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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

GROUP FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
Revenue	**3,095,494**	3,480,143
Gross profit	**776,065**	838,894
Gross profit margin	**25.1%**	24.1%
Profit	**162,874**	230,746
EBITDA	**987,432**	1,086,037
Profit attributable to owners of the Company	**178,050**	245,811
Basic earnings per share *(RMB)*	**0.07**	0.10

	As at 30 June 2016	As at 31 December 2015
	RMB'000	*RMB'000*
Total assets	**24,625,114**	27,090,642
Total liabilities	**17,044,179**	19,672,581
Equity attributable to owners of the Company	**7,648,333**	7,470,283

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of China Tianrui Group Cement Company Limited (the "**Company**") announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**", "**our Group**", "**our**" or "**we**") for the six-month period ended 30 June 2016 ("**Reporting Period**"), together with the comparative figures for the six-month period ended 30 June 2015, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	**For the six months ended 30 June** **2016** ***RMB'000*** **(unaudited)**	2015 *RMB'000* (unaudited)
Revenue	4, 5	**3,095,494**	3,480,143
Cost of sales		**(2,319,429)**	(2,641,249)
Gross profit		**776,065**	838,894
Other income	6	**195,675**	201,581
Selling and distribution expenses		**(141,784)**	(147,491)
Administrative expenses		**(171,217)**	(146,196)
Other expenses		**(20,018)**	(6,932)
Finance costs	7	**(416,282)**	(424,155)
Profit before tax		**222,439**	315,701
Income tax expense	8	**(59,565)**	(84,955)
Profit and total comprehensive income for the period	9	**162,874**	230,746
Profit and total comprehensive income for the period attributable to:			
Owners of the Company		**178,050**	245,811
Non-controlling interests		**(15,176)**	(15,065)
		162,874	230,746
Earnings per share			
Basic *(RMB)*	11	**0.07**	0.10

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2016 RMB'000 (unaudited)	As at 31 December 2015 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	12	**12,140,359**	12,491,514
Deposits and advances	13	**1,863,765**	2,431,208
Prepaid lease payments		**807,771**	811,594
Mining rights		**280,406**	255,406
Goodwill		**272,311**	272,311
Other intangible assets		**6,231**	6,607
Interest in an associate		**105,271**	105,271
Derivative financial assets		**678,809**	678,809
Deferred tax assets		**115,924**	115,924
		16,270,847	17,168,644
CURRENT ASSETS			
Inventories		**582,597**	832,241
Trade and other receivables	14	**2,539,496**	3,170,116
Amounts due from a related party		**418,643**	508,064
Pledged bank balances	15	**4,065,619**	4,689,266
Cash and bank balances	16	**747,912**	722,311
		8,354,267	9,921,998
CURRENT LIABILITIES			
Trade and other payables	17	**3,807,158**	4,112,868
Income tax payables		**208,429**	179,472
Short-term debentures	18	**499,500**	3,792,019
Mid-term debentures — due within one year	20	**900,000**	1,300,000
Borrowings — due within one year	19	**5,852,160**	4,334,423
Obligations under finance leases		**56,966**	55,358
Financial guarantee contracts		**9,573**	10,637
		11,333,786	13,784,777
NET CURRENT LIABILITIES		**(2,979,519)**	(3,862,779)
TOTAL ASSETS LESS CURRENT LIABILITIES		**13,291,328**	13,305,865

	Notes	As at 30 June 2016 RMB'000 (unaudited)	As at 31 December 2015 RMB'000 (audited)
CAPITAL AND RESERVES			
Issued capital		**19,505**	19,505
Share premium and reserves		**7,628,828**	7,450,778
Equity attributable to owners of the Company		**7,648,333**	7,470,283
Non-controlling interests		**(67,398)**	(52,222)
TOTAL EQUITY		**7,580,935**	7,418,061
NON-CURRENT LIABILITIES			
Borrowings — due after one year	19	**343,600**	155,000
Mid-term debentures	20	**2,145,656**	2,384,171
Long-term corporate bonds	21	**3,059,086**	3,057,635
Other payables		**—**	8,400
Deferred tax liabilities		**56,054**	56,054
Deferred income		**86,832**	177,483
Obligations under finance leases		**—**	28,887
Provision for environmental restoration		**19,165**	20,174
		5,710,393	5,887,804
		13,291,328	13,305,865

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

China Tianrui Group Cement Company Limited (the "Company") is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 7 February 2011. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 23 December 2011. The registered office of the Company is Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and its principal place of business is located at No. 63, Guangcheng East Road, Ruzhou City, Henan 467500, the PRC.

The Company is an investment holding company. The principal activities of its subsidiaries are manufacture and sale of cement and clinker.

The condensed consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with International Accounting Standard ("IAS") 34, Interim Financial Reporting.

2. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2016, the Group's current liabilities exceeded its current assets by RMB2,979,519,000. The Group's current liabilities mainly included trade and other payables, debentures and borrowings.

In view of these circumstances, the Directors of the Company have given consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

The condensed consolidated financial statements have been prepared on a going concern basis. In the opinion of the Directors of the Company, the Group should be able to continue as a going concern in the coming twelve months taking into consideration of various measures to improve its financial position which include, but are not limited to, the following:

(i) Unutilized banking facilities of RMB1,485,500,000 in aggregate which have been obtained before 30 June 2016.

(ii) On 9 November 2015, the Group obtained an approval from the National Association of Financial Market Institutional Investors (中國銀行間交易商協會) to issue corporate debentures in an aggregate amount of RMB1,000,000,000 with a term of two years. The lead underwriter was Bank of Nanjing Company Limited. On 8 December 2014, the Company obtained approval from the National Association of Financial Market Institutional Investors to issue debenture up to a maximum outstanding amount of RMB600,000,000 at any point in time within two years effective period through the lead underwriter, Pingan Bank Company Limited.

