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WEST CHINA CEMENT LIMITED

中國西部水泥有限公司

(Incorporated in Jersey with limited liability, with registered number 94796)

(Stock Code: 2233)

PROPOSED ISSUE OF SENIOR NOTES

The Company proposes to conduct an international offering of senior notes and will commence a series of roadshow presentations beginning on or around 1 September 2014 to certain institutional investors in Asia and Europe.

The completion of the Proposed Notes Issue is subject to, among other things, market conditions and investor interest. The Notes are proposed to be guaranteed by, and secured over shares of, the Subsidiary Guarantors. Credit Suisse and Nomura are the joint bookrunners and joint lead managers of the Proposed Notes Issue. As at the date of this announcement, the principal amount, the interest rates, the payment date and certain other terms and conditions of the Proposed Notes Issue are yet to be finalised. Upon finalising the terms of the Notes, it is expected that the Company, the Subsidiary Guarantors, Credit Suisse and Nomura, among others, will enter into a Purchase Agreement. The Company intends to use the net proceeds from the Notes to refinance a portion of the January 2016 Notes.

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED NOTES ISSUE

Introduction

The Company proposes to conduct an international offering of senior notes and will commence a series of roadshow presentations beginning on or around 1 September 2014 to certain institutional investors in Asia and Europe.

The completion of the Proposed Notes Issue is subject to, among other things, market conditions and investor interest. The Notes are proposed to be guaranteed by, and secured by charges over the shares of, the Subsidiary Guarantors. Credit Suisse and Nomura are the joint bookrunners and joint lead managers of the Proposed Notes Issue. As at the date of this announcement, the principal amount, the interest rates, the payment date and certain other terms and conditions of the Proposed Notes Issue are yet to be finalised. Upon finalising the terms of the Notes, it is expected Credit Suisse, Nomura, the Subsidiary Guarantors and the Company, among others, will enter into a Purchase Agreement.

The Notes will only be offered outside the United States in compliance with Regulations S under the Securities Act. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed with any connected persons of the Company.

Reasons for the Proposed Notes Issue

The Company intends to use the net proceeds from the Notes to refinance a portion of the January 2016 Notes.

Listing

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from the Stock Exchange.

GENERAL

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

UPDATED INFORMATION OF THE GROUP

According to Shaanxi Provincial Building Materials Federation (陝西省建築材料聯合會), the Group is ranked number one in Shaanxi Province in terms of NSP production capacity as of June 2014. During the three years ended December 31, 2013 and the six months ended June 30, 2014, the Group was one of the major suppliers of cement products for the Datong to Xi'an High Speed Railway (大西高鐵), the Huang-Han-Hou Railway (黃韓侯鐵路), the Xi'an to Hefei Double Track Railway (西合複綫), the Ankang to Pingli Highway (安平高速公路), the Xi'an to Chengdu High Speed Railway (西成高鐵) and the Hanjiang to Weihe River Water Transfer Project (引漢濟渭工程). For example, the Group has won a bid to supply over 3.0 million tons of cement for the Xi'an to Chengdu High Speed Railway (西成高鐵) over five years starting from 2013 and is also providing cement for the entire Shaanxi section of the Xi'an to Hefei Double Track Railway (西合複綫), which accounts for one quarter of the whole length. The Group has continued to supply between 500,000 and 1 million tons of cement per year to the Southern Shaanxi Resettlement Project (陝南移民搬遷工程) since the second half of 2011. The Group has won a bid to supply up to 1 million tons of cement for the Baoji to Hanzhong

Highway (寶漢高速公路) and has recently begun supplying cement for the Yangpingguan to Ankang Double Track Railway (陽平關至安康複綫) with tendering for further sections expected in the second half of 2014. The Group supplies cement for other signature infrastructure projects, including the Xi'an to Xianyang Loop Expressway (西鹹環綫) and the Lanzhou to Chongqing Railway (蘭渝鐵路).

The Group's principal products are set forth in the following table:

Product/Grade	National Standards	Characteristics	Application	Target Customers
Ordinary Portland Cement • P•O42.5; • P•O42.5R; • P•O52.5; • P•O52.5R.	Loss≤5.0% (all); SO ₃ ≤3.5% (all); MgO≤5.0% (all); Cl ⁻ ≤0.06% (all); 3-day compressive strength ≥ 17MPa (P•O 42.5), ≥22MPa (P•O 42.5R), ≥23MPa (P•O 52.5), ≥27MPa (P•O 52.5R); 28-day compressive strength≥42.5MPa (P•O 42.5 and P•O 42.5R), ≥52.5MPa (P•O 52.5 and P•O 52.5R); 3-day fractural load ≥ 3.5MPa (P•O 42.5), ≥4.0MPa (P•O 42.5R and P•O 52.5), ≥5.0MPa (P•O 52.5R); 28-day fractural load ≥6.5 MPa (P•O 42.5 and P•O 42.5R), ≥7.0 (P•O 52.5 and P•O 52.5R)	High strength at the initial phase; high hydration heat; high freeze-resistance; low heat-resistance; low corrosion-resistance; low dry shrinkage	Construction of structures which require short construction time, such as roads and bridges. It is also used for the construction of high rise buildings	Ready-mix concrete stations and construction companies
Composite Portland Cement • P•C32.5; • P•C32.5R; • P•C42.5; • P•C42.5R.	SO ₃ ≤3.5% (all); MgO≤6.0% (all); Cl ⁻ ≤0.06% (all); 3-day compressive strength ≥ 10MPa (P•C 32.5), ≥15MPa (P•C 32.5R and P•C 42.5), ≥19MPa (P•C 42.5R); 28-day compressive strength ≥ 32.5MPa (P•C 32.5 and P•C 32.5R), ≥42.5MPa (P•C 42.5 and P•C 42.5R); 3-day fractural load ≥ 2.5MPa (P•C 32.5), ≥3.5MPa (P•C 32.5R and P•C 42.5), ≥4.0MPa (P•C 42.5R); 28-day fractural load ≥ 5.5MPa (P•C 32.5 and P•C 32.5R), ≥6.5MPa (P•C 42.5 and P•C 42.5R)	Low strength at the initial phase; low hydration heat; high heat-resistance; low acid-corrosion resistance; using coal ash powder and coal gangue as composite raw materials; stable strength at the initial stage and late stage	Construction of structures which do not require high strength, such as low rise buildings	Distributors
Moderate Heat Portland Cement • P•MH42.5	Loss≤3.0%; SO ₃ ≤ 3.5%; MgO ≤ 5%; 3-day compressive strength ≥12.0MPa; 7-day compressive strength ≥ 22.0MPa; 28-day compressive strength ≥ 42.5MPa; 3-day fractural load ≥ 3.0MPa; 7-day fractural load ≥ 4.5MPa; 28-day fractural load ≥ 6.5MPa; 3-day Heat of Hydration ≤ 251 kj/kg; 7-day Heat of Hydration ≤ 293 kj/kg	Low hydration heat; relatively high sulphuric acid resistance; good abrasion resistance and freeze-resistance	For large volume concrete structures in complicated environments such as dams, bridges, harbor waterworks construction and underground foundations, etc.	Construction companies
Low Heat Portland Cement • P•LH42.5	Loss≤3.0%; SO ₃ ≤ 3.5%; MgO ≤ 5%; 7 -day compressive strength ≥ 13.0MPa; 28-day compressive strength ≥ 42.5MPa; 7-day fractural load ≥ 3.5MPa; 28-day fractural load ≥ 6.5MPa; 3-day Heat of Hydration ≤ 230 kj/kg; 7-day Heat of Hydration ≤ 260 kj/kg	Low hydration heat; good abrasion resistance; dry shrinkage resistance and chemical corrosion resistance	For large volume concrete waterworks, water conservancy works, high strength and high performance concrete, and relatively low hydration heat requirement works.	Construction companies

