

**For Immediate Release  
Press Release**

**CR Snow announced acquisitions in Zhejiang Province & Anhui Province**

[Hong Kong, 24 July 2006] China Resources Snow Breweries Limited (or “CR Snow”), a subsidiary of China Resources Enterprise, Limited (or the “Company”) (HKEx: 0291) and a joint venture with SABMiller plc, announced that it has agreed to acquire a 100% equity interest in 浙江銀燕啤酒有限公司 (“Zhejiang Yinyan Brewery Company Limited” or “Yinyan Brewery”) and the brewing related assets in 安徽淮北相王啤酒有限公司 (“Anhui Huaibei Xiangwang Brewery Company Limited” or “Xiangwang Brewery”) for the respective cash consideration of RMB338 million and RMB81 million.

Taking into account of Yinyan Brewery’s net debt of about RMB48 million and CR Snow’s intention to invest an additional RMB15 million, the total investment cost in Yinyan Brewery is expected to be around RMB401 million. The current annual production capacity of the brewery is 186,000 kilolitres and this will be increased to 240,000 kilolitres after the planned investment. The present production focuses on the “Yinyan” series of beers and they are distributed for sales mainly in the Jiaxing area of Zhejiang Province and Shanghai. In 2005, Yinyan Brewery sold approximately 104,000 kilolitres of beer.

The consideration for acquisition of Xiangwang Brewery is based on the appraised asset value, with an intended further investment of RMB59 million, bringing total investment cost to about RMB140 million. The annual production capacity of the brewery will be upgraded from 93,000 kilolitres to 160,000 kilolitres. At present, the brewery’s main brand “Xiangwang” has a dominant market share in Huaibei and in 2005 the brewery reported sales volume of about 65,000 kilolitres.

Both breweries are located at focal points for strategic development in the respective areas. Premised at Haiyan county of Zhejiang, Yinyan Brewery is situated conveniently within short transport distance from major cities including Shanghai, Hangzhou, Suzhou and Ningbo. Similarly, Xiangwang Brewery is at Huaibei, a major city in northern Anhui neighboring Jiangsu, Shandong and Henan provinces. Upon acquisition, our national brand “SNOW” will be produced as soon as practicable. At present, CR Snow has two breweries in Zhejiang Province and five breweries in Anhui Province and sales volume amounted to 290,000 kilolitres and 493,000 kilolitres respectively in 2005.

Mr. Mark Chen, Managing Director of China Resources Enterprise, Limited said, “The two acquisitions play a crucial role in the strategic development of CR Snow in these areas. Yinyan Brewery will generate synergies with our existing breweries at Qianjiang and Xiling, cementing a strong network in the northern region of Zhejiang Province. Whilst at the same time, acquisition of Xiangwang Brewery will establish CR Snow’s production base in northern Anhui and add to our dominant market position in the province.”

**China Resources Enterprise, Limited**

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Mr. André Parker, Managing Director of SABMiller Africa & Asia, said, "We have a profitable and growing presence in Zhejiang and Anhui. Therefore these acquisitions will not only effectively reinforce CR Snow's market position in these provinces, but also provide a larger platform to expand our national brand SNOW in these strong growth areas."

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#### **About China Resources Snow Breweries Limited**

China Resources Snow 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. China Resources Enterprise, Limited has a 51% interest in China Resources Snow Breweries Limited while SABMiller plc holds a 49% interest. It operates about 40 breweries in the Chinese Mainland with a total sales volume of about 3.95 million kiloliters in 2005.

#### **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 focuses on the consumer businesses in both Hong Kong and the Chinese Mainland, with core activities being retail, beverage, food processing and distribution, textile and property investment.

#### **About SABMiller plc**

SABMiller plc is one of the world's largest brewers with brewing interests or distribution agreements in over 60 countries across five continents. The group's brands include premium international beers such as Miller Genuine Draft, Peroni Nastro Azzurro and Pilsner Urquell, as well as an exceptional range of market leading local brands. Outside the USA, SABMiller plc is also one of the largest bottlers of Coca-Cola products in the world. In the year ended 31 March 2006, the group reported US\$2,626 million adjusted pre-tax profit and a turnover of US\$15,307 million. SABMiller plc is listed on the London and Johannesburg stock exchanges.

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