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WEST CHINA CEMENT LIMITED
中國西部水泥有限公司

(Incorporated in Jersey with limited liability, with registered number 94796)

(Stock Code: 2233)

PROFIT WARNING
SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement of West China Cement Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) dated 11 December 2015 in relation to the profit warning of the Company (the “**Announcement**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

Further to the Announcement, the Board would like to inform the Shareholders and the potential investors of the Company that, based on information currently available, the Group is expected to record a net loss for the year ended 31 December 2015, which was primarily attributable to the following (the “**Updated Profit Warning**”): (i) the factors set out in the Announcement in relation to the foreign exchange loss arising from the foreign exchange translation of the 2019 Senior Notes issued by the Company in September 2014 and the continuing low level of cement average selling prices; and (ii) the Group is expected to record a significant impairment loss for the Group’s property, plant and equipment for the year ended 31 December 2015 as compared to the same period in 2014.

The exact amounts of the aforementioned foreign exchange loss and impairment loss for the Group’s property, plant and equipment for the year ended 31 December 2015 are still in the process of being finalized and calculated.

The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the unaudited management accounts of the Group and information currently available, which have not been reviewed or audited by the Company’s auditors and are subject to possible adjustments arising from further review.

Investors are advised to carefully read the annual results announcement of the Company for the year ended 31 December 2015, which is expected to be published in March 2016.

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

The Board also refers to the joint announcements dated 27 November 2015, 24 December 2015 and 29 December 2015 (the “**Joint Announcements**”) made by the Company, Conch International Holdings (HK) Limited (the “**Offeror**”) and Anhui Conch Cement Company Limited and the circular of the Company dated 31 December 2015 (the “**Circular**”) in relation to the Transaction and the Offers (both as defined in the Joint Announcements) to be made by the Offeror. Pursuant to Rule 10 of the Code on Takeovers and Mergers (the “**Takeovers Code**”), the Updated Profit Warning constitutes a profit forecast and would need to be reported on by the Company’s financial adviser and auditors, and their reports have to be lodged with the Executive. The Updated Profit Warning must be repeated in full together with the reports to be included in the next document sent to the shareholders of the Company as stipulated under Rule 10.4 of the Takeovers Code. However, as contemplated in practice note 2 issued by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission, the Updated Profit Warning is permitted to be published without full compliance with Rule 10.4 of the Takeovers Code because the only reason for publication of the Updated Profit Warning is that it is required by the laws and regulations as mentioned above (and is not otherwise proposed to be published by the Company) and the Company has encountered genuine practical difficulties in meeting the reporting requirements set out in the said Rule 10.4 of the Takeovers Code having regard to the legal obligations to publish the Updated Profit Warning as soon as practicable.

In compliance with the Takeovers Code, both the Profit Warning in the Announcement dated 11 December 2015 and the Updated Profit Warning in this announcement will be reported on as soon as reasonably practicable and the relevant reports as required under Rule 10.4 of the Takeovers Code will be included in the Composite Document (as defined in the Joint Announcements) in relation to the Offers (as defined in the Joint Announcements) to be made by the Offeror. However, if the Composite Document is dispatched after the annual results announcement of the Company for the year ended 31 December 2015 is published (expected to be published in March 2016), the Profit Warning and the Updated Profit Warning will no longer need to be reported on.

WARNING: The shareholders of the Company and potential investors in the Company should note that the Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code. The shareholders of the Company and potential investors should exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Transaction, the Offers and other transactions disclosed in the Joint Announcements, Circular and/or when dealing in the securities of the Company.

The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

By order of the Board
West China Cement Limited
Zhang Jimin
Chairman

Hong Kong, 5 February 2016

As at the date of this announcement, the executive Directors are Mr. Zhang Jimin and Dr. Ma Weiping, the non-executive Directors are Mr. Ma Zhaoyang, Ms. Liu Yan and Mr. Qin Hongji and the independent non-executive Directors are Mr. Lee Kong Wai, Conway, Mr. Wong Kun Kau and Mr. Tam King Ching, Kenny.