Taking into account of the aforesaid presently obtained banking facilities, amount of notes issued and internally generated funds of the Group, the Directors of the Company are satisfied that the Group is able to meet in full its financial obligations as they fall due in the foreseeable future and therefore the condensed consolidated financial statements are prepared on a going concern basis.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015.

In the current interim period, the Group has applied, for the first time, the following amendments to International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board that are mandatorily effective for the current interim period.

Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to IAS 1	Disclosure Initiative
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants
Amendments to IAS 27	Equity Method in Separate Financial Statements
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to IFRSs	Annual Improvements to IFRSs 2012–2014 Cycle

The application of the amendments to IFRSs mentioned above in the current interim period has no material effect on the amounts and/or disclosures reported in these condensed consolidated financial statements.

4. REVENUE

Revenue represents the amount received and receivable for goods sold to external customers, net of sales tax.

An analysis of the Group's revenue for the period is set out below:

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Sales of cement	**2,985,634**	3,208,892
Sales of clinker	**109,860**	271,251
	3,095,494	3,480,143

5. SEGMENT INFORMATION

Segment information has been identified on the basis of internal management reports, which are regularly reviewed by the general manager (being the chief operating decision maker) in order to allocate resources to the operating segments and to assess their performance.

The Group's general manager reviews the operating results and financial information of each manufacturing plant for the purposes of resource allocation and performance assessment. Hence, each manufacturing plant is an operating segment. The nature of products and production process of each manufactory plant are the same and they are operated under similar regulatory environment and applied similar distribution methods. However, customers in different regions are of different economic characteristics. Therefore, the Group has aggregated the operating segments and presented the following two reportable segments based on the regions in which the Group operates: Central China and Northeastern China.

The following is an analysis of the Group's revenue and results by reportable segment:

	Segment revenue		Segment profit	
	For the six months ended 30 June		For the six months ended 30 June	
	2016	2015	**2016**	2015
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Central China	**2,461,108**	2,648,992	**187,200**	283,695
Northeastern China	**634,386**	831,151	**46,042**	36,037
Total	**3,095,494**	3,480,143	**233,242**	319,732
Unallocated corporate administrative expenses			**(10,803)**	(4,031)
Profit before tax			**222,439**	315,701

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit before tax before unallocation of corporate administrative expenses (including directors' emoluments).

6. OTHER INCOME

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Value-added tax refund	**96,210**	103,138
Incentive subsidies	**7,087**	1,356
Foreign exchange gain (loss), net	**(8,531)**	1,016
Interest on bank deposits	**45,099**	34,616
Rental income	**900**	900
Release of deferred income	**1,110**	726
Gain on sales of scrap	**51,029**	51,371
Gain on disposal of property, plant and equipment	**803**	1,330
Reversal of allowance for bad and doubtful debts	**376**	1,647
Others	**1,592**	5,481
	195,675	201,581

7. FINANCE COSTS

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest on:		
Bank borrowings	**129,160**	140,417
Finance leases	**1,537**	3,624
Bills discounted with recourse	**19,684**	17,295
Short-term debentures	**74,017**	114,480
Mid-term debentures	**121,493**	105,813
Long-term debentures	**99,922**	71,000
Imputed interest on other payables	**—**	491
	445,813	453,120
Less: amounts capitalized	**(29,531)**	(28,965)
	416,282	424,155

The borrowing costs on general borrowing pool capitalized are calculated by applying a capitalization rate of 5.74% per annum for the period ended 30 June 2016 (2015: 6.44% per annum).

8. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
PRC Enterprise Income Tax ("EIT")		
— current year	**51,030**	85,234
— under-provision in prior years	**8,535**	6,599
	59,565	91,833
Deferred tax	**—**	(6,878)
	59,565	84,955

No provision for Hong Kong taxation has been made during the current interim period as the Group's income neither arisen in nor is derived from Hong Kong.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "PRC EIT Law") and Implementation Regulation of the PRC EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

9. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting):

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**335,153**	333,481
Amortization of prepaid lease payments	**7,518**	7,577
Amortization of mining rights, included in cost of sales	**5,664**	4,689
Amortization of other intangible assets	**376**	434
Total depreciation and amortization	**348,711**	346,181
Cost of inventories recognized as an expense	**2,319,429**	2,641,249
Staff costs including retirement benefit	**196,235**	190,614

10. DIVIDENDS

During the current interim period, no dividend has been paid, declared or proposed to be paid. The Directors has decided that no dividend will be paid for the current interim period.

11. EARNINGS PER SHARE

The basic earnings per share attributable to owners of the Company for the each of Reporting Period is calculated based on the following data:

	For the six months ended 30 June	
	2016	2015
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings		
Profit for the period attributable to owners of the Company *(in thousands)*	**178,050**	245,811
Number of shares		
Weighted average number of shares for the purpose of basic earnings per share *(in thousands)*	**2,400,900**	2,400,900

No diluted earnings per share is presented as the Company did not have any potential ordinary shares outstanding.

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group disposed of certain plant and machinery with an aggregate carrying amount of RMB1,914,000 (for the six months ended 30 June 2015: RMB1,571,000) for cash proceeds of RMB2,717,000 (for the six months ended 30 June 2015: RMB2,901,000), resulting in a gain on disposal of RMB803,000 (for the six months ended 30 June 2015: RMB1,330,000).

In addition, during the current interim period, the Group paid approximately RMB35,912,000 (for the six months ended 30 June 2015: RMB260,302,000) mainly for the construction and improvement of clinker production lines and cement production lines in order to expand the production capacity of the Group.

