



華潤水泥控股有限公司

China Resources Cement Holdings Limited

(於開曼群島註冊成立之有限公司)

(incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code:1313

Results Presentation Third Quarter 2018

Building for the Future
潤心·創未來

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China Resources Cement Holdings Limited

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Company Profile



華潤水泥控股有限公司
China Resources Cement Holdings Limited

Subsidiary of CR Group

- ◆ One of **7** strategic business units of China Resources Group
(holding 68.72% of issued shares)

Market Position

- ◆ The largest **cement, clinker & concrete producer** in Southern China



Environment, Health & Safety

- ◆ Production Safety
- ◆ Emission Reduction:
Denitration, Desulphurization & Dust collection system
- ◆ **Municipal waste, Urban sludge & Hazardous waste** Co-processing projects

Development Strategy

- ◆ Lowest total cost
- ◆ **Leading position** in regional market
- ◆ Innovation-driven development



Financial Performance

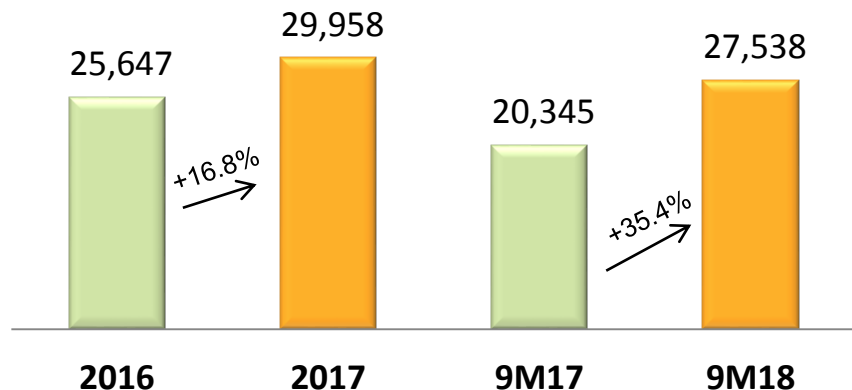


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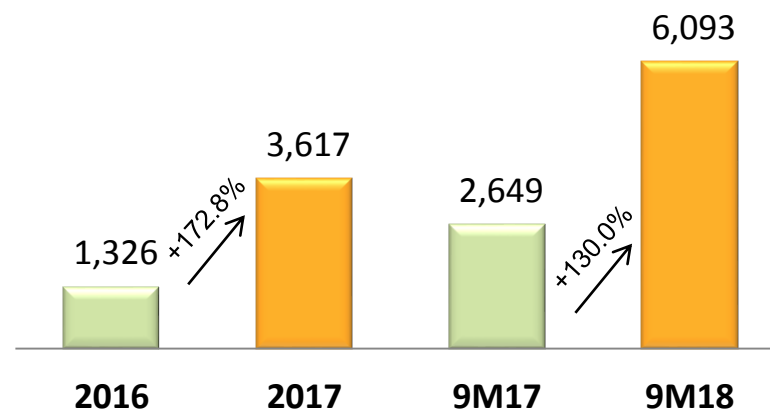
Turnover

(HK\$ million)



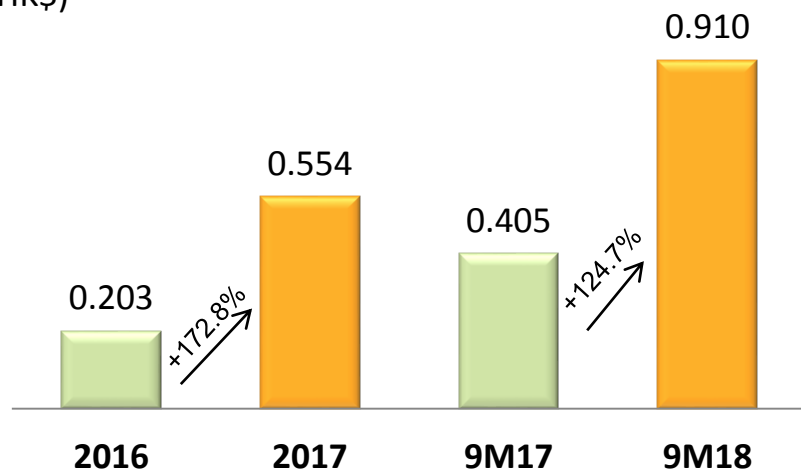
Profit attributable to owners of the Company

(HK\$ million)



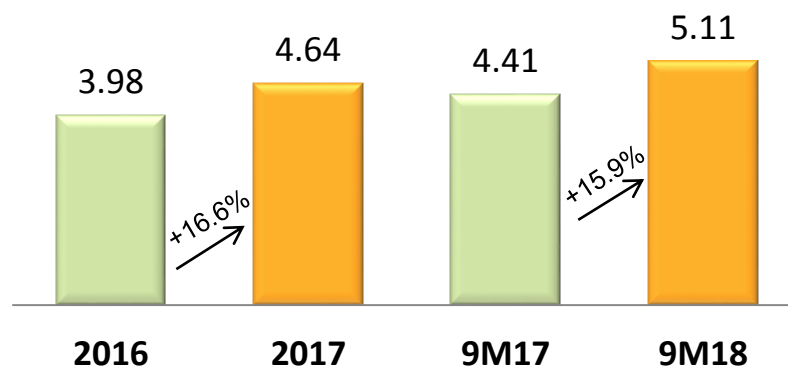
Earnings per share

(HK\$)



Net assets per share

(HK\$)





Industry Overview



Economic Growth



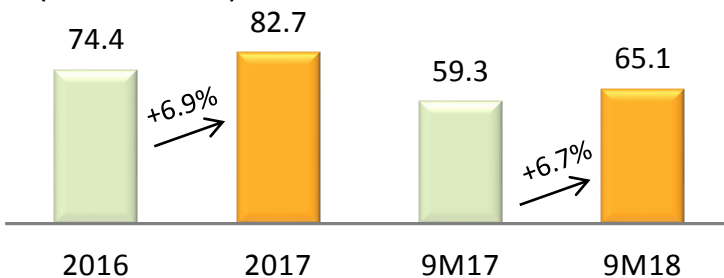
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China Resources Cement Holdings Limited

- In the face of a complex and rapidly changing external environment, the Chinese government persistently sought progress amidst stability as its general keynote by requiring high-quality development and strengthening supply-side structural reform.
- In 9M18, the national economy remained generally stable and was steadily trending upwards.

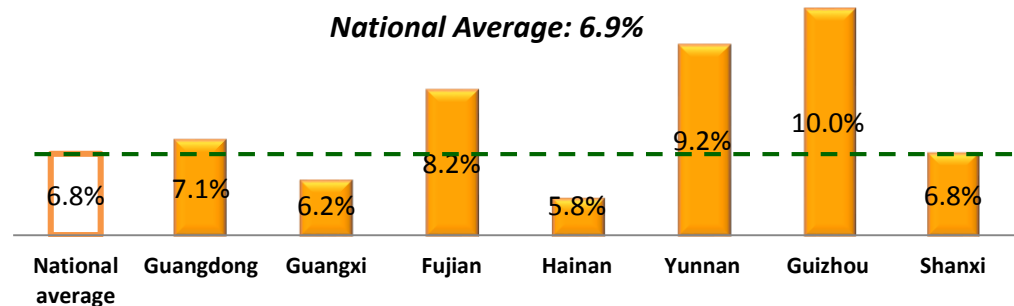
National GDP

(RMB trillion)



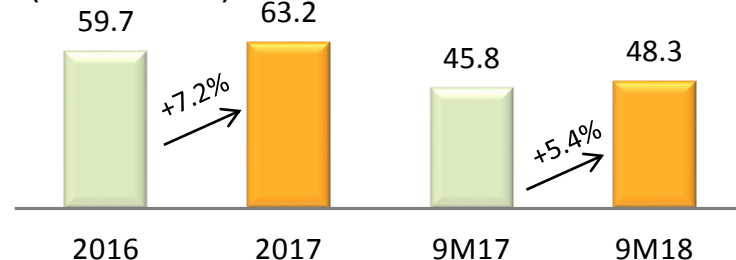
GDP Growth (1H18)

