

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance on the whole or any part of the contents of this announcement.



CHINA SHANSHUI CEMENT GROUP LIMITED

中國山水水泥集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 691)

SUPPLEMENT TO THE OFFER TO PURCHASE FOR CASH ANY AND ALL OUTSTANDING 8.50% SENIOR NOTES DUE 2016

Reference is made to the announcement of the Company dated 19 May 2011 in relation to the issuance of US\$400,000,000 8.50% senior notes due 2016 and the announcement of the Company dated 8 May 2015 in relation to the offer to purchase for cash any and all outstanding 8.50% senior notes due 2016 (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

THE SUPPLEMENT TO THE OFFER TO PURCHASE

The Company announces that, on 27 May 2015, it has issued a supplement (the “**Supplement**”) to the Offer to Purchase in order to provide additional information and make certain revisions to the Offer to Purchase dated 8 May 2015.

As disclosed in the Announcement, the Company commenced an offer to purchase for cash any and all of the outstanding Notes from each Holder on 8 May 2015. This Offer was being made pursuant to section 4.13 of the Indenture as a result of the occurrence of a Change of Control (as defined in the Indenture) of the Company. The Change of Control was triggered as a result of the increase in shareholding in the Company of Mr. Li Liufa and his affiliates from 10.51% to 27.56% on 10 April 2015, which has resulted in Mr. Li Liufa and his affiliates becoming beneficial owner of total voting power of the Company greater than such total voting power held beneficially by the Permitted Holders (as defined in the Indenture).

Pursuant to the Supplement, the Company informed the Holder that another Change of Control event has occurred on 20 May 2015. Under the Indenture, a Change of Control also occurs when the Permitted Holders cease to be the beneficial owners of more than 25% of the voting power of the shares in the Company. Prior to 20 May 2015, the Permitted Holders beneficially owned more than 25% of the Company’s shares because Mr. Zhang Caikui, in his personal capacity and as trustee, controls approximately 81.74% of the shares in China Shanshui Investment Company Limited (“**China Shanshui Investment**”). China Shanshui Investment is the direct or indirect holder of approximately 25.09% of the shares in the Company. On 20 May 2015, the Court of First Instance of the High Court of Hong Kong (the “**High Court**”) has, among other things, approved the applications made by 2,426 claimants to the beneficial ownership of certain shares of the China Shanshui Investment held under a BVI trust by Mr. Zhang for the appointment of receivers over

a total of approximately 43.29% shareholding of China Shanshui Investment, pending the final determination of the relevant legal proceedings between these claimants and, amongst others, Mr. Zhang Caikui or until further order of the High Court. As a result, Mr. Zhang now controls less than a majority of China Shanshui Investment shares and the Permitted Holders also ceased to beneficially own more than 25% of the voting power of the shares of the Company.

The Company therefore issued the Supplement to amend and supplement the Offer to Purchase to provide that the Offer is being made as a result of the occurrence of two Change of Control events as described above. All other terms of the Offer set forth in the Offer to Purchase, including, without limitation, the procedures for tendering the Notes, the Expiration Time and the Change of Control Payment Date, remain unaffected. The Expiration Time is 5:00 p.m., New York time, on 30 June 2015, unless extended. The Company may, but does not presently intend to, extend the Expiration Time. As 1 July 2015 is a public holiday in Hong Kong, the Company expects to announce the tender results of the Offer by 10:00 a.m., New York time, on 2 July, 2015.

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

By Order of the Board
China Shanshui Cement Group Limited
ZHANG Bin
Chairman

Hong Kong, 27 May 2015

As at the date hereof, the board of directors of the Company comprises three executive directors, namely Mr. ZHANG Bin (Chairman and General Manager), Mr. ZHANG Caikui and Mr. LI Cheung Hung; two non-executive directors, namely Mr. CHANG Zhangli and Mr. LEE Kuan-chun (also known as Champion Lee); and one independent non-executive director, namely, Ms. WU Xiaoyun.