As at 30 June 2016, the carrying amount of buildings, whose certificates of ownership were still being applied, was approximately RMB810,308,000 (31 December 2015: RMB847,408,000).

13. DEPOSITS AND ADVANCES

As at 30 June 2016 and 31 December 2015, the amounts represent deposits advances paid for acquisition of business, and acquisition of property, plant and equipment and land use rights.

14. TRADE AND OTHER RECEIVABLES

	As at 30 June 2016 *RMB'000* (unaudited)	As at 31 December 2015 *RMB'000* (audited)
Trade receivables	**473,549**	416,308
Less: allowance for bad and doubtful debts	**(53,350)**	(53,726)
	420,199	362,582
Bills receivables	**66,459**	612,267
Advances to suppliers	**1,392,637**	1,851,199
Value-added tax refund receivables	**159,833**	26,122
Prepayment for various tax	**230,982**	66,798
Prepaid lease payments	**15,037**	19,116
Other receivables	**254,349**	232,032
	2,539,496	3,170,116

Bills receivables amounted to RMB196,849,000 as at 30 June 2016 (31 December 2015: RMB602,650,000) were discounted to banks to obtain borrowings.

Generally, the Group did not make credit sales to customers, except for sales made to major construction contractors and strategic customers with an average credit period of 180 days.

The aged analysis of the Group's trade receivables and bills receivables (net of allowance) from the goods delivery date to the end of each Reporting Period is as follows:

	As at 30 June 2016 *RMB'000* (unaudited)	As at 31 December 2015 *RMB'000* (audited)
Within 90 days	**272,621**	303,614
91–180 days	**49,632**	535,937
181–360 days	**73,389**	5,551
Over 1 year	**91,016**	129,747
Total	**486,658**	974,849

Before accepting any new credit customers, the Group assesses the potential customer's credit quality and determines credit limits for individual customers. The credit limits and credit periods granted to customers are reviewed on a customer-by-customer basis. Over 90% of trade receivables and bills receivables that are neither past due nor impaired are regarded as due from customers with good credit quality under the internal assessment process adopted by the Group.

15. PLEDGED BANK BALANCES

Pledged bank balances represent deposits pledged to banks as at 30 June 2016 for (i) securing bank borrowings granted to the Group amounting to RMB703,738,000, and (ii) issuing trade facilities such as bills payables and bank guarantee amounting to RMB3,361,881,000.

Pledged bank balances represent deposits pledged to banks as at 31 December 2015 for (i) securing bank borrowings granted to the Group amounting to RMB802,300,000, and (ii) issuing trade facilities such as bills payables and bank guarantee amounting to RMB3,886,966,000.

The restricted bank balances carried interest at market rates of 0.35% to 3.3% per annum as at 30 June 2016 (31 December 2015: 0.35% to 2.0% per annum).

16. CASH AND BANK BALANCES

The amounts represent cash and bank balances held by the Group. As at 30 June 2016, bank balances carried interest at market rates of 0.01% and 4.25% per annum (31 December 2015: 0.01% and 4.25% per annum).

17. TRADE AND OTHER PAYABLES

	As at 30 June 2016	As at 31 December 2015
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade payables	**1,935,104**	1,127,011
Bills payables	**530,000**	1,734,000
Construction cost and retention payables	**369,943**	318,153
Advances from customers	**301,656**	219,380
Other tax payables	**17,264**	45,141
Other payables — current	**4,500**	4,500
Payables for mining rights	**8,300**	8,300
Accrued interest	**422,701**	438,856
Other payables and accrued expenses	**217,690**	217,527
	3,807,158	4,112,868

The average credit period on purchases of goods is 90 days.

The aged analysis of the Group's trade payables and bills payables from the goods receipt date to the end of each Reporting Period is as follows:

	As at 30 June 2016	As at 31 December 2015
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within 1–90 days	**1,871,305**	1,739,412
91–180 days	**397,188**	484,200
181–365 days	**135,190**	570,565
Over 1 year	**61,421**	66,834
Total	**2,465,104**	2,861,011

18. SHORT-TERM DEBENTURES

	As at 30 June 2016 *RMB'000* **(unaudited)**	As at 31 December 2015 *RMB'000* (audited)
Short-term debentures	**499,500**	3,792,019

The amounts as at 30 June 2016 represented the short term debentures which included: the short term debentures of RMB500,000,000 issued on 25 September 2015 through the lead underwriter, China Bohai Bank Company Limited with maturity of one year, carrying fixed interest rate at 8.0% per annum.

The Directors consider that the carrying amounts of the short-term debentures recognized in the condensed consolidated financial statements approximate to their fair values.

19. BORROWINGS

	As at 30 June 2016 (unaudited)	As at 31 December 2015 (audited)
Bank borrowings		
— fixed-rate	**4,318,100**	2,050,000
— variable-rate	**1,709,076**	1,860,211
	6,027,176	3,910,211
Bank borrowings relating to bills discounted with recourse	**168,584**	579,212
	6,195,760	4,489,423
Secured	**3,947,734**	3,179,423
Unsecured	**2,248,026**	1,310,000
	6,195,760	4,489,423

The borrowings are repayable as follows:

	As at 30 June 2016 (unaudited)	As at 31 December 2015 (audited)
On demand or within one year	**5,852,160**	4,334,423
More than one year, but not exceeding two years	**15,000**	125,000
More than two years, but not exceeding five years	**328,600**	30,000
	6,195,760	4,489,423
Less: amount due within one year shown under current liabilities	**(5,852,160)**	(4,334,423)
Amount due after one year	**343,600**	155,000

During the current interim period, the Group obtained new bank loans amounting to RMB3,935,000,000 (30 June 2015: RMB2,675,023,000). The loans carried interest at variable market rates of 4.35% to 10.53% (30 June 2015: 4.85% to 11.2%). The Directors consider that the carrying amounts of the borrowings recognized in the condensed consolidated financial statements approximate to their fair values.

