



**CHINA RESOURCES ENTERPRISE, LTD.**  
**華潤創業有限公司**

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**Press Release**

**CRE AND CRH INCREASED STAKE IN LOGIC**

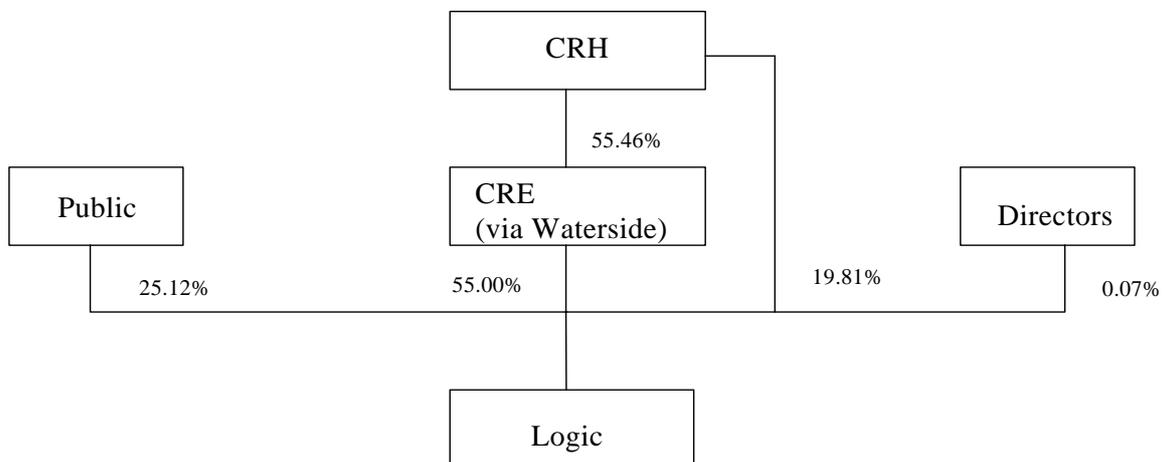
(Hong Kong – 23<sup>rd</sup> February, 2000) China Resources Enterprise, Limited (“the Company”) announced that the Company, through its subsidiary Waterside Holdings Limited, and its parent China Resources (Holdings) Company Limited (“CRH”), have entered into a conditional subscription agreement to subscribe for 586,770,396 and 297,229,604 new shares respectively in Logic International Holdings Limited (“Logic”) at a price of HK\$0.40 per share (“the Subscriptions”).

**Terms of Subscription**

The subscription price per share representing a discount of approximately 36.5% to the closing price of HK\$0.63 per share as quoted on the Stock Exchange on 21<sup>st</sup> February, 2000 (the last trading day prior to the suspension of trading of the shares on 22<sup>nd</sup> February, 2000); and a premium of 185.7% of the net asset value per share, being approximately HK\$0.14, based on the audited accounts of the company as at 31<sup>st</sup> March 1999. The net proceeds of the Subscriptions are expected to amount to approximately HK\$350 million.

Upon completion of the Subscriptions, CRE and CRH will be individually interested in approximately 55.0% and 19.8% of Logic’s enlarged issued share capital.

Shareholding structure upon completion.





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**Conditions of the Subscription**

The Completion of the Subscriptions is conditional on:

- (i) The approval of the Subscriptions and the Whitewash Waiver by the Independent Shareholders at the Special General Meeting;
- (ii) The SFC granting the Whitewash Waiver;
- (iii) The Bermuda Monetary Authority granting or agreeing to grant permission, prior to the date upon which the Subscription Share are allotted and/or issued;
- (iv) The representations and warranties from in the Subscription Agreement having been true and accurate and the undertakings having been duly performed; and
- (v) The Listing Committee of the Stock Exchange granting listing of and permission to deal in subscription shares.

**Reasons for the Subscription**

The respective subscription by CRE and CRH of shares in Logic will increase its capital base and provide a solid financial foundation for Logic's existing business. Apart from continuing to develop its existing businesses, Logic will actively study the opportunity of further diversifying into other businesses, including exploring business opportunities in E-commerce.

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Press Enquiry : Mr. An Lu (2829 9816)

***For announcement, please refer to***

***“<http://www.irasia.com/listco/hk/chinaresources>”***