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**CRH
(Microelectronics) Limited**

(incorporated in the British Virgin Islands with limited liability)



華潤微電子有限公司
China Resources Microelectronics Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 597)

JOINT ANNOUNCEMENT

**PROPOSAL TO PRIVATISE
CHINA RESOURCES MICROELECTRONICS LIMITED
BY WAY OF A
SCHEME OF ARRANGEMENT UNDER SECTION 86 OF THE
COMPANIES LAW OF THE CAYMAN ISLANDS**

**PROPOSED WITHDRAWAL OF LISTING OF
CHINA RESOURCES MICROELECTRONICS LIMITED**

**PROPOSED CONDITIONAL OPTION PAYMENT TO THE
OPTIONHOLDERS FOR CANCELLATION OF ALL
OUTSTANDING OPTIONS**

DESPATCH OF THE COMPOSITE DOCUMENT

**Financial adviser to China Resources (Holdings) Company Limited and
CRH (Microelectronics) Limited**



**Independent financial adviser to the independent board committee of
China Resources Microelectronics Limited**



The Composite Document, together with the proxy forms in respect of the Court Meeting and the EGM respectively and the Election Form, will be despatched to the Shareholders and the Optionholders on Monday, 5th September, 2011.

The respective notices of the Court Meeting and the EGM to be held on Wednesday, 28th September, 2011 are set out in the Composite Document.

Independent Shareholders and Optionholders should consider carefully the recommendation of the Independent Board Committee and the factors, reasons and recommendation in relation to the Proposal and the Option Payment as set out in the letter from First Shanghai, the independent financial adviser to the Independent Board Committee, together with other information contained in the Composite Document, before making a decision on the Proposal and the Option Payment.

Shareholders and potential investors should note that the implementation of the Proposal is subject to the conditions of the Scheme of Arrangement being fulfilled or waived, as applicable. Thus, the Proposal may or may not become effective. The cash offer to Optionholders may or may not become unconditional. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the joint announcements of CRH (Microelectronics) Limited and China Resources Microelectronics Limited (“CRM”) dated 18th July, 2011 and 18th August, 2011 (the “Announcements”). Unless otherwise defined herein, capitalised terms and expressions in this announcement shall have the same meanings used in the Announcements and the composite scheme document jointly issued by CRH (Microelectronics) Limited and CRM dated 5th September, 2011 (the “Composite Document”).

DESPATCH OF THE COMPOSITE DOCUMENT

The Composite Document, together with the proxy forms in respect of the Court Meeting and the EGM respectively and the Election Form, will be despatched to the Shareholders and the Optionholders on Monday, 5th September, 2011.

The Composite Document contains, among other things, further details about the Proposal and the Scheme of Arrangement, the expected timetable, the explanatory statement required under the Rules of the Grand Court of the Cayman Islands 1995 (revised), information regarding the CRM Group, the letter from the Independent Board Committee, the letter from First Shanghai, a notice of the Court Meeting and a notice of the EGM.

Independent Shareholders and Optionholders should consider carefully the recommendation of the Independent Board Committee and the factors, reasons and recommendation in relation to the Proposal and the Option Payment as set out in the letter from First Shanghai, the independent financial adviser to the Independent Board Committee, together with other information in the Composite Document, before making a decision on the Proposal and the Option Payment.

Having considered the factors and reasons as set out in the letter from First Shanghai contained in the Composite Document, and as of the date of the Composite Document, First Shanghai considers the terms of the Proposal and the Option Payment are fair and reasonable so far as the Independent Shareholders and the Optionholders are concerned respectively and advises the Independent Board Committee to recommend (i) the Independent Shareholders to vote in favour of the resolution to approve the Scheme of Arrangement at the Court Meeting and to vote in favour of the special resolution and ordinary resolution to approve and implement the Scheme of Arrangement at the EGM; (ii) the Independent Shareholders to elect the Cash Alternative rather than the Share Alternative; and (iii) the Optionholders to accept the offer in respect of the outstanding Options.

