyer the significant risks and rewards of ownership of the properties, which is when the construction of relevant properties has been completed, upon delivery, and collectability of related receivables is reasonably assured;
- CRH Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to CRH Group; and the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated balance sheet under current liabilities.

Revenue from gas supply is recognised when gas is used by customers.

Others

Service income is recognised when services are rendered.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to CRH Group and the amount of revenue can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to CRH Group and the amount of revenue can be measured reliably).

Dividend distribution

Dividend distribution to CRH's shareholders is recognised as a liability in CRH Group's and CRH's financial statements in the period in which the dividends are approved by CRH's directors.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

Fees paid for the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs.

Borrowings are classified as current liabilities unless CRH Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs

Borrowing costs are accounted for on the accrual basis and charged to the consolidated profit and loss account in the period in which they are incurred, except for costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: CRH Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated profit and loss account over the expected useful life of the relevant asset.

Foreign exchange

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the consolidated profit and loss account in the period in which they arise, except for exchange differences arising on a monetary item that forms part of CRH Group's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of CRH Group's foreign operations are translated into the presentation currency of CRH Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences

arising, if any, are recognised in other comprehensive income and accumulated in CRH Group's exchange reserve. Such exchange differences are recognised in the consolidated profit and loss account in the period which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the exchange reserve.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation before 1 January 2005 is treated as non-monetary foreign currency items of the acquirer and reported using the historical cost prevailing at the date of acquisition.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred taxation.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. CRH Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognised for all taxable temporary differences. Deferred taxation assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred taxation assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxation assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred taxation liabilities and assets reflects the tax consequences that would follow from the manner in which CRH Group expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax are recognised in profit or loss, except when they relate to items

that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax also recognised in other comprehensive income or directly in equity respectively.

Financial assets and liabilities

CRH Group's financial assets are mainly classified as "loans and receivables", "financial assets at fair value through profit or loss", "available-for-sale investments" and "held-to-maturity investment", depending on the purpose for which the assets are acquired. Financial liabilities are classified as "financial liabilities at fair value through profit or loss" and "financial liabilities other than financial liabilities at fair value through profit or loss (other financial liabilities)". Details of classifications and measurements are as follows:

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market which are initially measured at fair value. At each balance sheet date subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Objective evidence of impairment includes significant financial difficulty of the debtors, CRH Group's past experience of collecting payments, and observable changes in national or local economic conditions that correlate with default on receivables. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially measured at fair value and have two subcategories: financial assets held for trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value arising from measurement recognised directly in profit or loss account in the period in which they arise.

(c) Available-for-sale investments

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories.

CRH Group holds certain investments in equity securities, that do not have a quoted market price in an active market and whose fair value cannot be measured reliably. These available-for-sale investments are stated at cost less impairment losses. Apart from this, available-for-sale investments are initially recognised at fair value plus transaction costs. At each balance sheet date, the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in the consolidated profit and loss account.

An impairment loss is recognised in the consolidated profit and loss account when there is objective evidence that the investment is impaired. Objective evidence of impairment includes significant financial difficulty of the issuer or counterparty and observable changes in national or local economic conditions that correlate with the operations of the investment.

For those investments carried at costs, the amount of the impairment loss is measured as the difference between the carrying amount of the equity investment and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not be reversed in subsequent periods. For those investments carried at fair value, any subsequent increase in the fair value of such equity investments is recognised directly in other comprehensive income and accumulated in investment revaluation reserve.

For debt securities, if any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

(d) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in the consolidated profit and loss account in the period in which they arise.

(e) *Other financial liabilities*

Other financial liabilities are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

(f) *Derivative financial instruments and hedging*

Derivative financial instruments (including put options issued by CRH Group over non-controlling interests in subsidiary companies that may be settled by exchange of a variable amount of cash for a fixed number of shares of the subsidiary companies) are recognised at fair value at each balance sheet date and are deemed as held-for-trading financial assets/liabilities, unless they are designated and qualified as effective hedging instruments. CRH Group designates certain derivatives as either fair value hedges or cash flow hedges.

Fair value hedges

Hedges are classified as fair value hedges when hedges are made to hedge against exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment.

For fair value hedges that qualify for hedge accounting, changes in the fair value of hedging instruments and hedged item attributable to the hedged risk are recognised in the consolidated profit and loss account in the periods in which fair value changes arise.

Cash flow hedges

Hedges are classified as cash flow hedges when hedges are made to hedge against exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

For cash flow hedges that qualify for hedge accounting, the effective portion of the gains or losses arising on the changes in fair value of hedging instruments is initially recognised in equity and transferred to the consolidated profit and loss account when the hedged item affects the consolidated profit and loss account. The ineffective portion is recognised immediately in the consolidated profit and loss account.

For the hedge of a forecast transaction that subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains or losses are removed from equity and included in the initial cost or other carrying amount of the asset or liability.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated profit and loss account.

Any gains or losses arising from changes in the fair value of derivatives that either do not qualify for hedge accounting or are classified as held-for-trading financial assets/liabilities are taken directly to the consolidated profit and loss account.

(g) *Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and CRH Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in the consolidated profit and loss account.

(h) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of CRH or the counterparty.

Financial guarantee contracts

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Where consideration is received or receivable for the issuance of the guarantee, the consideration is amortised to the consolidated profit and loss account over the guarantee period.

Employee benefits

(a) *Pension obligations*

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. CRH Group has both defined contribution and defined benefit plans.

A defined contribution plan is a pension plan under which CRH Group pays fixed contributions into a separate entity. CRH Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

For defined contribution plans, CRH Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. CRH Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Retirement benefit contributions

Payments to defined contribution retirement benefit schemes are charged as expenses when employees have rendered service entitling them to the contributions.

(b) Termination benefits

Termination benefits are payable when employment is terminated by CRH Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. CRH Group recognises termination benefits at the earlier of the following dates: (a) when CRH Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Share-based payment

(a) Strategic incentive award scheme with no vesting period

The fair value of services received determined by reference to the fair value of awarded shares granted at the grant date is recognised as an expense at the grant date when the cash award is granted with a corresponding increase in non-controlling interests-employee share-based compensation reserves of listed subsidiaries.

The cost of acquisition of shares pursuant to the long term award scheme is recorded as non-controlling interests-employee share-based compensation reserves of listed subsidiaries. The shares held for the long term award scheme will be disposed of for cash which will be distributed to the eligible employees.

When the shares held for long term award scheme are disposed of and the resulting proceeds from disposal are distributed to the employees, the proceeds distributed to employees are recognised as expenses, and the difference between the consideration received and the cost of the shares will be credited to retained profits.

(b) Strategic incentive award scheme with vesting period

The fair value of services received determined by reference to the fair value of awarded shares granted at the grant date is expensed as staff costs on a straight-line basis over the vesting period, with a corresponding increase in non-controlling interests-employee share-based compensation reserves of listed subsidiaries.

At the end of the reporting period, CRH Group revises its estimates of the number of the awarded shares that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to non-controlling interests-employee share-based compensation reserves of listed subsidiaries.

When awarded shares are vested, the amount previously recognised non-controlling interests-employee share-based compensation reserves of listed subsidiaries and the amount recognised in non-controlling interests-employee share-based compensation reserves of listed subsidiaries will be transferred to retained profits.

(c) Share option scheme

Share options have been granted to certain employees and other participants for their services rendered. The fair value of service received is determined by reference to the fair value of share options granted at the grant date and is expensed on a straight-line basis over the vesting period with a corresponding increase in non-controlling interests-employee share-based compensation reserves of listed subsidiaries.

