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*Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 1 June 2012 (the “**Prospectus**”) issued by the Company.*



## **DONGWU CEMENT INTERNATIONAL LIMITED**

**東吳水泥國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

*(Stock Code: 695)*

### **PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION, STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD**

#### **PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that on 6 July 2012, the Sole Global Coordinator, for itself and on behalf of the International Underwriters, partially exercised the Over-allotment Option for the purpose of covering over-allocations in the International Placing. Upon partial exercise of the Over-allotment Option, an aggregate of 12,000,000 Shares, representing 9.6% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, will be issued and allotted by the Company at HK\$1.10 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering, in order to facilitate the return to Concord of the 12,000,000 borrowed Shares.

## **STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD**

The Company announces that the stabilization period in connection with the Global Offering ended on 6 July 2012, being the 30th day after the last day for lodging applications under the Hong Kong Public Offer.

The Sole Global Coordinator, as the stabilizing manager, or any person acting for it, advised that:

- (i) there were over-allocations of an aggregate of 12,000,000 Shares made in relation to the International Placing, representing 9.6% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) there was a borrowing of an aggregate of 12,000,000 Shares by the Sole Global Coordinator from Concord pursuant to the Stock Borrowing Agreement to cover the above over-allocations; and
- (iii) the Over-allotment Option was partially exercised by the Sole Global Coordinator, for itself and on behalf of the International Underwriters, on 6 July 2012, to facilitate the return to Concord the 12,000,000 Shares lent by Concord to the Sole Global Coordinator pursuant to the Stock Borrowing Agreement as mentioned above.

Save as disclosed above, the Sole Global Coordinator confirmed that no stabilizing action has been carried out in connection with the Global Offering.

This announcement is made pursuant to section 9 of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong).

## **PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that on 6 July 2012, the Sole Global Coordinator, for itself and on behalf of the International Underwriters, partially exercised the Over-allotment Option referred to in the Prospectus for the purpose of covering the over-allocations in the International Placing. Upon the partial exercise of the Over-allotment Option, an aggregate of 12,000,000 Shares (the “**Over-allotment Shares**”), representing 9.6% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, will be issued and allotted by the Company at HK\$1.10 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering.

Pursuant to the Stock Borrowing Agreement, the Sole Global Coordinator has borrowed 12,000,000 Shares from Concord to cover the over-allocations in the International Placing. The Over-allotment Shares will be used to facilitate the return to Concord of the 12,000,000 borrowed Shares, which were used solely to cover the over-allocations in the International Placing.

The Over-allotment Option in relation to the balance of 6,750,000 Shares which the Sole Global Coordinator may require the Company to issue was not exercised and the Over-allotment Option to this extent lapsed accordingly.

As shown below in the shareholding structure of the Company, immediately before the exercise of the Over-allotment Option, 25% of the issued share capital of the Company was held by the public. Upon completion of the issue and allotment of the Over-allotment Shares by the Company, approximately 26.8% of the enlarged issued share capital of the Company will be held by the public.

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealings in the Over-allotment Shares are expected to commence on the Main Board of the Stock Exchange on 11 July 2012.

To the best knowledge and information of the Directors, the shareholding structures of the Company immediately before and after completion of the issue and allotment of the Over-allotment Shares are as follows:

Shareholder	Immediately before the issue and allotment of the Over-allotment Shares		Immediately after the issue and allotment of the Over-allotment Shares	
	Number of Shares	Approximate % of issued share capital	Number of Shares	Approximate % of enlarged issued share capital
Goldview ( <i>Note 1</i> )	297,500,000	59.5	297,500,000	58.1
Concord ( <i>Note 2</i> )	77,500,000	15.5	77,500,000	15.1
Public	<u>125,000,000</u>	<u>25.0</u>	<u>137,000,000</u>	<u>26.8</u>
	<b><u>500,000,000</u></b>	<b><u>100.00</u></b>	<b><u>512,000,000</u></b>	<b><u>100.00</u></b>

*Notes:*

1. The entire issued share capital of Goldview is legally and beneficially owned by Mr. Tseung.
2. The entire issued share capital of Concord is legally and beneficially owned by Mr. Jin.

Upon completion of the partial exercise of the Over-allotment Option and the issue and allotment of the Over-allotment Shares, the Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

The net proceeds to be received by the Company upon issue and allotment of the Over-allotment Shares, after deduction of related underwriting commissions and expenses, are estimated to be approximately HK\$12.9 million. The Company intends to apply such net proceeds for the same purposes on a pro rata basis as stated in the paragraph headed “Use of Proceeds” under the section headed “Future Plans and Use of Proceeds” in the Prospectus.

## **STABILIZATION ACTIONS AND END OF STABILIZATION PERIOD**

The Company announces that the stabilization period in connection with the Global Offering ended on 6 July 2012, being the 30th day after the last day for lodging applications under the Hong Kong Public Offer.

The Sole Global Coordinator, as the stabilizing manager, or any person acting for it, advised that:

- (i) there were over-allocations of an aggregate of 12,000,000 Shares made in relation to the International Placing, representing 9.6% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) there was a borrowing of an aggregate of 12,000,000 Shares by the Sole Global Coordinator from Concord pursuant to the Stock Borrowing Agreement to cover the above over-allocations; and
- (iii) the Over-allotment Option was partially exercised by the Sole Global Coordinator, for itself and on behalf of the International Underwriters, on 6 July 2012, to facilitate the return to Concord the 12,000,000 Shares lent by Concord to the Sole Global Coordinator pursuant to the Stock Borrowing Agreement as mentioned above.

Save as disclosed above, the Sole Global Coordinator confirmed that no stabilizing action has been carried out in connection with the Global Offering.

By Order of the Board  
**Dongwu Cement International Limited**  
**Xie Yingxia**  
*Chairman*

Hong Kong, 6 July 2012

*As at the date of this Announcement, the Board comprises Ms. Xie Yingxia, Mr. Jin Chungen and Mr. Yang Bin as executive Directors, Mr. Tseung Hok Ming as non-executive Director and Mr. Cao Guoqi, Mr. Cao Kuangyu and Mr. Lee Ho Yiu Thomas as independent non-executive Directors.*