National Average: 6.9%



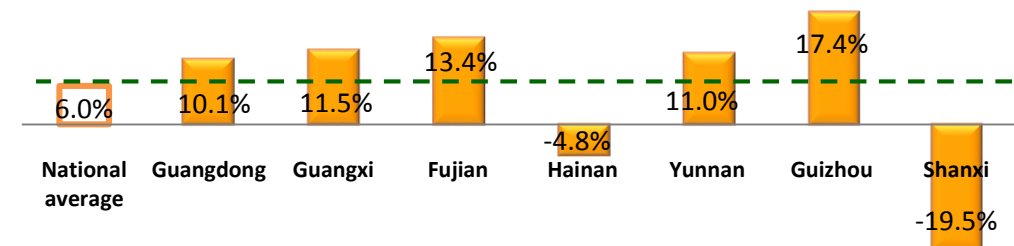
National FAI (excluding rural households)

(RMB trillion)



FAI Growth (1H18)

National Average: 6.0%



Cement Demand Drivers



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Infrastructure



- In 9M18, national infrastructure investments* increased by +3.3% YoY
 - Railway: ~RMB572.3 billion, +4.9% YoY
 - Highways & waterways: ~RMB1,651.8 billion, +0.4% YoY

**Note: Excluding the production and supply of electricity, heat, gas and water.*

- On the back of regulation and control policies on property, housing market in China has been stabilizing and the growth in real estate investment remained steadily accelerating.

Real Estate Market



	9M18	YoY	2017 YoY
Floor space of commodity housing sold (m ²)	1,193 million	+2.9%	+7.7%
Real estate investment	RMB 8.9 trillion	+9.9%	+7.0%
Land area purchased by real estate developers (m ²)	194 million	+15.7%	+15.8%

	9M18	YoY	2017 YoY
Floor space of houses newly started construction (m ²)	1,526 million	+16.4%	+7.0%
Floor space of houses completed (m ²)	511 million	-11.4%	-4.4%
Floor space under construction by real estate developers (m ²)	7,672 million	+3.9%	+3.0%

Cement Production



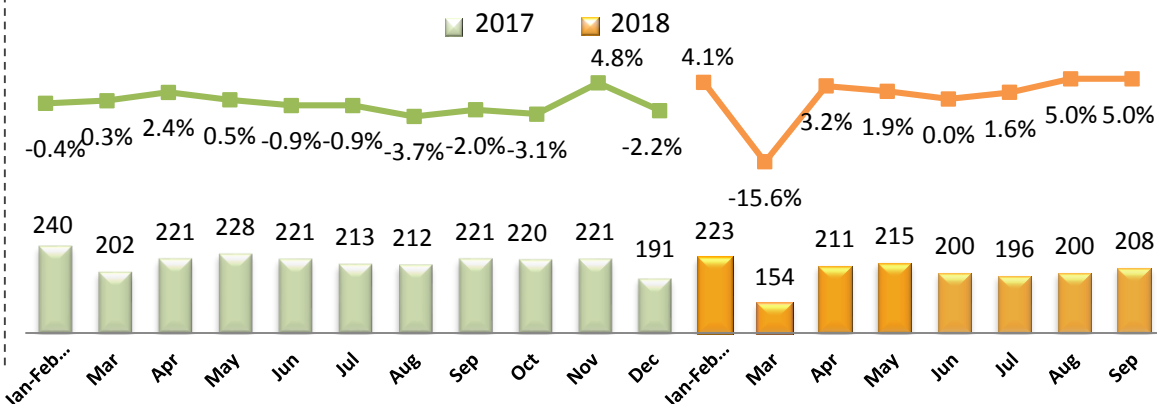
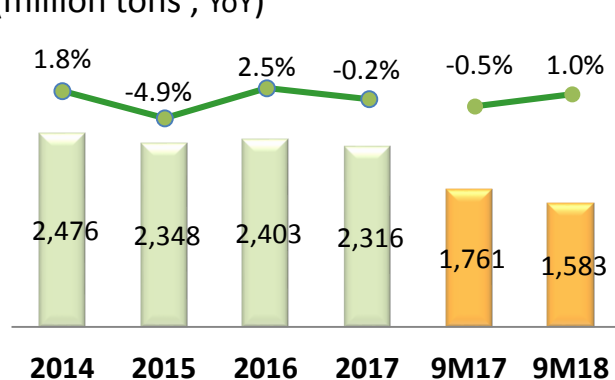
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■ In 9M18, China's cement production was approximately **1,583** million tons*, +1.0% YoY

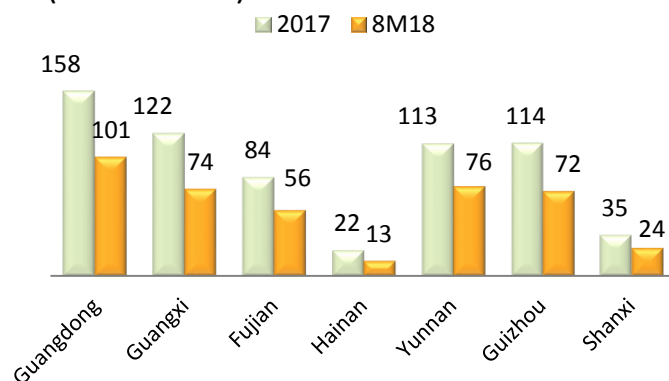
National Cement Production ⁽¹⁾

(million tons, YoY)

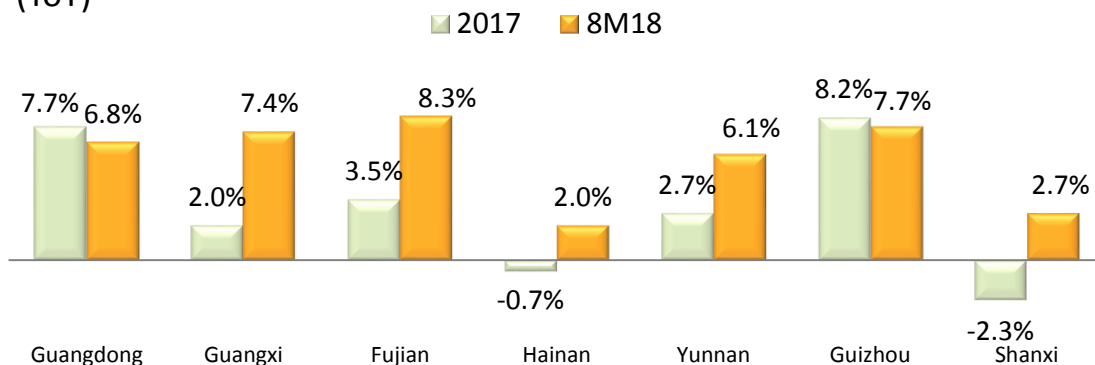


CRC's operating region ⁽²⁾

(million tons)



(YoY)



*Note: Statistics only include enterprises with annual turnover above RMB20 million.

Source: (1) National Bureau of Statistics of China, (2) China Cement Association

Cement Supply



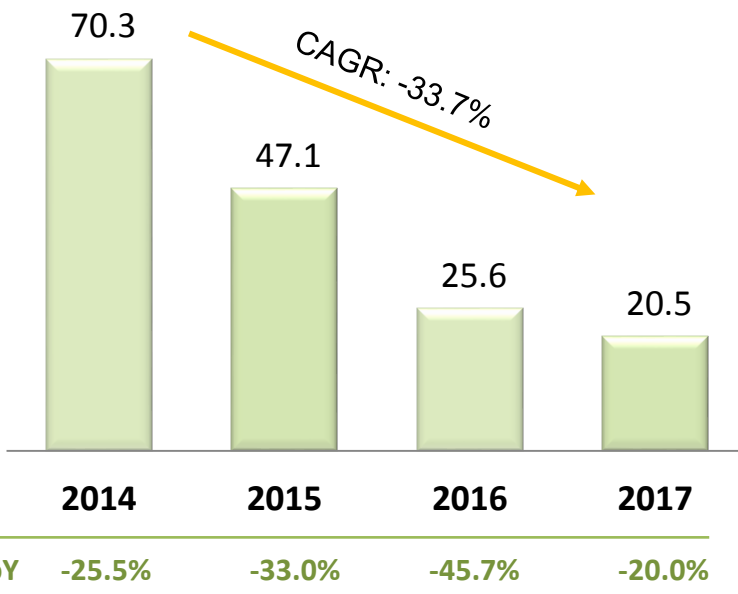
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- In 1H18, there were **four** new clinker production lines nationwide, which were located in Guizhou, Jiangxi and Heilongjiang respectively with new clinker production capacity of **7.2** million tons in total.
- In 1H18, there were no new clinker production lines in Guangdong and Guangxi.

