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## **CHINA RESOURCES ENTERPRISE, LIMITED**

*(Incorporated in Hong Kong under the Companies Ordinance)*

### **Announcement**

The Directors of China Resources Enterprise, Limited would like to confirm that the Company continues to conduct studies into the viability of acquiring various distribution and logistic business from CRH. Saved as disclosed in the announcement dated 13th October 2000 in respect of the Company's proposed acquisition of the oil distribution business from CRH, no decisions and formal agreements have been made and no timetable has been set for the acquisition of other distribution and logistic business. Upon reaching any final decisions, the directors of the Company shall consider making appropriate disclosure as required by the Listing Rules.

This announcement is made at the request of the Stock Exchange of Hong Kong Limited (the "Exchange")

The directors of China Resources Enterprise Limited (the "Directors") refer to various articles appearing in the press on 19th October 2000 regarding China Resources Enterprise, Limited (the "Company") possible acquisition of various distribution and logistic business from China Resources (Holdings) Company Limited ("CRH"), who is interested in approximately 55.4% of the Company's issued share capital.

The Directors would like to refer to the announcement made on 19th June 2000 by the Company's major shareholder, CRH, on its proposed restructuring plan, which includes transforming the Company into a leading distribution company in Asia by transferring distribution and logistic related businesses into the Company.

The Directors would like to confirm that the Company continues to conduct studies into the viability of acquiring various distribution and logistic business from CRH. Saved as disclosed in the announcement dated 13th October 2000 in respect of the Company's proposed acquisition of the oil distribution business from CRH, no decisions and formal agreements have been made and no timetable has been set for the acquisition of other

distribution and logistic business. Upon reaching any final decisions, the directors of the Company shall consider making appropriate disclosure as required by the Listing Rules.

**Investors are advised to exercise extreme caution when dealing in the securities of the Company.**

By Order of the Board

**China Resources Enterprise, Limited**

**Lee Yip Wah, Peter**

*Secretary*

Hong Kong, 19th October 2000