



CITIC Resources Holdings Limited

中信資源控股有限公司

Room 2602, 26/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
Tel: (852) 2815 9792 Fax: (852) 2815 9723 Web: www.citicresources.com

Press release

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CITIC Resources Buys into Caltex

CITIC Resources Holdings Limited (**CRH**), the commodities flagship of the Chinese state-backed conglomerate CITIC Group, is acquiring a majority stake in a venture to develop Caltex-branded service stations in southern China.

The transaction, subject to CRH shareholder and regulatory approvals, will give CRH a 50.5% stake in the enlarged share capital of Caltex South China Investments Limited (**CSCIL**). CSCIL is currently owned by Caltex (Asia) Limited (**Caltex**), a wholly-owned subsidiary of ChevronTexaco Corporation (**ChevronTexaco**), and the privately-held Star Concept Holdings Limited (**Star Concept**).

CSCIL operates more than 40 services stations in Guangdong province, Fujian province and the Special Administrative Region of Macau through various partnerships.

Under the agreement, signed on 8 January 2005, CRH will pay CSCIL, subject to adjustment, a cash consideration of US\$45 million (about HK\$351 million) which will be funded from its existing working capital. Upon completion of the deal, Caltex will own 36.8775% and Star Concept 12.6225% of the enlarged issued share capital of CSCIL.

CRH chairman Peter Kwok said: "We are delighted with this opportunity to enhance shareholder value." CRH vice-chairman and CEO Lawrence Ma added: "This partnership brings world-class expertise to the company and enables us to develop in this expanding arena."

CRH is listed on the Hong Kong stock exchange (stock code 1205) and is an integrated provider of the key commodities and energy resources of which China is a net importer. It is among the top 200 listed companies in Hong Kong by market capitalization and is a constituent of the Hang Seng China-Affiliated Corporations Index. The CRH group has interests in the aluminium, coal and crude oil industries and in the manufacture and sale of plywood.

ChevronTexaco is the world's fourth largest publicly-traded integrated energy company in terms of oil and gas reserves and the world's fifth largest producer. The company is headquartered in San Ramon and active in more than 180 countries.