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華潤創業有限公司

China Resources Enterprise, Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

CONTINUING CONNECTED TRANSACTIONS

On 21 March 2013, CR Beverage Shenzhen, an indirect non-wholly-owned subsidiary of the Company, entered into the Supply Framework Agreement with CR Packaging and Zhuhai CR Packaging pursuant to which CR Packaging and Zhuhai CR Packaging agreed to supply Packaging Materials to CR Beverage Shenzhen from 21 March 2013 to 31 December 2015.

As CR Packaging and Zhuhai CR Packaging are both indirect wholly-owned subsidiaries of CRH which in turn is the intermediate holding company of the Company, CR Packaging and Zhuhai CR Packaging are both associates of a connected person of the Company under the Listing Rules. Accordingly, the Supply Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

As each of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of each of the annual caps under the Supply Framework Agreement, on an annual basis, is more than 0.1% but less than 5%, the continuing connected transactions contemplated under the Supply Framework Agreement are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under the Listing Rules.

Supply Framework Agreement

- Date : 21 March 2013
- Parties : CR Beverage Shenzhen, an indirect non-wholly-owned subsidiary of the Company
CR Packaging, an indirect wholly-owned subsidiary of CRH
Zhuhai CR Packaging, also an indirect wholly-owned subsidiary of CRH
- Subject : CR Packaging and Zhuhai CR Packaging agreed to supply CR Beverage Shenzhen from time to time the Packaging Materials that are required for the production of beverage containers and bottles. The transactions shall be conducted on normal commercial terms which are no less favourable than those terms regarding Packaging Materials of

similar specifications and quality provided or quoted by independent third party suppliers to CR Beverage Shenzhen

- Term : From 21 March 2013 to 31 December 2015
- Pricing basis : The price of the Packaging Materials shall be determined by reference to the prevailing market price.
- Credit period : A general credit period of sixty days after delivery of the products.

Proposed annual caps

It is estimated that the maximum amount of purchases to be made by CR Beverage Shenzhen under the Supply Framework Agreement will not exceed RMB1,070 million (equivalent to approximately HK\$1,334.72 million), RMB1,600 million (equivalent to approximately HK\$2,008.31 million) and RMB2,300 million (equivalent to approximately HK\$2,869 million) respectively for the three years ending 31 December 2013, 2014 and 2015.

The above proposed annual caps are determined, after arms-length negotiations between the parties, by reference to the estimated substantial growth of the demand of CR Beverage Shenzhen's products, expected increase in the price of PET, the production capacity of CR Packaging and Zhuhai CR Packaging, and the historical transaction amounts for CR Beverage Shenzhen's purchases of Packaging Materials from independent third parties for the three years ended 31 December 2010, 2011 and 2012 being approximately RMB 340 million (equivalent to approximately HK\$424.12 million), RMB 640 million (equivalent to approximately HK\$ 798.34 million) and RMB 770 million (equivalent to approximately HK\$960.5 million), respectively.

The Directors (including the independent non-executive Directors) consider that the proposed annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Relationship between the parties

As CR Packaging and Zhuhai CR Packaging are both indirect wholly-owned subsidiaries of CRH which in turn is the intermediate holding company of the Company, CR Packaging and Zhuhai CR Packaging are both associates of a connected person of the Company under the Listing Rules. Accordingly, the Supply Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

Reasons for entering into the Supply Framework Agreement

CR Beverage Shenzhen has entered into the Supply Framework Agreement for the following reasons:

- (i) pursuant to the terms of the Supply Framework Agreement, CR Packaging and Zhuhai CR Packaging each undertakes to prioritize CR Beverage Shenzhen's orders

which enables CR Beverage Shenzhen to secure a stable source of supply of Packaging Materials, thereby avoiding unnecessary disruption to CR Beverage Shenzhen's operations;

- (ii) the factories and premises of CR Packaging and Zhuhai CR Packaging are conveniently located close to CR Beverage Shenzhen's production facilities in Guangdong, which means CR Beverage Shenzhen will be able to incur less transportation expenses of the Packaging Materials;
- (iii) the Supply Framework Agreement will enable CR Beverage Shenzhen to dispense additional costs and administrative burden in negotiating with various independent third party suppliers individually; and
- (iv) to the knowledge of the Company, CR Packaging and Zhuhai CR Packaging are equipped with sufficient machineries and resources to satisfy CR Beverage Shenzhen's expected increase of demand in Packaging Materials.