3. SUBSEQUENT EVENTS

On 16 September 2014, CRH Group entered into a sale and purchase agreement with an independent third party to dispose of 51.51% equity interest in CR Wandong Pharmaceutical, which is engaged in manufacture and sales of medical equipment, for a consideration of approximately RMB1,142,227,000 (equivalent to HK\$1,441,365,000). On 15 February 2015, CRH Group received approval on the equity interest transaction from State-owned Assets Supervision and Administration Commission of the State Council. The equity interests in CR Wandong Pharmaceutical were expected to be sold within twelve months from the end of reporting period and accordingly, the respective assets and liabilities had been classified as assets and liabilities held for sale as at 31 December 2014.

On 9 March, 2015, CRH Group entered into a joint venture agreement with Qingdao Energy Group Limited, a state-owned enterprise established in Qingdao Municipal People's Government of the PRC principally engaged in sales of liquefied gas and connection of gas pipelines. CRH Group will acquire a 49% equity interest in Qingdao Energy Group Limited by contributing to the proposed increase in its registered capital by an amount of RMB613 million.

4. MATERIAL CHANGE

Save as disclosed below, the directors of CRH confirm that as at the Latest Practicable Date, there had been no material change in the financial or trading position or outlook of the CRH Group since 31 December 2014, being the date to which the latest audited financial statements of the CRH Group were made up:

In accordance with the Sale and Purchase Agreement and the Supplemental Agreement in relation to the acquisition of all non-beer business from the Company by CRH Group, a special dividend of HK\$12.30 per share of the Company was approved by its shareholders at the extraordinary general meeting of the Company on 3 August 2015. The total amount of the Revised Special Dividend of approximately HK\$29,928 million was paid on 20 October 2015 to CRH and the minority shareholders of the Company at approximately HK\$15,527 million and HK\$14,401 million respectively (for details, please refer to disclosure as set out in the third paragraph of the section named “Completion” in the “Letter from the Board” of the circular of the Company dated 9 July 2015 on the Revised Special Dividend and the announcement of the Company dated 5 October 2015 on the proposed date of payment of the Revised Special Dividend).

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Code for the purpose of giving information with regard to the Revised Partial Offer, CRH, the Offeror and the Company.

As at the date of this Composite Document, the directors of CRH are Dr. Fu Yuning, Mr. Qiao Shibo, Mr. Wang Yin, Mr. Chen Lang, Mr. Du Wenmin, Mr. Wang Chuandong, Mr. An Guanghe and Mr. Wei Bin. The directors of CRH jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information in relation to the Company and its subsidiaries) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document by CRH, the Offeror and parties acting in concert with them have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document the omission of which would make any statement in this Composite Document misleading.

As at the date of this Composite Document, the directors of the Offeror are Dr. Fu Yuning, Mr. Qiao Shibo, Mr. Chen Lang, Mr. Wei Bin and Mr. Yan Biao. The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information in relation to the Company and its subsidiaries or CRH), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document by the Offeror and parties acting in concert with it have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document the omission of which would make any statement in this Composite Document misleading.

As at the date of this Composite Document, 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. Wei Bin, Mr. Yan Biao, Mr. Chen Ying and Mr. Wang Yan. The Independent Non-executive Directors are Mr. Houang Tai Ninh, Dr. Li Ka Cheung, Eric, Dr. Cheng Mo Chi, Moses, Mr. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information in relation to CRH, the Offeror or parties acting in concert with them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by CRH, the Offeror or parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document the omission of which would make any statement in this Composite Document misleading.

2. CORPORATE INFORMATION OF THE COMPANY

The Company is a company incorporated in Hong Kong with limited liability on 5 August 1965 and its Shares have been listed on the Main Board of the Stock Exchange. The Company is a well-established market leader in the beer industry, with the “雪花 Snow” brand being the best-selling single beer brand in the world in terms of volume since 2008.

3. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the paid up share capital of the Company was HK\$6,012,990,157.56 and there were 2,433,132,679 Shares in issue.

All of the Shares currently in issue rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and capital. The Shares are listed on the Main Board of the Stock Exchange and no Shares are listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought.

Since 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Company were made up, and up to the Latest Practicable Date, the Company issued a total of 11,767,315 Shares pursuant to a scrip dividend scheme in relation to the final dividend for the year ended 31 December 2014.

As at the Latest Practicable Date, the Company did not have in issue any outstanding options, warrants or conversion rights affecting the Shares.

4. DISCLOSURE OF INTERESTS

(a) Interest of the Offeror, its directors and parties acting in concert with it, in the Company

As at the Latest Practicable Date, the Offeror is interested in 1,256,585,827 Shares and Commotra Company Limited (which is a beneficially wholly-owned subsidiary of CRH and a fellow subsidiary of the Offeror) is interested in 5,804,027 Shares. The directors of CRH and the directors of the Offeror together are interested in 2,220,000 Shares. The Offeror and its concert parties (other than members of the BofAML group and Morgan Stanley group) together held 1,264,609,854 Shares (and no other relevant securities (as defined in Note 4 to Rule 22 of the Code)) representing approximately 51.97% of the existing issued share capital of the Company.

Morgan Stanley, being one of the financial advisors to CRH and the Offeror, and relevant members of the Morgan Stanley group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are presumed to be acting in concert with CRH and the Offeror in relation to the Company in accordance with class (5) of the definition of “acting in concert” under the Code. As at the Latest Practicable Date, Morgan Stanley group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code⁽¹⁾) held 202 Shares, all of which are represented by American depositary receipts (where one American depositary receipt represents two Shares).

Note:

- (1) Such exempt principal traders include Morgan Stanley Capital (Luxembourg) S.A., which has been granted the exempt principal trader status by the Executive on 10 September 2015.

BofAML, being one of the financial advisors to CRH and the Offeror, and relevant members of the BofAML group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are presumed to be acting in concert with CRH and the Offeror in relation to the Company in accordance with class (5) of the definition of “acting in concert” under the Code. As at the Latest Practicable Date, BofAML group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) held 46 Shares, all of which are represented by American depositary receipts (where one American depositary receipt represents two Shares).

(b) Interests of Directors in the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the securities of the Company and its associated corporations which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have been taken under such provisions of the SFO); or (b) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules; or (c) which were required to be entered in the register required to be kept under section 352 of the SFO were as follows:

(i) Interests in the Shares or underlying Shares

Name of Director	Nature of interest	Position	Number of Shares	Approximate percentage of the issued share capital of the Company ¹ (%)
Chen Lang	Beneficial owner	Long Position	500,000	0.0205
Hong Jie	Beneficial owner	Long Position	350,000	0.0144
Lai Ni Hium, Frank	Beneficial owner	Long Position	112,124	0.0046
Du Wenmin	Beneficial owner	Long Position	100,000	0.0041
Yan Biao	Beneficial owner	Long Position	500,000	0.0205
Wang Yan	Beneficial owner	Long Position	150,000	0.0062
Li Ka Cheung, Eric	Beneficial owner	Long Position	203,863	0.0084
Bernard Charnwut Chan	Beneficial owner	Long Position	50,616	0.0021

Note:

1. This represents the percentage of the aggregate long positions in shares and underlying shares of the Company to the total issued shares of the Company as at the Latest Practicable Date.

