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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 Code: 1313)

INSIDE INFORMATION POTENTIAL DISPOSAL OF TWO SHANXI SUBSIDIARIES

This announcement is made by China Resources Cement Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (“**SFO**”).

POTENTIAL DISPOSAL

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that China Resources Cement Investments Limited* (華潤水泥投資有限公司) (“**CRC Investments**”), the Company’s indirect wholly owned subsidiary, intends to dispose (the “**Potential Disposal**”) of its 72% equity interests (the “**Changzhi Cement Equity Interests**”) in and its shareholders’ loans (the “**Shareholders’ Loans**”) to China Resources Cement (Changzhi) Limited* (華潤水泥(長治)有限公司), as well as 72% equity interests in China Resources Concrete (Lucheng) Limited* (華潤混凝土(潞城)有限公司) (the “**Lucheng Concrete Equity Interests**”, and together with the Changzhi Cement Equity Interests, the “**Equity Interests**”), in Shanxi Province (“**Shanxi**”), the People’s Republic of China (the “**PRC**”). The Potential Disposal intends to be conducted through a public tender (the “**Public Tender**”) process on Shanghai United Assets and Equity Exchange* (上海聯合產權交易所).

In compliance with the relevant regulatory requirements in the PRC, disclosure of detailed information relating to the Public Tender shall be made to the public on the website of Shanghai United Assets and Equity Exchange* (上海聯合產權交易所) at <http://www.suaee.com> on the date of this announcement for a period of 20 working days commencing on 24 October 2022, during which potential purchaser(s) may apply for bid in the Public Tender.

As stated in the detailed information of the Public Tender, the minimum tender prices of the Changzhi Cement Equity Interests and the Lucheng Concrete Equity Interests shall be RMB790,805,100 and RMB26,574,400 respectively, and the aggregate consideration for the Equity Interests and the Shareholders’ Loans is expected to be not less than RMB1,221,379,500 (excluding the interests on the Shareholders’ Loans), which were determined with reference to, among other things, (i) the valuation of the Equity Interests as at the benchmark date of 31 May 2022 conducted by an independent qualified appraisal institution and (ii) the unaudited principal amounts of the Shareholders’ Loans in the sum of RMB404,000,000 as at 31 July 2022.

REASONS FOR THE POTENTIAL DISPOSAL

Through the Potential Disposal, the Board intends to optimize its resources allocation and focus on its core business regions in order to improve its overall results performance.

INFORMATION OF THE GROUP

The Company and the Group

The Company is a company incorporated in the Cayman Islands with limited liability whose shares are listed and traded on the main board of the Stock Exchange (stock code: 1313). The Group is principally engaged in the manufacture and sale of cement, concrete and other related products and services in PRC and Hong Kong.

CRC Investments

CRC Investments, a company incorporated in the PRC with limited liability, is an indirect wholly-owned subsidiary of the Company, holding investments of various subsidiaries in the PRC which are principally engaged in the manufacture and sale of cement, clinker and concrete.

China Resources Cement (Changzhi) Limited* (華潤水泥（長治）有限公司)

China Resources Cement (Changzhi) Limited* (華潤水泥（長治）有限公司) is a limited liability company established in the PRC in the form of sino-foreign equity joint venture enterprise and is an indirect non-wholly owned subsidiary of the Company. It is held as to 72% and 28% by CRC Investments and Changzhi City Huacheng Investments Limited* (長治市華晟投資有限公司) respectively. It has a registered capital of RMB280,000,000 and is principally engaged in the manufacture and sale of cement and clinker in Changzhi City, Shanxi. It operates two cement grinding lines and one clinker production line, with annual total production capacity of 2.00 million tons of cement and 1.55 million tons of clinker respectively.

China Resources Concrete (Lucheng) Limited* (華潤混凝土（潞城）有限公司)

China Resources Concrete (Lucheng) Limited* (華潤混凝土（潞城）有限公司) is a limited liability company established in the PRC in the form of sino-foreign equity joint venture enterprise and is an indirect non-wholly owned subsidiary of the Company. It is held as to 72% and 28% by CRC Investments and Changzhi City Huacheng Investments Limited* (長治市華晟投資有限公司) respectively. It has a registered capital of RMB30,000,000 and is principally engaged in the manufacture and sale of concrete in Changzhi City, Shanxi. It operates one concrete batching plant with annual production capacity of 0.60 million m³.

GENERAL

The Potential Disposal if materialised, may constitute a notifiable transaction of the Company.

The Board wishes to emphasize that as at the date of this announcement, no binding agreement with respect to the Potential Disposal has been entered into by CRC Investments, and there is no assurance that any definitive transaction will materialize, and even if it decides to do so, the Potential Disposal may or may not proceed to completion for various reasons. The Company will make further announcement(s) in compliance with the Listing Rules and/or Part XIVA of the SFO as and when appropriate or required.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
CHINA RESOURCES CEMENT HOLDINGS LIMITED
JI Youhong
Chairman

Hong Kong, 21 October 2022

** In this announcement, the English names of PRC government authorities or entities are translations of their Chinese names and included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*

As at the date of this announcement, the executive Director is Mr. JI Youhong; the non-executive Directors are Mr. ZHU Ping, Mr. CHEN Kangren and Mr. YANG Changyi; and the independent non-executive Directors are Mr. IP Shu Kwan Stephen, Mr. SHEK Lai Him Abraham, Madam ZENG Xuemin and Mr. NG Kam Wah Webster.