20. MID-TERM DEBENTURES

	As at 30 June 2016 RMB'000 (unaudited)	As at 31 December 2015 RMB'000 (audited)
Mid-term debentures	**3,045,656**	3,684,171
Less: due within one year	**(900,000)**	(1,300,000)
Due after one year	**2,145,656**	2,384,171

The amounts as at 30 June 2016 represented the mid-term debentures which included: (i) the issuance of the 2013 second tranche of debentures of RMB400,000,000 on 9 August 2013 with maturity of three years, carrying fixed interest rate at 7.0% per annum, (ii) the issuance of the 2014 third tranche of debentures of RMB500,000,000 on 24 September 2014 with maturity of two years, carrying fixed interest rate at 8.6% per annum, (iii) the issuance of the 2015 fourth tranche of debentures of RMB500,000,000 on 27 August 2015 with maturity of two years, carrying fixed interest rate at 7.9% per annum, (iv) the issuance of the 2015 first tranche of debentures of RMB500,000,000 on 9 January 2015 with maturity of three years, carrying fixed interest rate at 8.5% per annum, (v) the issuance of the 2015 first enterprise private debentures of RMB150,000,000 on 24 September 2015 with maturity of two years, carrying fixed interest rate at 8.0% per annum, (vi) the issuance of the 2015 first enterprise private debentures of RMB550,000,000 on 14 September 2015 with maturity of two years, carrying fixed interest rate at 8.0% per annum, and (vii) the issuance of the 2015 second enterprise private debentures of RMB450,000,000 on 23 October 2015 with maturity of two years, carrying fixed interest rate at 8.0% per annum.

The Directors consider that the carrying amounts of the mid-term debentures recognized in the condensed consolidated financial statements approximate to their fair values.

21. LONG-TERM CORPORATE BONDS

	As at 30 June 2016 RMB'000 (unaudited)	As at 31 December 2015 RMB'000 (audited)
Long-term corporate bonds	**3,059,086**	3,057,635

The amounts as at 30 June 2016 represent: (i) the issuance of long-term corporate bonds in an aggregate principal amount of RMB2,000,000,000 on 6 February 2013, with a term of five years and a rate of 7.21% per annum, with an option to further extend for three years subject to the approval of the bondholders. These long-term corporate bonds were issued through the lead underwriter, HUAXI Securities Co., Ltd (華西證券有限責任公司), to non-specific buyers. These long-term corporate bonds are guaranteed by two subsidiaries of Tianrui Group Company Limited (天瑞集團股份有限公司) ("Tianrui Group"), namely Tianrui Group Foundry Company Limited (天瑞集團鑄造有限公司) ("Tianrui Foundry") and Tianrui Group Travel Development Company Limited (天瑞集團旅遊發展有限公司) ("Tianrui Travel"). The guarantees have been provided at no cost to the Group, (ii) the issuance of long-term corporate bonds in an aggregate principal amount RMB1,000,000,000 on 29 September 2015 through the lead underwriter, Ping An Securities Company Limited (平安證券有限責任公司), with a term of three years and a rate of 5.95 % per annum, with an option to further extend for two years subject to the approval of the bondholders and negotiation of terms and conditions between the Group and the bondholders and (iii) the issuance of long-term corporate bonds in an aggregate principal amount HK$79,000,000, amounting to RMB66,184,620 which including the issuance of first tranche corporate bonds of HK$45,540,000 on 2 December 2014 and the second tranche corporate bonds of HK$33,460,000 on 15 July 2015, with a term of eight years and a rate of 6.5% per annum. This long-term corporate bonds were issued through the lead underwriter, Convoy Investment Service Limited (康宏證券投資服務有限公司), to non-specific buyers.

The Directors consider that the carrying amounts of the long-term debentures recognized in the condensed consolidated financial statements approximate to their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2016, economic growth in China further slowed down. Cement prices continued the trend in the second half of 2015, until it marked the bottom in February 2016 and turned around afterwards. Notwithstanding the above, the average cement prices in the first half of 2016 still lagged behind that of the corresponding period of the previous year. As a result of the implementation of a series of growth stabilizing policies, there has been increase and improvement in the infrastructure and property development investment, the related national cement output increased by 3.2% as compared to the corresponding period of the previous year.

Given the latest circumstances, the Group, after due consideration of trends and conditions, made timely adjustments to its operating strategies. While maintaining energy saving and consumption reduction and reducing purchasing cost, the Group fully leveraged on the edges of production capacity to increase the output and sales volume of cement and to decrease the apportionment costs of fixed asset per unit cement product. This in turn provided powerful support to reduce the unit cost of cement and strengthened the market share and the destined market position of the Group.

— In the first half of 2016, impacted by the overall price of the cement market, as the average selling price of the Group's cement decreased by approximately 9.3% over the same period last year, our sales gross profit margin was 25.1%, representing an increase of 1.0 ppt from 24.1% of the same period last year.

— According to the website of Digital Cement (數字水泥), in the first half of 2016, cement output across Henan province increased by approximately 2.6% year-on-year to approximately 78.5 million tonnes. On the other hand, in the first half of 2016, the Group produced approximately 12.3 million tonnes of cement in Henan region, representing an increase of approximately 7.3% as compared to the same period of 2015.

— According to the website of Digital Cement (數字水泥), in the first half of 2016, cement output across Liaoning province was approximately 19.4 million tonnes, representing a decrease of approximately 0.5% year-on-year. On the other hand, in the first half of 2016, the Group produced approximately 3.1 million tonnes of cement in Liaoning region, representing an increase of approximately 1.3% as compared to the same period of 2015.