(ii) *Interests in shares or underlying shares covered by options granted under the share option schemes of associated corporations*

Name of Director	Associated corporation	Position	Number of shares held in the associated corporation	Approximate percentage of interest in the associated corporation¹ (%)
Lai Ni Hium, Frank	China Resources Land Limited	Long Position	10,000	0.01
Du Wenmin	China Resources Land Limited	Long Position	640,000	0.01
Yan Biao	China Resources Land Limited	Long Position	1,992,000	0.03
Chen Ying	China Resources Land Limited	Long Position	500,000	0.01
Liu Hongji	China Resources Gas Group Limited	Long Position	372,000	0.02
Lai Ni Hium, Frank	China Resources Gas Group Limited	Long Position	10,000	0.01
Du Wenmin	China Resources Gas Group Limited	Long Position	54,000	0.01
Hong Jie	China Resources Power Holdings Company Limited	Long Position	5,000	0.01
Liu Hongji	China Resources Power Holdings Company Limited	Long Position	61,080	0.01
Lai Ni Hium, Frank	China Resources Power Holdings Company Limited	Long Position	10,000	0.01
Du Wenmin	China Resources Power Holdings Company Limited	Long Position	480,240	0.01
Yan Biao	China Resources Power Holdings Company Limited	Long Position	570,080	0.01
Wang Yan	China Resources Power Holdings Company Limited	Long Position	44,000	0.01

Name of Director	Associated corporation	Position	Number of shares held in the associated corporation	Approximate percentage of interest in the associated corporation ¹ (%)
Liu Hongji	China Resources Cement Holdings Limited	Long Position	922,000	0.01
Lai Ni Hium, Frank	China Resources Cement Holdings Limited	Long Position	40,000	0.01
Chen Ying	China Resources Cement Holdings Limited	Long Position	230,000	0.01

Note:

1. This represents the percentage of the aggregate long positions in shares and underlying shares of the Company to the total issued shares of the Company as at the Latest Practicable Date.

Save as disclosed above, none of the Directors or chief executive of the Company had, as at the Latest Practicable Date, any interests or short positions in the securities of the Company and its associated corporations which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have been taken under such provisions of the SFO); or (ii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules; or (iii) which were required to be entered in the register required to be kept under section 352 of the SFO.

Save as disclosed above, none of the Directors had any interests in the relevant securities (as defined under Note 4 to Rule 22 of the Code) of the Company.

(c) Interests of substantial shareholders of the Company in the Company

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO and, so far as is known to the Directors, the persons or entities who had an interest in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying

rights to vote in all circumstances at general meetings of the Company, or of any other company which is a member of the Group, or in any options in respect of such share capital were as follows:

Long position in the Shares or underlying Shares

Name of interested party	Number of Shares or underlying Shares	Approximate percentage of the issued share capital of the Company (%)
China Resources National Corporation ^{1,3}	1,262,389,854	51.88
China Resources Co., Limited ^{1,3}	1,262,389,854	51.88
CRC Bluesky Limited ¹	1,262,389,854	51.88
CRH ¹	1,262,389,854	51.88
Well Gain Ventures Limited ¹	1,256,585,827	51.64
China Resources Enterprise, Limited ^{1,2}	1,256,585,827	51.64
CRH (Enterprise) Limited ¹	1,256,585,827	51.64

Notes:

- As at the Latest Practicable Date, CRH (Enterprise) Limited and Commotra Company Limited directly held 1,256,585,827 Shares and 5,804,027 Shares in the Company respectively. CRH (Enterprise) Limited is a wholly-owned subsidiary of China Resources Enterprise, Limited⁽²⁾, which in turn is a wholly-owned subsidiary of Well Gain Ventures Limited. Well Gain Ventures Limited and Commotra Company Limited are beneficially wholly-owned subsidiaries of CRH. CRH is a beneficially wholly-owned subsidiary of CRC Bluesky Limited, which is in turn wholly-owned by CRC. CRC is an ultimately beneficially wholly-owned subsidiary of CRNC. Thus, CRH, CRC Bluesky Limited, CRC and CRNC are deemed to be interested in an aggregate of 1,262,389,854 Shares in the Company.
- Formerly known as "Well Gain Ventures (Hong Kong) Limited", and changed its name following the release of the current name by the Company on 16 October 2015 upon the change of the Company's name to "China Resources Beer (Holdings) Company Limited".
- English translations of these names are provided for ease of reference only and they are not the official English names of the entities concerned.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company was aware of any other person, other than a Director or the chief executive of the Company, who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of the Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or of any other member of the Group, or which was recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

(d) Other disclosures

As at the Latest Practicable Date:

- (A) No person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Code with the Offeror or any parties acting in concert with it.
- (B) None of the Offeror and any parties acting in concert with it had borrowed or lent the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company, save for any borrowed Shares which had been either on-lent or sold.
- (C) None of the subsidiaries of the Company, any pension funds of the Group and any advisor to the Company as specified in class (2) of the definition of “associate” under the Code (but excluding exempt principal traders or exempt fund managers) owned or controlled any of the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.
- (D) No person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Code with the Company or with any person who was an associate of the Company by virtue of classes (1), (2), (3) and (4) of the definition of “associate” under the Code.
- (E) No relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company.
- (F) In respect of any of their own beneficial ownership in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company, the Directors did not intend to accept the Revised Partial Offer.
- (G) Neither the Company nor any of the Directors had borrowed or lent any of the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.

(e) Interests of the Company and the Directors in the Offeror

As at the Latest Practicable Date, none of the Company and the Directors had any interest in the shares of the Offeror.

5. DEALINGS IN SECURITIES

The Offeror and parties acting in concert with it undertake that they will not acquire any voting rights in the Company during the Offer Period.

(a) During the Relevant Period:

- (i) Save as set out in 5(a)(viii) and 5(a)(ix) below and the allotment of 8,614,127 Shares to the Offeror and the allotment of 39,787 Shares to Commotra Company Limited under the scrip dividend scheme in respect of the 2014 final dividend of the Company on 10 July 2015, none of the Offeror, its directors and parties acting in concert with the Offeror had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.
- (ii) None of the Offeror and parties acting in concert with the Offeror who had borrowed or lent the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company, save for any borrowed Shares which had been either on-lent or sold, had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.
- (iii) Save as set out below, none of the Directors had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company:–
 - (A) the allotment to Mr. Chan Bernard Charnwut of 293 Shares under the scrip dividend scheme in respect of the 2014 interim dividend of the Company on 13 November 2014;
 - (B) the disposal of 290,000 Shares by Mr. Hong Jie on 21 April 2015;
 - (C) the allotment to Mr. Lai Ni Hium, Frank of 645 Shares under the scrip dividend scheme in respect of the 2014 interim dividend of the Company on 13 November 2014 and of 768 Shares under the scrip dividend scheme in respect of the 2014 final dividend of the Company on 10 July 2015; and
 - (D) the allotment to Dr. Li Ka Cheung, Eric of 1,173 Shares under the scrip dividend scheme in respect of the 2014 interim dividend of the Company on 13 November 2014 and of 1,397 Shares under the scrip dividend scheme in respect of the 2014 final dividend of the Company on 10 July 2015.
- (iv) Neither the Company nor any of the Directors had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Offeror.

- (v) None of the subsidiaries of the Company, any pension funds of the Group and any advisor to the Company as specified in class (2) of the definition of “associate” under the Code (but excluding exempt principal traders or exempt fund managers) had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.
- (vi) No person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Code with the Company or with any person who is an associate of the Company by virtue of classes (1), (2), (3) and (4) of the definition of “associate” under the Code had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.
- (vii) No fund manager (other than exempt fund managers) connected with the Company who manage shareholdings in the Company on a discretionary basis had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company.