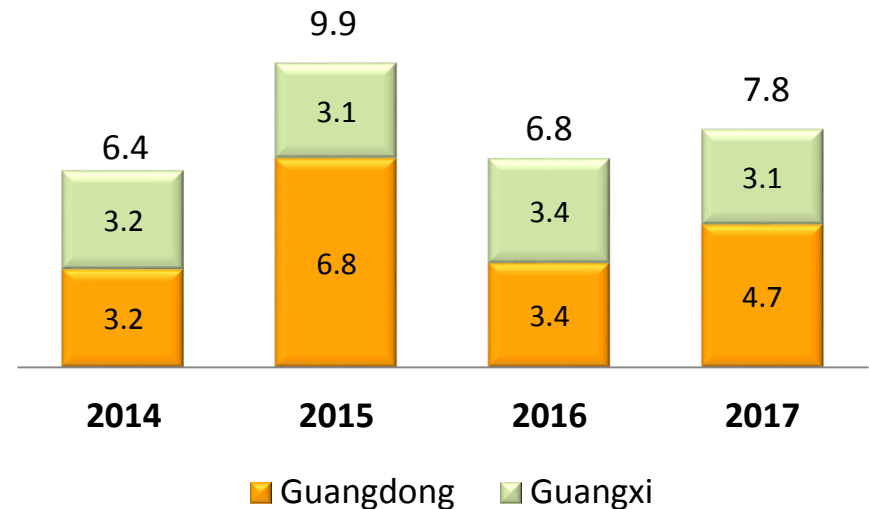
New Clinker Capacity in China

(million tons)



New Clinker Capacity in Guangdong & Guangxi

(million tons)



Source: Company information, China Cement Association



- IH18, the State Council of China issued policies including the “**Three-Year Action Plan for Winning the Blue Sky Defense Battle**” to strengthen the protection of ecological environment in China
- Strengthened supervisions on energy saving, environmental protection, safety and health are beneficial to the sustainable development of the cement industry.



Blue Sky Defense

✓ Capacity control

- Expansion of production capacity shall be strictly prohibited
- Only new production capacity of definite necessity & in an equivalent or a lesser quantity as compared with the replaced production capacity can be added.
- Relocation, transformation, or closure and exit of enterprises in heavy polluted industries such as cement and chemical enterprises in urban areas

✓ Off-Peak Production

- Beijing-Tianjin-Hebei region and surrounding areas, Yangtze River Delta region & Fen-Wei River Plains

✓ Emission control (target by 2020 vs. 2015)

- SO₂ & NO_x: -15% in China
- PM2.5: -18% in cities (prefecture or above level) where PM2.5 concentrations failed to meet the national standards
- Prefabricated construction

Environmental Inspection

- ✓ Nationwide Central Environmental Protection Inspections
- ✓ Nationwide Special Campaign on Law Enforcement of Production Safety and Occupational Health for cement enterprises

Green Development

- ✓ Green Factory & Green Mine
- ✓ Co-processing - The proportion of co-processing production lines by use of cement kilns shall increase to 15% by 2020.



Financial Highlights



9M18 Results Summary



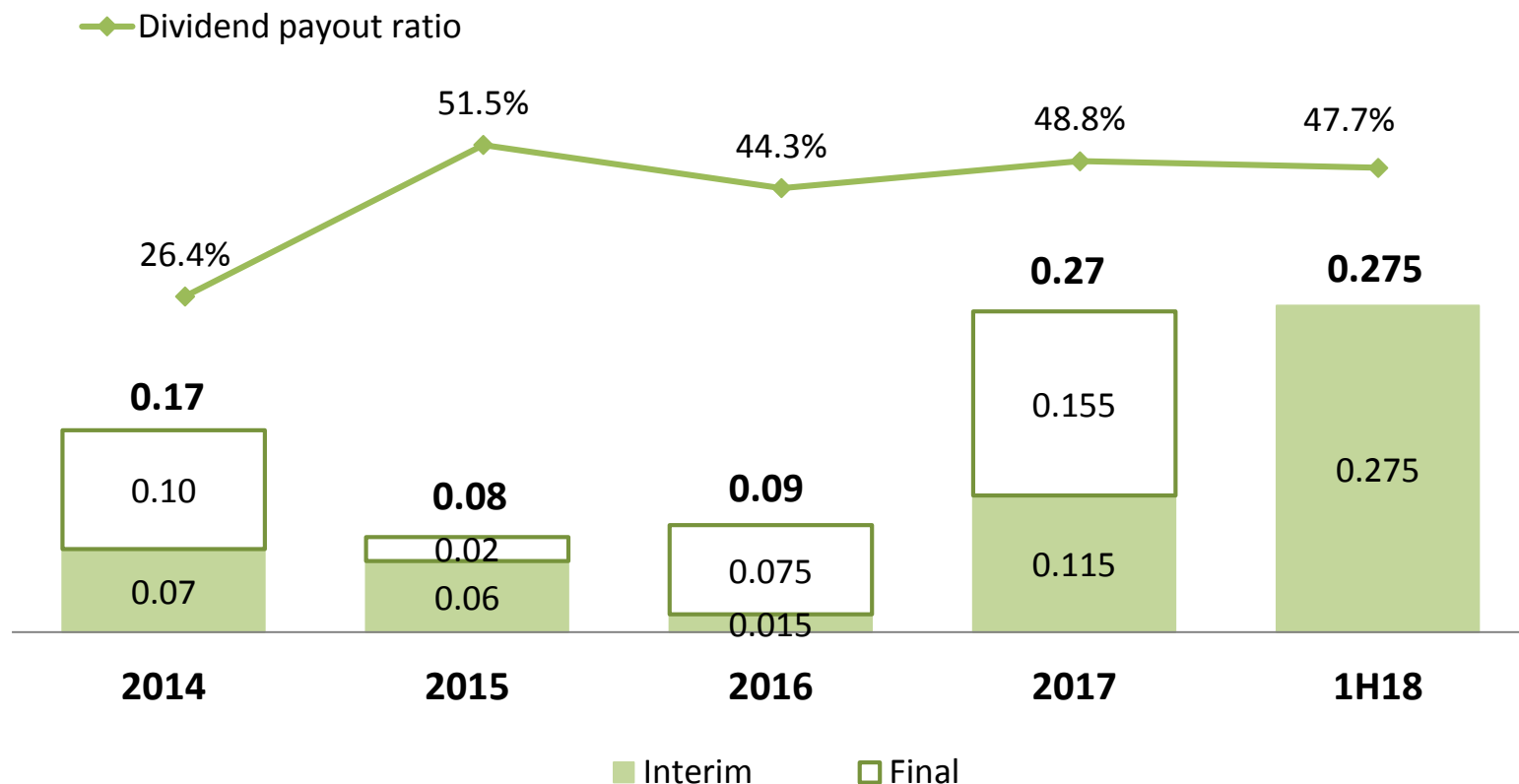
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(HK\$ million)	9M17	9M18	YoY
Turnover	20,344.9	27,537.9	+35.4%
Gross profit	6,023.6	10,960.8	+82.0%
Exchange gain	229.7	91.2	-60.3%
Finance costs	(474.4)	(493.3)	+4.0%
Profit attributable to owners of the Company	2,648.6	6,092.5	+130.0%
Basic earnings per share (HK\$)	0.405	0.910	+124.7%

Dividend Payout (HK\$)



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- The Board has resolved to declare an interim dividend of HK\$0.275 per Share for 1H18.
- The dividend payout ratio in 1H18 was 47.7% (1H17: 45.8%).