Product/Grade	National Standards	Characteristics	Application	Target Customers
Low Heat Slag Portland Cement P•SLH32.5	SO ₃ ≤ 3.5%; 7-day compressive strength ≥ 12.0MPa; 28-day compressive strength ≥ 32.5MPa; 7-day fractural load ≥ 3.0MPa; 28-day fractural load ≥ 5.5MPa; 3-day Heat of Hydration ≤ 197 kJ/kg; 7-day Heat of Hydration ≤ 230 kJ/kg	Low hydration heat; good collision resistance; abrasion resistance and freeze-resistance	For relatively low hydration heat requirement dams and large volume concrete projects	Construction companies
Highway Portland Cement P•R42.5	Loss≤3.0%; SO ₃ ≤ 3.5%; MgO ≤ 5%; 3-day compressive strength ≥ 21.0MPa; 28-day compressive strength ≥ 42.5MPa; 3-day fractural load ≥ 4.0MPa; 28-day fractural load ≥ 7.0MPa	High strength (especially flexural strength); High abrasion resistance; Low dry shrinkage; Good impact resistance; Good frost resistance and Good acid-corrosion resistance.	Suitable for surface layer concrete construction, such as cement concrete pavement, airport runways, railway station platform and public squares	Construction companies
Slag Cement - P•S•A32.5 - P•S•B32.5	SO ₃ ≤4.0% (all); MgO≤6.0% (P•S•A32.5); Cl ⁻ ≤0.06% (all); 3d compressive strength ≥ 10MPa (P•S•A32.5, P•S•B32.5); 28d Compressive strength ≥ 32.5MPa (P•S•A32.5, P•S•B32.5); 3d fractural load ≥ 2.5MPa (P•S•A32.5, P•S•B32.5); 28d fractural load ≥ 5.5MPa (P•S•A32.5, P•S•B32.5)	Low strength at the initial stage; strength increases rapidly at later stages; low hydration heat; high corrosion resistance to soft water, seawater and sulphuric acid; high heat-resistance	For surface and underground construction, water and marine works, and large-volume concrete projects	Construction companies
Portland Cement - P•F32.5 - P•F32.5R	SO ₃ ≤ 3.5% (all); MgO ≤ 6.0% (all); Cl ⁻ ≤ 0.06% (all); 3d compressive strength ≥ 10MPa (P•F32.5), ≥ 15MPa (P•F32.5R); 28d compressive strength ≥ 32.5MPa (P•F 32.5, P 32.2.5R); 3d fractural load ≥ 2.5MPa (P•F32.5), ≥3.5MPa(P•F32.5R); 28d fractural load ≥ 5.5MPa (P•F 32.5, P•F 32.5R)	Low strength at the initial stage; strength increases rapidly at later stages; low hydration heat; high corrosion resistance to soft water, seawater and sulphuric acid; low dry shrinkage and high crack resistance	For all types of industrial and civil construction projects, large-volume concrete underground and harbour projects	Construction companies
Oil Well Cement G-HSR	GB 10238-2005: insolubles ≤ 0.75%; Loss ≤ 3.0%; SO ₃ ≤ 3.0%; MgO ≤ 6.0%; Na ₂ O equivalent ≤ 0.75%; 48% ≤ C ₃ S ≤ 65%; C ₃ A ≤ 3%; C ₄ AF+2C ₃ A ≤ 24%; free liquid ≤ 5.9%; Under the condition of scenario 5 - 52 ℃, 35.6MPa, 15min~30min consistency ≤ 30BC, 90min ≤ thickening time ≤ 120min; compressive strength under 38 ℃, normal pressure, and 8h curing condition ≥ 2.1MPa; compressive strength under 60 ℃, normal pressure, and 8h curing condition ≥ 10.3MPa	Good liquidity and stability; rapid setting and hardening; high impermeability and corrosion resistance; proper density and setting time, as well as low consistency allow the ready-mix well concrete to possess great anti-settling properties and pumpability	For well cementing projects such as oil and gas wells	Construction companies

The Group seeks to introduce new products that meet evolving customer needs. For example, the Group's new Type G oil well cement targets the oil well cement market in northwest China. It is made by grinding portland cement clinker with one or more types of calcium sulfate and no additives can be used during the production except clinker and calcium sulphate. The Group has been selected by Shaanxi Yanchang Petroleum as one of its qualified suppliers of Type G oil well cement in 2014, and plans to continue to explore the oil well cement market by working in cooperation with major petroleum companies and design institutes.

