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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in China Resources Cement Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser, or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**華潤水泥控股有限公司**  
**China Resources Cement Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Codes: 712 and 2512)**

**PROPOSALS FOR GENERAL MANDATES TO REPURCHASE SHARES  
AND ISSUE SHARES,  
REFRESHMENT OF SCHEME MANDATE LIMIT,  
AMENDMENTS TO EXISTING ARTICLES OF ASSOCIATION AND  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of China Resources Cement Holdings Limited to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 20 April 2006 at 3:30 p.m. is set out on pages 16 to 21 of this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the annual general meeting in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish.

Hong Kong, 23 March 2006

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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:*

“Annual General Meeting”	the annual general meeting of the Company to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 20 April 2006 at 3:30 p.m., the notice of which is set out on pages 16 to 21 of this circular
“Company”	China Resources Cement Holdings Limited, a company incorporated in the Cayman Islands with limited liability, with its shares listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Existing Scheme”	the existing share option scheme conditionally adopted by the Company by way of shareholders’ written resolution dated 20 June 2003 and Directors’ resolutions passed on 20 June 2003 and 23 June 2003, adoption of the existing share option scheme took effect on 29 July 2003, the first date of dealings in the Shares on the Stock Exchange
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	20 March 2006, being the latest practicable date prior to the printing of this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution number 4 of the notice of the Annual General Meeting

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## DEFINITIONS

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“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all options to be granted under the Existing Scheme and any other share option schemes of the Company, which shall not exceed 10% of the Shares in issue on 29 July 2003, i.e. the date on which dealings in the Shares first commenced on the Stock Exchange
“Scheme Mandate Limit Refreshment Proposal”	the proposal to refresh the Scheme Mandate Limit under the Existing Scheme
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar
“%”	per cent

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## LETTER FROM THE CHAIRMAN

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# 華潤水泥控股有限公司 China Resources Cement Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Codes: 712 and 2512)

*Executive Directors:*

Mr. Qiao Shibo (*Chairman*)  
Mr. Shi Shanbo (*Vice Chairman*)  
Ms. Zhou Junqing  
Mr. Zhou Longshan  
Ms. Sun Mingquan  
Mr. Zheng Yi

*Registered office:*

P.O. Box 309GT  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands

*Non-executive Directors:*

Mr. Jiang Wei  
Mr. Keung Chi Wang, Ralph

*Head office and principal place*

*of business in Hong Kong:*  
Room 4107, 41/F.  
China Resources Building  
26 Harbour Road  
Wanchai  
Hong Kong

*Independent non-executive Directors:*

Mr. Chan Mo Po, Paul  
Mr. Lin Zongshou  
Mr. Lui Pui Kee, Francis

23 March 2006

*To the shareholders,*

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO REPURCHASE SHARES  
AND ISSUE SHARES,  
REFRESHMENT OF SCHEME MANDATE LIMIT,  
AMENDMENTS TO EXISTING ARTICLES OF ASSOCIATION AND  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**GENERAL MANDATE TO REPURCHASE SHARES**

At the last annual general meeting of the Company held on 7 April 2005, a general mandate was given to the Directors to exercise the powers of the Company to repurchase shares of the Company. Such mandate will lapse at the conclusion of the forthcoming Annual General Meeting. The Repurchase Resolution will therefore be proposed at the Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to repurchase Shares. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in Appendix I hereto.

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## LETTER FROM THE CHAIRMAN

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### GENERAL MANDATE TO ISSUE SHARES

It will be proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company at the date of the resolution (i.e. not exceeding 76,372,692 Shares based on the issued share capital of the Company of 381,863,461 Shares as at the Latest Practicable Date and assuming that such issued share capital remains the same at the date of passing the resolution) and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the issued share capital of the Company at the date of the Repurchase Resolution.

### REFRESHMENT OF SCHEME MANDATE LIMIT UNDER THE EXISTING SCHEME

The Existing Scheme was conditionally adopted by the Company by way of shareholders' written resolution dated 20 June 2003 and Directors' resolution passed on 20 June 2003 and 23 June 2003. Adoption of the Existing Scheme took effect on the first date of dealings in the Shares on the Stock Exchange, i.e. 29 July 2003. The purpose of the Existing Scheme is to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole.