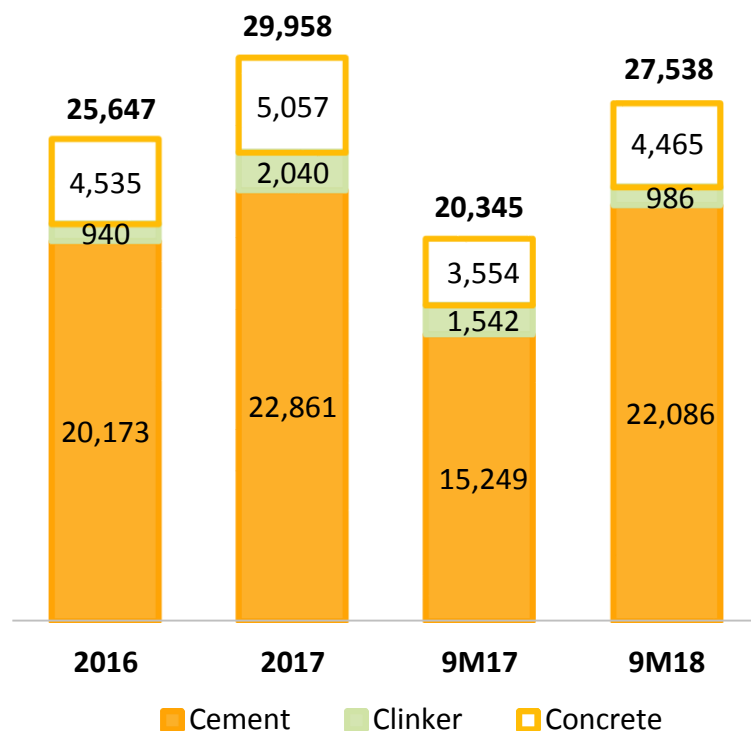
Turnover



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Turnover by Product

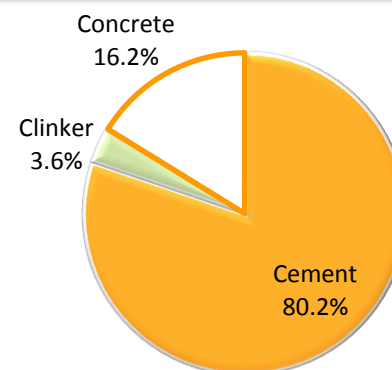
(HK\$ million)



9M18 YoY

Cement	+44.8%
Clinker	-36.0%
Concrete	+25.6%
Total	+35.4%

9M18



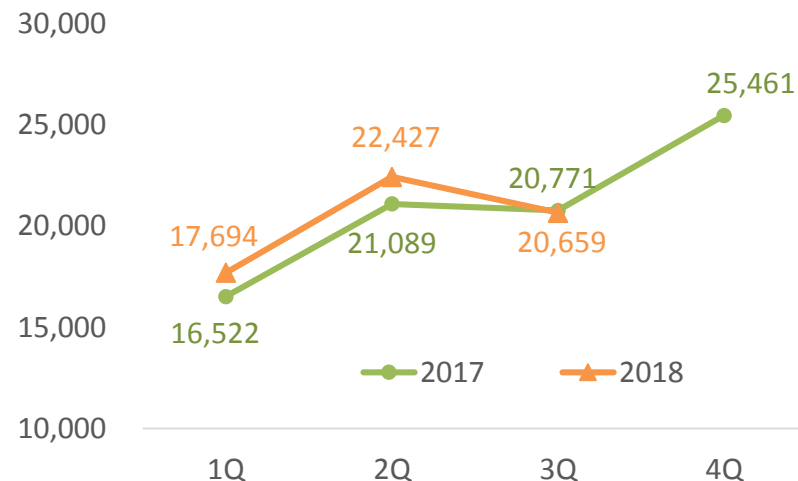
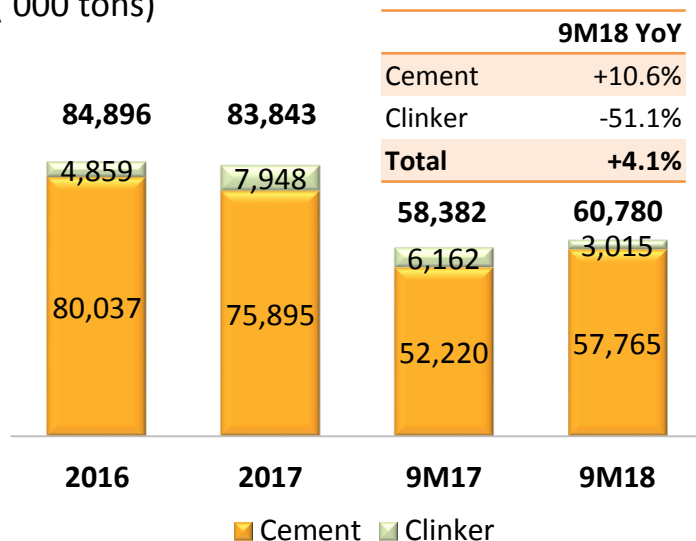
Sales Volume



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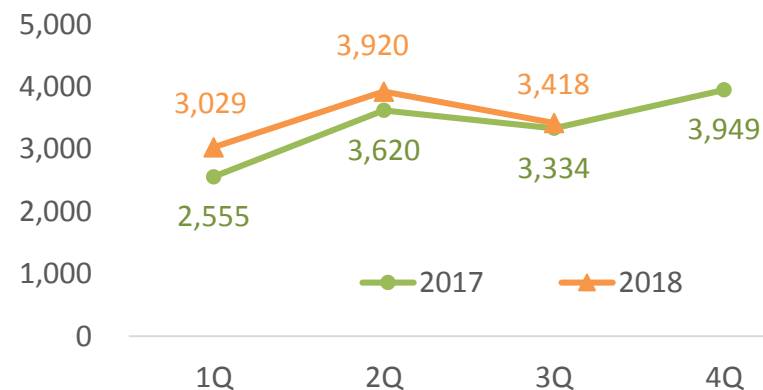
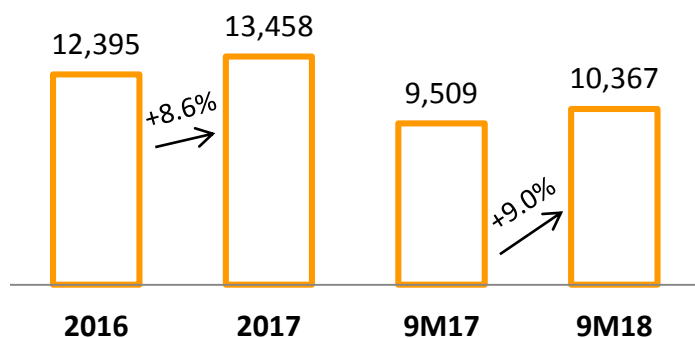
Cement & Clinker Sales Volume

('000 tons)



Concrete Sales Volume

('000 m³)

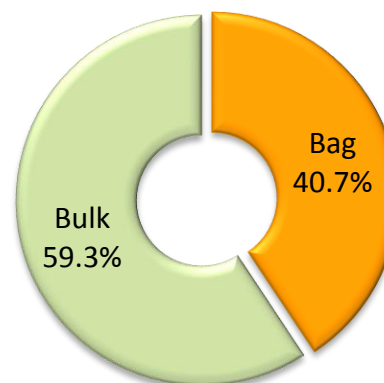
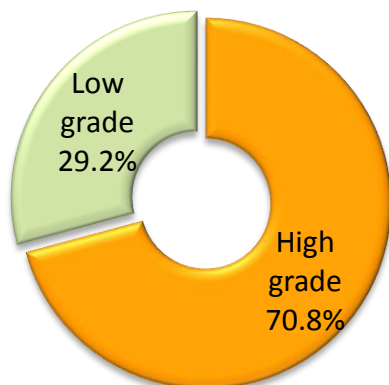