The table below set forth the Group's production capacity and market share in each market in Shaanxi Province as of June 2014 in terms of NSP production capacity.

	<u>Xi'an</u>	<u>Baoji</u>	<u>Xianyang</u>	<u>Tongchuan</u>	<u>Weinan</u>	<u>Shangluo</u>	<u>Ankang</u>	<u>Hanzhong</u>	<u>Yulin & Production Yan'an</u>	<u>Total Capacity</u>
										(mt)
The Group	2.9	—	—	—	8.5	3.3	3.1	3.3	—	21.1
Total Production Capacity (mt)	2.9	15.8	12.6	19.2	12.5	3.3	4.2	5.5	3.6	79.6
Market Share	100%	—	—	—	68.0%	100%	73.8%	60.0%	—	26.5%

Source: Shaanxi Provincial Building Materials Federation (陝西省建築材料聯合會)

Details of the Group's production lines in Shaanxi Province as of June 30, 2014 are set forth in the table below.

Production Lines	Location	Commencement of Operations	NSP Technology	Residual Heat Recovery Systems	Capital Investment/ Acquisition Cost	Investment Cost per Ton of Cement⁽¹⁾
					<i>(RMB million)</i>	<i>(RMB)</i>
Danfeng						
Line 1	Danfeng County	December 2009 ⁽²⁾	Yes	Yes	365.0	331.8
Line 2	Danfeng County	April 2012	Yes	Yes	785.0	392.5
Hancheng	Weinan City	June 2011 ⁽²⁾	Yes	No	530.0	265.0
Fuping	Weinan City	June 2012 ⁽²⁾	Yes	Yes	504.0	252.0
Jianghua	Ankang City	December 2010 ⁽²⁾	Yes	Yes	370.0	336.4
Pucheng						
Line 1	Pucheng County	February 2004	Yes	Yes	265.0	240.9
Line 2	Pucheng County	September 2010	Yes	Yes	412.5	375.0
Lantian						
Line 1	Lantian County	May 2007	Yes	Yes	266.4	242.2
Line 2	Lantian County	August 2007	Yes	Yes	266.4	242.2
Mianxian	Mianxian County	July 2010	Yes	Yes	420.0	381.8
Shifeng	Weinan City	April 2012 ⁽²⁾	Yes	Yes	730.0	365.0
Xixiang	Hanzhong County	May 2011	Yes	Yes	495.9	450.8
Xunyang	Xunyang County	January 2009	Yes	Yes	345.0	172.5
Yangxian	Yangxian County	January 2010	Yes	Yes	454.8	413.5
Zhen'an	Zhen'an County	August 2009	Yes	Yes	180.0	257.1

Notes:

(1) The investment cost per ton of cement is arrived at by dividing the capital investment/acquisition cost of each production line by its annual production capacity as of June 30, 2014.

(2) Refers to the date when the Group acquired a majority interest in such production line.

Details of the Group's production lines in Xinjiang Province as of June 30, 2014 are set forth in the table below.

Production Lines	Location	Commencement of Operations	NSP Technology	Residual Heat Recovery Systems	Capital Investment/ Acquisition Cost	Investment Cost per Ton of Cement⁽¹⁾
					<i>(RMB million)</i>	<i>(RMB)</i>
Luxin	Hetian District	May 2011 ⁽²⁾	Yes	No	160.0	266.7
Yutian	Hetian District	August 2012	Yes	Yes	695.8	347.9

Notes:

(1) The investment cost per ton of cement is arrived at by dividing the capital investment/acquisition cost of each production line by its annual production capacity as of June 30, 2014.

(2) Refers to the date when the Group acquired such production line.

The table below sets forth the annualized production capacity, actual production volume and utilization rate of the Group's production lines during the years ended December 31, 2011, 2012 and 2013:

Production Lines	Annualized Production Capacity as of December 31, ⁽¹⁾			Actual Cement Production Volume for the year ended December 31,			Utilization Rate for the year ended December 31, ⁽²⁾		
	2011	2012	2013	2011	2012	2013	2011	2012	2013
<i>(in million tons, except for percentages)</i>									
Danfeng									
Line 1	1.1	1.1	1.1	0.6	0.4	0.3	54%	41%	27%
Line 2	—	—	1.5	—	—	1.3	—	—	84%
Hancheng	2.0	2.0	2.0	0.3	1.2	1.3	15%	60%	66%
Fuping	2.0	2.0	2.0	—	0.7	1.5	—	37%	77%
Jianghua	1.1	1.1	1.1	1.0	1.3	1.5	90%	118%	133%
Pucheng									
Line 1	1.1	1.1	1.1	1.1	1.0	1.0	99%	93%	92%
Line 2	1.4	1.4	1.4	1.3	1.5	1.5	93%	106%	106%
Lantian									
Line 1	1.1	1.1	1.1	1.0	0.9	0.9	93%	79%	84%
Line 2	1.1	1.1	1.1	1.1	0.9	1.0	103%	82%	87%
Luxin	0.6	0.6	0.6	0.3	0.4	0.4	47%	71%	67%
Mianxian	1.1	1.1	1.1	1.1	1.1	1.3	99%	104%	119%
Shifeng	2.0	2.0	2.0	—	1.4	2.0	—	68%	100%
Xixiang	1.1	1.1	1.1	0.3	0.7	0.7	30%	65%	62%
Xunyang	2.0	2.0	2.0	1.6	0.9	0.7	80%	44%	36%
Yangxian	1.1	1.1	1.1	1.0	1.0	1.3	89%	91%	120%
Yutian	—	—	2.0	—	—	0.4	—	—	18%
Zhen'an	0.7	0.7	0.7	0.6	0.6	0.6	84%	90%	82%

Notes:

- (1) The annualized production capacity figures are calculated on the basis of a 310-day year at a clinker/cement ratio of 0.7. Each type of cement has its specific chemical features and therefore a different clinker/cement ratio ranging from 0.25 to 0.95. The commonly used industrial benchmark average ratio is 0.7, and the Group has been using 0.7 clinker/cement ratio to derive its cement production capacity. The above table does not include a grinding mill at the Group's Lantian production facility which increases the annualized production capacity at its Lantian production facility by 0.7 million tons.
- (2) The utilization rate is derived on the basis of actual production volume divided by pro-rata production capacity of each production line for the actual number of months in a year during which the production line was in operation.

