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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)

- (1) ANNUAL GENERAL MEETING HELD ON 22 MAY 2015 – POLL RESULTS**
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POLL RESULTS OF THE AGM

The board of directors (the “**Board**”) of China Shanshui Cement Group Limited (the “**Company**”) is pleased to announce that the 2014 Annual General Meeting of the Company (the “**AGM**”) was held on Friday, 22 May 2015 at Conference Room, 4th Floor, Headquarters of Shanshui Group, Shanshui Industrial Park, Changqing District, Jinan, Shandong, PRC. The number of issued shares of the Company as at the date of the AGM was 3,379,140,240, which was the total number of shares entitling the holders to attend and vote for or against any of the resolutions proposed at the AGM. There were no restrictions on any shareholders to cast votes on any of the resolutions at the AGM and there were no shares entitling the holders thereof to attend and vote only against all or any of the proposed resolutions at the AGM. The AGM was held in compliance with the requirements of the applicable laws of the Cayman Islands and the provisions of the articles of association of the Company.

The poll results in respect of the proposed resolutions at the AGM were as follows:

RESOLUTIONS		NUMBER OF VOTES (%)	
		FOR	AGAINST
ORDINARY RESOLUTIONS			
1.	To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2014.	2,186,880,619 (100%)	0 (0%)
As more than 50% of the votes were cast in favour of the above resolution, the resolution was duly passed.			
2	(1) To re-elect Mr. WANG Jian as a director and to authorise the board of directors of the Company to fix the director's remuneration.	624,047,557 (42.204811%)	854,569,562 (57.795189%)
	As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.		
	(2) To appoint Mr. CHEN Xueshi as a new director and to authorise the board of directors of the Company to fix the director's remuneration.	621,060,792 (42.002814%)	857,556,327 (57.997186%)
	As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.		
	(3) To appoint Mr. CHANG Zhangli as a new director and to authorise the board of directors of the Company to fix the director's remuneration.	1,329,324,292 (60.786322%)	857,556,327 (39.213678%)
	As more than 50% of the votes were cast in favour of the above resolution, the resolution was duly passed.		
	(4) To appoint Mr. LEE Kuan-chun (also known as Champion Lee) as a new director and to authorise the board of directors of the Company to fix the director's remuneration.	1,329,324,292 (60.786322%)	857,556,327 (39.213678%)
	As more than 50% of the votes were cast in favour of the above resolution, the resolution was duly passed.		
	(5) To appoint Ms. ZENG Xuemin as a new director and to authorise the board of directors of the Company to fix the director's remuneration.	630,108,792 (28.813132%)	1,556,771,827 (71.186868%)
As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.			
3.	To re-appoint KPMG as auditors of the Company and to authorise the board of directors to fix their remuneration.	2,186,880,619 (100%)	0 (0%)
As more than 50% of the votes were cast in favour of the above resolution, the resolution was duly passed.			

RESOLUTIONS		NUMBER OF VOTES (%)	
		FOR	AGAINST
ORDINARY RESOLUTIONS			
4.	(1) To grant a general and unconditional mandate to the board of directors to issue shares of the Company.	588,821,197 (26.925164%)	1,598,059,422 (73.074836%)
	As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.		
	(2) To grant a general and unconditional mandate to the board of directors to repurchase the Company's shares.	630,708,803 (28.840569%)	1,556,171,816 (71.159431%)
	As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.		
	(3) To extend the general mandate granted to the board of directors pursuant to resolution no. 4(1) to cover the shares repurchased by the Company pursuant to resolution no. 4(2).	590,095,197 (26.983421%)	1,596,785,422 (73.016579%)
	As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.		
	(4) To approve the refreshment of the existing scheme mandate limit under the share option scheme of the Company.	593,372,788 (27.133296%)	1,593,507,831 (72.866704%)
	As less than 50% of the votes were cast in favour of the above resolution, the resolution was not passed.		

Note: please refer to the AGM Notice for the full text of the resolutions.

Computershare Hong Kong Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, acted as scrutineer for vote-taking at the AGM.

RETIREMENT OF DIRECTORS

The Board also announces that Mr. Xiao Yu ("**Mr. Xiao**") has retired as a non-executive director of the Company ("**Director**") with effect from the conclusion of the AGM. Mr. Xiao has decided to retire and did not offer himself for re-election at the AGM due to age reason. Mr. Hou Huailiang ("**Mr. Hou**") has retired as an independent non-executive Director with effect from the conclusion of the AGM. Mr. Hou did not offer himself for re-election at the AGM due to health reasons. As indicated above, the Ordinary Resolution no. 2(1) in relation to the re-election of Mr. Wang Jian ("**Mr. Wang**") was not passed at the AGM. Accordingly, Mr. Wang has retired as an independent non-executive Directors at the conclusion of the AGM.

Mr. Wang ceased as the chairman of the audit committee of the Company (the "**Audit Committee**") and the chairman of the remuneration committee of the Company (the "**Remuneration Committee**"). Mr. Hou ceased as a member of the Audit Committee, nomination committee of the Company (the "**Nomination Committee**") and Remuneration Committee.

Each of Mr. Xiao, Mr. Hou and Mr. Wang have confirmed that they have no disagreement with the Board and there are no matters relating to their respective retirement that need to be brought to the attention of the shareholders of the Company (the “Shareholders”).

The Board would like to express its sincere appreciation to Mr. Xiao, Mr. Hou and Mr. Wang for their valuable contributions to the Company during their respective tenures as the Director.

APPOINTMENT OF DIRECTORS

As the Ordinary Resolutions no. 2(3)-(4) as set out above were duly passed by the shareholders at the AGM, Mr. Chang Zhangli and Mr. Lee Kuan-chun (also known as Champion Lee) as non-executive Directors with effect from the conclusion of the AGM.

