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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)

MAJOR AND CONTINUING CONNECTED TRANSACTIONS

FRAMEWORK AGREEMENT IN RELATION TO PROVISION OF MUTUAL GUARANTEES

The Board hereby announces that on 30 October 2013, Tianrui Cement, a wholly-owned subsidiary of the Company, and Tianrui Group entered into the Framework Agreement, pursuant to which the parties have conditionally agreed to provide mutual guarantees, directly by themselves or through their subsidiaries, with respect to each other (inclusive of their subsidiaries) during the Term for bank loans to be borrowed and/or debentures or corporate bonds to be issued by them.

Tianrui Group is an associate of Chairman Li, and therefore, a connected person of the Company pursuant to the Listing Rules. As one or more of the applicable percentage ratios exceed 5%, the Tianrui Cement Guarantee contemplated under the Framework Agreement constitutes continuing connected transactions for the Company and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. Further, the provision of Tianrui Cement Guarantee constitutes a major transaction under Chapter 14 of the Listing Rules.

As the amount of the Annual Cap for the second 12 months of the Terms of Tianrui Cement Guarantee exceeds 8% under the assets ratio as defined under Rule 13.13 of the Listing Rules, the grant of Tianrui Cement Guarantee under the Framework Agreement is also subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

As no security shall be provided over the assets of any member of the Group in relation to the Tianrui Group Guarantee which is provided on terms better for the Group, the Tianrui Group Guarantee is exempted from reporting, announcement and independent shareholders' approval requirements according to rule 14A.65(4) of the Listing Rules.

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders as to whether the terms in respect of the Tianrui Cement Guarantee contemplated under the Framework Agreement and the Annual Caps are fair and reasonable and are in the interests of the Company and its Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the independent financial adviser appointed. TC Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this connection.

A circular containing, among other things, details on (i) the Framework Agreement including the Annual Caps and the transactions contemplated thereunder; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) a letter from TC Capital containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 20 November 2013.

The Board hereby announces that on 30 October 2013, Tianrui Cement, a wholly-owned subsidiary of the Company, and Tianrui Group entered into the Framework Agreement pursuant to which the parties have conditionally agreed to provide mutual guarantees, directly by themselves or through their subsidiaries, with respect to each other during the Term for bank loans to be borrowed and/or debentures or corporate bonds to be issued by them.

MAJOR TERMS OF FRAMEWORK AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER

I. Major Terms of Framework Agreement

1. Date

30 October 2013

2. Parties

Tianrui Cement; and

Tianrui Group

3. **Mutual Guarantee**

Pursuant to the Framework Agreement, Tianrui Group, an associate of Chairman Li, has agreed, during the Term, to provide guarantees, directly by itself or through its subsidiaries, with respect to Tianrui Cement or its subsidiaries, for bank loans to be borrowed and/or debentures or corporate bonds to be issued by any of them (“**Tianrui Group Guarantee**”).

According to the same agreement, Tianrui Cement has agreed, during the Term, to provide guarantees, directly by itself or through its subsidiaries, with respect to Tianrui Group or its subsidiaries (excluding any of its subsidiaries engaged in aluminum-related business) for bank loans to be borrowed and/or debentures or corporate bonds to be issued by any of them (“**Tianrui Cement Guarantee**”). In the event that the relevant loan, debenture or corporate bond is to be borrowed or issued by any of Tianrui Group’s subsidiaries, Tianrui Group shall provide the primary guarantee to the lenders in respect to the loan, debenture or corporate bond while Tianrui Cement Guarantee shall only be provided as additional credit support. In addition, with respect to such Tianrui Cement Guarantee, Tianrui Group shall enter into an agreement with Tianrui Cement to indemnify Tianrui Cement for any amount that Tianrui Cement would have paid in accordance with the terms and conditions of the Tianrui Cement Guarantee, including the principal amount of the relevant loan, debenture or corporate bond, any interest, fees, damages and enforcement expenses for breach of the loan, debenture or corporate bond.