The existing Scheme Mandate Limit under the Existing Scheme is 36,280,746 Shares, being 10% of the Shares in issue as at the effective date of the Existing Scheme on 29 July 2003. As at the Latest Practicable Date, the Company has granted share options carrying rights to subscribe for 36,980,000 Shares, of which share options carrying rights to subscribe for 2,440,000 Shares have lapsed in accordance with the terms of the Existing Scheme which are not counted for the purpose of calculating the 10% limit. As a result, the balance of share options carrying rights to subscribe for 1,740,746 Shares may be granted under the Existing Scheme. Under the Existing Scheme, the Company did not issue any Shares pursuant to the exercise of the share options and share options carrying rights to subscribe for 34,540,000 Shares remain outstanding and yet to be exercised. Apart from the Existing Scheme, the Company has no other share option scheme in issue as at the Latest Practicable Date. The issue of the share options by the Company has complied with the existing Scheme Mandate Limit at all material times.

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## LETTER FROM THE CHAIRMAN

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Pursuant to paragraph 8.3 of the Existing Scheme, the Company may seek approval from the shareholders of the Company in general meeting to refresh the Scheme Mandate Limit provided that the total number of Shares which may be issued upon exercise of all share options to be granted under the Existing Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue as at the date of the approval to refresh the Scheme Mandate Limit. Share options previously granted under the Existing Scheme (including those outstanding, cancelled, lapsed in accordance with the Existing Scheme or exercised) shall not be counted for the purpose of calculating the limit as renewed.

The overall limit on the number of Shares which may be issued upon exercise of all share options granted and yet to be exercised under the Existing Scheme and other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time.

On the basis of 381,863,461 Shares in issue as at the Latest Practicable Date and assuming that no Shares are issued or purchased by the Company prior to the Annual General Meeting, the Scheme Mandate Limit may be “refreshed” to enable grant of further share options to subscribe up to 38,186,346 Shares, representing 10% of the Shares in issue as at the date of the Annual General Meeting.

Since the number of share options that may be granted pursuant to the existing Scheme Mandate Limit is small which is 1,740,746, the Directors consider that the refreshment of the Scheme Mandate Limit will be in the interests of the Company as the Existing Scheme can continue to serve its purpose of providing incentives to the participants to work towards achieving the goals of the Group.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (1) the passing of an ordinary resolution by the shareholders of the Company to approve the Scheme Mandate Limit Refreshment Proposal at the Annual General Meeting; and
- (2) the Stock Exchange granting the listing of, and the permission to deal in, such number of Shares representing 10% of the Shares in issue at the date of the Annual General Meeting, which may fall to be issued pursuant to the exercise of the share options granted under the “refreshed” Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of and the permission to deal in the Shares to be issued pursuant to the exercise of share options granted under the “refreshed” Scheme Mandate Limit.

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## LETTER FROM THE CHAIRMAN

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### AMENDMENTS TO EXISTING ARTICLES OF ASSOCIATION

The Stock Exchange has recently announced certain amendments to the Listing Rules which came into effect on 1 March 2006. Pursuant to paragraph 4(3) on Appendix 3 to the Listing Rules, the Company in general meeting shall have power by ordinary resolution to remove any Director before the expiration of his period of office. In addition, pursuant to A.4.2 of the Code on Corporate Governance Practices on Appendix 14 to the Listing Rules which came into effect on 1 January 2005, all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Besides, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

In the circumstances, in order to bring the articles of association of the Company in line with the Listing Rules, the Directors propose to the shareholders to approve a special resolution at the Annual General Meeting to amend the existing article 95 requiring that all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, amend the existing articles 102 and 118 to allow the Company to remove directors by ordinary resolution and amend the existing article 115 requiring every Director to retire by rotation at least once every three years.

### RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Qiao Shibo, Mr. Shi Shanbo, Ms. Zhou Junqing, Mr. Zhou Longshan, Ms. Sun Mingquan and Mr. Zheng Yi; the non-executive Directors are Mr. Jiang Wei and Mr. Keung Chi Wang, Ralph; and the independent non-executive Directors are Mr. Chan Mo Po, Paul, Mr. Lin Zongshou and Mr. Lui Pui Kee, Francis.

Pursuant to the existing article 112 of the Articles of Association of the Company, Mr. Qiao Shibo, Mr. Shi Shanbo, Mr. Zheng Yi and Mr. Jiang Wei shall retire from office at the Annual General Meeting and shall be eligible for re-election. Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

### ANNUAL GENERAL MEETING

Set out on pages 16 to 21 of this document is the notice convening the Annual General Meeting.

