

*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)**

### **INSIDE INFORMATION WINDING UP PETITION**

This announcement is made by China Shanshui Cement Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) (the “**Listing Rules**”).

The Company refers to its announcements dated 4 and 20 September 2018, and 12, 16 and 23 October 2018 (the “**Petition Announcements**”) in which it announced that (i) a winding-up petition dated 30 August 2018 had been filed against it by Tianrui (International) Holding Company Limited (“**Tianrui**”) in the Grand Court of the Cayman Islands (the “**Grand Court**”) (the “**Cayman Petition**”), and that Tianrui filed an application on 6 September 2018, in the Cayman Proceedings, for the appointment of joint provisional liquidators (“**JPLs**”) over the Company (the “**Cayman Proceedings**”), (ii) a winding-up petition dated 31 August 2018 had been filed by Tianrui against the Company in the Court of First Instance in the High Court of Hong Kong to commence an ancillary liquidation (the “**Hong Kong Petition**”); (iii) that the Cayman Petition had been struck out and the application for JPLs dismissed by order of the Grand Court, and that the High Court of Hong Kong by consent had granted leave to Tianrui to withdraw the Hong Kong Petition; and (iv) the Company would make an appropriate further announcement in due course after the Grand Court publishes written reasons for its decision.

The written reasons for the Grand Court’s decision have now been published. In summary, the Grand Court did not cover in detail all the allegations in the Cayman Petition as it had, having considered the various submissions and evidence before it, identified two independent bases, each of which the Grand Court ruled would warrant the striking-out of the Cayman Petition.

First, the Grand Court found that the Cayman Petition was an abuse of process, as it was evident that there were alternative, less drastic, legal remedies available to Tianrui rather than to attempt to wind-up the Company, and it was unreasonable for Tianrui not to have considered these remedies instead.

Second, the Grand Court found that the Cayman Petition was brought for an improper purpose – namely for the “improper collateral purpose of obtaining a *de facto* injunction” in relation to around US\$530 million of convertible bonds issued by the Company in August and September 2018, and to put the Company “under destructive circumstances in the paralyzing condition of having its assets *de facto* frozen”.

The Grand Court ordered that the Company’s legal costs of the Cayman Proceedings be paid by Tianrui, to be taxed if not agreed.

The Grand Court has denied Tianrui’s application for leave to appeal its decision. Tianrui’s legal counsel has indicated its intention to apply to the Cayman Islands Court of Appeal for leave to appeal but the Company is as yet unaware whether such an application has been made. The Company will provide any further update, as appropriate, in due course.

## **CONTINUED SUSPENSION OF TRADING**

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

**The Company understands that the Stock Exchange will not grant any listing approval sought by the Company unless and until the Company has demonstrated its fulfilment of all the resumption conditions and compliance with the Listing Rules to the Stock Exchange’s satisfaction.**

**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, 29 October 2018

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