(viii) Details of the dealings in the Shares or convertible securities, warrants, options or derivatives in respect of the Shares by members of the BofAML group (except those which are exempt principal traders or exempt fund managers, in each case recognized by the Executive as such for the purpose of the Code) are set out below:

Entity	Date	Purchase/ Sale	Type of Securities	Reference Securities	Reference Price (HK\$)	Number of Maturity Date
Bank of America, National Association	20 October 2014	Sale	Equity Swap	14,000	18.677	9 December 2015
	22 October 2014	Sale	Equity Swap	26,000	18.694	9 December 2015
	23 October 2014	Sale	Equity Swap	28,000	18.508	9 December 2015
	23 October 2014	Sale	Equity Swap	4,000	18.508	9 December 2015
	24 October 2014	Sale	Equity Swap	24,000	18.418	9 December 2015
	24 October 2014	Sale	Equity Swap	2,000	18.418	9 December 2015
	27 October 2014	Sale	Equity Swap	16,000	18.345	9 December 2015
	28 October 2014	Sale	Equity Swap	22,000	18.425	9 December 2015
	28 October 2014	Sale	Equity Swap	16,000	18.425	9 December 2015
	31 October 2014	Purchase	Equity Swap	46,000	18.544	9 December 2015
	3 November 2014	Sale	Equity Swap	16,000	18.460	9 December 2015
	7 November 2014	Purchase	Equity Swap	8,000	17.960	9 December 2015
	10 November 2014	Sale	Equity Swap	32,000	17.070	9 December 2015
	10 November 2014	Sale	Equity Swap	22,000	17.070	9 December 2015
	10 November 2014	Sale	Equity Swap	20,000	17.070	9 December 2015
	11 November 2014	Purchase	Equity Swap	74,000	16.800	9 December 2015
	14 November 2014	Sale	Equity Swap	34,000	17.146	9 December 2015
	14 November 2014	Sale	Equity Swap	4,000	17.146	9 December 2015
	14 November 2014	Purchase	Equity Swap	50,000	17.029	9 December 2015
	17 November 2014	Purchase	Equity Swap	36,000	16.814	9 December 2015
	20 November 2014	Purchase	Equity Swap	98,000	15.539	9 December 2015
	21 November 2014	Sale	Equity Swap	64,000	15.961	9 December 2015
	21 November 2014	Sale	Equity Swap	12,000	15.961	9 December 2015
	24 November 2014	Purchase	Equity Swap	44,000	16.167	9 December 2015
	25 November 2014	Sale	Equity Swap	8,000	16.500	9 December 2015
	26 November 2014	Sale	Equity Swap	20,000	16.560	9 December 2015
	26 November 2014	Purchase	Equity Swap	44,000	16.355	9 December 2015
	27 November 2014	Sale	Equity Swap	24,000	16.649	9 December 2015
	27 November 2014	Sale	Equity Swap	10,000	16.649	9 December 2015
	1 December 2014	Sale	Equity Swap	54,000	15.869	9 December 2015
	3 December 2014	Purchase	Equity Swap	20,000	16.160	9 December 2015
	4 December 2014	Purchase	Equity Swap	34,000	15.852	9 December 2015
	8 December 2014	Sale	Equity Swap	114,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	98,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	74,000	15.860	9 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Number of Reference Securities	Reference Price (HK\$)	Maturity Date
	8 December 2014	Sale	Equity Swap	60,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	50,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	46,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	44,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	44,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	36,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	34,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	20,000	15.860	9 December 2015
	8 December 2014	Sale	Equity Swap	8,000	15.860	9 December 2015
	8 December 2014	Purchase	Equity Swap	628,000	15.860	18 December 2015
	9 December 2014	Sale	Equity Swap	104,000	15.707	18 December 2015
	10 December 2014	Sale	Equity Swap	38,000	15.629	18 December 2015
	12 December 2014	Sale	Equity Swap	34,000	15.687	18 December 2015
	15 December 2014	Sale	Equity Swap	26,000	15.666	18 December 2015
	16 December 2014	Sale	Equity Swap	62,000	15.585	18 December 2015
	17 December 2014	Sale	Equity Swap	34,000	15.372	18 December 2015
	19 December 2014	Sale	Equity Swap	4,000	15.560	18 December 2015
	29 December 2014	Sale	Equity Swap	14,000	16.571	18 December 2015
	31 December 2014	Sale	Equity Swap	76,000	16.106	18 December 2015
	2 January 2015	Sale	Equity Swap	34,000	16.405	18 December 2015
	2 January 2015	Purchase	Equity Swap	48,000	16.124	18 December 2015
	5 January 2015	Sale	Equity Swap	20,000	16.700	18 December 2015
	6 January 2015	Sale	Equity Swap	66,000	16.283	18 December 2015
	7 January 2015	Sale	Equity Swap	74,000	16.172	18 December 2015
	7 January 2015	Purchase	Equity Swap	18,000	16.040	18 December 2015
	8 January 2015	Sale	Equity Swap	36,000	15.971	18 December 2015
	9 January 2015	Sale	Equity Swap	22,000	16.040	18 December 2015
	9 January 2015	Sale	Equity Swap	6,000	16.040	18 December 2015
	13 January 2015	Sale	Equity Swap	4,000	15.960	18 December 2015
	15 January 2015	Sale	Equity Swap	12,000	15.807	18 December 2015
	19 January 2015	Sale	Equity Swap	18,000	15.591	18 December 2015
	19 January 2015	Sale	Equity Swap	10,000	15.591	18 December 2015
	22 January 2015	Sale	Equity Swap	108,000	16.869	18 December 2015
	23 January 2015	Sale	Equity Swap	158,000	17.851	18 December 2015
	26 January 2015	Sale	Equity Swap	84,000	17.540	18 December 2015
	26 January 2015	Purchase	Equity Swap	46,000	17.683	16 October 2015
	27 January 2015	Sale	Equity Swap	84,000	17.504	18 December 2015
	27 January 2015	Sale	Equity Swap	26,000	17.406	16 October 2015
	28 January 2015	Sale	Equity Swap	386,000	17.311	30 March 2016
	28 January 2015	Sale	Equity Swap	60,000	17.311	30 March 2016
	29 January 2015	Sale	Equity Swap	104,000	17.362	18 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Number of Reference Securities	Reference Price (HK\$)	Maturity Date
	30 January 2015	Purchase	Equity Swap	84,000	17.126	18 December 2015
	2 February 2015	Sale	Equity Swap	18,000	16.800	18 December 2015
	3 February 2015	Purchase	Equity Swap	2,000	16.615	18 December 2015
	3 February 2015	Purchase	Equity Swap	24,000	16.615	18 December 2015
	4 February 2015	Purchase	Equity Swap	46,000	16.789	18 December 2015
	10 February 2015	Purchase	Equity Swap	18,000	16.100	18 December 2015
	10 February 2015	Purchase	Equity Swap	26,000	16.138	16 October 2015
	10 February 2015	Purchase	Equity Swap	46,000	16.138	16 October 2015
	12 February 2015	Purchase	Equity Swap	32,556	16.006	30 March 2016
	12 February 2015	Purchase	Equity Swap	209,444	16.006	30 March 2016
	18 February 2015	Sale	Equity Swap	32,000	16.460	18 December 2015
	26 February 2015	Sale	Equity Swap	30,000	16.240	18 December 2015
	27 February 2015	Sale	Equity Swap	16,000	16.245	18 December 2015
	2 March 2015	Sale	Equity Swap	28,000	16.687	18 December 2015
	2 March 2015	Sale	Equity Swap	6,000	16.180	30 March 2016
	2 March 2015	Purchase	Equity Swap	6,000	16.180	30 March 2016
	4 March 2015	Sale	Equity Swap	74,000	15.862	18 December 2015
	5 March 2015	Purchase	Equity Swap	4,000	15.400	18 December 2015
	6 March 2015	Sale	Equity Swap	24,000	15.300	18 December 2015
	10 March 2015	Purchase	Equity Swap	28,000	14.628	18 December 2015
	10 March 2015	Purchase	Equity Swap	88,000	14.628	18 December 2015
	11 March 2015	Sale	Equity Swap	32,000	14.843	18 December 2015
	12 March 2015	Sale	Equity Swap	42,000	14.680	18 December 2015
	16 March 2015	Purchase	Equity Swap	56,000	14.150	18 December 2015
	16 March 2015	Purchase	Equity Swap	82,000	14.150	18 December 2015
	16 March 2015	Purchase	Equity Swap	84,000	14.150	18 December 2015
	17 March 2015	Sale	Equity Swap	24,000	14.400	18 December 2015
	18 March 2015	Sale	Equity Swap	86,000	14.958	18 December 2015
	20 March 2015	Sale	Equity Swap	38,000	14.978	18 December 2015
	24 March 2015	Sale	Equity Swap	34,000	15.080	18 December 2015
	24 March 2015	Purchase	Equity Swap	2,000	15.100	15 December 2015
	26 March 2015	Sale	Equity Swap	8,000	15.080	18 December 2015
	30 March 2015	Sale	Equity Swap	18,000	15.220	18 December 2015
	31 March 2015	Purchase	Equity Swap	18,000	15.249	18 December 2015
	31 March 2015	Purchase	Equity Swap	18,000	15.249	18 December 2015
	31 March 2015	Purchase	Equity Swap	22,000	15.249	18 December 2015
	1 April 2015	Sale	Equity Swap	10,000	15.200	1 April 2016
	1 April 2015	Purchase	Equity Swap	2,000	15.260	18 December 2015
	1 April 2015	Purchase	Equity Swap	10,000	15.200	30 March 2016
	1 April 2015	Purchase	Equity Swap	14,000	15.260	18 December 2015
	1 April 2015	Purchase	Equity Swap	30,000	15.260	18 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Number of Reference Securities	Reference Price (HK\$)	Maturity Date
	2 April 2015	Purchase	Equity Swap	14,000	15.271	18 December 2015
	2 April 2015	Purchase	Equity Swap	28,000	15.271	18 December 2015
	2 April 2015	Purchase	Equity Swap	48,000	15.271	18 December 2015
	21 April 2015	Sale	Equity Swap	1,322,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	398,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	183,337	23.259	30 March 2016
	21 April 2015	Sale	Equity Swap	118,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	72,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	28,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	26,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	24,920	23.259	21 April 2016
	21 April 2015	Sale	Equity Swap	24,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	12,546	23.259	30 March 2016
	21 April 2015	Sale	Equity Swap	10,117	23.259	1 April 2016
	21 April 2015	Sale	Equity Swap	6,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	2,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	2,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	2,000	23.700	23 May 2016