Non-executive Directors

Mr. CHANG Zhangli, aged 44, is currently the vice president, secretary to the board and executive director of CNBM. Mr. Chang has over 15 years’ experience in handling listing-related matters, with participation in all major matters relating to the global offering of the shares of CNBM and listing of shares of CNBM on the Stock Exchange. Mr. Chang has been a director of China Triumph International Engineering Company Limited since October 2012, a director of China United Cement Corporation and China Composites Group Corporation Ltd. and the vice chairman of the board of Southwest Cement Company Limited since December 2011, an executive director of CNBM since November 2011, a director of North Cement Company Limited since March 2009, a director of BNBM since July 2008, a director of South Cement Company Limited since September 2007, the vice president of CNBM since August 2006, a director of China Fiberglass Company Limited since July 2005, the secretary to the board of CNBM since March 2005 and a director of CNBM Investment Company Limited since December 2000. From June 2000 to March 2005, Mr. Chang served in a number of key positions in BNBM, including the secretary to the board and the deputy general manager. Mr. Chang is an engineer who received a bachelor’s degree in engineering from Wuhan Poly-technic University (now Wuhan University of Technology) in July 1994 and received a MBA degree from Tsinghua University in July 2005. Currently, Mr. Chang serves as the deputy president of the Listed Companies Association of Beijing. Mr. Chang was awarded the first prize of National Corporate Management Modernization and Innovation Achievements (國家級企業管理現代化創新成果).

Save as disclosed above, Mr. Chang did not have any other directorships in any listed companies during the last three years immediately prior to the date of this announcement.

Save as disclosed above, Mr. Chang has no relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company. Mr. Chang does not have any interest in the Shares or underlying Shares in the Company within the meaning of Part XV of the SFO. The appointment of Mr. Chang is for a term of one year commencing from 22 May 2015, and shall continue thereafter subject to a maximum of three years unless terminated by the Company or the Director giving at least one month’s notice in writing. Mr. Chang will not receive any director’s fee from the Company.

Save as disclosed above, there is no information which is discloseable pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter relating to the appointment of Mr. Chang that needs to be brought to the attention of the Shareholders.

Mr. LEE Kuan-chun (also known as Champion Lee), aged 68, is currently a director of Far EasTone Telecommunications Ltd, and U-Ming Marine Transport Corp and a supervisor of Far Eastern New Century Corporation and Asia Cement Corporation, all of which are companies listed on the Taiwan Stock Exchange. Mr. Lee was the chief financial officer of Far Eastern New Century and the Far Eastern Group in Taiwan. He joined Far Eastern New Century in 1974 and has been an executive officer since 1988. Mr. Lee has more than 25 years of experience in finance.

Mr. Lee received his master's degree in business administration in 1978 from Texas A&I University in Kingville, Texas, USA. Mr. Lee also received the Finance Asia Magazine Asia Best CFO award on several occasions.

Save as disclosed above, Mr. Lee did not have any other directorships in any listed companies during the last three years immediately prior to the date of this announcement.

Save as disclosed above, Mr. Lee has no relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company. Mr. Lee does not have any interest in the Shares or underlying Shares in the Company within the meaning of Part XV of the SFO. The appointment of Mr. Lee is for a term of one year commencing from 22 May 2015, and shall continue thereafter subject to a maximum of three years unless terminated by the Company or the Director giving at least one month's notice in writing. Mr. Lee will not receive any director's fee from the Company.

Save as disclosed above, there is no information which is discloseable pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter relating to the appointment of Mr. Lee that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its warmest welcome to Mr. Chang Zhangli and Mr. Lee Kuan-chun in joining the Board.

NON-COMPLIANCE WITH REQUIREMENTS ON INDEPENDENT NON-EXECUTIVE DIRECTORS AND COMPOSITION OF AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE

Upon retirement of Mr. Wang and Mr. Hou as independent non-executive Directors, the Board has only one independent non-executive Director, one Audit Committee member, one Remuneration Committee member and two Nomination Committee members, the number of which have fallen below the minimum number required under Rule 3.10(1), Rule 3.10A, Rule 3.21 and Rule 3.25 of the Listing Rules and the requirement under the Appendix 14 A.5.1 of the Corporate Governance Code. Further, the Company is not in compliance with Rule 3.10(2) as the current independent non-executive Director does not have the appropriate accounting or related financial management qualification or expertise.

The Company is in the course of identifying the suitable candidates to fill the vacancies of the independent non-executive Directors and members of the Audit Committee, the Remuneration Committee and the Nomination Committee in order to meet the requirements under the Listing Rules as soon as practicable and within three months from the date failing to meet the requirements under the Listing Rules.

UPDATE ON PUBLIC FLOAT ISSUE

Reference is made to the announcement of the Company dated 16 April 2015 (the “**Announcement**”). The Board would like to update the Shareholders on the public float issue as stated in the Announcement. The Board has convened a meeting to discuss all reasonable options available to the Company in resolving the public float issue. The Board had also written to certain substantial Shareholders in respect of the public float issue but there has not been any agreement reached between the Company and those substantial Shareholders. The Board will continue to monitor the progress of the above matters, and will continue to take all appropriate action and step with a view to be in compliance with the Listing Rules.

The Company shall make further announcement(s) in respect of the above matter as and when appropriate in compliance with the Listing Rules.

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

By Order of the Board
ZHANG Bin
Chairman

Hong Kong, 22 May 2015

As at the date hereof, the board of directors of the Company comprises 3 executive directors, namely ZHANG Bin (Chairman), ZHANG Caikui and LI Cheung Hung; 2 non-executive directors, namely CHANG Zhangli and LEE Kuan-chun (also known as Champion Lee); and 1 independent non-executive director, namely WU Xiaoyun.