

*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 upon 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)**

**US\$500,000,000 7.5% SENIOR NOTES DUE 2020**

**(Stock code: 5880)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of China Shanshui Cement Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the unaudited consolidated results of the Group for the six months ended 30 June 2018 prepared in accordance with the IFRS and the Group’s consolidated financial position as of 30 June 2018.

In order to keep the shareholders and holders of other securities of the Company and the public informed of the Group’s financial performance and position, the Board wishes to set forth below the preliminary unaudited financial information of the Group for the six months ended 30 June 2018.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2018 – Unaudited

(Expressed in Renminbi)

	Six months ended 30 June	
	2018	2017
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Turnover</b>	<b>6,878,790</b>	6,315,011
Cost of sales	<u>(4,398,744)</u>	<u>(4,449,683)</u>
<b>Gross profit</b>	<b>2,480,046</b>	1,865,328
Other revenue	223,473	64,630
Other net expenses	(174,006)	(40,345)
Selling and marketing expenses	(201,326)	(256,049)
Administrative expenses	<u>(1,002,450)</u>	<u>(1,059,088)</u>
<b>Profit/(Loss) from operations</b>	<b>1,325,737</b>	574,476
Finance costs	(346,274)	(531,231)
Share of profits less losses of associates	<u>–</u>	<u>276</u>
<b>Profit/(loss) before taxation</b>	<b>979,463</b>	43,521
Income tax	<u>(319,953)</u>	<u>(144,041)</u>
<b>Profit/(loss) for the period</b>	<b><u>659,510</u></b>	<b><u>(100,520)</u></b>
<b>Attributable to:</b>		
Equity shareholders of the Company	715,006	(43,695)
Non-controlling interests	<u>(55,496)</u>	<u>(56,825)</u>
<b>Profit/(loss) for the period</b>	<b><u>659,510</u></b>	<b><u>(100,520)</u></b>
<b>Profit/(loss) per share</b>		
– Basic ( <i>RMB</i> )	<u>0.21</u>	<u>(0.01)</u>
– Diluted ( <i>RMB</i> )	<u>0.21</u>	<u>(0.01)</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (CONTINUED)**

for the six months ended 30 June 2018 – Unaudited

*(Expressed in Renminbi)*

	<b>Six months ended 30 June</b>	
	<b>2018</b>	<b>2017</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Profit/(loss) for the period</b>	<b><u>659,510</u></b>	<b><u>(100,520)</u></b>
<b>Other comprehensive income/(expenses) for the period:</b>		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	<b>(70,153)</b>	116,367
Available-for-sale securities:		
Net movement in the fair value reserve	<b><u>–</u></b>	<b><u>376</u></b>
<b>Other comprehensive income/(expenses) for the period</b>	<b><u><u>(70,153)</u></u></b>	<b><u><u>116,743</u></u></b>
<b>Total comprehensive income/(expenses) for the period</b>	<b><u><u>589,357</u></u></b>	<b><u><u>16,223</u></u></b>
<b>Attributable to:</b>		
Equity shareholders of the Company	<b>644,853</b>	73,048
Non-controlling interests	<b><u>(55,496)</u></b>	<b><u>(56,825)</u></b>
<b>Total comprehensive income/(expenses) for the period</b>	<b><u><u>589,357</u></u></b>	<b><u><u>16,223</u></u></b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2018 – Unaudited

(Expressed in Renminbi)

	At 30 June 2018 <i>RMB'000</i> (Unaudited)	At 31 December 2017 <i>RMB'000</i> (Unaudited)
<b>Non-current assets</b>		
Fixed assets		
– Property, plant and equipment	16,364,741	16,750,120
– Land lease prepayments	2,207,095	2,237,020
	<u>18,571,836</u>	<u>18,987,140</u>
Intangible assets	539,711	609,889
Goodwill	14,223	14,223
Other financial assets	187,961	152,862
Investments in associates	248,493	298,893
Deferred tax assets	144,562	108,380
Other long-term assets	161,605	292,725
	<u>19,868,391</u>	<u>20,464,112</u>
<b>Current assets</b>		
Inventories	1,800,752	1,507,588
Trade and bills receivable	2,165,236	1,858,436
Other receivables and prepayments	944,473	694,166
Restricted bank deposits	464,744	431,767
Cash and cash equivalents	432,713	314,346
	<u>5,807,918</u>	<u>4,806,303</u>
<b>Current liabilities</b>		
Short-term bank loans	2,067,300	4,678,199
Current portion of other borrowings and long-term bonds	9,618,920	7,714,157
Trade and bills payable	3,596,783	3,237,292
Other payables and accrued expenses	4,021,674	3,879,957
Current taxation	493,761	113,447
	<u>19,798,438</u>	<u>19,623,052</u>
<b>Net current liabilities</b>	<u>(13,990,520)</u>	<u>(14,816,749)</u>
<b>Total assets less current liabilities</b>	<u>5,877,871</u>	<u>5,647,363</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

at 30 June 2018 – Unaudited

*(Expressed in Renminbi)*

	At 30 June 2018 <i>RMB'000</i> (Unaudited)	At 31 December 2017 <i>RMB'000</i> (Unaudited)
<b>Non-current liabilities</b>		
Long-term bank loans and bonds less current portion	932,584	913,287
Long-term payables and others	290,331	429,561
Deferred tax liabilities	69,313	58,156
	<u>1,292,228</u>	<u>1,401,004</u>
<b>NET ASSETS</b>	<u><b>4,585,643</b></u>	<u><b>4,246,359</b></u>
<b>CAPITAL AND RESERVES</b>		
Share capital	227,848	227,848
Share premium	4,654,010	4,654,010
	<u>4,881,858</u>	<u>4,881,858</u>
Share capital and Share premium	4,881,858	4,881,858
Other reserves	(400,143)	(720,524)
	<u>(400,143)</u>	<u>(720,524)</u>
<b>Total equity attributable to equity shareholders of the Company</b>	<u><b>4,481,715</b></u>	<u><b>4,161,334</b></u>
<b>Non-controlling interests</b>	<u><b>103,928</b></u>	<u><b>85,025</b></u>
<b>TOTAL EQUITY</b>	<u><b>4,585,643</b></u>	<u><b>4,246,359</b></u>

The Board wishes to emphasise that the preliminary unaudited financial information set out above is extracted directly from the latest unaudited management accounts of the Group and subject to, among others, further review by the Company and any potential adjustments that might be proposed by the independent auditor and has not been reviewed by the audit committee of the Board, nor has it been reviewed or audited by the independent auditor. The preliminary unaudited financial information above is not based on any data or information that has been audited, reviewed or approved by the independent auditor, the audit committee of the Board and the Company. The Board cannot guarantee the preliminary unaudited financial information set out above truly reflects the financial performance and condition of the Group and such information might be misleading if any potential adjustments have not been taken into account. The shareholders and holders of other securities of the Company and potential investors should exercise extreme caution when considering the preliminary unaudited financial information disclosed above and when dealing in the shares and debt securities of the Company.

## **CONTINUED SUSPENSION OF TRADING**

Trading in the shares and debt securities of the Company on the Stock Exchange will remain suspended until further notice.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.**

By Order of the Board  
**China Shanshui Cement Group Limited**  
**CHANG Zhangli**  
*Chairman*

Hong Kong, 2 August 2018

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. CHANG Zhangli and Ms. WU Ling-ling; and two independent non-executive Directors, namely Mr. CHANG Ming-cheng and Mr. LI Jianwei.*