The provision of the guarantee by each party under the Framework Agreement will be subject to the guarantor having fully understood the borrower’s business obligations and financial position, and further in the case of Tianrui Cement Guarantee, the review and approval of a special committee established for monitoring the risk control and management in relation to the Framework Agreement. See the section headed “Risk Management Measures under the Framework Agreement”.

No commission shall be paid by Tianrui Cement and Tianrui Group to each other in connection with any of the Guarantees, which the Directors consider is fair and reasonable to the Company and its shareholders on basis set out as follows:

- (1) Commission in relation to guarantee is normally calculated based on the annual amount of the guarantees. The proposed Annual Caps (as defined below) of Tianrui Group Guarantee are higher than those of Tianrui Cement Guarantee, and it is also expected that the amount to be utilized

under Tianrui Group Guarantee is greater than the amount under Tianrui Cement Guarante; therefore, the commission payable by Tianrui Cement under the Tianrui Cement Guarantee would be greater than that by Tianrui Group under the Tianrui Group Guarantee; and

- (2) The financial and credit status of a borrower normally also affects the rate of the commission of guarantee. As advised by TC Capital, Tianrui Group suggests a healthier financial and credit status as compared to Tianrui Cement; therefore, if the commission is paid by Tianrui Cement and Tianrui Group to each other in relation to the Guarantees, the rate of commission for Tianrui Group would be at least no less than that for Tianrui Cement.

No security shall be provided over the assets of any member of the Group in relation to any of the Guarantees.

Pursuant to the Framework Agreement, no obligations under the Tianrui Cement Guarantee and Tianrui Group Guarantee shall be offset against each other.

4. Conditions Precedent

The mutual guarantee will be subject to the conditions precedent set out as follows:

- (i) the Company has complied with the requirements provided under the Listing Rules in respect of the transactions contemplated under the Framework Agreement; and
- (ii) the Framework Agreement and the transactions contemplated thereunder have been approved by the Independent Shareholders in compliance with the Listing Rules.

5. Annual Caps for the Guarantees

The proposed annual caps (the “**Annual Caps**”) provided in the Framework Agreement are set out as follows:

	First 12 months of the Term <i>RMB (million)</i>	Second 12 months of the Term <i>RMB (million)</i>
Tianrui Cement Guarantee	2,200	3,000
Tianrui Group Guarantee	5,200	6,000

The Annual Caps for Tianrui Cement Guarantee were determined by the Board after taking into consideration the following factors:

- (a) funding needs of the Tianrui Group and its subsidiaries (excluding any of its subsidiaries engaged in aluminum-related business) for current level of business activities. As advised by the management of Tianrui Group, it is expected that approximately RMB2,200 million bank facilities and/or debentures or corporate bonds will be required for current level of business activities of Tianrui Group and its subsidiaries during the Term; and
- (b) increase in future capital requirements of Tianrui Group and its subsidiaries (excluding any of its subsidiaries engaged in aluminum-related business). As advised by the management of Tianrui Group, it is expected that approximately RMB400 million bank facilities and/or debentures or corporate bonds will be required for refinancing the existing debt obligations and the rest of the bank facilities with an aggregate amount of approximately RMB400 million will be used for working capital and other general corporate purpose during the Term.

