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**華潤(集團)有限公司**  
**China Resources (Holdings) Company Limited**

*(Incorporated in Hong Kong with limited liability)*

**順創投資有限公司**  
**Smooth Concept Investments Limited**

*(Incorporated in the British Virgin Islands with limited liability)*



**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**

**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  
CHINA RESOURCES CEMENT HOLDINGS LIMITED  
PROPOSED CONDITIONAL CONVERTIBLE BOND OFFER TO  
THE CONVERTIBLE BONDHOLDERS  
TO ACQUIRE ALL OUTSTANDING CONVERTIBLE BONDS OF  
CHINA RESOURCES CEMENT FINANCE LIMITED  
PROPOSED CONDITIONAL OPTION LAPSING PAYMENT TO  
THE OPTIONHOLDERS  
SANCTION OF THE SCHEME OF ARRANGEMENT BY THE COURT  
EFFECTIVE DATE OF THE SCHEME OF ARRANGEMENT  
EXTENSION OF THE CONVERTIBLE BOND OFFER  
WITHDRAWAL OF LISTING**

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

**ANGLO CHINESE**  
**CORPORATE FINANCE, LIMITED**

**Independent financial adviser to  
the independent committee of the board of directors of  
China Resources Cement Holdings Limited**



**SOMERLEY LIMITED**

A copy of the order of the Court, issued under Section 86 of the Companies Law, after the Scheme of Arrangement was sanctioned by the Court and the reduction of the share capital of CRC was confirmed by the Court on Monday, 24 July 2006 (Cayman Islands time), was delivered to the Registrar of Companies in the Cayman Islands for registration on the same day (Cayman Islands time). Accordingly, the Scheme of Arrangement became effective on Tuesday, 25 July 2006 (Hong Kong time).

An application for withdrawal of the listing of the Shares on the Stock Exchange was made to the Stock Exchange. The Shares have been suspended from trading on the Stock Exchange from 9:30 a.m. on Friday, 14 July 2006. The listing of the Shares on the Stock Exchange will be withdrawn with effect from 9:30 a.m. on Wednesday, 26 July 2006. An application for withdrawal of the listing of the Convertible Bonds will be made to the Stock Exchange in due course and an announcement will be made upon the withdrawal of the listing of the Convertible Bonds.

In accordance with the timetable set out in the Composite Document, cheques for payment of the Cash Alternative to the Scheme Shareholders, payment to those Convertible Bondholders who have submitted valid acceptances in relation to the Convertible Bond Offer and the Option Lapsing Payment to the Optionholders and share certificates in Smooth Concept to those Shareholders who have elected to receive shares in Smooth Concept are expected to be despatched on or before 5:00 p.m. on Friday, 4 August 2006.

Reference is made to the joint announcements of CRH, Smooth Concept and CRC dated 31 March 2006, 2 May 2006, 19 May 2006 and 15 June 2006, the announcement of CRH dated 7 April 2006 and the composite document despatched to the Shareholders, the Convertible Bondholders and the Optionholders on 22 May 2006 containing, amongst other things, details of the Scheme of Arrangement (the "Composite Document"). Terms defined in the Composite Document shall have the same meanings when used in this announcement unless the context requires otherwise.

#### **SANCTION OF THE SCHEME OF ARRANGEMENT BY THE COURT**

The directors of CRC wish to announce that the Scheme of Arrangement as approved at the Court Meeting was sanctioned without modification by the Court on Monday, 24 July 2006 (Cayman Islands time).

#### **EFFECTIVE DATE OF THE SCHEME OF ARRANGEMENT**

A copy of the order of the Court, issued under Section 86 of the Companies Law, after the Scheme of Arrangement was sanctioned without modification by the Court and the reduction of the share capital of CRC was confirmed by the Court on Monday, 24 July 2006 (Cayman Islands time), was delivered to the Registrar of Companies in the Cayman Islands for registration on the same day (Cayman Islands time). Accordingly, the Scheme of Arrangement became effective on Tuesday, 25 July 2006 (Hong Kong time).