In view of the factors above, the Directors (including the independent non-executive Directors) consider that the transactions contemplated under the Supply Framework Agreement are in the ordinary and usual course of business of the Group and on normal commercial terms and the terms of the Supply Framework Agreement including the annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

General

As each of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the annual caps under the Supply Framework Agreement, on an annual basis, is more than 0.1% but less than 5%, the continuing connected transactions under the Supply Framework Agreement are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under the Listing Rules.

None of the Directors has any material interest in the Supply Framework Agreement, and none of them abstained from voting on the relevant board resolutions approving the Supply Framework Agreement and the transactions contemplated thereunder.

Information about the parties

The Company is a company listed on the Main Board of the Stock Exchange with business emphasis on consumer businesses in the PRC. The Group's core businesses are retail, beer, food and beverage. CR Beverage Shenzhen, an indirect non-wholly-owned subsidiary of the Company, is principally engaged in the manufacture and distribution of non-alcoholic beverages.

The CRH Group is principally engaged in the businesses of power, banking, real estate, medicine, textiles, chemical products, gas and compressor. Zhuhai CR Packaging, an indirect wholly-owned subsidiary of CRH, is principally engaged in the manufacture and sales of PET. CR Packaging, an indirect wholly-owned subsidiary of CRH, is principally engaged in the

manufacture, import, export and domestic wholesale of PET and other packaging materials, as well as domestic wholesale of waste materials.

Definitions

“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	means the board of Directors;
“Company”	means China Resources Enterprise, Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 291);
“connected person”	has the meaning ascribed to it in the Listing Rules;
“CR Beverage Shenzhen”	means 華潤怡寶食品飲料（深圳）有限公司 (China Resources C'estbon Food & Beverage (Shenzhen) Co., Ltd.*), a company established in the PRC with limited liability, a non-wholly-owned subsidiary of the Company;
“CR Packaging”	means 華潤包裝材料有限公司 (China Resources Packaging Materials Co., Ltd.*), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of CRH;
“CRH”	means China Resources (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and the intermediate holding company of the Company;
“CRH Group”	means CRH and its subsidiaries (but excluding the Group and its associates);
“Director(s)”	means the director(s) of the Company;
“Group”	means the Company and its subsidiaries;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Packaging Materials”	means the PET that are required for the production of beverage containers and bottles;
“PET”	means polyethylene terephthalate, an organic compound which is used in producing polyester filament yarns and other products such as plastic containers and bottles;

“PRC”	means the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed thereto under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Supply Framework Agreement”	means the supply framework agreement dated 21 March 2013 entered into between CR Beverage Shenzhen and CR Packaging;
“Zhuhai CR Packaging”	means 珠海華潤包裝材料有限公司 (Zhuhai China Resources Packaging Materials Co., Ltd.*), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of CRH;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“RMB”	means Renminbi, the lawful currency of the PRC; and
“%”	per cent.

** The English translation of the company names is for reference only. The official names of these companies are in Chinese.*

For illustration purposes, amounts in RMB have been translated into HK\$ at the rate of RMB1 = HK\$1.2474.

By Order of the Board
China Resources Enterprise, Limited
Lai Ni Hium, Frank
*Chief Financial Officer, Executive Director
and Company Secretary*

Hong Kong, 21 March 2013

As at the date of this announcement, 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. Yan Biao, Mr. Wei Bin, Mr. Huang Daoguo and Mr. Chen Ying. The Independent Non-executive Directors are Mr. Houang Tai Ninh, Dr. Li Ka Cheung, Eric, Dr. Cheng Mo Chi, Mr. Bernard Charnwut Chan and Mr. Siu Kwing Chue, Gordon.