The Annual Caps for Tianrui Group Guarantee were determined by the Board after taking into consideration the following factors:

- (a) anticipated acquisition of cement and clinker production lines within Henan and Liaoning provinces. As disclosed in the Company’s interim report for the six months ended 30 June 2013, during the reporting period, the Group already acquired four cement and clinker enterprises, comprising one clinker production line with an aggregate annual production capacity of approximately 1.2 million tonnes per annum, and five cement production lines with an aggregate annual production capacity of approximately 4.0 million tonnes per annum. The management of the Company is evaluating

acquisition opportunities that may provide the Group with access to additional markets in China, production capacity and limestone reserves. In particular, the Group will focus on large-scale NSP clinker and cement production lines that are newly put into operation with sufficient limestone reserves and necessary permits, certificates and licenses. In line with this expansion and consolidation strategy, the Group plans to spend approximately RMB3,000 million to be guaranteed by Tianrui Group for the acquisitions of three clinker production lines with an aggregate annual production capacity of approximately 4.6 million tonnes per annum and five cement production lines with an aggregate annual production capacity of approximately 5 million tonnes per annum in Liaoning and Henan provinces during the Term;

- (b) working capital needs of the Tianrui Cement and its subsidiaries for current level of business activities. The operating activities and short-term bank loans and debentures of the Group generate working capital that the Group depends on for its business operations and capital expenditures. As at 31 December 2011 and 2012, the Group had obtained the total short-term loans and debentures of approximately RMB5,446.9 million and RMB5,902.9 million, respectively. According to the management of Tianrui Cement, the future success of Tianrui Cement depends on its ability to continue to secure and successfully manage sufficient amounts of working capital. It is expected that approximately RMB1,000 million short-term bank loans and debentures to be guaranteed by Tianrui Group will be obtained during the Term; and
- (c) funds needs of refinancing short-term borrowings of Tianrui Cement and its subsidiaries. As advised by the management of Tianrui Cement, it is expected that approximately RMB2,000 million bank facilities and/or debentures or corporate bonds will be used for refinancing the existing debt obligations with maturities within one year during the Term.

6. **Effective Period**

The Framework Agreement shall be effective for a term (“**Term**”) of 24 months from the date on which all the conditions precedent thereto are fulfilled.

II. **Counter Guarantee**

On the same date as the Framework Agreement, Chairman Li, the ultimate controlling shareholder of Tianrui Cement, entered into the Counter Guarantee Agreement with Tianrui Cement, pursuant to which Chairman Li has agreed to indemnify Tianrui Cement by means of the Counter Guarantee for any amount

that Tianrui Cement or its subsidiaries would have to pay in accordance with the terms and conditions of each Tianrui Cement Guarantee under the Framework Agreement, including the principal amount of the relevant loan, debenture or corporate bonds, any interest, fees, damages and enforcement expenses for breach of the relevant loan, debenture or corporate bonds.

The Board considers the Counter Guarantee is provided to the Group on terms better for the Group and no security shall be provided over the assets of any member of the Group in relation to such guarantee; therefore, the Counter Guarantee is exempted from reporting, announcement and independent shareholders' approval requirements according to Rule 14A.65(4) of the Listing Rules.

INFORMATION ON TIANRUI CEMENT

Tianrui Cement is a wholly-owned subsidiary of the Company. Tianrui Cement, together with its subsidiaries, is principally engaged in businesses ranging from excavation of limestone, to production, sale and distribution of clinker and cement.

INFORMATION ON TIANRUI GROUP

Tianrui Group and its subsidiaries are principally engaged in businesses of foundry, aluminum, tourism and hotel.

REASONS FOR AND BENEFITS OF THE FRAMEWORK AGREEMENT

The Framework Agreement was entered into by Tianrui Cement and Tianrui Group after taking into account the following factors:

- (a) It is common commercial practice for lenders in China to require the provision of guarantees as security for provision of loans to a borrower. In particular, for a privately-owned company like Tianrui Cement, the PRC banks oftentimes require the provision of the third-party guarantee for granting a loan.
- (b) Since 2012, Chinese banks have further tightened lending requirements, particularly with respect to lending to those companies with rapid expansion and high leverage. In March 2013, China Banking Regulatory Commission (“CBRC”) issued guidelines to alert major banks to pay special attention when lending to enterprises in nine industries, including the cement industry (the “**CBRC Guidelines**”). The CBRC Guidelines were issued as part of China’s drive to control risk, particularly loan risk in the cement and various other targeted sectors, as the CBRC seeks to curtail high levels of non-performing loans. As a result, the PRC banks have implemented more stringent credit extension and security requirements, including those for cement companies. As

