



華潤(集團)有限公司

China Resources (Holdings) Company Limited

(Incorporated in Hong Kong with limited liability)

**PROPOSAL TO CONSTITUTE
CHINA RESOURCES CEMENT HOLDINGS LIMITED
AS A WHOLLY-OWNED SUBSIDIARY OF
SMOOTH CONCEPT INVESTMENTS LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE COMPANIES LAW OF THE
CAYMAN ISLANDS**

**PROPOSED PRIVATISATION AND WITHDRAWAL OF
LISTING OF**



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)

**Financial adviser to
China Resources (Holdings) Company Limited
and
Smooth Concept Investments Limited**

ANGLO CHINESE
CORPORATE FINANCE, LIMITED

SUMMARY:

The board of CRH does not intend to raise the consideration payable under the Scheme of Arrangement as set out in the announcement dated 31 March, 2006 jointly made by CRH, Smooth Concept and CRC.

Reference is made to the announcement (the "Announcement") dated 31 March, 2006 jointly made by CRH, Smooth Concept and CRC. Terms used in this announcement shall have the same meaning as defined in the Announcement, unless stated otherwise.

The board of CRH wishes to announce that it does not intend to raise the consideration payable under the Scheme of Arrangement as set out in the Announcement and such consideration payable will not be amended. In making this statement, the board of CRH has taken into account, amongst other things, the value of the Cash Alternative which represents (i) a discount of 2.8% on the audited net assets attributable to Shareholders as at 31 December, 2005 on a fully diluted basis of HK\$2.52 per Share; (ii) a premium of approximately 65.5% over the 30-day average closing price of the Shares of HK\$1.48 per Share during the period ended on 28 March, 2006; and (iii) a historical price earnings multiple of 74.2 times based on the basic earnings per Share of HK\$0.033 for the financial year ended 31 December, 2005.

By order of the board of directors of
CHINA RESOURCES (HOLDINGS) COMPANY
LIMITED
Jiang Wei
Director

Hong Kong, 7 April, 2006

As at the date of this announcement, the board of directors of CRH comprises Chen Xinhua, Song Lin, Ding Yali, Chen Shulin, Qiao Shibo, Wang Yin, Jiang Wei, Yan Biao, Wang Shuaiting, Zhou Shengjian, Zhu Jinkun, Chen Lang and Wang Qun.

The directors of CRH jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement, have been arrived at after due and careful consideration and there are no facts, not contained in this announcement, the omission of which would make any statement in this announcement misleading.

Please also refer to the published version of this announcement in The Standard.