Breakdown of Cement Sales Volume



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By Product Type (1H18)

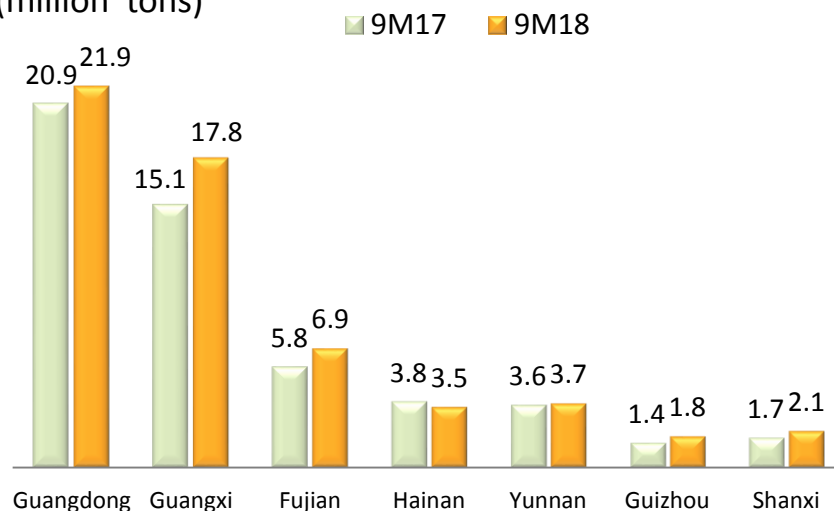


Note:

Low grade refers to 32.5 grade cement. High grade refers to 42.5 or higher grade cement.

By Region (9M18)

(million tons)



% of total cement sales volume

Guangdong	37.9%
Guangxi	30.9%
Fujian	12.0%
Hainan	6.1%
Yunnan	6.4%
Guizhou	3.0%
Shanxi	3.7%
Total	100.0%

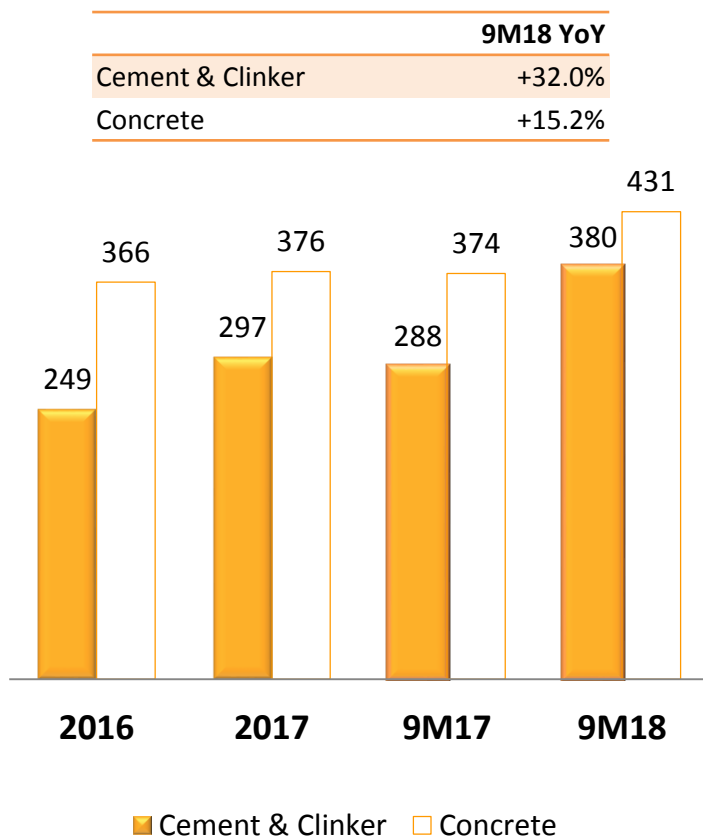
Average Selling Price



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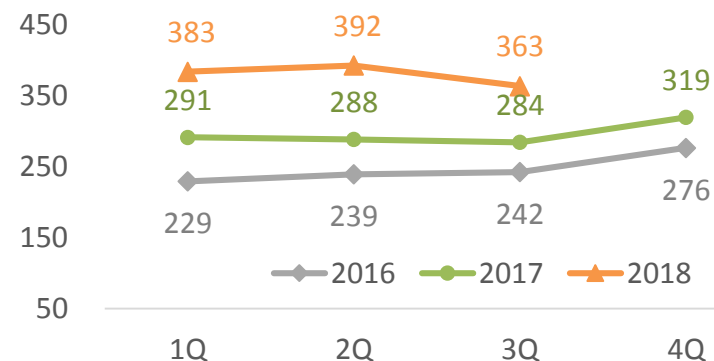
Average Selling Price

(HK\$ per ton/m³)



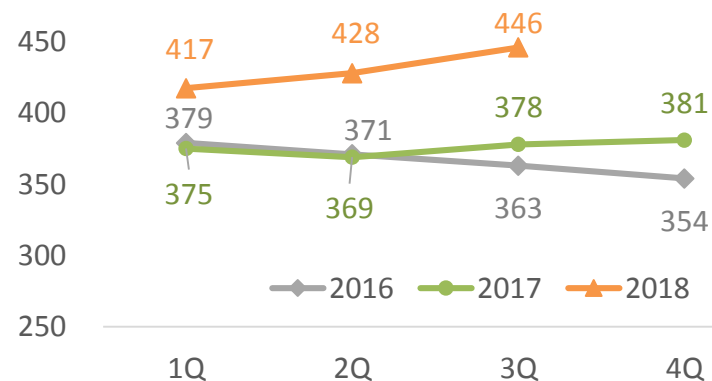
Cement & Clinker ASP by Quarter

(HK\$ per ton)



Concrete ASP by Quarter

(HK\$ per m³)



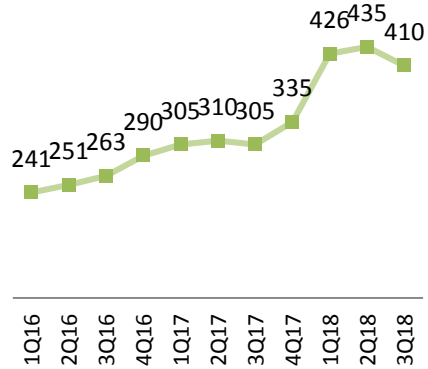
Cement Selling Price by Region

(HK\$ per ton)

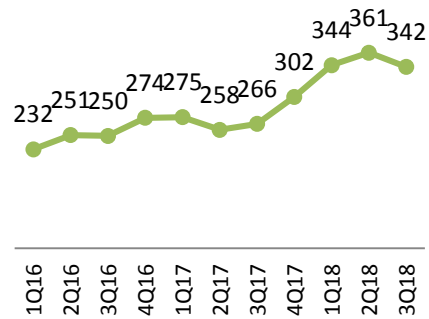


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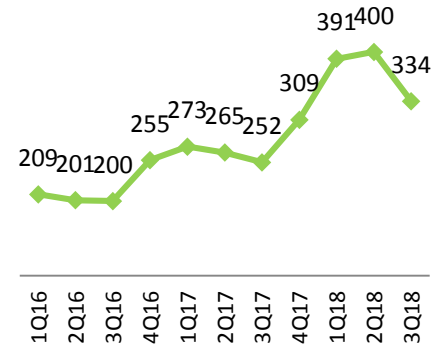
Guangdong