at 30 September 2013, the banking facilities of Tianrui Cement were in an aggregate amount of RMB11,407.5 million. These banking facilities were secured by the assets of Tianrui Cement or guarantees and mainly used for acquisitions of clinker and cement production lines, working capital and other general corporate purpose. In order to renew or extend the existing bank facilities and obtain new loans pursuant to the CBRC Guidelines, it is therefore important for the Group to secure a reliable source for the provision of such guarantees on terms favourable to the Group.

- (c) The Group's business is capital-intensive. While the Group has continuously sought to diversify its external funding sources, the domestic PRC bank loans remain critical to the Group meeting its financing needs. Consistent with its business strategy, the Group intends to engage in business acquisitions so as to benefit from the consolidation trend in China's cement industry and ensure the sustainable development of the Group's business in the long term. Through the guarantees to be provided by Tianrui Group pursuant to the Framework Agreement, the Group will not only be able to enhance its ability to obtain bank loans and other borrowings, but also have the flexibility to approve and finalize the relevant loans and borrowings in a timely manner, which is important to the Group's implementation of business expansion, particularly in relation to business acquisitions.
- (d) With respect to the Tianrui Cement Guarantee:
 - (i) Tianrui Cement will have recourse against Tianrui Group for Tianrui Cement's potential losses. In the event that the relevant loan is to be borrowed by a subsidiary of Tianrui Group, Tianrui Group shall provide the primary guarantee. Furthermore, Tianrui Group will agree to indemnify Tianrui Cement for any amount it would have paid in such situation, including the principal amount of the relevant loan, any interest, fees, damages and enforcement expenses for breach of the loan;
 - (ii) Chairman Li agreed to indemnify Tianrui Cement for any amount that Tianrui Cement would have paid to the lenders in accordance with the terms and conditions of each individual guarantee under the Framework Agreement;

- (iii) The following table sets out the selected consolidated financial figures of Tianrui Group prepared in accordance with the PRC generally accepted accounting principles for the periods or as of the dates indicated:

	For the year ended	
	31 December	
	2012	2011
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>
Revenue	9,174,044	9,623,024
Net Profit	1,411,483	1,264,642
Net cash from operation	1,397,153	1,827,264
	As at 31 December	
	2012	2011
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(audited)</i>	<i>(audited)</i>
Cash and bank balances	4,882,616	4,159,970
Total assets	46,116,021	25,887,956
Total liabilities	25,317,572	9,117,740
Contingent liabilities	nil	nil
Banking facilities	12,750,246	11,874,065

The figures set out above suggest that Tianrui Group has a sound financial status. In the meantime, Tianrui Group is engaged in various businesses of foundry, aluminum, tourism and hotel, which enables it to diversify its investment risks and be less sensitive to general business cycle of a single industry. Therefore, as advised by TC Capital, the Directors consider that Tianrui Group has the ability to provide the Tianrui Group Guarantee and that Chairman Li, as the founder of Tianrui Group and, together with his son, holding 100% registered capital of Tianrui Group, has the financial capability to provide the Counter;

- (iv) Tianrui Cement will not provide guarantee to any of Tianrui Group's subsidiaries operating in aluminum-related business. In recent years, there has been a decrease in demand from aluminum end customers and the global primary aluminum market saw excess supply. The issue of excess market supply overcapacity in aluminum industry is also very acute in China. The Directors believe that the financial and credit status of aluminum enterprises have materially and adversely affected by the unfavorable industry and

market conditions, and, therefore, it will reduce the exposure to credit risk of the Group under the Tianrui Cement Guarantee by not providing guarantee to any of Tianrui Group's subsidiaries operating in aluminum-related business;

