
INFORMATION ABOUT THIS PROSPECTUS AND THE INTRODUCTION

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus includes particulars given in compliance with the Companies Ordinance and the Listing Rules for the purpose of giving information with regard to the enlarged group. The directors collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief that (i) the information contained in this prospectus is accurate and complete in all material aspects and not misleading; (ii) there are no other facts the omission of which would make any statement in this prospectus misleading, and (iii) all opinions expressed in this prospectus have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This prospectus is published solely in connection with the introduction which is sponsored by Anglo Chinese. It may not be used for any other purpose and, in particular, no person is authorised to use or reproduce this prospectus or any part thereof in connection with any offering of shares or other securities of the company.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

Application has been made to the Listing Committee for the listing of and permission to deal in, the shares in issue after completion of the group reorganisation and the acquisition, and any shares which may fall to be issued upon the exercise of any options (which shall not exceed 10% of the total issued share capital of the company as at the listing date) to be granted under the share option scheme. No part of the share capital or loan capital of the company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought as at the date of this prospectus.

HONG KONG REGISTER AND STAMP DUTY

All shares will be registered on the company's register of members to be maintained by Standard Registrars Limited in Hong Kong upon listing of the shares. Only shares registered in the company's register of members maintained in Hong Kong may be traded on the Stock Exchange. Dealings in shares registered on the company's register of members in Hong Kong will be subject to Hong Kong stamp duty.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of the holding of shares. The company, Anglo Chinese, their respective directors, agents or auditors or any other party involved in the introduction do not accept responsibility for any tax effects on, or liability resulting from, holding the shares.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the shares on the Stock Exchange and the compliance with the stock admission requirements of HKSCC by the company, the shares will be accepted as eligible securities by the HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of the dealings in the shares on the Stock Exchange or such other date determined by the HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day.

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COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the shares on the Stock Exchange are expected to commence on or about 29th July, 2003. Shares will be traded in board lots of 2,000 shares each.

ODD LOT ARRANGEMENT

On 25th March, 2003, the board of directors of China Resources Enterprise proposed a distribution in specie to its own shareholders pursuant to which the China Resources Enterprise shareholders will receive shares in the company from China Resources Enterprise on the basis of one share in the company for every ten shares in China Resources Enterprise held on the record date, rounded down to the nearest whole number. The distribution will result in a significant increase in the number of odd lot shareholdings in the company. In order to facilitate the trading of odd lots, DBS Vickers (Hong Kong) Limited will arrange for the sale and purchase of odd lots on behalf of the shareholders during the period from 29th July, 2003 to 12th August, 2003 both dates inclusive. Holders of the new shares who wish to take advantage of this facility either to dispose of their odd lots or to top them up to a full board lot may contact Mr. Leung Yut Chiu in normal business hours as follows:

Contact person	Address	Telephone no.
Mr. Leung Yut Chiu	18th Floor Man Yee Building 68 Des Voeux Road Central Hong Kong	(852) 2820 4911

Holders of the shares in odd lots should note that the matching of odd lots is not guaranteed.

CONDITION OF THE INTRODUCTION

The introduction is subject to the fulfilment of the conditions that (i) the Listing Committee granting the listing of, and permission to deal in, the shares in issue after completion of the group reorganisation and acquisition and any shares which may fall to be issued upon the exercise of the options to be granted under the share option scheme; and (ii) the passing at the extraordinary general meeting of the necessary resolutions by the China Resources Enterprise independent shareholders to approve the acquisition.