	21 April 2015	Sale	Equity Swap	1,705	23.259	21 April 2016
	21 April 2015	Sale	Equity Swap	1,375	23.259	21 April 2016
	21 April 2015	Purchase	Equity Swap	2,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	2,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	2,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	6,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	24,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	26,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	28,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	72,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	118,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	398,000	23.700	23 May 2016
	21 April 2015	Purchase	Equity Swap	1,322,000	23.700	23 May 2016
	22 April 2015	Purchase	Equity Swap	24,000	23.381	18 December 2015
	22 April 2015	Purchase	Equity Swap	24,000	23.381	18 December 2015
	22 April 2015	Purchase	Equity Swap	26,000	23.381	18 December 2015
	22 April 2015	Purchase	Equity Swap	32,000	23.381	18 December 2015
	22 April 2015	Purchase	Equity Swap	34,000	23.381	18 December 2015
	22 April 2015	Purchase	Equity Swap	42,000	23.381	18 December 2015
	23 April 2015	Purchase	Equity Swap	12,000	23.875	15 December 2015
	27 April 2015	Purchase	Equity Swap	4,000	24.257	18 December 2015
	27 April 2015	Purchase	Equity Swap	52,000	24.257	18 December 2015
	29 April 2015	Sale	Equity Swap	152,000	24.500	18 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Reference Securities	Reference Price (HK\$)	Maturity Date
	4 May 2015	Sale	Equity Swap	1,322,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	398,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	118,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	72,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	28,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	26,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	24,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	6,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	2,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	2,000	24.000	23 May 2016
	4 May 2015	Sale	Equity Swap	2,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	2,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	2,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	2,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	6,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	10,000	24.034	18 December 2015
	4 May 2015	Purchase	Equity Swap	24,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	26,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	28,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	34,000	24.034	18 December 2015
	4 May 2015	Purchase	Equity Swap	72,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	118,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	398,000	24.000	23 May 2016
	4 May 2015	Purchase	Equity Swap	1,322,000	24.000	23 May 2016
	7 May 2015	Sale	Equity Swap	16,000	23.900	18 December 2015
	8 May 2015	Purchase	Equity Swap	4,000	23.400	18 December 2015
	8 May 2015	Purchase	Equity Swap	24,000	23.400	18 December 2015
	11 May 2015	Purchase	Equity Swap	4,000	24.281	18 December 2015
	11 May 2015	Purchase	Equity Swap	18,000	24.281	18 December 2015
	11 May 2015	Purchase	Equity Swap	96,000	24.281	18 December 2015
	12 May 2015	Purchase	Equity Swap	2,000	23.800	15 December 2015
	12 May 2015	Purchase	Equity Swap	32,000	24.400	18 December 2015
	14 May 2015	Sale	Equity Swap	60,000	24.200	18 December 2015
	14 May 2015	Purchase	Equity Swap	14,000	24.200	15 December 2015
	15 May 2015	Purchase	Equity Swap	4,000	24.250	18 December 2015
	15 May 2015	Purchase	Equity Swap	24,000	24.250	18 December 2015
	18 May 2015	Sale	Equity Swap	28,000	24.000	18 December 2015
	18 May 2015	Purchase	Equity Swap	8,000	24.025	15 December 2015
	20 May 2015	Purchase	Equity Swap	4,000	23.933	18 December 2015
	20 May 2015	Purchase	Equity Swap	12,000	23.933	18 December 2015
	20 May 2015	Purchase	Equity Swap	60,000	23.933	18 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Number of Reference Securities	Reference Price (HK\$)	Maturity Date
	22 May 2015	Purchase	Equity Swap	24,000	23.800	18 December 2015
	22 May 2015	Purchase	Equity Swap	54,000	23.800	18 December 2015
	27 May 2015	Purchase	Equity Swap	34,000	23.900	18 December 2015
	28 May 2015	Sale	Equity Swap	54,000	23.650	18 December 2015
	28 May 2015	Sale	Equity Swap	34,000	23.650	18 December 2015
	29 May 2015	Purchase	Equity Swap	6,000	23.550	15 December 2015
	29 May 2015	Purchase	Equity Swap	34,000	23.500	18 December 2015
	1 June 2015	Sale	Equity Swap	34,000	23.432	18 December 2015
	1 June 2015	Sale	Equity Swap	18,000	23.100	21 April 2016
	1 June 2015	Sale	Equity Swap	6,000	23.100	21 April 2016
	3 June 2015	Purchase	Equity Swap	200,000	22.777	18 December 2015
	4 June 2015	Purchase	Equity Swap	40,000	23.000	18 December 2015
	5 June 2015	Sale	Equity Swap	20,000	23.400	18 December 2015
	9 June 2015	Purchase	Equity Swap	318,000	23.409	18 December 2015
	10 June 2015	Purchase	Equity Swap	1,375	23.408	21 April 2016
	10 June 2015	Purchase	Equity Swap	1,705	23.408	21 April 2016
	10 June 2015	Purchase	Equity Swap	6,000	23.408	21 April 2016
	10 June 2015	Purchase	Equity Swap	18,000	23.408	21 April 2016
	10 June 2015	Purchase	Equity Swap	20,117	23.408	1 April 2016
	10 June 2015	Purchase	Equity Swap	23,990	23.408	30 March 2016
	10 June 2015	Purchase	Equity Swap	24,920	23.408	21 April 2016
	10 June 2015	Purchase	Equity Swap	365,893	23.408	30 March 2016
	11 June 2015	Sale	Equity Swap	26,000	23.450	18 December 2015
	12 June 2015	Sale	Equity Swap	36,000	23.639	18 December 2015
	12 June 2015	Purchase	Equity Swap	2,000	24.100	15 December 2015
	15 June 2015	Sale	Equity Swap	60,000	23.857	18 December 2015
	19 June 2015	Sale	Equity Swap	68,000	25.072	18 December 2015
	19 June 2015	Sale	Equity Swap	58,000	25.072	18 December 2015
	19 June 2015	Sale	Equity Swap	40,000	25.072	18 December 2015
	19 June 2015	Purchase	Equity Swap	2,000	25.650	15 December 2015
	23 June 2015	Sale	Equity Swap	166,000	25.565	18 December 2015
	23 June 2015	Purchase	Equity Swap	8,000	25.600	15 December 2015
	24 June 2015	Sale	Equity Swap	14,000	25.800	18 December 2015
	26 June 2015	Sale	Equity Swap	70,000	25.337	18 December 2015
	2 July 2015	Purchase	Equity Swap	26,000	24.950	18 December 2015
	6 July 2015	Sale	Equity Swap	26,000	23.983	18 December 2015
	6 July 2015	Sale	Equity Swap	14,000	23.983	18 December 2015
	6 July 2015	Purchase	Equity Swap	234,000	24.002	18 December 2015
	7 July 2015	Purchase	Equity Swap	162,000	23.784	18 December 2015
	8 July 2015	Purchase	Equity Swap	294,000	22.428	18 December 2015
	9 July 2015	Sale	Equity Swap	220,000	23.622	18 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Number of Reference Securities	Reference Price (HK\$)	Maturity Date
	9 July 2015	Sale	Equity Swap	162,000	23.622	18 December 2015
	9 July 2015	Sale	Equity Swap	12,000	23.622	18 December 2015
	10 July 2015	Sale	Equity Swap	22,000	23.432	18 December 2015
	10 July 2015	Purchase	Equity Swap	50,000	23.408	18 December 2015
	13 July 2015	Sale	Equity Swap	56,000	23.913	18 December 2015
	13 July 2015	Purchase	Equity Swap	40,000	24.278	18 December 2015
	14 July 2015	Sale	Equity Swap	50,000	24.254	18 December 2015
	15 July 2015	Sale	Equity Swap	1	23.180	15 December 2015
	16 July 2015	Sale	Equity Swap	154,000	23.962	18 December 2015
	16 July 2015	Sale	Equity Swap	32,000	23.962	18 December 2015
	17 July 2015	Sale	Equity Swap	6,000	23.850	18 December 2015
	20 July 2015	Sale	Equity Swap	2,000	23.950	18 December 2015
	20 July 2015	Purchase	Equity Swap	20,000	23.770	18 December 2015
	21 July 2015	Sale	Equity Swap	6,000	24.000	18 December 2015
	22 July 2015	Purchase	Equity Swap	66,000	24.012	18 December 2015
	23 July 2015	Sale	Equity Swap	4,000	24.050	18 December 2015
	23 July 2015	Sale	Equity Swap	4,000	24.050	18 December 2015
	24 July 2015	Sale	Equity Swap	26,000	24.162	18 December 2015
	27 July 2015	Sale	Equity Swap	22,000	23.879	18 December 2015
	27 July 2015	Sale	Equity Swap	20,000	23.879	18 December 2015
	27 July 2015	Sale	Equity Swap	10,000	23.879	18 December 2015
	28 July 2015	Sale	Equity Swap	8,000	24.600	18 December 2015
	28 July 2015	Purchase	Equity Swap	164,000	24.393	18 December 2015
	29 July 2015	Purchase	Equity Swap	126,000	24.908	18 December 2015
	30 July 2015	Purchase	Equity Swap	2,000	25.000	15 December 2015
	30 July 2015	Purchase	Equity Swap	8,000	24.950	18 December 2015
	31 July 2015	Sale	Equity Swap	28,000	24.950	18 December 2015
	31 July 2015	Purchase	Equity Swap	62,000	24.984	18 December 2015
	3 August 2015	Sale	Equity Swap	18,000	24.900	18 December 2015
	3 August 2015	Sale	Equity Swap	8,000	24.900	18 December 2015
	4 August 2015	Sale	Equity Swap	30,000	24.727	18 December 2015
	5 August 2015	Purchase	Equity Swap	60,000	24.950	18 December 2015
	6 August 2015	Sale	Equity Swap	12,000	24.850	18 December 2015
	6 August 2015	Purchase	Equity Swap	52,000	24.815	18 December 2015
	7 August 2015	Sale	Equity Swap	104,000	24.827	18 December 2015
	7 August 2015	Sale	Equity Swap	48,000	24.827	18 December 2015
	10 August 2015	Sale	Equity Swap	78,000	24.767	18 December 2015
	10 August 2015	Sale	Equity Swap	8,000	24.767	18 December 2015
	11 August 2015	Purchase	Equity Swap	72,000	25.013	18 December 2015
	12 August 2015	Sale	Equity Swap	12,000	24.700	18 December 2015
	12 August 2015	Purchase	Equity Swap	34,000	24.750	18 December 2015