In the first half of 2016, 0.7 million tonnes of clinker was sold externally, representing a decrease of 0.7 million tonnes from the sales of 1.4 million tonnes in the same period of 2015. During the same period, more clinker produced by us was utilised to satisfy our internal demand for cement production.

We recorded revenue of RMB3,095.5 million for the first half of 2016, representing a decrease of RMB384.6 million or 11.1% as compared with the same period of 2015. The average selling price of our cement products was RMB195.2 per tonne, representing a decrease of RMB19.9 per tonne over the same period last year. Despite this, as we have effective implementation of various output maintaining and efficiency enhancing measures, we increased our gross profit margin from 24.1% in the same period of 2015 to 25.1% in the same period of 2016.

In the first half of 2016, we did not make new acquisition or purchase shares of any enterprises.

BUSINESS ENVIRONMENT

The Chinese government continued to implement a series of measures, including the acceleration of approvals for infrastructure projects, promotion of the PPP cooperation model (公共私營合作制), and reduction in the deposit reserve requirement ratios for various types of financial institutions to maintain a steady economic growth. According to the National Bureau of Statistics, GDP in the first half of 2016 increased by 6.7% comparing to that of the corresponding period last year, which was basically in line with the steady maintenance target of the Chinese government, and the economic development also remained within a reasonable range.

In the first half of 2016, China's fixed asset investments ("FAI") (excluding rural households) amounted to approximately RMB25.8 trillion, representing a decrease in investment growth from 11.4% in the same period of last year to 9.0%. Among this, investment in infrastructure (excluding production and supply of electricity, heat, gas and water) increased by 20.9%, representing an increase of 1.8 ppt over the growth rate in the same period of 2015. Investment in property development nationwide increased by 6.1%, 1.5 ppt lower than the growth rate in the same period of 2015.

According to the Bureau of Statistics of relevant provinces or regions, in the first half of 2016, Henan, Liaoning, Anhui and Tianjin, the regions where we operate, recorded GDP growth of 8.0%, -1.0%, 8.6% and 9.2% year-on-year respectively. Meanwhile, the FAI (excluding rural households) in Henan, Liaoning, Anhui and Tianjin increased by 12.6%, decreased by 58.1%, increased by 11.5% and increased by 12.1% respectively over the same period of 2015. In the same period of 2015, GDP growth rate of the four regions amounted to 7.8%, 2.6%, 8.6% and 9.4% on year-to-year basis, respectively. The figures indicated that in the first half of 2016, the lower FAI growth in Liaoning region in which the Group operates resulted in slower economic growth in the region. However, higher FAI growth in other regions in which we operate caused economic growth in the corresponding regions to come in higher than the national level.

CEMENT INDUSTRY

According to the website of Digital Cement (數字水泥), in the first half of 2016, cement output in China amounted to approximately 1.11 billion tonnes, representing an increase of 3.2% over the same period of 2015; total profit of the industry reached approximately RMB9.55 billion, representing a decrease of approximately 26.6% over last year. The significant drop in total profit was mainly due to a relatively large decrease of the average transaction price over the same period last year. In the first half of 2016, cement output in Henan, the second largest province in China in terms of cement production, reached approximately 78.5 million tonnes, representing a year-on-year increase of approximately 2.6%. Cement output in Liaoning was approximately 19.4 million tonnes in the first half of 2016, representing a year-on-year decrease of approximately 0.5% over the same period of 2015. In the first half of 2016, cement output in Anhui and Tianjin increased by approximately 2.2% and 2.2% year-on-year, respectively.

According to the website of Digital Cement (數字水泥), 8 new clinker production lines commenced operation in the first half of 2016, which increased the clinker production capacity by approximately 10.9 million tonnes per annum. Compared to the approximately 20.9 million tonnes of newly-added clinker production capacity in the same period of 2015, the growth rate decreased by approximately 47.8%. The newly-initiated production capacity are all located in southern provinces, which include: 3 in Hubei, 3 in the region of Guangdong and Guangxi, 1 in each of Yunnan and Guizhou.

As the policy on the cement industry in China focuses primarily on the optimization of resources allocation and the maintenance of sustainable growth of the cement industry, the key tasks for the development of the cement industry going forward will lie in the stringent control of new capacity, elimination of obsolete capacity, and energy saving and emission reduction. The elimination of obsolete capacity and stricter approval on new capacity will improve demand and supply dynamics, resulting in a better business environment of the cement industry. Meanwhile, the Chinese government has been strongly supporting large and efficient cement enterprises and encouraging consolidation of the cement industry. With the Chinese government's encouragement and promotion, mergers and acquisitions led by major cement producers are expected to accelerate the consolidation of the cement industry.

FINANCIAL REVIEW

Revenue

For the first half of 2016, our total revenue was approximately RMB3,095.5 million, representing a year-on-year decrease of RMB384.6 million or 11.1% over the same period of 2015. The cement segment recorded revenue of approximately RMB2,985.6 million in the Reporting Period, representing a year-on-year decrease of RMB223.3 million or 7.0% over the same period of 2015. Sales revenue of our clinker products amounted to RMB109.9 million, representing a year-on-year decrease of RMB161.3 million or 59.5% over the same period of 2015. In other words, 96.5% of our total revenue was generated from the sales of cement and 3.5% was from the sales of clinker. In the first half of 2015, the corresponding figures were 92.2% and 7.8%.

In the first half of 2016, we sold 15.3 million tonnes of cement, representing an increase of 0.4 million tonnes of cement sales over the same period of 2015 or a 2.7% increase year-on-year. The average selling price of cement decreased by RMB19.9 per tonne from the same period of 2015. Furthermore, we sold 0.7 million tonnes of clinker in the first half of 2016, representing a sales decrease of 0.7 million tonnes over the same period of 2015 or a 50% drop year-on-year. The increase in sales volume of cement products was primarily due to the expansion in infrastructure and property investment in Henan where the Group operates, and the adjustment to the Group's operation strategy to take full advantage of its production capacity.

