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嘉新水泥（中國）控股股份有限公司*

Chia Hsin Cement Greater China Holding Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 699)

CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 30 April 2007, CHJC and JUC entered into the Limestone Agreement, pursuant to which JUC has agreed to purchase limestone from CHJC. The Limestone Agreement has a term expiring on 31 December 2007. The aggregate contract sum for the Limestone Agreement is expected to be RMB10,000,000 (approximately HK\$10,000,000).

CHJC is an indirectly wholly owned subsidiary of the Company. JUC is a sino-foreign equity joint venture and is owned as to 80% by Yonica (Singapore), which is a wholly owned subsidiary of CHPL, the controlling shareholder of the Company. Transactions between CHJC and JUC constitute continuing connected transactions for the Company under the Listing Rules.

As the total contract sum for the transactions under the Limestone Agreement for each of the percentage ratios (other than the profit ratio) is on an annual basis more than 0.1% but less than 2.5%, the transactions contemplated under the Limestone Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

The Board announces that on 30 April 2007, CHJC and JUC entered into the Limestone Agreement, pursuant to which JUC has agreed to purchase limestone from CHJC. Details of the Limestone Agreement are as follows:

THE LIMESTONE AGREEMENT

Date: 30 April 2007

Parties: (1) CHJC, an indirectly wholly owned subsidiary of the Company; and
(2) JUC, a sino-foreign equity joint venture which is owned as to 80% by Yonica (Singapore), a wholly owned subsidiary of CHPL, the controlling shareholder of the Company.

* for identification purpose only

Pursuant to the terms of the Limestone Agreement, JUC has agreed to purchase from CHJC approximately 20,000 to 40,000 tonnes of limestone per month. The Limestone Agreement has a term expiring on 31 December 2007. There has not been any transaction of a similar nature between CHJC and JUC in the past.

Annual cap

The aggregate contract sum for the Limestone Agreement is expected to be RMB10,000,000 (approximately HK\$10,000,000) and is determined after arm's length negotiations between the parties by reference to open market price of limestone in the PRC under normal commercial terms.

Reasons for and benefit of the Limestone Agreement

CHJC is primarily engaged in the manufacture and sale of cement. It also owns a limestone reserve of approximately 320 million tonnes. The transactions contemplated under the Limestone Agreement will enable CHJC to increase the utilization of its quarry equipment and resources which would in turn lower the operating costs of CHJC. It would also lead to the development of the supply of limestone as a business of CHJC.

The Directors consider that the Limestone Agreement was entered into in the usual and ordinary course of business of the Group, on an arm's length basis and on normal commercial terms. Thus, the Directors (including the independent non-executive Directors) consider that the terms of the Limestone Agreement are fair and reasonable and are in the interest of the Group and the Shareholders as a whole.

GENERAL

The Group is principally engaged in the production and sales of cement and other cement products under the brand name of 嘉新 (Chia Hsin).

CHJC is an indirectly wholly owned subsidiary of the Company. JUC is a sino-foreign equity joint venture and is owned as to 80% by Yonica (Singapore), which is a wholly owned subsidiary of CHPL, the controlling shareholder of the Company. JUC is principally engaged in the production and sale of cement. Transactions between CHJC and JUC therefore constitute continuing connected transactions for the Company under the Listing Rules.

As the total contract sum for the transactions under the Limestone Agreement for each of the percentage ratios (other than the profit ratio) is on an annual basis more than 0.1% but less than 2.5%, the transactions contemplated under the Limestone Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context otherwise requires:

“Board”	the board of directors of the Company
“CHJC”	Chia Hsin Jingyang Cement Co., Ltd. (嘉新京陽水泥有限公司), a wholly foreign owned enterprise established in the PRC on 26 June 1993 with limited liability and is an indirectly wholly owned subsidiary of the Company
“CHPL”	Chia Hsin Pacific Limited, a company incorporated in the Cayman Islands with limited liability and a controlling shareholder of the Company
“Company”	Chia Hsin Cement Greater China Holding Corporation, a company incorporated in the Cayman Islands with limited liability
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“JUC”	Jiangsu Union Cement Co., Ltd. (江蘇聯合水泥有限公司), is a sino-foreign equity joint venture and is owned as to 80% by Yonica (Singapore)
“Limestone Agreement”	the agreement dated 30 April 2007 entered into between CHJC and JUC, pursuant to which JUC agreed to purchase from CHJC approximately 20,000 to 40,000 tonnes of limestone per month
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholders”	holder(s) of ordinary share(s) of USD\$0.01 each in the share capital of the Company
“Yonica (Singapore)”	Yonica Pte Ltd, a company incorporated in Singapore, a wholly-owned subsidiary of CHPL and is interested as to 80% of the equity interest in JUC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the People’s Republic of China

(For reference only, the exchange rate used in this announcement is RMB1.00 = HK\$1.00 unless otherwise stated.)

By Order of the Board of
Chia Hsin Cement Greater China Holding Corporation
WANG Chien Kuo, Robert
Chairman

30 April 2007

As at the date of announcement, Mr. WANG Chien Kuo, Robert, Mr. LAN Jen Kuei, Konrad, Mr. CHANG Kang Lung, Jason and Ms. WANG Li Shin, Elizabeth are the executive Directors, Mr. CHANG An Ping, Nelson and Mr. FU Ching Chuan are the non-executive Directors and Mr. Davin A. MACKENZIE, Mr. ZHUGE Pei Zhi and Mr. WU Chun Ming are the independent non-executive Directors.

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