The table below sets forth the annualized production capacity, actual production volume and utilization rate of the Group's production lines during the six months ended June 30, 2012, 2013 and 2014:

Production Lines	Annualized Production Capacity as of June 30, ⁽¹⁾			Actual Cement Production Volume for the six months ended June 30,			Utilization Rate for the six months ended June 30, ⁽²⁾		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
<i>(in million tons, except for percentages)</i>									
Danfeng									
Line 1	1.1	1.1	1.1	0.2	0.1	0.1	44%	26%	25%
Line 2	—	1.5	1.5	—	0.6	0.6	—	76%	79%
Hancheng	2.0	2.0	2.0	0.5	0.7	0.6	54%	65%	57%
Fuping	2.0	2.0	2.0	—	0.7	0.6	—	74%	60%
Jianghua	1.1	1.1	1.1	0.6	0.7	0.5	110%	122%	96%
Pucheng									
Line 1	1.1	1.1	1.1	0.5	0.5	0.4	90%	87%	74%
Line 2	1.4	1.4	1.4	0.7	0.7	0.5	100%	100%	74%
Lantian									
Line 1	1.1	1.1	1.1	0.4	0.4	0.4	75%	70%	77%
Line 2	1.1	1.1	1.1	0.5	0.4	0.4	82%	75%	79%
Luxin	0.6	0.6	0.6	0.2	0.2	0.2	79%	66%	73%
Mianxian	1.1	1.1	1.1	0.5	0.6	0.7	98%	106%	125%
Shifeng	2.0	2.0	2.0	0.3	0.9	0.7	33%	86%	70%
Xixiang	1.1	1.1	1.1	0.3	0.3	0.4	61%	62%	64%
Xunyang	2.0	2.0	2.0	0.5	0.4	0.4	51%	35%	44%
Yangxian	1.1	1.1	1.1	0.5	0.6	0.7	87%	107%	121%
Yutian	—	2.0	2.0	—	0.2	0.3	—	25%	26%
Zhen'an	0.7	0.7	0.7	0.3	0.3	0.3	87%	78%	72%

Notes:

- (1) The annualized production capacity figures are calculated on the basis of a 310-day year at a clinker/cement ratio of 0.7. Each type of cement has its specific chemical features and therefore a different clinker/cement ratio ranging from 0.25 to 0.95. The commonly used industrial benchmark average ratio is 0.7, and the Group has been using 0.7 clinker/cement ratio to derive its cement production capacity. The above table does not include a grinding mill at the Group's Lantian production facility which increases the annualized production capacity at its Lantian production facility by 0.7 million tons.
- (2) The utilization rate is derived on the basis of actual production volume divided by pro-rata production capacity of each production line for the actual number of months during which the production line was in operation.

The Group has substantially completed the construction of the new production lines in Guiyang City, Guizhou Province and Yili District, Xinjiang Province in July 2014. These two new production lines are currently being commissioned and will increase the Group's annual production capacity to 27.0 million tons after they ramp up to full operation. Details of the Group's new production lines are set forth in the table below.

Production Lines Under Construction	Location	Planned Annual Production Capacity	Target Production Commencement Date	Total Budgeted Capital Expenditure	Actual Capital Expenditure Incurred as of June 30, 2014	Estimated Capital Expenditure in Future
		<i>(in million tons)</i>		<i>(RMB in millions)</i>	<i>(RMB in millions)</i>	<i>(RMB in millions)</i>
Huaxi	Guiyang, Guizhou	1.8	August 2014	745.3	499.6	245.7
Yining	Yili, Xinjiang	1.5	The second half of 2014	532.1	421.5	110.6

The Group's estimated capital expenditures to be incurred for its new production facilities in Guiyang, Guizhou Province and Yili District, Xinjiang Province amount to RMB356.3 million which it intends to fund with cash generated from its operations and bank borrowings.

The Group has obtained mining rights to a number of limestone quarries in Shaanxi and Xinjiang provinces, most of which are located near its production facilities. The Group's mining rights are for periods ranging from three to 50 years, with expiration dates between January 2015 and September 2033. The Group has sufficient reserves of limestone to meet the current production requirements of its existing production facilities for at least 70 years, based on government surveyors' reports on the amounts of its limestone reserves, the annual excavation limits specified in its mining licenses and its current production requirements.

The mining rights obtained by the Group in relation to its limestone quarries in Shaanxi and Xinjiang provinces are as follows:

