

For Immediate Release

Press Release

**China Resources Enterprise entered into framework agreement
to dispose of the petroleum distribution business in Hong Kong**

[Hong Kong, 15 March 2007] China Resources Enterprise, Limited (HKEx: 0291) (or “The Company”) today announced that it entered into a framework agreement with China Petroleum & Chemical Corporation (“Sinopec”) on 14 March 2007 regarding the disposal of its 100% equity interest in China Resources Petrochems Investments Limited (“CRPI”) for a cash consideration of HK\$4,000 million. If any major contingent liabilities are found in the due diligence, the parties shall have the right to adjust the terms of the formal agreement. CRPI is the holding company of all the Company’s petroleum distribution business in Hong Kong, including the wholesaling of petroleum products and the operation of petrol stations.

Sinopec will conduct its due diligence on CRPI. Both parties expect that a formal sale and purchase agreement will be signed in mid April 2007 with an intention to complete the proposed transaction by 30 June 2007. If the Company eventually succeeds in completing the disposal considered under the framework agreement, it will no longer have any interest in the petroleum and related products distribution businesses in the Chinese Mainland and Hong Kong. It has been agreed that the audited consolidated net asset value of CRPI upon completion of the transaction will not be less than HK\$1,600 million. The execution of the framework agreement represents another major step of the Company’s ongoing efforts to divest its non-core assets to focus on the core consumer businesses.

“The disposal is a milestone in our progressive transformation into a pure consumer company.” said Mr. Song Lin, Chairman of the Company. “It represents the conclusion of the restructuring exercise of our petroleum distribution business. As one of China’s largest suppliers of oil products, we are delighted to have Sinopec taking over our Hong Kong petroleum distribution business for further development. It will bring the greatest benefit to our shareholders, customers, employees and other stakeholders.”

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About China Resources Enterprise, Limited

China Resources Enterprise, Limited is listed on the Hong Kong Stock Exchange and is also traded on SEAQ International of the London Stock Exchange. It is one of the constituent stocks of the Hang Seng Index in Hong Kong. The Group focuses on the consumer businesses in both the Chinese Mainland and Hong Kong, with core activities being retail, beverage, food processing and distribution, textile and property investment.

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A Hong Kong Listed Member of CR Holdings