Entity	Date	Purchase/ Sale	Type of Securities	Number of Reference Securities	Reference Price (HK\$)	Maturity Date
	13 August 2015	Sale	Equity Swap	50,000	24.450	18 December 2015
	13 August 2015	Sale	Equity Swap	20,000	24.450	18 December 2015
	18 August 2015	Purchase	Equity Swap	14,000	24.500	18 December 2015
	19 August 2015	Sale	Equity Swap	40,000	23.931	18 December 2015
	19 August 2015	Sale	Equity Swap	24,000	23.931	18 December 2015
	20 August 2015	Purchase	Equity Swap	108,000	23.485	18 December 2015
	21 August 2015	Purchase	Equity Swap	30,000	23.150	18 December 2015
	24 August 2015	Purchase	Equity Swap	130,000	23.059	18 December 2015
	25 August 2015	Sale	Equity Swap	48,000	23.330	18 December 2015
	25 August 2015	Sale	Equity Swap	28,000	23.330	18 December 2015
	25 August 2015	Purchase	Equity Swap	116,000	23.102	18 December 2015
	26 August 2015	Sale	Equity Swap	108,000	23.123	18 December 2015
	26 August 2015	Sale	Equity Swap	34,000	23.123	18 December 2015
	26 August 2015	Sale	Equity Swap	24,000	23.123	18 December 2015
	26 August 2015	Sale	Equity Swap	22,000	23.123	18 December 2015
	26 August 2015	Sale	Equity Swap	14,000	23.123	18 December 2015
	1 September 2015	Sale	Equity Swap	14,000	23.900	18 December 2015
	1 September 2015	Sale	Equity Swap	8,000	23.900	18 December 2015
	1 September 2015	Sale	Equity Swap	8,000	23.900	18 December 2015
	2 September 2015	Sale	Equity Swap	108,000	23.310	18 December 2015
	2 September 2015	Sale	Equity Swap	60,000	23.310	18 December 2015
	4 September 2015	Sale	Equity Swap	54,000	23.311	18 December 2015
	7 September 2015	Sale	Equity Swap	2,000	23.650	18 December 2015
	9 September 2015	Purchase	Equity Swap	40,000	24.433	18 December 2015
	10 September 2015	Purchase	Equity Swap	74,000	24.269	18 December 2015
	11 September 2015	Purchase	Equity Swap	110,000	24.461	18 December 2015
	14 September 2015	Purchase	Equity Swap	172,000	24.544	18 December 2015
	15 September 2015	Purchase	Equity Swap	114,000	24.883	18 December 2015
	17 September 2015	Purchase	Equity Swap	158,000	25.598	18 December 2015
	18 September 2015	Sale	Equity Swap	172,000	12.576	18 December 2015
	18 September 2015	Sale	Equity Swap	158,000	12.576	18 December 2015
	18 September 2015	Sale	Equity Swap	114,000	12.576	18 December 2015
	18 September 2015	Sale	Equity Swap	110,000	12.576	18 December 2015
	18 September 2015	Sale	Equity Swap	74,000	12.576	18 December 2015
	18 September 2015	Sale	Equity Swap	40,000	12.576	18 December 2015
	6 October 2015	Purchase	Equity Swap	8,000	14.420	15 December 2015
	8 October 2015	Purchase	Equity Swap	1	14.480	15 December 2015

