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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Part XIVA of the SFO and Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that, based on the Board's preliminary review of the unaudited management accounts of the Group, it is expected that the Group will record a loss for the six months ended 30 June 2013.

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

This announcement is made by Dongwu Cement International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby informs the shareholders of the Company and potential investors that, based on the Board's preliminary review of the unaudited management accounts of the Group for the six months ended 30 June 2013, it is expected that the Group will record a loss for the six months ended 30 June 2013.

As disclosed in the Company's annual results announcement published on 28 March 2013, the sales price, revenue and gross profit margin of the Group's cement products all exhibited a downwards movement in 2012 as a result of the macro economic slowdown, a slump in the cement industry as a whole and the plunge in the cement prices across East China. Such trend lingered in the first half of 2013 and the Group's results for the six months ended 30 June 2013 are expected to be adversely affected. Without taking into account the listing fee of approximately RMB12,844,000 with respect to the Company's listing on The Stock Exchange of Hong Kong Limited on 13 June 2012 which was recorded in the Company's profit and loss account for the six months ended 30 June 2012, the Group would have recorded a net profit of approximately RMB5,367,000 for the six months ended 30 June 2012, while based on the Board's preliminary review of the Group's unaudited management accounts for the six months ended 30 June 2013, it is expected that the Group will record a loss for the six months ended 30 June 2013.

As the Group is still finalizing its unaudited consolidated results for the six months ended 30 June 2013, the information contained in this announcement is only a preliminary assessment by the Board with reference to the information currently available including the Group's unaudited management accounts for the six months ended 30 June 2013 which have not been reviewed by the Company's auditors and may be subject to possible adjustments upon review. The shareholders of the Company and potential investors are advised to read carefully the unaudited interim results announcement of the Company for the six months ended 30 June 2013 which will be published no later than 30 August 2013.

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

By order of the Board
Dongwu Cement International Limited
Xie Yingxia
Chairman

Hong Kong, 12 July 2013

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.