

For Immediate Release

Press Release

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

[Hong Kong, 19 April 2007] China Resources Enterprise, Limited (HKEx: 0291) (or “The Company”) announced that it entered into a sale and purchase agreement with China Petroleum & Chemical Corporation (“Sinopec”) today regarding the disposal of its 100% equity interest in China Resources Petrochems Investments Limited (“CRPI”) for a cash consideration of HK\$4,000 million. 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. The consideration is subject to a dollar for dollar adjustment in the event the audited consolidated net asset value of CRPI under the completion audit is less than or more than HK\$1,600 million.

The consideration represents 12.2 times of the audited consolidated net profit of CRPI for the year ended 31 December 2006 of approximately HK\$329 million and a premium of 150% over the estimated audited consolidated net asset value of CRPI of approximately HK\$1,600 million as at the completion date. Based on the consolidated net asset value of CRPI of HK\$1,600 million as at the completion date, the Company would recognize a gain on disposal of about HK\$2,400 million. Completion is subject to, among others, the passing of a resolution by the Company’s independent shareholders at the EGM to approve the proposed transaction.

Taking into account the current financial position and future funding needs, it is intended that the Company will declare a special dividend of HK\$0.6 per share upon completion. Details of the special dividend arrangement will be announced by the Company shortly after completion. The remaining balance of the proceeds from the disposal will be used by the Company for general working capital. Completion is expected to take place by 29 June 2007, and after that, the Group will cease to be engaged in the petroleum and related products distribution businesses in the Chinese Mainland and Hong Kong.

“We are glad that the deal is moving forward according to targeted timetable following our announcement last month.” said Mr. Song Lin, Chairman of the Company. “The disposal enables us to fully deploy our resources for the development of our core consumer businesses and drive shareholder return through the payment of a special dividend. Upon completion, our turnover will be represented entirely by our core consumer businesses.”

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China Resources Enterprise, Limited

39/F China Resources Building, 26 Harbour Road, Wanchai, Hong Kong
Tel: (852) 2827 1028 Fax: (852) 2598 8453 Website: www.cre.com.hk



About China Resources Enterprise, Limited

China Resources Enterprise, Limited is listed on the Hong Kong Stock Exchange and is also traded on 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.

For further information, please contact:

Mr. Francis Kwong, Deputy Managing Director

China Resources Enterprise, Limited

Tel: +852 2829 9816

Fax: +852 2598 8453

Email: francis.kwong@cre.com.hk