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**CHINA TIANRUI GROUP CEMENT COMPANY LIMITED**

**中國天瑞集團水泥有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1252)**

## **VOLUNTARY ANNOUNCEMENT**

This announcement is made by China Tianrui Group Cement Company Limited (“**Company**”) on a voluntary basis.

Reference is made to the circular (“**Circular**”) of the Company dated 31 October 2014 in relation to the amended deed of non-competition (“**Amended Non-competition Deed**”) which has been approved in the extraordinary general meeting of the Company on 17 November 2014, and the announcement of the Company dated 15 April 2015 (“**Announcement**”) in relation to acquisition of approximately 28.16% issued share capital (“**Shanshui Shares**”) of China Shanshui Cement Group Limited (691.HK) (“**Shanshui Cement**”, a company which is listed on the Main Board of the Stock Exchange of Hong Kong Limited) by Tianrui (International) Holding Company Limited, a wholly-owned subsidiary of Tianrui Group Company Limited which is owned as to 70% by Mr. Li Liufa (“**Chairman Li**”, the chairman, non-executive director and Controlling Shareholder of the Company). Unless stated otherwise, capitalized terms used herein shall have the same meaning as those defined in the Circular and the Announcement.

Under the Amended Non-competition Deed, the Controlling Shareholders have undertaken to, inter alia, grant the Company the Option to acquire the Shanshui Shares upon the terms which are not less favourable than the acquisition in the first instance. The Controlling Shareholders have notified the Company of their intention to propose, among others, the appointment of directors to the board of Shanshui Cement and have proposed that Chairman Li and Mr. Li Heping (chief executive officer of the Company) (collectively “**Proposed Directors**”) would be appropriate director candidates, considering their industry experience and their position with the Company which would be beneficial to consistency of management if and when the Company decides to exercise the Option to acquire the Shanshui Shares and gains the right to propose director(s) of its own preference to the board of Shanshui Cement. In this connection, the Board (including Independent non-executive directors) of the Company is of the view that exercising the Option at this stage would not be in the interest of the Company, particularly since this would cause cashflow pressure on the Company, while it shares the view that appointment of the Proposed Directors to become board members of Shanshui Cement will be beneficial to consistency of management if and when the Company decides to exercise the Option to acquire the Shanshui Shares and gains the right to propose director(s) of its own preference to the board of Shanshui Cement. Appointment of the Proposed Directors is subject to approval by shareholders of Shanshui Cement, and if the appointment is approved, the Company shall make appropriate internal control arrangement.

Investors are advised to rely on information released by the Company, and to make investments in a rational manner and be aware of related risks.

By order of the Board  
**China Tianrui Group Cement Company Limited**  
**Li Liufa**  
*Chairman*

Ruzhou City, Henan Province, PRC, 3 September 2015

*As at the date of this announcement, the Board consists of:*

*Chairman and Non-executive Director*

Mr. Li Liufa

*Executive Directors*

Mr. Yang Yongzheng, Mr. Xu Wuxue and Mr. Li Jiangming

*Independent Non-executive Directors*

Mr. Kong Xiangzhong, Mr. Wang Ping and Mr. Du Xiaotang