- (ix) Details of the dealings in the Shares by members of the Morgan Stanley group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Code) are set out below:

Entity	Date	Purchase/Sale	Number of Shares	Price (HK\$)
Morgan Stanley Capital (Luxembourg) S.A. ⁽¹⁾	10 November 2014	Purchase	2,000	17.2
	10 November 2014	Purchase	2,000	17.12
	10 November 2014	Purchase	2,000	17.09
	3 December 2014	Purchase	2,000	16.3
	3 December 2014	Purchase	2,000	16.3
	3 December 2014	Purchase	2,000	16.32
	9 January 2015	Sale	2,000	16.12
	9 January 2015	Sale	6,000	16.14
	9 January 2015	Sale	2,000	16.14
	9 January 2015	Sale	2,000	16.16
	27 January 2015	Sale	2,000	17.43
	27 January 2015	Sale	2,000	17.44
	27 January 2015	Sale	2,000	17.4
	27 January 2015	Sale	2,000	17.41
	27 January 2015	Sale	2,000	17.41
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.42
	27 January 2015	Sale	2,000	17.43
	12 February 2015	Purchase	2,000	16.02
	12 February 2015	Purchase	2,000	16.02
	12 February 2015	Purchase	2,000	16.02
	12 February 2015	Purchase	2,000	16
	12 February 2015	Purchase	2,000	16
	12 February 2015	Purchase	2,000	16.02
	12 February 2015	Purchase	2,000	16.02
	12 February 2015	Purchase	2,000	16
	12 February 2015	Purchase	2,000	16
	12 February 2015	Purchase	2,000	16.01
	12 February 2015	Purchase	2,000	16.02
	12 February 2015	Purchase	2,000	16.02
	3 March 2015	Purchase	2,000	16.4738
	3 March 2015	Sale	2,000	16.47
	3 March 2015	Sale	2,000	16.46
	3 March 2015	Sale	2,000	16.48

Entity	Date	Purchase/Sale	Number of Shares	Price (HK\$)
	3 March 2015	Sale	2,000	16.48
	3 March 2015	Sale	2,000	16.48
	3 March 2015	Sale	2,000	16.46
	3 March 2015	Sale	2,000	16.46
	3 March 2015	Sale	2,000	16.48
	3 March 2015	Sale	2,000	16.48
	3 March 2015	Sale	2,000	16.48
	3 March 2015	Sale	2,000	16.47
	3 March 2015	Sale	2,000	16.48
	3 March 2015	Sale	2,000	16.48
	13 March 2015	Purchase	2,000	14.6158
	13 March 2015	Purchase	2,000	14.6158
	13 March 2015	Purchase	20,000	14.6158
	24 March 2015	Sale	2,000	15.06
	24 March 2015	Sale	2,000	15.06
	24 March 2015	Sale	2,000	15.06
	24 March 2015	Sale	2,000	15.08
	24 March 2015	Sale	2,000	15.04
	24 March 2015	Sale	2,000	15.02
	24 March 2015	Sale	6,000	15.03
	24 March 2015	Sale	2,000	15.03
	24 March 2015	Sale	2,000	15.02
	24 March 2015	Sale	2,000	15.02
	31 March 2015	Purchase	2,000	15.06
	31 March 2015	Purchase	2,000	15.1
	31 March 2015	Purchase	2,000	15.26
	31 March 2015	Purchase	2,000	15.26
	31 March 2015	Purchase	2,000	15.22
	31 March 2015	Purchase	2,000	15.24
	31 March 2015	Purchase	2,000	15.25
	31 March 2015	Purchase	2,000	15.24
	31 March 2015	Purchase	2,000	15.3
	31 March 2015	Purchase	2,000	15.32
	31 March 2015	Purchase	2,000	15.3
	31 March 2015	Purchase	2,000	15.29
	10 April 2015	Sale	24,000	13.9
	15 April 2015	Purchase	6,000	16.72
	20 April 2015	Sale	30,000	15.04

Note:

- (1) On 10 September 2015, Morgan Stanley Capital (Luxembourg) S.A. was granted exempt principal trader status by the Executive.

6. ARRANGEMENTS AFFECTING OR RELATING TO DIRECTORS

As at the Latest Practicable Date:

- (a) there was no arrangement whereby any Director would be given any benefit as compensation for loss of office or otherwise in connection with the Revised Partial Offer;
- (b) no agreement or arrangement existed between any Director and any other person which was conditional on or dependent upon the outcome of the Revised Partial Offer or otherwise connected with the Revised Partial Offer;
- (c) there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any person acting in concert with it on the one hand, and any Director, recent Director, Shareholder or recent Shareholder on the other hand, having any connection with or dependence upon the Revised Partial Offer; and
- (d) there was no material contract entered into by the Offeror in which any Director had a material personal interest.

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contracts with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed-term contracts) have been entered into or amended within 6 months preceding the commencement of the Offer Period; (ii) are continuous contracts with a notice period of 12 months or more; or (iii) are fixed-term contracts with more than 12 months to run irrespective of the notice period.

8. MARKET PRICES

The table below shows the closing price per Share as quoted on the Stock Exchange on (a) the last trading day of each of the calendar months during the Relevant Period; (b) the Last Trading Day; and (c) the Latest Practicable Date.

Date	Closing price per Share HK\$
31 October 2014	18.44
28 November 2014	16.18
31 December 2014	16.24
30 January 2015	17.00
27 February 2015	16.18
31 March 2015	15.20
Last Trading Date	15.20
30 April 2015	23.80
29 May 2015	23.30
15 June 2015 (the last trading date prior to the announcement of the Revised Partial Offer)	23.85
30 June 2015	25.00
31 July 2015	25.10
31 August 2015	24.35
30 September 2015	14.38
Latest Practicable Date	15.02

Note 1: The Shares had been suspended from trading (i) from 8 April 2015 to 20 April 2015 and (ii) from 16 June 2015 to 17 June 2015.

Note 2: The Shares began to be traded on an ex-dividend basis on 18 September 2015. The Revised Special Dividend of HK\$12.30 was paid on 20 October 2015.

9. HIGHEST AND LOWEST CLOSING SHARE PRICE

During the period from 20 October 2014 to 17 September 2015 (being the last day on which the Shares were traded on a cum-Revised Special Dividend basis), the highest closing price of the Shares as quoted on the Stock Exchange was HK\$25.80 per Share on 18 June 2015 and 25 June 2015, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$14.22 per Share on 16 March 2015.

During the period from 18 September 2015 (being the first day on which the Shares began to be traded on an ex-Revised Special Dividend basis) to the Latest Practicable Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$15.28 on 16 October 2015 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$13.22 on 18 September 2015.

10. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation, arbitration or administrative proceedings of material importance and no litigation, arbitration, administrative proceedings or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

11. MATERIAL CONTRACTS

Save as disclosed below, none of the members of the Group had within the two years immediately preceding the commencement of the Offer Period entered into any contract (not being contracts entered into in the ordinary course of business of, or intended to be carried on by the Group) which are or may be material:

- (a) Sale and Purchase Agreement dated 4 May 2015 between the Company and CRH in respect of the disposal of the Group's non-beer related businesses at an aggregate consideration of HK\$28,000 million;
- (b) Supplemental Agreement dated 15 June 2015 between the Company and CRH increasing the aggregate consideration under the Sale and Purchase Agreement from HK\$28,000 million to HK\$30,000 million;
- (c) Deed of Amendment and Restatement between, among others, the Company, CRH and Tesco PLC dated 18 August 2015 in relation to the Investment Agreement and Shareholders Agreement referred to in paragraphs (d) and (f) below to reflect the transfer of the Company's entire interests, liabilities and obligations in such agreements to CRH;
- (d) Investment Agreement dated 1 October 2013 between, among others, the Company and Tesco PLC in respect of subscription for ordinary shares in Gain Land Limited for an aggregate cash sum of HK\$4,325 million so that the Company and Tesco PLC will hold their respective 80% and 20% interests in relation to a joint venture;
- (e) Deed of Amendment and Restatement between, among others, the Company and Tesco PLC dated 22 February 2014 in relation to the Investment Agreement referred to in paragraph (d) above;
- (f) Shareholders Agreement dated 28 May 2014 between, among others, the Company and Tesco PLC, entered into pursuant to the Investment Agreement referred to in paragraph (d) above;
- (g) Two Deeds of Indemnity both dated 28 May 2014 between Ondereel Ltd, a subsidiary of the Company, and Cheshunt Holdings Guernsey Limited in respect of certain covenants and undertakings for Ondereel Ltd to indemnify Cheshunt Holdings Guernsey Limited;

- (h) Intellectual Property and Know-how Agreement dated 28 May 2014 between Tesco PLC and Gain Land Limited entered into pursuant to the Investment Agreement and Shareholders Agreement referred to in paragraphs (d) and (f) above, to reflect the strategic partnership contemplated by those agreements and to set out the terms under which certain intellectual property is licensed; and
- (i) Assignment of Trade Marks dated 28 May 2014 between Tesco Stores Limited and China Resources Vanguard Co., Ltd. entered into pursuant to the Investment Agreement referred to in paragraph (d) above, to assign certain trade marks from Tesco Stores Limited to China Resources Vanguard Co., Ltd.

12. QUALIFICATION AND CONSENT OF EXPERTS

The following are the names and qualifications of each of the experts who has given an opinion or advice, which is contained in or referred to in this Composite Document:

Name	Qualification
BofAML	A corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Morgan Stanley	A corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
UBS	A corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
Rothschild	A corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Vigers	An independent professional property valuer

Each of BofAML, Morgan Stanley, UBS, Rothschild and Vigers has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion in this Composite Document of the opinion or letter (as the case may be) and references to its name in the form and context in which it is included.

13. MISCELLANEOUS

- (a) The registered office of CRH is at 49/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.
- (b) The registered office of the Offeror is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.
- (c) The registered office of the Company is at 39/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.
- (d) The Offeror is wholly-owned by China Resources Enterprise, Limited (formerly known as Well Gain Ventures (Hong Kong) Limited), which is in turn wholly-owned by Well Gain Ventures Limited, which is itself wholly-owned by CRH. CRH is beneficially wholly owned by CRC Bluesky Limited, which is in turn wholly-owned by China Resources Co., Limited. China Resources Co., Limited* is ultimately beneficially wholly-owned by China Resources National Corporation*.
- (e) BofAML and Morgan Stanley are making the Revised Partial Offer for and on behalf of the Offeror. The addresses of BofAML and Morgan Stanley are at 55/F, Cheung Kong Center, 2 Queen's Road Central, Central, Hong Kong and 46th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong respectively.
- (f) The Independent Financial Advisor is Rothschild whose address is at 16th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong.
- (g) The share registrar and transfer office of the Company is Tricor Standard Limited whose address is at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (h) As at the Latest Practicable Date, the Offeror had no agreement, arrangement or understanding to transfer, charge or pledge any of the Shares acquired pursuant to the Revised Partial Offer to any other persons.
- (i) As at the Latest Practicable Date, the directors of the Offeror are Dr. Fu Yuning, Mr. Qiao Shibo, Mr. Chen Lang, Mr. Wei Bin and Mr. Yan Biao.
- (j) As at the Latest Practicable Date, the directors of CRH are Dr. Fu Yuning, Mr. Qiao Shibo, Mr. Wang Yin, Mr. Chen Lang, Mr. Du Wenmin, Mr. Wang Chuandong, Mr. An Guanghe and Mr. Wei Bin.
- (k) As at the Latest Practicable Date, the directors of China Resources National Corporation* are Dr. Fu Yuning, Mr. Qiao Shibo, Mr. Wang Yin, Mr. Chen Lang, Mr. Du Wenmin, Mr. Wang Chuandong, Mr. An Guanghe and Mr. Wei Bin.

- (l) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese texts.

** English translations of these names are provided for ease of reference only and they are not the official English names of the entities concerned*

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection (i) during normal business hours on any business day at the office of the Company at 39/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong; (ii) on the website of the Company at www.crbeer.com.hk; and (iii) on the website of the SFC at www.sfc.hk, from the date of this Composite Document until the end of the Offer Period:

- (a) the memorandum and articles of association of CRH;
- (b) the memorandum and articles of association of the Offeror;
- (c) the memorandum and articles of association of the Company;
- (d) the annual reports of the Company for the two financial years ended 31 December 2013 and 31 December 2014 and the interim report of the Company for the six months ended 30 June 2015;
- (e) the audited consolidated financial statements of CRH for the two financial years ended 31 December 2014;
- (f) the letter from the Board, the text of which is set out on pages 20 to 25 of this Composite Document;
- (g) the letter from the Independent Board Committee, the text of which is set out on pages 26 to 27 of this Composite Document;
- (h) the letter from the Independent Financial Advisor, the text of which is set out on pages IFA-1 to IFA-18 of this Composite Document;
- (i) the property valuation report from the Property Valuer, the text of which is set out on page III-1 to III-311 of this Composite Document;
- (j) the swap master confirmation dated 9 July 2012 entered into by Bank of America N.A. with third parties (together with the related amendment agreements) and the relevant supplemental confirmations;
- (k) the swap master confirmation dated 4 October 2012 entered into by Bank of America N.A. with a third party and the relevant supplemental confirmations;

- (l) the swap master confirmation dated 4 October 2012 entered into by Bank of America N.A. with a third party and the relevant supplemental confirmations;
- (m) the swap master confirmation dated 26 November 2012 entered into by Bank of America N.A. with a third party and the relevant supplemental confirmations;
- (n) the swap master confirmation dated 10 April 2013 entered into by Bank of America N.A. with a third party (together with the related amendment agreement) and the relevant supplemental confirmations;
- (o) the swap master confirmation dated 5 November 2013 entered into by Bank of America N.A. with third parties and the relevant supplemental confirmation;
- (p) the written consents as referred to in the section headed “Qualification and Consent of Experts” in this Appendix;
- (q) the material contracts as referred to in the section headed “Material Contracts” in this Appendix; and
- (r) the letter from BofAML and Morgan Stanley, the text of which is set out on pages 9 to 19 of this Composite Document.