#### **EXTENSION OF THE CONVERTIBLE BOND OFFER**

On 19 July 2006, Firstsuccess converted its Convertible Bonds of HK\$742,872,000 into 371,436,000 Shares. In addition, as at the date of this announcement, Smooth Concept has received 17 valid acceptances in relation to the Convertible Bond Offer from eligible Convertible Bondholders representing HK\$56.7 million of the aggregate outstanding Convertible Bonds of HK\$57.0 million. No valid acceptances have been received in respect of HK\$320,000 worth of Convertible Bonds as at the date of this announcement. The outstanding Convertible Bonds can no longer be converted into the Shares after the Scheme of Arrangement has become effective. CRC will redeem all outstanding Convertible Bonds (including those held by Smooth Concept) and the relevant Convertible Bondholders will be notified of the redemption arrangements in accordance with the terms of the Convertible Bonds.

**In compliance with Rule 15.3 of the Takeovers Code, Smooth Concept will extend the Convertible Bond Offer period for an additional 14 days from 25 July 2006 to 8 August 2006. Convertible Bondholders who have not previously accepted the Convertible Bond Offer can still accept the Convertible Bond Offer up to 4:00 p.m. on Tuesday, 8 August 2006 by completing and returning a valid Convertible Bond Offer Form in accordance with the instructions set out in the Composite Document and the Convertible Bond Offer Form. A press announcement will be made on 9 August 2006 to set out the results of the Convertible Bond Offer.**

#### **WITHDRAWAL OF LISTING**

An application for withdrawal of the listing of the Shares on the Stock Exchange was made to the Stock Exchange. The Shares have been suspended from trading on the Stock Exchange from 9:30 a.m. on Friday, 14 July 2006. The listing of the Shares on the Stock Exchange will be withdrawn with effect from 9:30 a.m. on Wednesday, 26 July 2006. An application for withdrawal of the listing of the Convertible Bonds will be made to the Stock Exchange in due course and an announcement will be made upon the withdrawal of the listing of the Convertible Bonds which is conditional on the redemption of all the outstanding Convertible Bonds.

## **DESPATCH OF CHEQUES FOR PAYMENT AND SHARE CERTIFICATES UNDER THE SCHEME OF ARRANGEMENT**

In accordance with the timetable set out in the Composite Document, cheques for payment of the Cash Alternative to the Shareholders, payment to those Convertible Bondholders who have submitted valid acceptances in relation to the Convertible Bond Offer and the Option Lapsing Payment to the Optionholders and share certificates in Smooth Concept to those Shareholders who have elected to receive shares in Smooth Concept are expected to be despatched on or before 5:00 p.m. on Friday, 4 August 2006.

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

By order of  
the board of directors of  
**SMOOTH CONCEPT  
INVESTMENTS LIMITED**  
**Wong Siu Ping**  
Director

By order of  
the board of directors of  
**CHINA RESOURCES CEMENT  
HOLDINGS LIMITED**  
**Shi Shanbo**  
Director

Hong Kong, 25 July 2006

*As at the date of this announcement, the board of directors of CRH comprises Messrs. 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, other than relating to CRC and Smooth Concept, and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by CRC and Smooth Concept, have been arrived at after due and careful consideration and there are no facts, other than facts relating to CRC and Smooth Concept, not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the date of this announcement, the board of directors of Smooth Concept comprises Messrs. Wong Siu Ping and Lin Guolong.*

*The directors of Smooth Concept jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than relating to CRH and CRC, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by CRH and CRC, have been arrived at after due and careful consideration and there are no facts, other than those relating to CRH and CRC, not contained in this announcement, the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the Board comprises Messrs. Qiao Shibo, Shi Shanbo, Zhou Junqing, Zhou Longshan, Sun Mingquan and Zheng Yi as executive directors; Messrs. Jiang Wei and Keung Chi Wang, Ralph as non-executive directors; and Messrs. Chan Mo Po, Paul, Lin Zongshou and Lui Pui Kee, Francis as independent non-executive directors.*

*The directors of CRC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than relating to CRH and Smooth Concept, and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by CRH and Smooth Concept, have been arrived at after due and careful consideration and there are no facts, other than facts relating to CRH and Smooth Concept, 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.