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## LETTER FROM THE CHAIRMAN

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At the Annual General Meeting, resolutions will be proposed to the shareholders of the Company in respect of ordinary business to be considered at the Annual General Meeting, including re-election of Directors, and special business to be considered at the Annual General Meeting, being the Ordinary Resolutions proposed to approve the Repurchase Proposal, the general mandate for Directors to issue new Shares, the extension of the general mandate to issue new Shares and the Scheme Mandate Limit Refreshment Proposal and the Special Resolution to approve the amendments to the existing Articles of Association of the Company.

### **ACTION TO BE TAKEN**

A form of proxy for use at the Annual General Meeting is enclosed herewith. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar, Standard Registrars Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of a form of proxy will not prevent you from attending and voting in person at the Annual General Meeting if you so wish.

### **RIGHT TO DEMAND A POLL**

Pursuant to article 76 of the Articles of Association of the Company, at the Annual General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) at least five members present in person or by proxy and entitled to vote; or
- (c) any member or members present in person or in the case of a corporation, by its duly authorised representative or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (d) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.



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## LETTER FROM THE CHAIRMAN

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### RECOMMENDATION

The Directors believe that the Repurchase Proposal, the proposed general mandate for Directors to issue new Shares, the proposed extension of the general mandate to issue new Shares, the Scheme Mandate Limit Refreshment Proposal, the proposed amendments to the existing Articles of Association of the Company and the proposed re-election of retiring Directors are all in the best interest of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders of the Company should vote in favour of such resolutions to be proposed at the Annual General Meeting.

Yours faithfully,

for and on behalf of

**China Resources Cement Holdings Limited**

**Qiao Shibo**

*Chairman*

*This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the Repurchase Proposal.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 381,863,461 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Proposal to repurchase a maximum of 38,186,346 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

## **2. REASONS FOR REPURCHASES**

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders as a whole.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the laws of the Cayman Islands. The laws of the Cayman Islands provide that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2005 in the event that the Repurchase Proposal was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**4. SHARE PRICES**

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:–

	<b>Prices</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
March 2005	2.075	1.850
April 2005	1.890	1.720
May 2005	1.800	1.590
June 2005	1.800	1.620
July 2005	1.690	1.520
August 2005	1.560	1.260
September 2005	1.310	1.000
October 2005	1.260	1.030
November 2005	1.140	0.990
December 2005	1.240	1.060
January 2006	1.350	1.200
February 2006	1.370	1.260
March 2006 (up to the Latest Practicable Date)	1.740	1.280

**5. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the shareholders of the Company.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders of the Company.

**6. TAKEOVERS CODE**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, China Resources National Corporation, the ultimate holding company of the Company, is interested in 270,132,647 Shares (representing approximately 70.74% of the total issued share capital of the Company as at the Latest Practicable Date) and bonds which are convertible into 371,436,000 Shares (representing approximately 97.27% of the total issued share capital of the Company as at the Latest Practicable Date). In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Proposal, then (assuming the bonds held by a subsidiary of China Resources National Corporation and other bondholders are not converted and the present shareholdings remains the same) the attributable interest of China Resources National Corporation would be increased from 70.74% to approximately 78.60% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Proposal. The Company has no present intention to repurchase Shares to such extent as to result in the amount of Shares held by the public being reduced to less than 25%.

**7. SHARE REPURCHASES MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

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## APPENDIX II     DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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### Mr. QIAO Shibo

Mr. QIAO Shibo, aged 51, has been an executive Director since March 2003 and the Chairman of the Company since April 2003 and is responsible for the business and strategic planning of the Company. Mr. QIAO holds a bachelor's degree in Chinese language from the Jilin University in China. He had been a senior official of the former Ministry of Foreign Trade and Economic Cooperation (now known as Ministry of Commerce). He is also a non-executive director of China Resources Enterprise, Limited, whose shares are listed on the Stock Exchange. He is also a vice president of China Resources (Holdings) Company Limited, the immediate holding company of the Company and a director of China Resources National Corporation, the ultimate holding company of the Company. China Resources Enterprise, Limited is a subsidiary of China Resources (Holdings) Company Limited. Save as disclosed above, Mr. QIAO did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is no service contract between the Company and Mr. QIAO. He has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meeting pursuant to Article 112 of the Articles of Association of the Company. There is no agreement on the amount of the emoluments payable to Mr. QIAO. Director's fee payable to Mr. QIAO is determined by the board of Directors under the authority granted by the shareholders at annual general meeting. No Director's fee was payable to Mr. QIAO for the year ended 31 December 2005. Besides, Mr. QIAO did not receive other emoluments for the year ended 31 December 2005. Save as disclosed above, Mr. QIAO is and was not connected with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. QIAO has personal interest in share options to subscribe for 3,800,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. QIAO has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