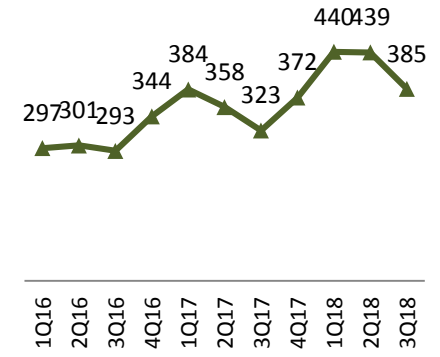
Guangxi



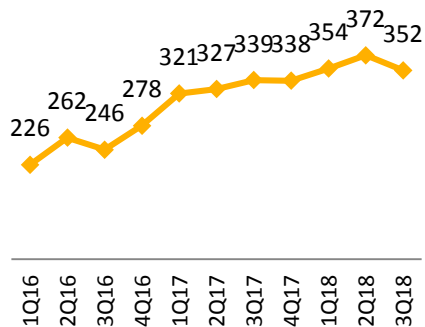
Fujian



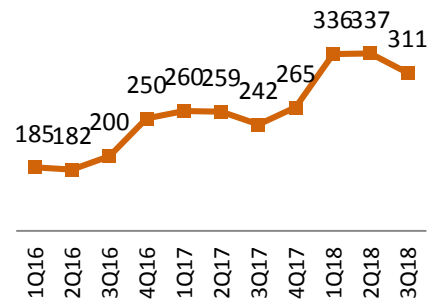
Hainan



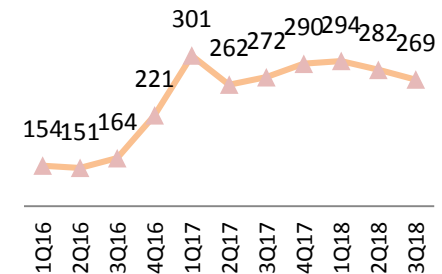
Yunnan



Guizhou



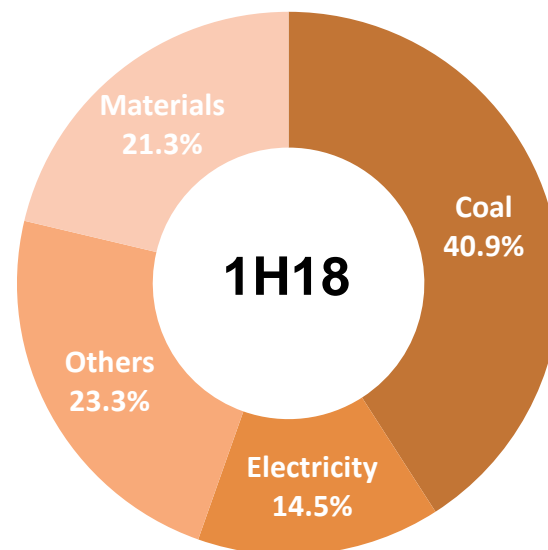
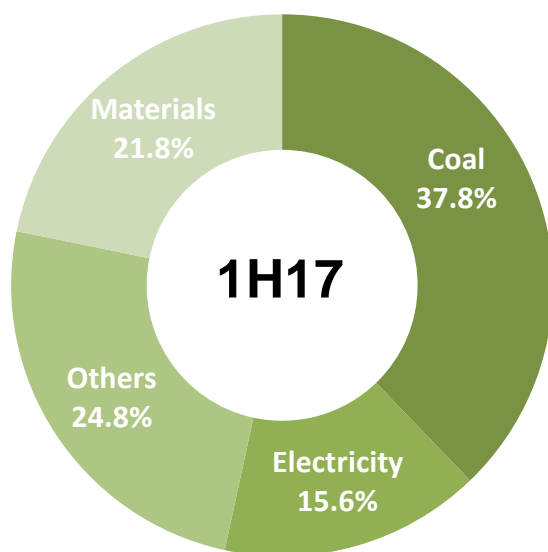
Shanxi



Cost Structure of Cement Products



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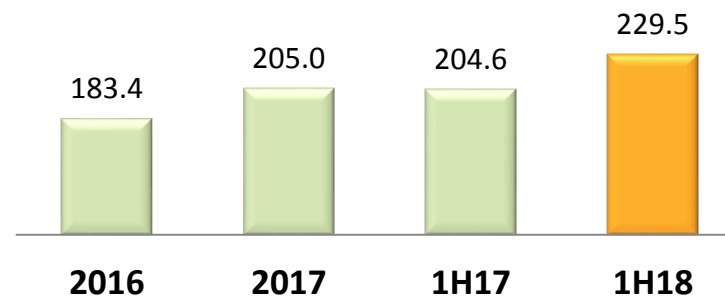


Note: Cement products refer to cement & clinker

Unit Cost

(HK\$ per ton)	1H17	1H18	YoY
Coal	77.4	93.9	+21.3%
Electricity	31.8	33.2	+4.4%
Materials	44.7	49.0	+9.6%
Others	50.7	53.4	+5.3%
Total	204.6	229.5	+12.2%

(HK\$ per ton)



Gross Profit & Margin

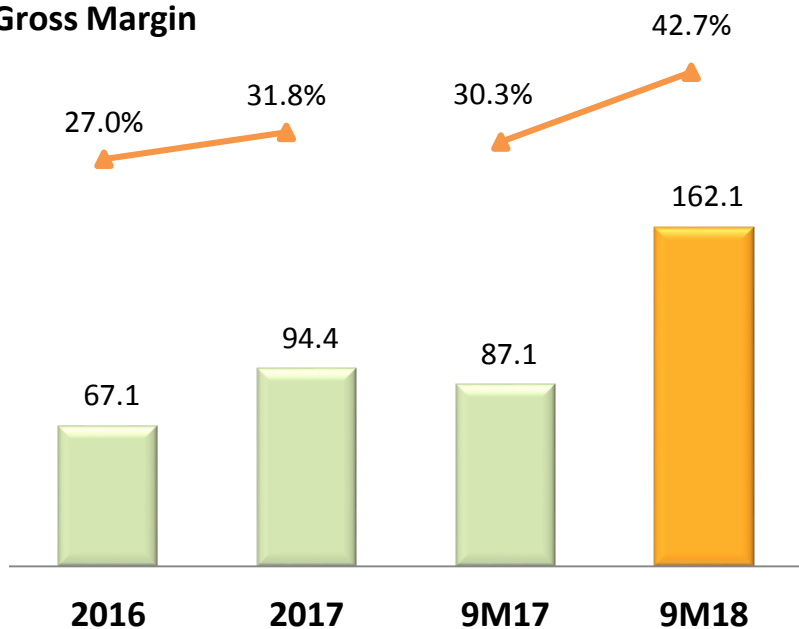


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Cement & Clinker

(HK\$ per ton)

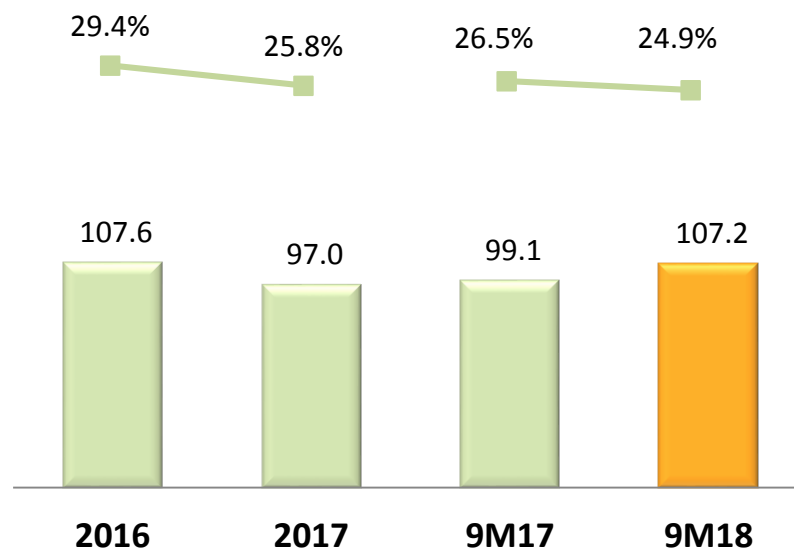
Gross Margin



Concrete

(HK\$ per m³)