Having considered the terms of the Proposal and the Option Payment and taken into account the advice of First Shanghai, in particular the factors, reasons and recommendations as set out in the letter from First Shanghai set out in the Composite Document, the Independent Board Committee considers that the terms of the Proposal and the Option Payment are fair and reasonable. Accordingly, the Independent Board Committee recommends that (i) the Independent Shareholders vote in favour of the Scheme of Arrangement to be considered at the Court Meeting and the special resolution and ordinary resolution to be proposed at the EGM to approve and implement the Scheme of Arrangement; (ii) the Independent Shareholders elect the Cash Alternative rather than the Share Alternative; and (iii) the Optionholders accept the offer in respect of the outstanding Options.

Shareholders and potential investors are reminded that the implementation of the Proposal is subject to the conditions of the Scheme of Arrangement, the details of which are set out in the explanatory statement contained in the Composite Document, being fulfilled or waived, as applicable, on or before 31st December, 2011, or such other date as CRH (Microelectronics) Limited and CRM may agree and the Court may allow. Thus, the Proposal may or may not become effective. The cash offer to Optionholders may or may not become unconditional.

Shareholders and potential investors are advised to exercise extreme caution when dealing in the Shares.

MEETINGS

The Court Meeting and the EGM will be held at 10:00 a.m. and 10:30 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned) respectively on Wednesday, 28th September, 2011 at China Resources Banquet Hall, 50/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. Notices of those meetings are set out in the Composite Document. For the purpose of those meetings, dealings in the Shares on the Stock Exchange are expected to be suspended from 9:00 a.m. on Wednesday, 28th September, 2011 until the release of the results of those meetings, which is expected to be no later than 7:00 p.m. on the same day.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of the Shareholders to attend and vote at the Court Meeting and the EGM, the register of members of CRM will be closed from Monday, 26th September, 2011 to Wednesday, 28th September, 2011, both days inclusive. During such period, no transfers of Shares will be effected. In order to qualify to vote at the Court Meeting and the EGM, all duly completed instruments of transfer accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of CRM in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by not later than 4:30 p.m. on Friday, 23rd September, 2011.

If the resolutions to be proposed at the Court Meeting and the EGM are duly approved by the requisite majorities of Shareholders attending and voting at the meetings, the latest time for dealing in the Shares on the Stock Exchange is expected to be 4:00 p.m. on Friday, 21st October, 2011. The Record Date for the purpose of determining the entitlements of the Shareholders under the Scheme of Arrangement is expected to be Friday, 28th October, 2011. To qualify for entitlements under the Scheme of Arrangement, all duly completed transfers of Shares, accompanied by the relevant share certificates, must be lodged with Computershare Hong Kong Investor Services Limited at the above-mentioned address by not later than 4:30 p.m. on Wednesday, 26th October, 2011.

EXPECTED TIMETABLE

Hong Kong time
(unless otherwise stated)

Latest time for lodging transfers of Shares
to qualify for attending and voting at the
Court Meeting and the EGM4:30 p.m. on Friday,
23 September 2011

Closure of the register of members of CRM
for determination of entitlements of the
Shareholders to attend and vote at the
Court Meeting and the EGM (*Note 1*)Monday, 26 September 2011 to
Wednesday, 28 September 2011
(both days inclusive)

Latest time for lodging forms of proxy in respect of

Court Meeting (*Note 2*)10:00 a.m. on Monday,
26 September 2011

EGM (*Note 2*) 10:30 a.m. on Monday,
26 September 2011

Suspension of dealings in the Shares 9:00 a.m. on Wednesday,
28 September 2011

Court Meeting (*Note 3*) 10:00 a.m. on Wednesday,
28 September 2011

EGM (*Note 3*)10:30 a.m. on Wednesday,
28 September 2011

Announcement of the results of the Court Meeting and
the EGM published on the websites of the
Stock Exchange and CRM No later than 7:00 p.m. on Wednesday,
28 September 2011

Resumption of dealings in the Shares 9:00 a.m. on Thursday,
29 September 2011

Despatch of the letter to Optionholders
in respect of the Option PaymentThursday, 29 September 2011

Last day of dealing in the SharesFriday, 21 October 2011

Latest time for dealing in the Shares and
exercise of Options in order to participate
in the Scheme of Arrangement4:00 p.m. on Friday,
21 October 2011

Latest time for lodging transfers of Shares to qualify for
entitlements under the Scheme of Arrangement4:30 p.m. on Wednesday,
26 October 2011

Closure of the register of members of CRM for
determination of entitlements of the Shareholders
under the Scheme of Arrangement (*Note 5*) Thursday, 27 October 2011 to
Friday, 28 October 2011
(both days inclusive)