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## APPENDIX II     DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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### Mr. SHI Shanbo

Mr. SHI Shanbo, aged 40, has been an executive Director since March 2003 and the Vice Chairman and General Manager of the Company since June 2003, is responsible for overseeing and management of the overall business operations of the Group. Mr. SHI holds a master's degree in economics from Dongbei University of Finance and Economics in China. He joined China Resources (Holdings) Company Limited, the immediate holding company of the Company, in 1991 and has 14 years of experience in corporate finance, human resources management and strategic planning. Mr. SHI was the Vice Chairman and non-executive director of Cosmos Machinery Enterprises Limited, a listed company in Hong Kong, until 22 March 2004. Mr. SHI is also a director of certain subsidiaries of the Company. Save as disclosed above, Mr. SHI did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is no service contract between the Company and Mr. SHI. He has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meeting pursuant to Article 112 of the Articles of Association of the Company. There is no agreement on the amount of the emoluments payable to Mr. SHI. Director's fee payable to Mr. SHI is determined by the board of Directors under the authority granted by the shareholders at annual general meeting. No Director's fee was payable to Mr. SHI for the year ended 31 December 2005. Mr. SHI received emoluments of HK\$1,439,103 for the year ended 31 December 2005 which were determined with reference to his duties and responsibility with the Company, the Company's performance and current market situation. Save as disclosed above, Mr. SHI is and was not connected with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. SHI has personal interest in share options to subscribe for 3,100,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. SHI has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

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## APPENDIX II      DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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### Mr. ZHENG Yi

Mr. ZHENG Yi, aged 45, was appointed an executive Director in June 2003 and is responsible for the logistic and marketing operations of the cement business division of the Company. Mr. ZHENG holds a master's degree from Dalian University of Technology in China. He joined China Resources (Holdings) Company Limited, the immediate holding company of the Company, in 1986 and has 19 years of experience in sales and marketing and corporate management. Mr. ZHENG is also director of certain subsidiaries of the Company. Save as disclosed above, Mr. ZHENG did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is no service contract between the Company and Mr. ZHENG. He has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meeting pursuant to Article 112 of the Articles of Association of the Company. There is no agreement on the amount of the emoluments payable to Mr. ZHENG. Director's fee payable to Mr. ZHENG is determined by the board of Directors under the authority granted by the shareholders at annual general meeting. No Director's fee was payable to Mr. ZHENG for the year ended 31 December 2005. Mr. ZHENG received emoluments of HK\$1,113,103 for the year ended 31 December 2005 which were determined with reference to his duties and responsibility with the Company, the Company's performance and current market situation. Save as disclosed above, Mr. ZHENG is and was not connected with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. ZHENG has personal interest in share options to subscribe for 2,600,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. ZHENG has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

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## APPENDIX II     DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

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### Mr. JIANG Wei

Mr. JIANG Wei, aged 43, was appointed a non-executive Director in June 2003. Mr. JIANG holds a bachelor's degree in international trade and a master's degree in international business and finance from the University of International Business and Economics in China. He is non-executive director of China Resources Enterprise, Limited, China Resources Power Holdings Company Limited, China Resources Land Limited and China Resources Peoples Telephone Company Limited, a director and Chief Financial Officer of China Resources (Holdings) Company Limited and a non-executive director of China Assets (Holdings) Limited. China Resources (Holdings) Company Limited is the immediate holding company of the Company. China Resources Enterprise, Limited, China Resources Power Holdings Company Limited, China Resources Land Limited and China Resources Peoples Telephone Company Limited are subsidiaries of China Resources (Holdings) Company Limited. China Resources Enterprise, Limited, China Resources Power Holdings Company Limited, China Resources Land Limited, China Resources Peoples Telephone Company Limited and China Assets (Holdings) Limited are listed public companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. JIANG did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