Gross Margin



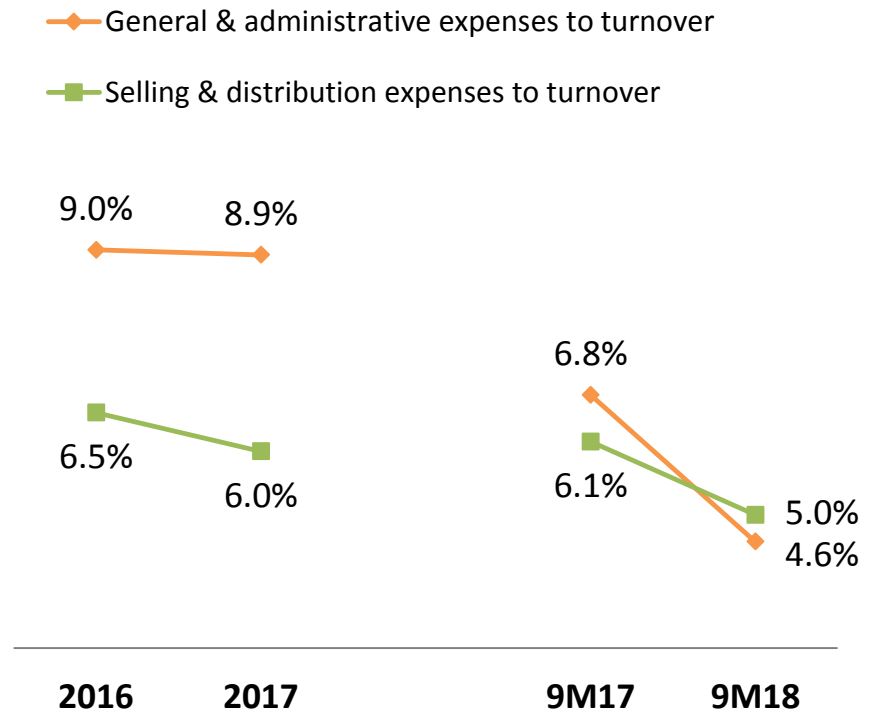
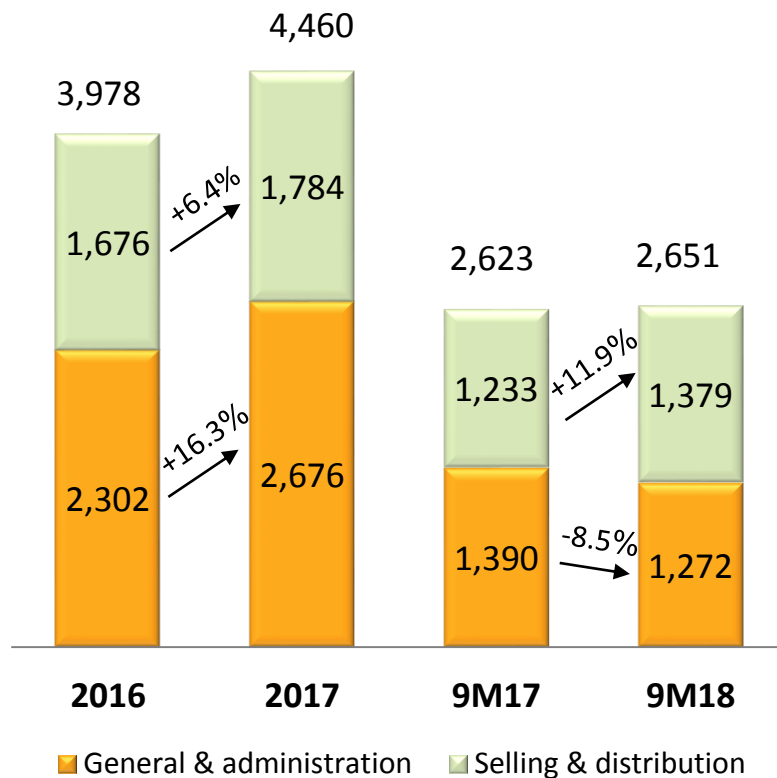
Selling, General & Administrative Expenses

(HK\$ million)



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Finance Costs & Exchange Gain (Loss)

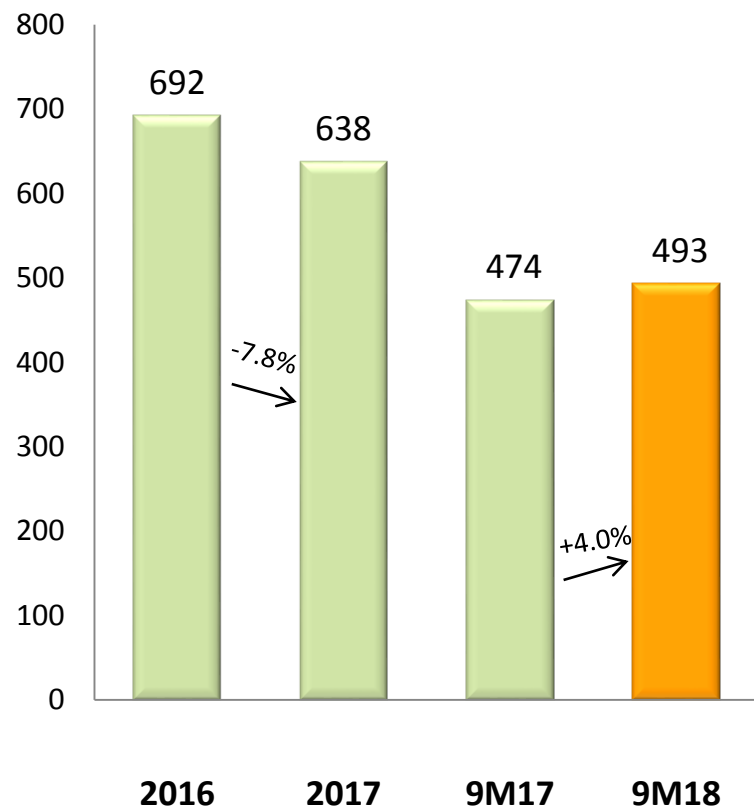


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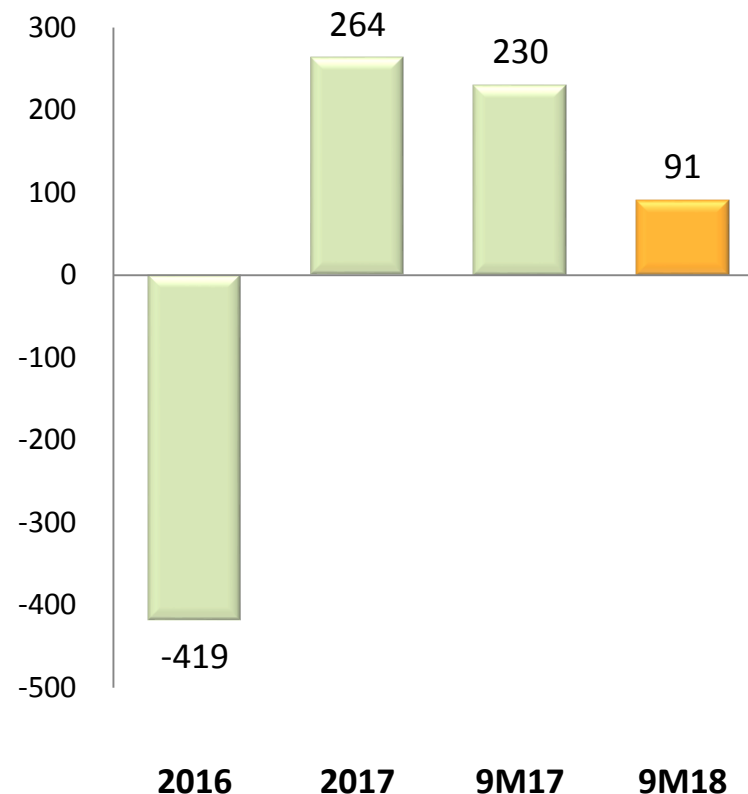
China Resources Cement Holdings Limited

(HK\$ million)

Finance costs



Exchange gain (loss)



