

CHINA RESOURCES ENTERPRISE, LIMITED

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CHINA RESOURCES ENTERPRISE, LIMITED

(incorporated in Hong Kong under the Companies Ordinance)

**Voluntary unconditional offer by
Anglo Chinese Corporate Finance, Limited
on behalf of Best-Growth Resources Limited
a wholly owned subsidiary of China Resources Enterprise, Limited
to acquire all the issued shares in Ng Fung Hong Limited
other than those shares presently owned by
a subsidiary of China Resources Enterprise, Limited and
certain members of the China Resources (Holdings) Company Limited Group**

- The latest time for acceptance of the Public Offer has been extended by the Offeror to 4:00 p.m. on Thursday, 18th January, 2001.
- The Public Offer will close at 9:30 a.m. on Friday, 19th January, 2001.
- As at 4:00 p.m. on Wednesday, 10th January, 2001, the China Resources Enterprise group had 1,029,663,505 shares in Ng Fung Hong, representing approximately 98.4% of its issued share capital.
- The cash and share alternative under the Public Offer has closed. Shareholders accepting the Public Offer will receive HK\$4.90 per share in Ng Fung Hong.
- Shareholders of Ng Fung Hong are reminded that there is no recognised market on which the shares can be traded. Accordingly, independent shareholders who wish to accept the Public Offer but have not yet accepted it are encouraged to tender their pink forms of acceptances as soon as possible.

Reference is made to the composite offer document of China Resources Enterprise, Limited ("China Resources Enterprise") and Ng Fung Hong Limited ("Ng Fung Hong") dated 9th December, 2000. Terms defined in that composite offer document shall have the same meanings herein unless the context requires otherwise.

Acceptances

As at 4:00 p.m. on 10th January, 2001, acceptances of the Public Offer have been received in respect of 339,947,505 shares in Ng Fung Hong, representing approximately 71.9% of the shares in respect of which the Public Offer was made. During the period from 11th December, 2000 to 5th January, 2001, the Offeror has purchased in aggregate 122,722,000 shares in Ng Fung Hong, representing approximately 25.9% of the shares in respect of which the Public Offer was made. As at the date hereof, an aggregate of 6,296,000 shares so purchased have not been delivered to the Offeror. Accordingly, acceptances received under the Public Offer, together with shares acquired from independent shareholders, excluding those that have not been delivered, since the Public Offer opened amounted to 456,373,505 shares, representing approximately 96.5% of the shares in Ng Fung Hong in respect of which the Public Offer was made.

In order to provide sufficient time to independent shareholders to submit the pink forms of acceptances, it is announced that the Public Offer remains open and the latest time for receiving acceptances is extended to 4:00 p.m. on 18th January, 2001. The Public Offer will close at 9:30 a.m. on Friday, 19th January, 2001. The Offeror intends to proceed with compulsory acquisition of shares in Ng Fung Hong not already owned by it after the closure of the Public Offer.

Taking into account the acquisition by the Offeror of 573,290,000 shares in Ng Fung Hong formerly owned and controlled by Rui Jun Investments Limited, a wholly owned subsidiary of China Resources Enterprise, and certain members of the China Resources Holdings Group, the Offeror owns, or has received acceptances in respect of 1,029,663,505 shares in Ng Fung Hong, representing approximately 98.4% of the issued share capital of Ng Fung Hong.

As disclosed in the composite offer document, starting from 11th January, 2001, independent shareholders may only accept the Public Offer in respect the cash alternative of HK\$4.90 per share in Ng Fung Hong.

Issue of shares in China Resources Enterprise under the Public Offer

As a result of acceptances of the cash and share alternative under the Public Offer, China Resources Enterprise has or will issue approximately 15,960,700 new shares. This will result in an increase in its issued share capital of approximately 0.8% and a decrease in the holding of China Resources Holdings from approximately 55.2% to 54.8% of the issued share capital of China Resources Enterprise.

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Further information

Shareholders of Ng Fung Hong are reminded that there is no recognised market on which the shares can be traded. Accordingly, independent shareholders who wish to accept the Public Offer but have not yet accepted it are encouraged to tender their pink forms of acceptances as soon as possible.

Shareholders who have lost or have not received the composite offer document and the forms of acceptances should contact Central Registration Hong Kong Limited at 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or at telephone number 2862 8628 as soon as possible.

By Order of the Board
China Resources Enterprise, Limited
Lee Yip Wah, Peter
Company Secretary

Hong Kong, 10th January, 2001

All the directors of China Resources Enterprise jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

Please also refer to the published version of this announcement in the (South China Morning Post)