There is no service contract between the Company and Mr. JIANG. He has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meeting pursuant to Article 112 of the Articles of Association of the Company. There is no agreement on the amount of the emoluments payable to Mr. JIANG. Director's fee payable to Mr. JIANG is determined by the board of Directors under the authority granted by the shareholders at annual general meeting. No Director's fee was payable to Mr. JIANG for the year ended 31 December 2005. Besides, Mr. JIANG did not receive other emoluments for the year ended 31 December 2005. Save as disclosed above, Mr. JIANG is and was not connected with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. JIANG did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. JIANG has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there are no information that should be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.



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## NOTICE OF ANNUAL GENERAL MEETING

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# 華潤水泥控股有限公司 China Resources Cement Holdings Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Codes: 712 and 2512)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of China Resources Cement Holdings Limited (the “Company”) will be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 20 April 2006 at 3:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2005.
2. To re-elect directors and to authorise the board of directors to fix the remuneration of the directors of the Company.
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

**“THAT:–**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the aggregate nominal amount of shares of the Company which the directors of the Company are authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution and the said approval shall be limited accordingly; and
  - (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
    - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
5. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT**:-

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); (ii) an

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issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; (iii) an issue of shares upon the exercise of the subscription or conversion rights under the terms of any warrants or any securities of the Company which are convertible into shares of the Company; or (iv) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** subject to the passing of the Resolution nos.4 and 5 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to Resolution no.5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to

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Resolution no.4 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the said Resolution.”

7. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** the existing scheme mandate limit in respect of the granting of share options to subscribe for shares of the Company under the share option scheme effected on 29 July 2003 (the “Share Option Scheme”) be refreshed and renewed provided that the total number of shares which may be allotted and issued pursuant to the grant or exercise of the share options under the Share Option Scheme (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and other share option schemes of the Company) shall not exceed 10% of the shares of the Company in issue as at the date of passing of this resolution (the “Refreshed Limit”) and subject to The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of and permission to deal in such number of shares to be issued pursuant to the exercise of the share options granted under the Refreshed Limit and compliance with the Rules Governing the Listing of Securities on the Stock Exchange, the directors of the Company be and are hereby authorised to grant share options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with the shares pursuant to the exercise of such share options.”

8. As special business, to consider and, if thought fit, pass the following resolution as a special resolution:

### **SPECIAL RESOLUTION**

“**THAT** the existing articles of association of the Company be and are hereby amended in the following manner:–

**(a) Article 95**

By deleting the last sentence of the existing article 95 and substituting therefor the following sentence:–

“Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board), and shall then be eligible for re-election.”

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**(b) Article 102**

By deleting the words “special resolution” in paragraph (vii) of the existing article 102 and substituting therefor the words “ordinary resolution”.

**(c) Article 115**

By deleting the words “, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting” set out as the last sentence of the existing article 115.

**(d) Article 118**

By deleting the words “special resolution” in paragraph (a) of the existing article 118 and its marginal note and substituting therefor the words “ordinary resolution.”

By Order of the Board  
**Lee Yip Wah, Peter**  
*Company Secretary*

Hong Kong, 23 March 2006

*notes:*

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (who must be an individual) to attend and on a poll, vote instead of him. A proxy need not be a member of the Company.
2. The register of members of the Company will be closed from Tuesday, 18 April 2006 to Thursday, 20 April 2006, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the attendance at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Standard Registrars Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 13 April 2006.
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

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4. To be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be lodged with the Company's share registrar, Standard Registrars Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting.
5. With regard to item no.2 of this notice, details of retiring directors of the Company proposed for re-election are set out in Appendix II of the circular to shareholders dated 23 March 2006.
6. As at the date of this notice, the executive directors of the Company are Mr. Qiao Shibo, Mr. Shi Shanbo, Ms. Zhou Junqing, Mr. Zhou Longshan, Ms. Sun Mingquan and Mr. Zheng Yi; the non-executive directors of the Company are Mr. Jiang Wei and Mr. Keung Chi Wang, Ralph and the independent non-executive directors of the Company are Mr. Chan Mo Po, Paul, Mr. Lin Zongshou and Mr. Lui Pui Kee, Francis.