

**For Immediate Release**

**Press Release**

**CR Snow acquired the first brewery in Fujian Province**

[Hong Kong, 8 February 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 acquired a total 85% interest in 泉州清源啤酒有限公司 (“Quanzhou Qingyuan Brewery Limited” or “Qingyuan Brewery”) for an estimated RMB72 million. The residual 15% is owned by 泉州中僑（集團）股份有限公司 (“Q.F.G.C. (Limited)”).

The consideration for the acquisition will be based on the appraised net asset value of Qingyuan Brewery to be determined after due diligence, which is expected to be about RMB85 million. Qingyuan Brewery had a net debt of RMB42 million as at 30 September 2005. The annual production capacity of the brewery is 118,000 kilolitres, and could be increased to 280,000 kilolitres after upgrade for an additional RMB65 million investment. The major product line for Qingyuan Brewery is its “Qingyuan” series of beer, distributed for sales mainly in the Quanzhou area.

Quanzhou, a major coastal city with a population of over 7 million people, is located at the southeast coastal area of Fujian Province. Total beer sales of Fujian Province was 1.35 million kilolitres in 2004, while annual consumption per capita was 39 litres, far exceeding the per capita level of 23 litres on a nationwide basis. At present, CR Snow does not have any plant in the province.

Mr. Mark Chen, Managing Director of China Resources Enterprise, Limited said, “The acquisition is part of our national strategy for “SNOW” to expand into southern China prudently. We are already selling SNOW in Fujian Province and our cost efficiency will be enhanced in future. We will take advantage of the edges of Quanzhou to consolidate our market position in Fujian Province and would upgrade the existing facilities in two to three years’ time. Coupled with our greenfield plant at Dongguan, which has commenced trial runs recently, we have built a sound platform for further expansion to neighbouring areas of southern China.”

Mr. André Parker, Managing Director of SABMiller Africa & Asia, said, “Fujian Province is an attractive region to further build our presence in China and expand our fast growing “SNOW” brand. This transaction represents a very attractive value of under US\$10 per hectolitre and is evidence of CR Snow’s continued price discipline in pursuing acquisitions in the region.”

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**China Resources Enterprise, Limited**

39/F China Resources Building, 26 Harbour Road, Wanchai, Hong Kong  
Tel: (852) 2827 1028 Fax: (852) 2598 8453 Website: www.cre.com.hk



## **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 3.1 million kilolitres in 2004.

## **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 2005, the group reported US\$2,194 million pre-tax profit and a turnover of US\$14,543 million on a UK GAAP basis. SABMiller plc is listed on the London and Johannesburg stock exchanges.

For further information, please contact:

Mr. Francis Kwong, Executive Director

China Resources Enterprise, Limited

Tel: +852 2829 9816

Fax: +852 2598 8453

Email: [francis.kwong@cre.com.hk](mailto:francis.kwong@cre.com.hk)

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Tel: (852) 2827 1028 Fax: (852) 2598 8453 Website: [www.cre.com.hk](http://www.cre.com.hk)