In Henan and Anhui, we sold 12.3 million tonnes of cement, increasing by 1.7% year-on-year. In Liaoning and Tianjin, we sold 3.0 million tonnes of cement, representing a year-on-year increase of 7.1%.

Cost of Sales

In the first half of 2016, we continued our efforts in reducing unit production costs of cement and clinker by leveraging economies of scale and through centralized procurement. As a result, our unit production cost of cement further reduced. During the Reporting Period, our cost of sales was approximately RMB2,319.4 million, a year-on-year decrease of RMB321.8 million or 12.2% over the first half of 2015, mainly due to the decreases in bulk purchase prices of raw materials for the production of cement and clinker.

Our cost of sales mainly consists of the costs of raw materials, coal and electricity. In the first half of 2016, our costs of raw materials, coal and electricity as a percentage of cost of sales were 39.1% (2015: 40.1%), 23.5% (2015: 26.8%) and 21.4% (2015: 19.0%), respectively. During the Reporting Period, our costs of raw materials, coal and electricity for the production of cement per tonne were RMB56.8 (2015: RMB66.5), RMB34.1 (2015: RMB43.4) and RMB31.0 (2015: RMB30.8) respectively, representing decreases of RMB9.7 and RMB9.3 and an increase of RMB0.2 respectively over the same period of 2015.

Gross Profit and Gross Profit Margin

Our gross profit was approximately RMB776.1 million in the half year ended 30 June 2016, representing a decrease of RMB62.8 million or 7.5% from approximately RMB838.9 million in the same period of last year. Our gross profit margin increased to approximately 25.1% in the first half of 2016 from 24.1% in the same period of 2015. The increase in gross profit margin was primarily due to the further reduction in cost of sales through centralized procurement.

Other Income and Other Gains and Losses

Other income was approximately RMB195.7 million in the first half of 2016, representing a decrease of RMB5.9 million or 2.9% from approximately RMB201.6 million in the same period of 2015. The decrease was primarily due to the setting-off of the increases in interest income on bank deposits and revenue attributable to sales and the decreases in income from value-added tax refund and other income.

Selling and Distribution Expenses

Our selling and distribution expenses were approximately RMB141.8 million in the first half of 2016, representing a decrease of RMB5.7 million or 3.9% from approximately RMB147.5 million in the first half of 2015. The decrease was primarily due to the decreases in packaging expenses, transportation costs and other distribution costs as a result of the decrease in our package cement sales volume.

Administrative Expenses

Administrative expenses were approximately RMB171.2 million in the half year ended 30 June 2016, representing an increase of RMB25 million or 17.1% from approximately RMB146.2 million in the half year ended 30 June 2015. The increase in administrative expenses were mainly due to the increase in the staff and administrative costs of the Company in the first half of this year.

Finance Costs

Finance costs were approximately RMB416.3 million in the first half of 2016, representing a decrease of RMB7.9 million or 1.9% from RMB424.2 million in the first half of 2015. The decrease was primarily attributable to the decrease in interest rate for borrowings and debentures.

Profit before Tax

As a result of the foregoing, our profit before tax was approximately RMB222.4 million in the first half of 2016, representing a decrease of approximately RMB93.3 million or approximately 29.6% from approximately RMB315.7 million in the first half of 2015.

Income Tax Expenses

Our income tax expenses were approximately RMB59.6 million in the first half of 2016, representing a decrease of RMB25.4 million or 29.9% from approximately RMB85.0 million in the first half of 2015, which was mainly due to the decrease in profit before tax.

Profit Attributable to Owners of the Company and Net Profit Margin

As a result of the foregoing, our profit attributable to owners of the Company in the first six months of 2016 was approximately RMB178.0 million, representing a decrease of RMB67.8 million or 27.6% from approximately RMB245.8 million in the first six months of 2015. Net profit margin was 5.3% in the first six months of 2016, representing a decrease of 1.3% from the same period of 2015.

FINANCIAL AND LIQUIDITY POSITION

Trade and Other Receivables

Trade and other receivables decreased from RMB3,170.1 million as at 31 December 2015 to RMB2,539.5 million as at 30 June 2016, mainly due to the decreases in bills receivables and advance to suppliers.

Inventories

Inventories decreased from RMB832.2 million as at 31 December 2015 to RMB582.6 million as at 30 June 2016, primarily due to the reduction in the inventory balance as a result of the decrease in inventory procurement cost in the first six months of 2016.

Cash and Cash Equivalents

Cash and bank balance increased from RMB722.3 million as at 31 December 2015 to RMB747.9 million as at 30 June 2016, primarily due to the increase in cash inflows from operations during the Reporting Period.

Trade and other payables

Trade and other payables decreased from RMB4,112.9 million as at 31 December 2015 to RMB3,807.2 million as at 30 June 2016, mainly due to the shortening of payment settling cycles of some of our major suppliers by the Group to obtain lower purchase prices in the first half of 2016.

Borrowings

Total borrowings and bonds (including corporate bonds) of the Group was approximately RMB12,800.0 million as at 30 June 2016, a decrease of approximately RMB2,223.2 million from RMB15,023.2 million as at 31 December 2015. Borrowings due within one year and short-term bonds (including mid-term bonds due within one year) increased from RMB9,426.4 million as at 31 December 2015 to RMB7,251.7 million as at 30 June 2016. Borrowings due after one year (including mid-term, long-term bonds and corporate bonds) decreased from RMB5,596.8 million as at 31 December 2015 to RMB5,548.3 million as at 30 June 2016. Approximately RMB5,412.0 million was debts at fixed rate due within one year.

