

**For Immediate Release  
Press Release**

**CR Snow Acquires Remaining 55% Equity Stake in Hangzhou Xihu Beer  
and Remaining 25% Equity Stake in Huzhou Brewery for RMB 300 million**

**Deal gives CRE wholly-controlled position in the two breweries to  
further solidify its leadership in China's beer market**

- **CR Snow has acquired remaining 55% equity stake in Hangzhou Xihu Beer and remaining 25% equity stake in Huzhou Brewery for RMB 300 million.**
- **Hangzhou and Huzhou Breweries have strong market position in the northern part of Zhejiang Province with expertise in production, technology and sales. The two breweries have a combined annual production capacity of 500,000 kiloliters.**
- **CR Snow has a market share of approximately 40% in Zhejiang Province, with a sales volume of over 1,000,000 kiloliters in 2010.**
- **Upon the completion of the acquisition, CR Snow will have eight breweries in Zhejiang Province, further strengthening its competitive edge in the market.**
- **The acquisition will further strengthen CR Snow's market-leading position in China's beer market and will further pave the way for the sustainable growth of its beer business.**

[ Hong Kong, 2 August, 2011 ] - China Resources Snow Breweries Limited ('CR Snow'), a subsidiary of China Resources Enterprise, Limited (or 'the Company') (HKEx: 00291) and a joint venture with SABMiller plc, today announced that it has acquired remaining 55% equity stake in Hangzhou Xihu Beer Asahi Co.,Ltd. ('Hangzhou Xihu Beer') and remaining 25% equity stake in Zhejiang Xihu Beer Asahi Co. Ltd. ('Huzhou Brewery') for a total cash consideration of RMB300 million. Hangzhou Xihu Beer currently owns a 75% interest in Huzhou Brewery. Upon the completion of the acquisitions, Hangzhou Xihu Beer and Huzhou Brewery will become the wholly-owned subsidiaries of CR Snow, further strengthening CR Snow's leading position in Zhejiang Province.

Shortly prior to these acquisitions, CR Snow acquired 45% stake in Hangzhou Xihu Beer for RMB 268 million on 29 November 2010. The acquisitions made by CR Snow within a year demonstrate its robust development in Zhejiang Province, and this acquisition will further strengthen its overall dominance in Zhejiang Province. The two breweries in Hangzhou and Huzhou have a total annual production capacity of 500,000 kiloliters and a historic sales volume of 120,000 kiloliters.



CR Snow is a market leader in Zhejiang Province with approximately 40% market share and sales volume of over 1,000,000 kiloliters in 2010. CR Snow currently operates six breweries in Zhejiang Province. Upon the completion of the acquisition, CR Snow will have eight breweries in the province, which will further strengthen its competitive edge and its leading position in the market.

Mr. Chen Lang, Chief Executive Officer of China Resources Enterprise, Limited said, “Xihu beer is widely received in the north of Zhejiang Province and has a sound track record and huge growth potential. The acquisitions will not only further strengthen CR Snow’s leading position in China’s beer market, but will also pave the way for the sustainable growth of our beer business. After the acquisition of the remaining stakes in Hangzhou Xihu Beer and Huzhou Brewery, the Group will continue to actively seek and evaluate investment opportunities in order to further expand its businesses, thereby strengthening the leading positions of its core businesses of retail, beer, food and beverage.”

Mr. Ari Mervis, Managing Director of SABMiller Asia, said, “SABMiller is committed to growing its presence in China through its joint venture with CRE. This latest transaction increases our production capacity to serve the thriving Zhejiang province. The cumulative impact of our recent transactions across China supports our confidence in this growing market with strong prospects. CR Snow is putting itself in the best position to tap into the profit pool and widen the gap between the company and its competition.”

The Company entered the beer industry in 1993 and began its partnership with SABMiller, one of the leading brewers in the world, in 1994. CR Snow has grown to be a leader in China’s beer market thanks to its successful acquisition strategy, well-executed consolidation and sustained brand building efforts. CR Snow has approximately 21% market share in China’s beer market with sales volume increased by 11% year-on-year to over 9,280,000 kiloliters in 2010. The sales volume of “雪花 Snow” alone surged 16% year-on-year to approximately 8,413,000 kiloliters in 2010, making it the top seller in China for the sixth consecutive year since 2005. “雪花 Snow” was ranked 29th on the list of most valuable Chinese brands in 2011, with a brand value of RMB46.368 billion.

\* \* \*



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

China Resources Snow Breweries Limited was established by the Company in 1993 and became a joint venture with SABMiller plc in 1994. It is engaged in the production, sale and marketing of beer in China. Its shareholders are China Resources Enterprise, Limited and SABMiller Asia Limited, a subsidiary of SABMiller plc. China Resources Enterprise, Limited has a 51% interest in China Resources Snow Breweries Limited while SABMiller Asia Limited holds the remaining 49% interest. In 2010, it operated over 70 breweries in China with a total beer sales volume of about 9.28 million kiloliters. It is the largest beer company in China by sales volume.

### **About China Resources Enterprise, Limited**

China Resources Enterprise, Limited is listed on the Hong Kong Stock Exchange and is one of the constituent stocks of the Hang Seng Index in Hong Kong. The Group focuses on the consumer businesses including retail, beer, food and beverage in China.

### **About SABMiller plc**

SABMiller plc is one of the world's largest brewers with brewing interests and distribution agreements across six continents. The group's wide portfolio includes global beers such as Pilsner Urquell, Peroni Nastro Azzurro, Miller Genuine Draft and Grolsch, as well as leading local brands such as Aguila, Castle, Miller Lite, Snow and Tyskie. SABMiller plc is also one of the world's largest bottlers of Coca-Cola products. In the year ended 31 March 2011, the group reported US\$4,491 million adjusted pre-tax profit and group revenue of US\$28,311 million. SABMiller plc is listed on the London and Johannesburg stock exchanges.

For further information, please contact:

### **China Resources Enterprise, Limited**

Mr. Vincent Tse, General Manager

Strategic Planning and Investor Relations Dept.

Mobile: +852 9861 1983

Fax: +852 2598 8453

Email: [vincent.tse@cre.com.hk](mailto:vincent.tse@cre.com.hk)