

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA RESOURCES ENTERPRISE, LIMITED

(incorporated in Hong Kong with limited liability)

Announcement

Placing of existing shares and subscription of new shares

All conditions in relation to the subscription of 137,094,000 new shares of HK\$1.00 each of China Resources Enterprise, Limited by China Resources (Holdings) Company Limited (the "Subscription") have been satisfied and the Subscription has become unconditional.

The board of directors of China Resources Enterprise, Limited (the "Company") announced on 6th and 7th July 1999, the placing of an aggregate of 137,094,000 shares of the Company by China Resources (Holdings) Company Limited ("China Resources Holdings") at HK\$13.85 per share and the subscription of 137,094,000 new shares of the Company (the "Subscription Shares") by China Resources Holdings at the same price.

The Subscription is conditional upon, inter alia, The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting approval for the listing of and for permission to deal in the Subscription Shares. On 8th July 1999, the Company submitted the said application to the Listing Division of the Stock Exchange. On 20th July 1999, the Stock Exchange granted the approval for the listing of and for permission to deal in the Subscription Shares.

As a result of the grant of approval by the Stock Exchange as aforesaid, all conditions to the completion of the Subscription have been satisfied. China Resources Holdings and the Company completed the Subscription today.

By Order of the Board

China Resources Enterprise, Limited

Lee Yip Wah, Peter

Secretary

Hong Kong, 20th July 1999.