



CHINA RESOURCES ENTERPRISE, LIMITED

(Incorporated in Hong Kong under the Companies Ordinance)

Announcement

The Directors of China Resources Enterprise, Limited confirm that the Company is currently conducting preliminary studies into the viability of acquiring the distribution and petroleum business from China Resources (Holdings) Company Limited. Concurrently, as part of China Resources (Holdings) Company Limited's proposed restructuring plan, the Company is also considering the possibility of disposing China Resources Beijing Land Limited to China Resources (Holdings) Company Limited. As the proposals are still under review, no decisions and formal agreements have been made and no timetable has been set for the proposed acquisition and disposal. At the request of the Company, trading in the Company's shares was suspended on 8th September 2000 at 10:00 am. Application has been made to the Exchange for the resumption of trading of the Company's shares on 11th September 2000 effective from 10:00 am.

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 8th September 2000 regarding China Resources Enterprise, Limited's (the "Company") possible acquisition of the distribution and petroleum business from China Resources (Holdings) Company Limited ("CRH") and disposal of China Resources Beijing Land Limited ("CRBL") to CRH.

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, including but not limited to the petroleum distribution operation, into the Company.

The Directors would like to confirm that the Company is currently conducting preliminary studies into the viability of acquiring the distribution and petroleum business from CRH. Concurrently, as part of CRH's proposed restructuring plan, the Company is also considering the possibility of disposing its entire 44.2% interest in CRBL to CRH. As the proposals are still under review, no decisions and formal agreements have been made and no timetable has been set for the proposed acquisition and disposal. Should approvals from relevant authorities are required as a result of the proposed acquisition or disposal, the Directors shall make application to obtain those approvals. Upon reaching any final decisions, full announcement and full disclosure as required by the Listing Rules will be made by the Company.

At the request of the Company, trading in the Company's shares was suspended on 8th September 2000 at 10:00 a.m. Application has been made to the Exchange for the resumption of trading of the Company's shares on 11th September 2000 effective from 10:00 a.m.

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