- (v) As at the date of this announcement, Tianrui Group did not have any repayment default in respect of any loan arrangements with banks; and
 - (vi) TC Capital, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, believes that although the Tianrui Cement Guarantee will constitute a liability as stated at fair value in the consolidated financial statements of the Company and amortized over the Term, it shall not have any immediate and direct impact on the cash flow of the Group unless and until the realization of the Tianrui Cement Guarantee under the Framework Agreement.
- (e) In order to secure sufficient funds for the operations of the Group, the management of Tianrui Cement also considered the following measures as alternatives to the mutual guarantee under the Framework Agreement and the reasons for not adopting those measures are as follows:
- (i) Guarantees provided by an independent third party. As compensation for risk exposure of such guarantor, Tianrui Cement would need to pay a commission calculated based on the annual amount of the guarantee. Since the annual amount of guarantee as suggested by the proposed Annual Caps for Tianrui Cement is relatively high, the commission charged by the guarantor would be costly for the Group. The Directors of the Company believe that it could be difficult for an independent third party to accept the terms of guarantees without commission;
 - (ii) Guarantees provided by the Company. The Company is established in the Cayman Islands and the banks of Tianrui Cement are all in China. In practice, the PRC banks normally would not accept the guarantees from a foreign entity. On the other hand, the primary assets the Company held are the equity interest in Tianrui Cement, which operates principal business of the Group in China. Therefore, from a lender's perspective, the guarantee from the Company will not provide any additional credit for Tianrui Cement to secure its bank facilities; and
 - (iii) Individual guarantee relating to each loan agreement. As described in (c) above, the Group's business is capital-intensive. Such arrangement could limit the flexibility for the Group to approve and execute the relevant loans and borrowings.

Risk Management Measures under the Framework Agreement

In order to minimize the risk exposure of Tianrui Cement in relation to the Tianrui Cement Guarantee pursuant to the Framework Agreement, the Board shall establish a special committee comprising not less than three members and the majority of the members shall be the independent non-executive Directors of the Company. The special committee shall, during the Term:

- (a) review and approve each Tianrui Cement Guarantee under the Framework Agreement. The special committee has the right to fully understand the business operations and financial position of the borrower before approving each Tianrui Cement Guarantee under the Framework Agreement. It would not be a breach of the Framework Agreement if after a review of the financial position of the borrower, the special committee considers it inappropriate to approve such guarantee. To facilitate such review process, Tianrui Group and its subsidiaries shall timely provide their financial statements and other relevant information as requested by the special committee of the Company. The special committee will take into account the following factors for approving each Tianrui Cement Guarantee:
 - (i) No guarantee should be granted to a borrower with negative consolidated equity attributable to owners;
 - (ii) No guarantee should be granted to a borrower operating in aluminum-related business; and
 - (iii) No guarantee should be granted to a borrower where an event occurs that may constitute an event of default under any of its existing loan agreements;
- (b) monitor the implementation of each individual guarantee provided by Tianrui Cement or its subsidiaries under the Framework Agreement;
- (c) consider the suitability of the guaranteed company;
- (d) periodically review the management accounts and relevant financial information, and inspect the assets, books and records of Tianrui Group; and
- (e) periodically review and examine any material adverse changes on the business, property, assets or operations of Tianrui Group, or its ability to perform any of its obligations under the Framework Agreement.

In view of the above-mentioned factors, the Directors (other than the independent non-executive Directors who will give their opinion based on the recommendation of TC Capital) are of the view that the terms of the Framework Agreement, including the Annual Caps for the Tianrui Cement Guarantee, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As confirmed by Tianrui Group and so far as the Directors are aware, more than 30% of the entire capital of Tianrui Group is beneficially and indirectly owned by Chairman Li, a non-executive Director and Controlling Shareholder of the Company. Therefore, Tianrui Group is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Framework Agreement constitute continuing connected transactions for the Company under the Listing Rules. As one or more of the applicable percentage ratios exceed 5%, the Tianrui Cement Guarantee contemplated under the Framework Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. Further, the provision of the Tianrui Cement Guarantee constitutes a major transaction under Chapter 14 of the Listing Rules.