Name of Quarry	Location	Period of Validity⁽¹⁾	Area	Maximum Annual Excavation Volume Per Mining License	Reserves as of June 30, 2014⁽²⁾
			<i>(km²)</i>	<i>(tons in thousands)</i>	<i>(tons in thousands)</i>
Yaoshan (堯山) ⁽²⁾	Pucheng County, Shaanxi Province	December 13, 2013 - December 13, 2023	1.3	1,078	31,968
Taibaishan (太白山)	Fuping County, Shaanxi Province	February 1, 2010 - February 1, 2015	3.2	3,900	138,829
Baofengsi (寶峰寺)	Fuping County, Shaanxi Province	March 4, 2011 - March 4, 2019	3.7	2,000	582,406
Xiaozhai (小寨)	Lantian County, Shaanxi Province	December 30, 2010 - December 30, 2022	1.3	2,120	37,790
Qingshanzhai (青山寨)	Xunyang County, Shaanxi Province	January 15, 2014 - January 15, 2019	0.4	1,750	65,873
Wangyazi (王埡子)	Ankang City, Shaanxi Province	October 1, 2013 - October 1, 2015	0.1	100	38,456
Mogou (磨溝)	Ankang City, Shaanxi Province	October 1, 2013 - October 1, 2015	0.1	100	47,670
Dinghe (丁河)	Ankang City, Shaanxi Province	January 1, 2013 - January 1, 2015	1.8	80	18,842
Caiya (菜埡)	Ankang City, Shaanxi Province	July 1, 2013 - July 1, 2015	0.2	150	10,773
Qiaogou (橋溝)	Ankang City, Shaanxi Province	July 1, 2013 - July 1, 2015	0.3	60	25,217
Wutanhe (烏灘河)	Ankang City, Shaanxi Province	September 1, 2013 - September 1, 2015	0.1	100	42,134
Xujiapo (徐家坡)	Ankang City, Shaanxi Province	October 1, 2013 - October 1, 2015	0.3	100	13,870
Wujiagou (吳家溝)	Ankang City, Shaanxi Province	July 1, 2013 - July 1, 2015	0.2	100	33,453
Zhujiawan (朱家灣)	Ankang City, Shaanxi Province	October 1, 2013 - October 1, 2015	0.5	100	4,234
Dalingliang (大嶺梁)	Hanzhong City, Shaanxi Province	September 6, 2013 - September 6, 2033	0.6	920	104,357

Name of Quarry	Location	Period of Validity⁽¹⁾	Area	Maximum Annual Excavation Volume Per Mining License	Reserves as of June 30, 2014⁽²⁾
			<i>(km²)</i>	<i>(tons in thousands)</i>	<i>(tons in thousands)</i>
Dengzhaiwo (燈臺窩)	Hanzhong City, Shaanxi Province	June 24, 2013 - June 24, 2023	0.2	1,100	36,980
Chujiashan (緒家山)	Zhen'an County, Shaanxi Province	May 23, 2011 - April 23, 2016	0.1	400	5,584
Longtanzi (龍潭子)	Zhen'an County, Shaanxi Province	December 3, 2012 - December 3, 2015	0.1	450	16,431
Longqiaodong Mountain (龍橋東大山)	Danfeng County, Shaanxi Province	January 26, 2010 - January 26, 2020	0.2	1,200	10,190
Laohugou (老虎溝)	Danfeng County, Shaanxi Province	January 9, 2012 - January 9, 2015	2.5	500	13,510
Cangyinggou (蒼英溝)	Huocheng County, Xinjiang Province	December 16, 2010 - June 16, 2017	0.02	1,382	1,236
Moyu (墨玉)	Moyu County, Xinjiang Province	December 20, 2010 - April 14, 2020	0.1	180	2,019

Notes:

- (1) According to Procedures for Registration of Mining of Mineral Resources (礦產資源開採登記管理辦法) issued by the State Council on February 12, 1998, the mining license period will be based on the scale of the quarry: large-scale quarries can have a maximum 30-year mining license period, medium-scale quarries can have a maximum 20-year mining license period and small-scale quarries can have a maximum 10-year mining license period. The qualifications for “large-scale”, “medium-scale” and “small-scale” quarries are specified in the Notice Regarding the Standard for Sizes of Natural Resources and Reserves (礦產資源儲量規模劃分標準的通知) issued by the Ministry of Land and Resources in the PRC on April 24, 2000. According to such notice, “large-scale” limestone quarries have a reserve of over 80 million tons, “medium-scale” limestone quarries have a reserve between 15 to 80 million tons, and “small-scale” limestone quarries have a reserve of less than 15 million tons.
- (2) The limestone reserve figures are extracted from compiled data, project approval documents issued by relevant government authorities, and documents issued by a government appointed expert committee and an asset appraisal firm engaged by the Group.

As of the date of this offering memorandum, the Group has not yet obtained certain mining licenses for a limestone quarry in Hetian District covering a total reserve of 1.0 million tons and a limestone quarry in Hanzhong County covering a total reserve of 32.4 million tons. The Group expects to receive those mining licenses before July 2015.

Failure to obtain such mining license may cause the Group to be ordered by the relevant authorities to cease excavation at this limestone quarry until it obtains such mining license, which could disrupt its operations. The Group may also be subject to fines and required to disgorge profits obtained from this limestone quarry.

Of the limestone the Group used in our production in the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014, approximately 8.2 million, 9.6 million, 12.3 million and 6.2 million tons, respectively, was excavated from its mines. The Group purchased approximately 2.4 million tons, 3.2 million tons, 2.7 million and 0.8 million tons of limestone from third party limestone suppliers in the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014, respectively. The Group acquired mining rights with respect to several additional limestone quarries in 2012, 2013 and 2014 and as such it has gradually reduced the amount purchased from third party limestone suppliers. For the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014, the Group incurred approximately RMB157.0 million, RMB193.9 million, RMB222.3 million (US\$35.8 million) and RMB108.2 million (US\$17.4 million) for the limestone excavated from our quarries and purchased from third party suppliers, respectively. Of the RMB108.2 million spent for limestone during the six months ended June 30, 2014, RMB92.4 million (US\$14.9 million) was attributable to costs for excavation from our quarries and RMB15.8 million (US\$2.5 million) was attributable to purchases from third party suppliers.

The table below sets forth the Group's revenue from sales of cement products by customer type for each of the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2013 and 2014. In addition to the revenue from cement products, our revenue also includes other revenue of RMB14.3 million, RMB14.5 million, RMB32.7 million and RMB 18.6 million for the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014.

