



北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

News Release

Beijing Enterprises Holdings Limited Announced Record Breaking Subscription Results

(May 27, 1997, Hong Kong) - Beijing Enterprises Holdings Limited ("Beijing Enterprises") today announced that valid applications on white and yellow application forms have been received for a total of 17,222,080,000 shares, representing approximately 1,276 times of its shares that were initially available for subscription on white and yellow application forms.

Beijing Enterprises issued 150,000,000 new shares of par value of HK\$0.10 each, at an issue price of HK\$12.48 per share. The Joint Global Co-ordinators and Joint Sponsors of the issue are Peregrine Capital Limited and Morgan Stanley Asia Limited. The Joint Bookrunners and Joint Lead Managers are Morgan Stanley Asia Limited and Peregrine Capital Limited.

The number of Shares initially available under the Placing and the Public Offer was 135,000,000 Shares and 15,000,000 Shares, respectively. As the number of Shares validly applied for under the Public Offer exceeds 225,000,000 Shares, being 15 times the number of Shares initially available for application under the Public Offer, an additional 30,000,000 Shares have been made available for allotment under the Public Offer pursuant to claw back arrangements described in the Prospectus. In addition, a further 6,750,000 Shares will be made available from the Placing to the Public Offer pursuant to further reallocation by the Joint Sponsors of Shares from the Placing to the Public Offer. The total number of Shares available under the Public Offer, after such adjustment, is 51,750,000 Shares, which number includes a total of 4,500,000 Shares offered to employees of the Group.

The Company also announces that the interest received from professional and institutional investors in Hong Kong and certain other jurisdictions in the Placing also indicates a very significant level of over-subscription.

The newly issued shares under the placing and public offer will represent approximately 25% of the enlarged share capital of Beijing Enterprises. Beijing Holdings Limited ("BHL"), through an intermediate holding company will hold 69% interest in the Company.

The remaining approximately 6% will be held by several strategic investors namely, Cheung Kong (Holdings) Limited, Kerry Holdings Limited, New World Development Company Limited, Shanghai Industrial Investment (Holdings) Company Limited, Peregrine Investments Holdings Limited, Morgan Stanley Group Inc. and Sun Hung Kai Properties Limited.

Trading of Beijing Enterprises' shares on The Stock Exchange of Hong Kong Limited will commence on Thursday, May 29, 1997.

In view of the significant number of applicants who have indicated their wish to collect refund cheques and where appropriate, Share certificates in person on Thursday, 29th May, 1997, the

Company will implement an arrangement whereby the above mentioned applicants may do so by presenting identification documents and where applicable, authorization documents acceptable to the Company's Registrars, Tengis Limited, from 6:00 a.m. to 1:00 p.m. on Thursday, 29th May, 1997 at **The Museum of Chinese Historical Relics, 1st Floor, Causeway Centre (besides China Resources Building), 28 Harbour Road, Wanchai, Hong Kong**, not at 1601 Hutchison House, 10 Harcourt Road, Central, Hong Kong as indicated in the Announcements.

Beijing Enterprises is the only overseas listed conglomerate under the control of the Beijing Municipal People's Government ("Beijing Municipal Government"). The Company is an important channel for Beijing in accessing international capital, technology and management expertise.

Mr Hu Zhao Guang, chairman of Beijing Enterprises said, " We are very pleased to see the enthusiastic response to the Company's share issue. On behalf of Beijing Enterprises, I would like to express the deepest gratitude towards the support of public investors in Hong Kong. After the listing, Beijing Enterprises will continue to expand actively and work to our best ability to bring good returns to shareholders.

"As the only overseas listed conglomerate of the Beijing Municipal Government, Beijing Enterprises has established a very close relationship with the Beijing Municipal Government. This will place Beijing Enterprises in a better position in identifying lucrative investment opportunities."

Beijing Enterprises is a red-chip conglomerate with a business focus on Beijing. Currently, Beijing Enterprises has business interests in consumer products manufacturing, infrastructure, services and high-technology industries. These four businesses are the pillar industries of Beijing in coming years and they have also been specified by the Beijing Municipal Government as development priorities.

Mr Guo Ying Ming, vice-chairman and president said," As the political and cultural capital as well as one of the most important economic and financial centres of the PRC, the PRC government has put strong emphasis on the development of Beijing. Beijing has one of the highest per capita consumption and one of the most developed infrastructures in the country. Beijing is also richly endowed with scientific experts necessary for the development of technology-intensive industries. With our leading positions in these industries, we believe that Beijing Enterprises is well positioned to seek attractive development opportunities."

Mr Hu Zhao Guang added, "As a long term strategy, the Company intends to continue to rationalise and strengthen its existing businesses. The Company also intends to develop, invest in and acquire profitable businesses, with a focus on industries designated as development priorities by the Beijing Municipal Government. Having the strong support of the Beijing Municipal Government, coupled with the competitive strengths and solid business foundation of the Company, Beijing Enterprises is confident in capitalising these opportunities and achieving better development in the years ahead."

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