As the amount of the Annual Cap for the second 12 months of the Terms of Tianrui Cement Guarantee exceeds 8% under the assets ratio as defined under Rule 13.13 of the Listing Rules, the grant of Tianrui Cement Guarantee under the Framework Agreement is also subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

The Board considers that the Tianrui Group Guarantee is provided to the Group on terms better for the Group and no security shall be provided over the assets of any member of the Group in relation to such guarantee; therefore, the Tianrui Group Guarantee is exempted from reporting, announcement and independent shareholders' approval requirements according to rule 14A.65(4) of the Listing Rules.

Due to Chairman Li's interests in the transactions contemplated under the Framework Agreement, he, together with his associates, shall be required to abstain and has abstained from voting on the board resolutions approving the Framework Agreement and the transactions contemplated thereunder including the Annual Caps. Save as mentioned above, none of the Directors has material interest in the transactions and hence no other Director has abstained from voting on such board resolutions.

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders as to whether the terms of the Framework Agreement and the transactions contemplated thereunder, including the Annual Caps, are fair and reasonable and are in the interests of the

Company and its Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the independent financial adviser appointed. TC Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, details on (i) the Framework Agreement and the transactions contemplated thereunder; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) a letter from TC Capital containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 20 November 2013. Chairman Li, together with his associates, shall abstain from voting on the resolutions relating to the Framework Agreement and the transactions contemplated thereunder, including the Annual Caps.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Chairman Li”	Li Liufa (李留法), the founder, chairman and a Controlling Shareholder of the Group
“Company”	China Tianrui Group Cement Company Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed and traded on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Counter Guarantee”	the corresponding counter guarantee to be provided by Chairman Li to Tianrui Cement in respect to each Tianrui Cement Guarantee under the Framework Agreement
“Counter Guarantee Agreement”	the counter guarantee agreement dated 30 October 2013 and entered into between Tianrui Cement and Chairman Li
“Directors”	the directors of the Company

“EGM”	an extraordinary general meeting of the Company to be convened to consider and approve, among others, the Framework Agreement and the transactions contemplated thereunder
“Framework Agreement”	the agreement dated 30 October 2013 entered into between Tianrui Cement and Tianrui Group pursuant to which the parties thereto have agreed to provide guarantees to each other
“Group”	the Company and its subsidiaries
“Guarantees”	the Tianrui Group Guarantee(s) and the Tianrui Cement Guarantee(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors established for the purpose of advising the Independent Shareholders on the Framework Agreement and the transactions contemplated thereunder
“Independent Shareholders”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“TC Capital”	TC Capital Asia Limited, a licensed corporation under the SFO to engage in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities
“Term”	the term of the Framework Agreement, being 24 months from the date on which all the conditions precedent thereto are fulfilled
“Tianrui Cement”	Tianrui Group Cement Company Limited (天瑞集團水泥有限公司), a wholly foreign-owned enterprise established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Tianrui Cement Guarantee”	the guarantee to be provided by Tianrui Cement to Tianrui Group (inclusive of their subsidiaries) pursuant to the Framework Agreement
“Tianrui Group”	Tianrui Group Joint Stock Limited Company (天瑞集團股份有限公司), a joint stock company established in the PRC with limited liability and a company controlled by Chairman Li
“Tianrui Group Guarantee”	the guarantee provided by Tianrui Group to Tianrui Cement (inclusive of their subsidiaries) under the Framework Agreement

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

Hong Kong, 30 October 2013

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. Wang Delong

Non-executive Director

Mr. Tang Ming Chien

Independent Non-executive Directors

Mr. Kong Xiangzhong, Mr. Wang Ping and Mr. Ma Chun Fung Horace