Type of Customer	For the year ended December 31,				For the six months ended June 30,		
	2011	2012	2013	2013	2013	2014	2014
	(RMB in millions)				(RMB in millions) (unaudited)		
	(US\$ in millions)				(US\$ in millions)		
Government infrastructure projects ⁽¹⁾	556.7	308.2	426.0	68.7	153.9	346.8	55.9
Ready-mix concrete stations	1,847.4	1,604.5	1,876.7	302.5	1,101.4	862.0	139.0
Distributors (both entities and individuals).	323.6	988.4	1,268.5	204.5	446.1	513.3	82.7
Others ⁽²⁾	<u>448.5</u>	<u>608.5</u>	<u>563.9</u>	<u>90.9</u>	<u>255.1</u>	<u>257.0</u>	<u>41.4</u>
Total	<u>3,176.2</u>	<u>3,509.6</u>	<u>4,135.1</u>	<u>666.6</u>	<u>1,956.5</u>	<u>1,979.1</u>	<u>319.0</u>

Notes:

- (1) Includes infrastructure projects sponsored by various levels of the PRC government or state-owned enterprises, such as railways, expressways, subways and hydroelectric power stations.
- (2) These customers were primarily individuals or entities located near the Group's production facilities and purchased its products for use in small construction projects. Such sales also included direct cash sales to individual retail customers which amounted to approximately RMB363.3 million, RMB452.1 million, RMB431.9 million and RMB206.0 million during the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014, respectively.

For the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014, sales to the Group's five largest customers accounted for approximately 11.8%, 9.4%, 10.8% and 11.4%, respectively, of its revenue, and sales to its largest customer accounted for approximately 3.7%, 3.4%, 3.3% and 4.1%, respectively, during the same periods.

Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation Regarding Policies Relating to the Value Added Tax on Products Made Through Comprehensive Utilization of Resources and Other Products (財政部，國家稅務總局關於資源綜合利用及其他產品增值稅政策的通知), the Group enjoys VAT refunds for cement products that use a certain percentage of recycled materials as raw materials, such as slag and flyash. During the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014, such VAT refunds amounted to RMB145.9 million, RMB139.2 million, RMB151.5 million (US\$24.4 million) and RMB79.3 million (US\$12.8 million), respectively, representing 4.6%, 4.0%, 3.6% and 4.0% of the Group's revenue during the same periods.

The table below sets forth the revenue, gross profit and gross profit margin of the Group's existing and newly-added production facilities for each of the periods indicated. Existing production facilities represent those production facilities that had already commenced sales as of the first day of the year or period indicated and new production facilities represent those production facilities that commenced sales during the year or period indicated.

	For the year ended December 31,				For the six months ended June 30,	
	2011 ⁽¹⁾	2012 ⁽²⁾	2013 ⁽³⁾	2013 ⁽³⁾	2014	2014
	(RMB'000)	(RMB'000)	(RMB'000)	(US\$'000)	(RMB'000)	(US\$'000)
Revenue generated by:						
Existing production facilities	2,881,397	2,982,727	3,763,866	656,859	1,997,670	322,018
New production facilities	<u>309,082</u>	<u>541,390</u>	<u>403,977</u>	<u>14,984</u>	<u>—</u>	<u>—</u>
Total	<u>3,190,479</u>	<u>3,524,117</u>	<u>4,167,843</u>	<u>671,843</u>	<u>1,997,670</u>	<u>322,018</u>
Gross profit contributed by:						
Existing production facilities	842,168	564,282	657,779	113,883	384,998	62,060
New production facilities	<u>42,223</u>	<u>110,915</u>	<u>71,561</u>	<u>3,684</u>	<u>—</u>	<u>—</u>
Total	<u>884,391</u>	<u>675,197</u>	<u>729,340</u>	<u>117,568</u>	<u>384,998</u>	<u>62,061</u>
Gross profit margin for:						
Existing production facilities	29.2%	18.9%	17.5%	—	19.3%	—
New production facilities	13.7%	20.5%	17.7%	—	—	—
Overall gross profit margin	27.7%	19.2%	17.5%	—	19.3%	—

Notes:

- (1) New production facilities for year ended December 31, 2011 represent the Xixiang and Hancheng production facilities in Shaanxi Province and the Hetian production facility in Xinjiang Province.
- (2) New production facilities for year ended December 31, 2012 represent the Shifeng and Fuping production facilities in Shaanxi Province.
- (3) New production facilities for year ended December 31, 2013 represent the second production line at Danfeng facility and the Yutian production facility in Xinjiang Province.

The table below sets forth the Group's revenue, sales volume and average selling price for each category of cement products it sold and the average selling prices of cement and cement products it sold during the periods indicated:

	For the year ended December 31,											
	2011				2012				2013			
	Average selling price	Sales volume	% of Total Sales	Revenue ⁽³⁾	Average selling price	Sales volume	% of Total Sales	Revenue ⁽³⁾	Average selling price	Sales volume	% of Total Sales	Revenue ⁽³⁾
	(RMB)	(Ton 000')		(RMB in million)	(RMB)	(Ton 000')		(RMB in million)	(RMB)	(Ton 000')		(RMB in million)
High grade cement	291	4,704	40.1	1,370.0	259	5,610	39.1	1,450.4	240	8,142	46.2	1,955.6
Low grade cement	246	7,027	59.9	1,730.4	224	8,737	60.9	1,957.0	217	9,483	53.8	2,054.4
Clinker	250	304	—	75.8	223	459	—	102.2	208	603	—	125.1
Total	—	12,035	100.0	3,176.2	—	14,806	100.0	3,509.6	—	18,228	100.0	4,135.1
Average selling price for cement ⁽¹⁾	264				238				228			
Average selling price for cement products ⁽²⁾	264				237				227			

For the six months ended June 30,								
	2013				2014			
	Average selling price	Sales volume	% of Total Sales	Revenue ⁽³⁾	Average selling price	Sale volume	% of Total Sales	Revenue ⁽³⁾
	(RMB)	(Ton 000')		(RMB in million)	(RMB)	(Ton 000')		(RMB in million)
High grade cement	247	3,450	42.3	853.6	249	3,929	49.3	977.8
Low grade cement	223	4,711	57.7	1,051.7	229	4,047	50.7	926.7
Clinker	227	225	—	51.2	193	387	—	74.6
Total	—	<u>8,386</u>	<u>100.0</u>	<u>1,956.5</u>	—	<u>8,363</u>	<u>100.0</u>	<u>1,979.1</u>
Average selling price for cement ⁽¹⁾	234				239			
Average selling price for cement products ⁽²⁾	233				237			

Notes:

- (1) Average selling price for cement is calculated by dividing (i) the Group's revenue derived from sales of high grade and low grade cement by (ii) the total sales volume of high grade and low grade cement. The average selling price is exclusive of VAT.
- (2) Average selling price for cement products is calculated by dividing (i) the Group's total revenue derived from sales of high grade cement, low grade cement and clinker by (ii) the total sales volume of these three products. The average selling price is exclusive of VAT.