Record Time4:30 p.m. on Friday,
28 October 2011

Latest time for lodging the Election Form by
Shareholders who are qualified for entitlements under
the Scheme of Arrangement (*Note 6*)4:30 p.m. on Friday,
28 October 2011

Latest time for lodging forms of acceptance in relation
to the Option Payment (*Note 7*)4:30 p.m. on Friday,
28 October 2011

Court hearing of the petition to sanction the Scheme
of Arrangement and to confirm the share capital
reduction (*Note 4 and Note 8*)Friday, 28 October 2011

Announcement of, inter alia, (i) the results of the
Court hearing, (ii) the expected Effective Date and
(iii) the expected date of withdrawal of the listing
of the Shares from the Stock ExchangeMonday, 31 October 2011

Effective Date (*Note 8*)Wednesday, 2 November 2011

Announcement of, inter alia, (i) the results of
Cash Alternative and Share Alternative, (ii)
the Effective Date and (iii) the withdrawal
of the listing of the Shares from
the Stock ExchangeWednesday, 2 November 2011

Withdrawal of the listing of the Shares on the
Stock Exchange becomes effective9:00 a.m. on Wednesday,
2 November 2011

Cheques for cash entitlements and share certificates
for share entitlements (if applicable) to be
despatched on or before (*Note 9*)Wednesday, 9 November 2011

Shareholders and Optionholders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.

Notes:

1. The register of members of CRM will be closed during such period for the purpose of determining entitlements of the Shareholders to attend and vote at the Court Meeting and the EGM. This book close period is not for determining entitlements under the Scheme of Arrangement.
2. Forms of proxy should be lodged, by hand or by post, with Computershare Hong Kong Investor Services Limited, the share registrar of CRM in Hong Kong at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event no later than the times and dates stated above. The pink form of proxy in respect of the Court Meeting may be returned by facsimile at number (852) 2865 0990, marked for the attention of "the Company Secretary", not later than the time and date stated in the section headed "Action to be taken" set out on pages 85 to 88 of the Composite Document, or may be handed to the chairman of the Court Meeting at the Court Meeting if it is not so lodged. In order to be valid, the pink form of proxy for the Court Meeting and the white form of proxy for the EGM must be lodged no later than the times and dates stated above. Completion and return of a form of proxy for the Court Meeting or the EGM will not preclude a Shareholder from attending the relevant meeting and voting in person. In such event, the returned form of proxy will be deemed to have been revoked.

In the case of any Beneficial Owner whose Shares are held by, and registered in the name of, a Registered Owner, such Beneficial Owner should contact the Registered Owner and provide him, her or it with instructions or make arrangements in relation to the manner in which the Shares of the Beneficial Owner should be voted at the Court Meeting and, or the EGM. Such instructions and, or arrangements should be given or made in advance of the aforementioned latest time for the lodgement of forms of proxy in respect of the Court Meeting and the EGM in order to provide the Registered Owner with sufficient time to accurately complete his, her or its form of proxy and to submit it by the deadline stated above. To the extent that any Registered Owner requires

instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the aforementioned latest time for the lodgement of forms of proxy in respect of the Court Meeting and the EGM, then any such Beneficial Owner should comply with the requirements of the Registered Owner.

Any Beneficial Owner whose Shares are deposited in CCASS and registered under the name of HKSCC Nominees Limited must, unless such Beneficial Owner is a person admitted to participate in CCASS as an investor participant, contact their broker, custodian, nominee, or other relevant person who is, or has, in turn, deposited such Shares with, a CCASS participant regarding voting instructions to be given to such persons if they wish to vote in respect of the Scheme of Arrangement. The procedure for voting in respect of the Scheme of Arrangement by the investor participants and other CCASS participants with respect to Shares registered under the name of HKSCC Nominees Limited shall be in accordance with the “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time.

