

For Immediate Release

Press Release

CRB Acquires Two Breweries to Strengthen its Foothold in Anhui Province

[Hong Kong, 18th May, 2004] China Resources Breweries Limited (“CRB”), a subsidiary of China Resources Enterprise, Limited (the “Company” or “CRE”) (Stock Code: 0291) and a joint venture with SABMiller plc, announced that it has acquired a 90% interest in two breweries in Anhui Province from Anhui Longjin Group Limited (“Longjin Group”). The two brewing plants in Shucheng and Liuan produce the famous ‘Longjin’ (龍津) brand. The Longjin Group retains the remaining 10% interest.

The consideration for the acquisition was based on the book asset value of the two breweries as at 31st December, 2003 and, subject to adjustment, amounted to RMB280 million, which included assumption of certain liabilities totaled RMB82 million. With a combined annual production capacity of about 280,000 kilolitres, the two brewing plants achieved sales volume of about 140,000 kilolitres in 2003.

Prior to the acquisition, CRB already had two breweries in Anhui and is one of the largest brewers in the province, with annual production capacity of 350,000 kilolitres and sales volume in 2003 amounted to 235,000 kilolitres. With the acquisition, CRB will become the largest brewer in Anhui Province. Including the joint venture with Zhejiang Qianpi Group signed in March this year, the annual production capacity of CRB will be increased to about 4.9 million kilolitres. CRB will have 32 breweries covering the North Eastern, South Western, Central and Eastern region of the Chinese Mainland.

Mr. Frank Ning, Chairman of CRE, said, “The addition of Longjin will strengthen our presence in Anhui Province with a dominant market share in Hefei and Liuan. It will help span our significant market presence across the Central region, where we already have established a strong foothold in Wuhan. It will be another important platform for us to extend the distribution of our national brand, Snow.”

Mr. André Parker, Managing Director of SABMiller's Africa & Asia division, commented “These latest acquisitions are another step in the creation of a powerful strategic growth platform for CRB, further strengthening its position as the second largest brewer in China. The transaction was completed at a price which represents excellent value to both SABMiller and CRE, and will enable us to access synergies and cost benefits with our existing operations.”

China Resources Enterprise, Limited

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About China Resources Breweries Limited

China Resources Breweries Limited was established in 1994 and is engaged in the production, sales and marketing of beer and beverages in China. Its shareholders are China Resources Enterprise, Limited and SABMiller plc, the third largest brewing group in the world. China Resources Enterprise, Limited has 51% interests in China Resources Breweries Limited while SABMiller plc holds 49% interests. It operates more than 30 breweries in the Chinese Mainland with total sales volume of 2.53 million kilolitres in 2003.

About China Resources Enterprise, Limited

China Resources Enterprise, Limited is listed on the Hong Kong Stock Exchange and is also traded on SEAQ International of the London Stock Exchange. It is also one of the constituent stocks of the Hang Seng Index in Hong Kong and Hang Seng London Reference Index. The Group has a well-diversified portfolio of businesses in both Hong Kong and the Chinese Mainland, with principal activities being retail, beverage, food processing and distribution, textile and petroleum distribution.

About SABMiller plc

SABMiller plc is one of the world's largest brewers, with major brewing and distribution operations in America, Africa, Europe and Asia. It has a brewing presence in over 40 countries and some 45,000 employees. In the year ending 31st March, 2003, SABMiller generated US\$770 million pre-tax profit from turnover of US\$9.1 billion. The company is listed on both the London and the Johannesburg stock exchanges.

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