- (3) In addition to the revenue from cement products, our revenue also includes other revenue of RMB14.3 million, RMB14.5 million, RMB32.7 million and RMB 18.6 million for the years ended December 31, 2011, 2012 and 2013 and the six months ended June 30, 2014.

The table below sets forth the major components of the Group's cost of sales (i) with each item expressed both as a percentage of cost of sales and as a percentage of revenue, and (ii) by the cost per ton of cement products sold for the periods indicated.

For the year ended December 31,												
	2011				2012				2013			
	Cost	% of cost of sales	% of revenue	Cost per ton of cement products sold	Cost	% of cost of sales	% of revenue	Cost per ton of cement products sold	Cost	% of cost of sales	% of revenue	Cost per ton of cement products sold
	(RMB'000)			(RMB)	(RMB'000)			(RMB)	(RMB'000)			(RMB)
Raw materials	665,020	28.8%	20.8%	55.3	662,000	23.2%	18.8%	44.7	1,042,188	30.3%	25.0%	57.2
Coal	814,098	35.3%	25.5%	67.6	960,108	33.7%	27.2%	64.8	943,429	27.4%	22.6%	51.8
Electricity	418,266	18.1%	13.1%	34.8	621,924	21.8%	17.6%	42.0	724,174	21.1%	17.4%	39.7
Depreciation	267,153	11.6%	8.4%	22.2	404,328	14.2%	11.5%	27.3	486,109	14.1%	11.7%	26.7
Labor costs	83,037	3.6%	2.6%	6.9	105,230	3.7%	3.0%	7.1	133,444	3.9%	3.2%	7.3
Others	58,514	2.6%	1.9%	4.8	95,330	3.4%	2.7%	6.5	109,159	3.2%	2.6%	5.9
Total	<u>2,306,088</u>	<u>100.0%</u>	<u>72.3%</u>	<u>191.6</u>	<u>2,848,920</u>	<u>100.0%</u>	<u>80.8%</u>	<u>192.4</u>	<u>3,438,503</u>	<u>100.0%</u>	<u>82.5%</u>	<u>188.6</u>

For the six months ended June 30,								
	2013				2014			
	Cost	% of cost of sales	% of revenue	Cost per ton of cement products sold	Cost	% of cost of sales	% of revenue	Cost per ton of cement products sold
	(RMB'000)			(RMB)	(RMB'000)			(RMB)
				(unaudited)				
Raw materials	476,464	29.4%	24.2%	56.8	496,587	30.8%	24.9%	59.4
Coal	451,616	27.9%	23.0%	53.9	399,935	24.8%	20.0%	47.8
Electricity	342,523	21.1%	17.4%	40.8	318,419	19.7%	15.9%	38.1
Depreciation	239,579	14.8%	12.2%	28.6	249,122	15.4%	12.5%	29.8
Labor costs	64,985	4.0%	3.3%	7.7	85,238	5.3%	4.3%	10.2
Others	45,316	2.8%	2.3%	5.4	63,371	4.0%	3.2%	7.5
Total	<u>1,620,483</u>	<u>100.0%</u>	<u>82.4%</u>	<u>193.2</u>	<u>1,612,672</u>	<u>100.0%</u>	<u>80.7%</u>	<u>192.8</u>

As of December 31, 2013 and June 30, 2014, the Group had total borrowings of approximately RMB4,029.9 million (US\$649.6 million) and RMB4,058.2 million (US\$654.2 million), respectively, of which approximately RMB610.0 million (US\$98.3 million) and RMB634.0 million (US\$102.2 million), respectively, were bank borrowings, which were secured by land use rights and fixed assets such as plant and equipment of its PRC-incorporated subsidiaries. The remaining bank borrowings in the amounts of RMB99.4 million (US\$16.0 million) and RMB97.1 million (US\$15.7 million) as at December 31, 2013 and June 30, 2014, respectively, were secured by bank deposits.

The Group's capital expenditures include expenditures for property and plant, motor vehicles, electronic and other equipment, machinery, mining equipment, land use rights and mining rights. The table below sets forth capital expenditures for the year or period indicated.

	For the year ended December 31,				For the six months ended June 30,	
	2011	2012	2013	2013	2014	2014
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(US\$'000)</i>	<i>(RMB'000)</i>	<i>(US\$'000)</i>
					<i>(unaudited)</i>	
Purchase of property, plant and equipment	1,658,913	563,136	578,521	93,256	323,387	52,129
Purchase of land use rights	16,701	36,715	713	115	—	—
Purchase of mining rights	71,629	7,044	1,694	273	—	—
Acquisition of subsidiaries net of cash acquired	<u>665,252</u>	<u>83,556</u>	<u>37,406</u>	<u>6,029</u>	<u>14,805</u>	<u>2,386</u>
Total	<u>2,412,495</u>	<u>690,451</u>	<u>618,334</u>	<u>99,673</u>	<u>338,192</u>	<u>54,515</u>

The Group's capital commitment as at June 30, 2014 amounted to RMB321.7 million compared to RMB585.8 million as of December 31, 2013, of which approximately RMB50 million to RMB100 million is planned for the remainder of 2014, RMB150 million to RMB200 million for 2015 and any remainder thereafter.