3. The Court Meeting and the EGM will be held at China Resources Banquet Hall, 50/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong at the times and dates specified above. Please see the notice of the Court Meeting set out on pages 260 and 261 and the notice of the EGM set out on pages 262 to 264 of the Composite Document for details.
4. All references in the Composite Document to times and dates are references to Hong Kong times and dates, other than references to the expected dates of the Court hearing of the petition to sanction the Scheme of Arrangement and to confirm the share capital reduction, which are the relevant times and dates in the Cayman Islands. Cayman Islands time is 13 hours behind Hong Kong time.
5. The register of members of CRM will be closed during such period for the purpose of determining Shareholders who are qualified for entitlements under the Scheme of Arrangement. Entitlements under the Scheme of Arrangement will be based on the actual number of Shares held by the Shareholders as at the Record Time i.e. 4:30 p.m. on 28 October 2011.
6. The Election Form, duly completed in accordance with the instructions on them, must be lodged with the share registrar of CRM in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, so as to reach them no later than the Record Time or such later date and time as may be notified through announcement, failing which the Shareholders, other than the CRH Group which has undertaken to elect the Share Alternative only, will receive the Cash Alternative in respect of their entire holding of Shares if the Scheme of Arrangement becomes effective.

If you have sold or transferred all your Shares, you should at once hand the Composite Document, the accompanying forms of proxy and the Election Form to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee. Copies of the forms of proxy and the Election Form can also be obtained from the CRM’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong at any time before the Record Time.

7. The form of acceptance in relation to the offer of the Option Payment, which will be appended to the letter to the Optionholders in respect of the offer of the Option Payment, duly completed in accordance with the instructions thereon must be returned to the company secretary of CRM, Tim Ngan Siu Hung, HKICPA, ACCA, at Room 4609-4610, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong, so as to reach CRM no later than the Record Time or such later date and time as may be notified through announcement, failing which the Options granted under the Share Option Scheme that are not exercised or cancelled pursuant to the acceptance of the Option Payment will automatically lapse upon the Effective Date and the Options granted under the Equity Incentive Plan that are not exercised or cancelled pursuant to the acceptance of the Option Payment will lapse if the conditions referred to in the Equity Incentive Plan are not satisfied after the Effective Date. Copies of the letter and the form of acceptance in relation to the offer of the Option Payment can also be obtained from the company secretary of CRM, Tim Ngan Siu Hung, HKICPA, ACCA, at Room 4609-4610, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong, subsequent to the despatch of the same and at any time before the Record Time.
8. The Scheme of Arrangement shall become effective upon all the conditions set out in the section headed "Conditions of the Scheme of Arrangement" in the Explanatory Statement on pages 61 to 63 of the Composite Document having been fulfilled or waived, as applicable.
9. Cheques for the amount in respect of the cash entitlements or share certificates of CRH (Microelectronics) Limited under the Scheme of Arrangement and the payment of the Option Payment to the Optionholders will be despatched by ordinary post at the risk of the recipients to their registered addresses shown in the register of members of CRM and to the last known addresses of the Optionholders as notified by the Optionholders to CRM on or before 9 November 2011.

By order of the board of directors
CRH (Microelectronics) Limited
Wei Bin
Director

By order of the Board
CHINA RESOURCES
MICROELECTRONICS LIMITED
WANG Guoping
Chairman

Shenzhen and Wuxi, Jiangsu Province, the PRC, 5th September, 2011

As at the date of this announcement, the board of directors of CRM comprises two executive directors, namely Mr. Wang Guoping (Chairman) and Mr. Elvis Deng Mao-song (Chief Executive Officer); five non-executive directors, namely Dr. Peter Chen Cheng-yu, Mr. Du Wenmin, Mr. Wei Bin, Mr. Shi Shanbo and Dr. Zhang Haipeng; and three independent non-executive directors, namely Professor Ko Ping Keung, Mr. Luk Chi Cheong and Mr. Wong Tak Shing.

As at the date of this announcement, the directors of CRH (Microelectronics) Limited are Mr. Yan Biao and Mr. Wei Bin.

As at the date of this announcement, the directors of CRH are Mr. Song Lin, Mr. Qiao Shibo, Mr. Wang Yin, Mr. Jiang Wei, Mr. Ma Guoan, Mr. Chen Lang, Mr. Yan Biao, Mr. Zhu Jinkun, Mr. Wang Qun, Mr. Zhou Shengjian and Mr. Chen Shulin.

The directors of CRH jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to CRH (Microelectronics) Limited and CRM) 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 (Microelectronics) Limited and CRM) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The directors of CRH (Microelectronics) Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to CRH and CRM) 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 CRM) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The directors of CRM jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to CRH and CRH (Microelectronics) Limited) 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 CRH (Microelectronics) Limited) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.