The Group has been repaying the debts in accordance with the terms of the loan agreement. As at 30 June 2016, we had unutilized banking facilities of approximately RMB1,485.5 million.

Principal Sources of Liquidity

The Group's principal sources of liquidity have historically been cash generated from operations and borrowings or debts from banks and others. We have historically used cash from such sources for working capital, production facility expansions, other capital expenditures and debt service requirements. We anticipate these uses will continue to be our principal uses of cash in the future. We expect our cash flow will be sufficient to fund our ongoing business requirements. Meanwhile, we have decided to further broaden our financing channel to improve our capital structure.

GEARING RATIO, CURRENT RATIO, QUICK RATIO, DEBT EQUITY RATIO

As at 30 June 2016, our gearing ratio was 69.2%, representing a decrease of 3.4% from 72.6% as at 31 December 2015. As at 30 June 2016, our current ratio was 0.7, largely the same level of 0.7 as at 31 December 2015; our quick ratio was 0.7, largely the same level of 0.7 as at 31 December 2015; our debt equity ratio was 2.3, representing a decrease of 0.4 from 2.7 as at 31 December 2015.

Notes:

1. Gearing ratio = total liabilities/total assets X 100%

2. Current ratio = current assets/current liabilities

3. Quick ratio = (current assets – inventory)/current liabilities

4. Debt equity ratio = Total liabilities/equity interests, of which equity interests include minority interests or non-controlling interests

NET GEARING RATIO

As at 30 June 2016, our net gearing ratio was 104.4%, representing a decrease of 2.3% from 106.7% as at 31 December 2015. Net gearing ratio is calculated by dividing net debts by equity attributable to owners of the Company.

CAPITAL EXPENDITURE AND CAPITAL COMMITMENT

Capital expenditure during the first half of 2016 was approximately RMB91.8 million (for the first half of 2015: approximately RMB329.8 million) and capital commitment as at 30 June 2016 was approximately RMB426.3 million (as at 31 December 2015: approximately RMB458.3 million). Both capital expenditure and capital commitment were mainly related to the acquisition of business, the construction of production facilities and the acquisition of buildings, plant and machinery, motor vehicles, office equipment, construction in progress and mining rights. The Group funded capital expenditure by cash generated from operations and bank and other borrowings.

PLEDGE OF ASSETS

As at 30 June 2016, the carrying amount of assets of the Group pledged to secure bank borrowings amounted to approximately RMB1,851.3 million (as at 31 December 2015: approximately RMB2,028.2 million).

CONTINGENT LIABILITIES

As at 30 June 2016, other than the contingent liabilities arising from the provision of guarantee to third parties and connected parties amounting to approximately RMB1,182.0 million (31 December 2015: RMB1,522.0 million), we did not have other contingent liabilities. The guarantees provided to the connected party have been provided pursuant to Tianrui Cement Guarantees, the details of which are set out in the section headed "Continuing connected transactions and connected transactions — (b) Mutual Guarantees" herein. Capitalised terms used in this paragraph shall have the same meanings as those defined in the circular of the Company dated 30 October 2015.

SIGNIFICANT INVESTMENTS, ACQUISITION OR DISPOSAL

In the first half of 2016, the Group did not make any significant investments, acquisition or disposal.

MATERIAL LITIGATION

During the six-month period ended 30 June 2016, the Group was not involved in any material litigation or arbitration. To the best of the Directors' knowledge and belief, there is no outstanding or pending litigation or claim of material importance against the Group.

MARKET RISKS

Exchange Rate Risk

For the six-month period ended 30 June 2016 and the foreseeable subsequent period, the Group believes that the impact of exchange rate risk on the Group was and will be minimal, mainly because substantially all of our businesses are in mainland China, save for minimum foreign exchange risk in payment of external intermediary costs.

Interest Rate Risk

We are exposed to interest rate risk resulting from our long-term and short-term borrowings. We review our borrowings regularly to monitor our interest rate risk exposure, and will consider hedging significant interest rate exposure when necessary. As our exposure to interest rate risk relates primarily to our interest-bearing bank loans, our policy is to keep our borrowings at variable rates so as to minimize fair value interest rate risk, and to manage our interest rate risk exposure from all of our interest-bearing loans through the use of a mix of fixed and variable rates.

Liquidity Risk

We have established an appropriate liquidity risk management system of our short, medium and long-term funding and liquidity management requirements. We manage the liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by our management to finance our operations and mitigate the effects of fluctuations in (both actual and forecast) cash flows. Our management also monitors the utilization of bank borrowings and ensures compliance with loan covenants.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2016, the Group had 8,546 employees (as at 31 December 2015: 8,398). As at 30 June 2016, staff costs (including remuneration) was approximately RMB196.2 million (for the same period of 2015: approximately RMB190.6 million). The remuneration policies, bonus and training programs for employees of the Group were implemented on an ongoing basis according to the policies disclosed in the 2015 Annual Report of the Company and no change has been made during the six-month period ended 30 June 2016.

PROSPECTS

In the first half of 2016, the growth rate of the accumulated fixed asset investment and property development investment in China exhibited a decreasing trend, but coupled with the continuing rebound of the growth in infrastructure investment and the improvement in leading indicator "Floor Area of New Housing Commencing Construction" of property development, the output of cement will remain steady or maintain a trend of slow growth. We believe that with the implementation of the three strategies of "One belt, one road", synergistic development among Beijing-Tianjin-Hebei and Yangtze River Economic Belt will definitely bring in the initiation of infrastructure projects and an increase in investment efforts. This will effectively decrease or slow down the downward pressure posed on cement demand as a result of the economic growth of China to switch from high growth rate to medium-high growth rate and support a smooth transition for cement demand.