The table below sets forth an analysis of the Group's financial liabilities based on remaining maturity period as of December 31, 2011, 2012 and 2013 and June 30, 2014, respectively:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total undiscounted cash flow	Carrying amount
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
At December 31, 2011					
Trade and other payables	646,493	11,476	—	657,969	657,969
Borrowings	594,493	205,911	3,000	803,404	771,000
Senior Notes	<u>189,027</u>	<u>189,027</u>	<u>2,992,928</u>	<u>3,370,982</u>	<u>2,540,771</u>
	<u>1,430,013</u>	<u>406,414</u>	<u>2,995,928</u>	<u>4,832,355</u>	<u>3,969,740</u>
At December 31, 2012					
Trade and other payables	1,154,523	13,593	—	1,168,116	1,168,116
Borrowings	1,205,768	160,065	4,000	1,369,833	1,322,192
Senior Notes	<u>188,565</u>	<u>188,565</u>	<u>2,797,048</u>	<u>3,174,178</u>	<u>2,547,050</u>
	<u>2,548,856</u>	<u>362,223</u>	<u>2,801,048</u>	<u>5,712,127</u>	<u>5,037,358</u>
At December 31, 2013					
Trade and other payables	1,246,066	12,804	—	1,258,870	1,258,870
Borrowings	730,377	—	6,000	736,377	715,423
Senior Notes	182,907	182,907	2,530,214	2,896,028	2,483,666
Medium-term notes	<u>48,800</u>	<u>48,800</u>	<u>848,800</u>	<u>946,400</u>	<u>830,789</u>
	<u>2,208,150</u>	<u>244,511</u>	<u>3,385,014</u>	<u>5,837,675</u>	<u>5,288,748</u>
At June 30, 2014 (unaudited)					
Trade and other payables	1,335,682	23,609	—	1,359,291	1,359,291
Borrowings	669,763	85,742	6,000	761,505	737,088
Senior Notes	184,584	2,645,704	—	2,830,288	2,513,553
Medium-term notes	<u>48,800</u>	<u>848,800</u>	<u>—</u>	<u>897,600</u>	<u>807,553</u>
	<u>2,238,829</u>	<u>3,603,855</u>	<u>6,000</u>	<u>5,848,684</u>	<u>5,417,485</u>

	For the year ended December 31,				For the six months ended June 30,		
	2011	2012	2013	2013	2013	2014	2014
	(RMB'000)	(RMB'000)	(RMB'000)	(US\$'000)	(RMB'000)	(RMB'000)	(US\$'000)
					(unaudited)		
EBITDA ⁽¹⁾	1,165,780	1,060,713	1,193,169	192,335	569,204	635,626	102,461
EBITDA margin ⁽²⁾	36.5%	30.1%	28.6%		28.9%	31.8%	
EBITDA/Gross interest expense ⁽³⁾	4.4	3.7	4.2		3.9	4.4	
Total debt/EBITDA	2.8	3.6	3.4		7.0	6.4	
Last 12 months Financial Ratios (for the 12 months ended June 30, 2014)							
EBITDA/Gross interest expense ⁽⁴⁾⁽⁵⁾						4.4	
Total debt/EBITDA ⁽⁴⁾						3.2	

- (1) EBITDA is defined as profit and total comprehensive income minus (x) net foreign exchange (losses) gains and (y) interest income, and plus (i) finance costs, (ii) share-based payments; (iii) income tax expense; and (iv) total depreciation and amortization expenses. EBITDA is not a standard measure under IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, profit and total comprehensive income attributable to the owners of the Group or any other measure of performance or as an indicator of its operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, net finance costs, net foreign exchange (losses) gains, share-based payments or depreciation and amortization. In evaluating EBITDA, the Group believes that investors should consider, among other things, the components of EBITDA such as revenue and profit and total comprehensive income attributable to the owners of the Group and the amount by which EBITDA exceeds capital expenditures and other charges. The Group has included EBITDA herein because it believes it is a useful supplement to cash flow data as a measure of its performance and its ability to generate cash from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare the Group's EBITDA to EBITDA presented by other companies because not all companies use the same definition.
- (2) EBITDA margin is calculated by dividing EBITDA by revenue.
- (3) Gross interest expense includes interest expense capitalized in property, plant and equipment and excludes unwinding of discount on asset retirement obligation. Gross interest expense is not a standard measure under IFRS. Gross interest expense presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare the Group's gross interest expense to the gross interest expense provided by other companies because not all companies use the same definition.
- (4) The last 12 months EBITDA of the 12 months ended June 30, 2014 is calculated by subtracting the EBITDA for the six months ended June 30, 2013 from the full year EBITDA for 2013 and adding the EBITDA for the six months ended June 30, 2014.

- (5) The last 12 months gross interest expense for the 12 months ended June 30, 2014 is calculated by subtracting the gross interest expense for the six months ended June 30, 2013 from the full year gross interest expense for 2013 and adding the gross interest expense for the six months ended June 30, 2014.

DEFINITIONS

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

“Board”	the board of directors
“Company”	West China Cement Limited, a company incorporated in Jersey with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Credit Suisse”	Credit Suisse Securities (Europe) Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“January 2016 Notes”	the US\$400,000,000 7.50% senior notes due 2016 of the Company issued on 25 January 2011
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomura”	Nomura International plc, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Notes
“Notes”	the senior notes to be issued by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement

“Proposed Notes Issue”	the proposed issue of the Notes by the Company
“Purchase Agreement”	the agreement proposed to be entered into between, among others, the Company, the Subsidiary Guarantors, Credit Suisse and Nomura, in relation to the offer and sale of the Notes
“Securities Act”	the United States Securities Act of 1933, as amended
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	the subsidiaries of the Company, which will provide a guarantee for the payment of the Notes provided that those Subsidiary Guarantors will not include any subsidiaries of the Company established under the laws of the PRC
“US\$”	United States dollars

By the order of the Board
West China Cement Limited
Zhang Jimin
Chairman

Hong Kong, 29 August 2014

As at the date of this announcement, the executive Directors are Mr. Zhang Jimin, Mr. Wang Jianli, Ms. Low Po Ling and Mr. Tian Zhenjun, the non-executive Directors are Mr. Ma Zhaoyang and Mr. Ma Weiping, and the independent non-executive Directors are Mr. Lee Kong Wai, Conway, Mr. Wong Kun Kau and Mr. Tam King Ching, Kenny.