The Group is one of the 12 national key cement enterprises recognized by the Chinese government and one of the five cement enterprises designated by the Ministry of Industry and Information Technology. The Group is encouraged to undertake mergers and consolidation of the cement market in central China. To encourage the consolidation of the cement industry, the Chinese government provides designated enterprises with supports such as tax incentives and special projects or financing approvals. Given the lower cement demand and intensifying competition, we will, leveraging our edges and favorable policies, seize opportunities and continue to consolidate our leading position in Henan and Liaoning through organic growth and selective acquisitions.

Furthermore, we will further expand centralized procurement of supplies, strengthen delicacy management and enhance production utilization rate to further reduce unit production cost and maintain our leading position in other markets. We believe that the maintenance and improvement of such cost advantages will enable the Group to enjoy healthier profitability in Henan and Liaoning cement markets than that of our major competitors. To widen our market coverage, we shall also make strategic acquisitions as and when appropriate.

CORPORATE GOVERNANCE AND OTHER IMPORTANT INFORMATION

Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance. The principle of the Company's corporate governance is to implement effective internal control measures and to increase the transparency of the Board and accountability to all shareholders.

For the period of six months ended 30 June 2016, the Company had adopted the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code on corporate governance practice. Other than those stated in the following of this section, the Company had been in compliance with all code provisions set out in the Corporate Governance Code throughout the six months ended 30 June 2016.

Given the resignation of the chief executive officer of the Company on 1 December 2015, the Company has not yet appointed a new chief executive officer up to the moment. The Company will actively seek a new chief executive officer. In the meantime, the general manager of the subsidiary of the Company will be in charge of the daily operation of the major businesses of the Group, who is not the chairman of the Board, and this will ensure that the authority will not be vested to the same person.

COMPLIANCE WITH MODEL CODE BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Having made specific enquiry with the Directors, all of them confirmed that they had complied with the required standards set out in the Model Code throughout the six months ended 30 June 2016.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2016, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

During the six months ended 30 June 2016 and as at the date of this announcement, we entered into the following connected transactions or continuing connected transactions (as defined under the Listing Rules).

(a) Purchase of Clinker and Sale of Limestone

Reference is made to our circular dated 25 April 2014 which contains details of the transactions disclosed herein. Unless stated otherwise, capitalized terms used in this paragraph (a) shall have the same meanings as those used in the circular referred to above.

On 25 March 2014, Tianrui Group Cement Company Limited ("Tianrui Cement"), a wholly owned subsidiary of the Company, and Pingdingshan Ruiping Shilong Cement Company Limited ("Ruiping Shilong"), a company in which Mr. Li Liufa ("Chairman Li") controls more than 30% of the voting power at its general meetings' entered into the Clinker Supply Framework Agreement and the Limestone Supply Framework Agreement. The transactions under both the Clinker Supply Framework Agreement and the Limestone Supply Framework Agreement constitute continuing connected transactions under the Listing Rules.

Pursuant to the Clinker Supply Framework Agreement, the aggregate annual caps of the transactions under the agreement are RMB360,000,000, RMB480,000,000 and RMB480,000,000 for each of the three years ending on 31 December 2014, 2015 and 2016 respectively. Pursuant to the Limestone Supply Framework Agreement, the annual caps of the transactions under the agreement are RMB60,000,000 for each of the three years ending on 31 December 2016.

For the six months ended 30 June 2016, Tianrui Cement purchased clinker from Ruiping Shilong with transaction value of approximately RMB45.6 million.

(b) Mutual Guarantees

Reference is made to our circular dated 30 October 2015 which contains details of the transactions disclosed herein. Unless stated otherwise, capitalized terms used in this paragraph (b) shall have the same meanings as those used in the circular referred to above.

On 24 September 2015, Tianrui Cement and Tianrui Group Company Limited ("Tianrui Group"), a company controlled by Chairman Li, entered into a framework agreement in relation to the provision of mutual guarantees (the "Framework Agreement"). The transactions under the Framework Agreement constitute continuing connected transactions under the Listing Rules.

During the period from 27 November 2015 to 31 December 2015 and for the year ended 31 December 2016 and 2017, the maximum daily balance of the Tianrui Group Guarantee (i.e the guarantees provided by Tianrui Group to Tianrui Cement) are RMB6,000 million. During the period from 27 November 2015 to 31 December 2015 and for the year ended 31 December 2016 and 2017, the maximum daily balance of the Tianrui Cement Guarantee (i.e the guarantees provided by Tianrui Cement to Tianrui Group) are RMB2,500 million.

As of 30 June 2016, according to the Framework Agreement and as approved by a special committee, Tianrui Cement (including its subsidiaries) provided guarantees of RMB1,182 million in aggregate (whether released or not) to Tianrui Group (including its subsidiaries), while Tianrui Group (including its subsidiaries) provided guarantees of RMB4,000 million in aggregate (whether released or not) to Tianrui Cement (including its subsidiaries).

INTERIM DIVIDEND

The Directors did not recommend the declaration of any interim dividend for the six months ended 30 June 2016 (30 June 2015: Nil).

REVIEW OF FINANCIAL INFORMATION

The audit committee of the Board of the Company has discussed with the Company's management and reviewed the interim results of the Group for the six months ended 30 June 2016. The financial information in the condensed consolidated financial statements of the interim results have not been audited or reviewed by the auditors of the Company.

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

Hong Kong, 22 August 2016

As at the date of this announcement, the Board consists of:

Chairman and Non-executive Director
Mr. Li Liufa

Executive Directors
Mr. Li Jiangming and Mr. Xu Wuxue

Non-executive Directors
Mr. Li Heping and Mr. Yang Yongzheng

Independent Non-executive Directors
Mr. Kong Xiangzhong, Mr. Du Xiaotang and Mr. Wang Ping