Share of results of Associates & JVs

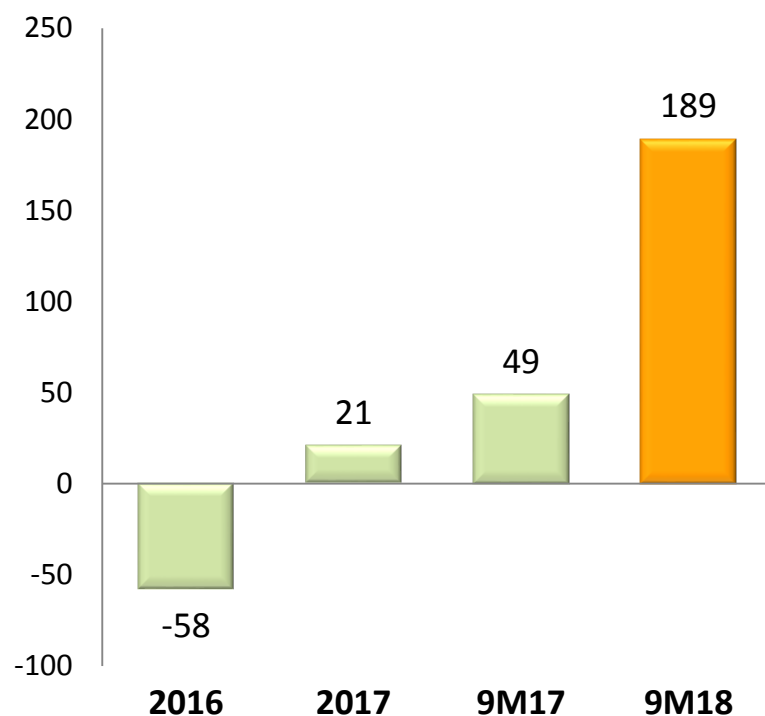
(HK\$ million)



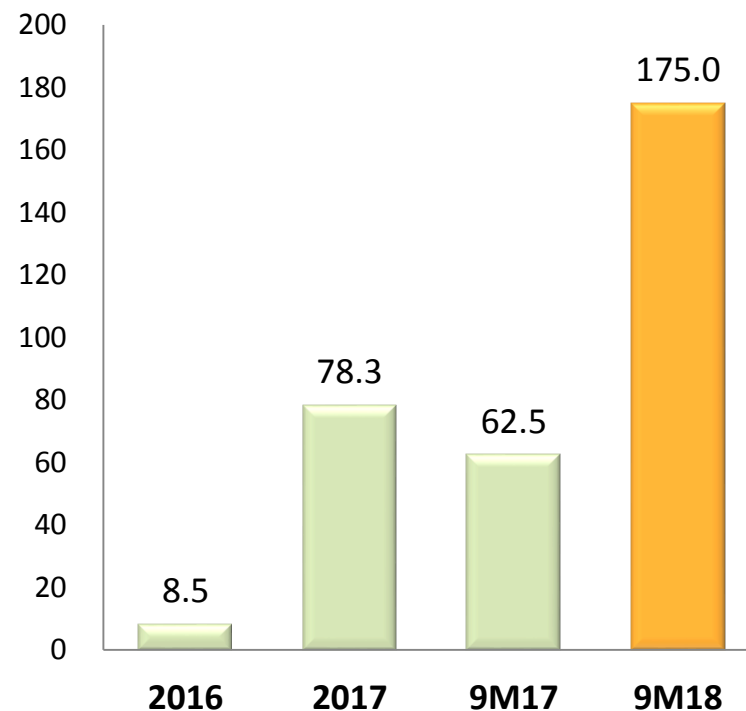
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Share of results of associates



Share of results of joint ventures



Notes:

1. Our Equity Stakes in Associates: 49.0% in Fujian Building Material (Holdings) Company Limited; 40.6% in Inner Mongolia Mengxi Cement Co., Ltd.; 50.0% in Yunnan Cement & Building Materials Group Co., Ltd.; 49% in DongGuan RunYang United Intelligent Manufacturing Company Limited in Dongguan, Guangdong.
2. Our Joint Ventures are principally operating in Guangzhou.



	9M17	9M18	YoY
Taxation (HK\$ million)	880.2	2,610.0	+196.5%
Effective tax rate	27.8%	25.7%	-2.1 ppt

Note: Effective tax rate excludes the effects of the results of associates and joint ventures, the exchange gain, as well as the withholding tax in the Chinese Mainland for dividends and the deferred tax on the intended distribution profits from subsidiaries in the Chinese Mainland to a holding company in Hong Kong.

Financial Position



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(HK\$ million)	31 Dec 2017	30 Sep 2018	Change
Cash and bank balances	5,384.1	7,697.7	+43.0%
Total assets	56,526.6	58,943.0	+4.3%
Net borrowings	11,707.3	6,195.0	-47.1%
Net assets per share (HK\$)	4.64	5.11	+10.1%

Notes:

- 1. Net borrowings equal to total bank borrowings and unsecured medium term notes less cash and bank balances and pledged bank deposits.*
- 2. Net assets per share is calculated by dividing equity attributable to owners of the Company by the number of issued shares at the end of the period.*

Cash Flow



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(HK\$ million)	30 June 2017	30 June 2018	Change
Net cash generated from operating activities	1,256.8	2,771.7	+120.5%
Net cash (used in) generated from investing activities	(619.3)	74.4	-112.0%
Net cash generated from financing activities	390.5	1,685.5	+331.6%
Net increase in cash and cash equivalents for the period	1,028.0	4,531.6	+340.8%
Cash and cash equivalent at end of the period	4,302.3	9,704.7	+125.6%

- Total payment for capital expenditure of the Group in 1H18 was HK\$733.7 million.
- Expected capital expenditures are approximately HK\$854.3 million and HK\$1,423.1million in 2H18 and 2019 respectively.

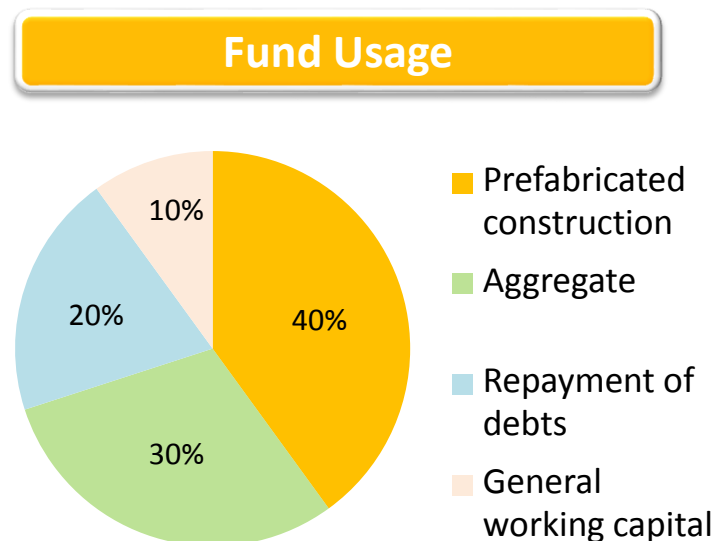
Share Placement



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- On 11 June 2018, the Company entered into the placing, underwriting and subscription agreement with CRH (Cement) Limited, CICC and Goldman Sachs pursuant to which CRH (Cement) Limited completed the placing of **450 million Shares** at a price of **HK\$9.30 per Share**.
- Net proceeds of approximately **HK\$4.18 billion** is for the development of prefabricated construction and aggregate businesses, the repayment of debts and as general working capital of the Group.



	Before Placing		After Placing & Subscription	
Shareholders	No. of Shares (million)	%	No. of Shares (million)	%
CRH (Cement) Limited	4,798	73.45	4,798	68.72
Placees	NA	NA	450	6.44
Directors	1.3	0.02	1.3	0.02
BOCI-Prudential Trustee Limited*	35.2	0.54	35.2	0.50
Other public Shareholders	1,698	25.99	1,698	24.32
Total	6,533	100	6,983	100

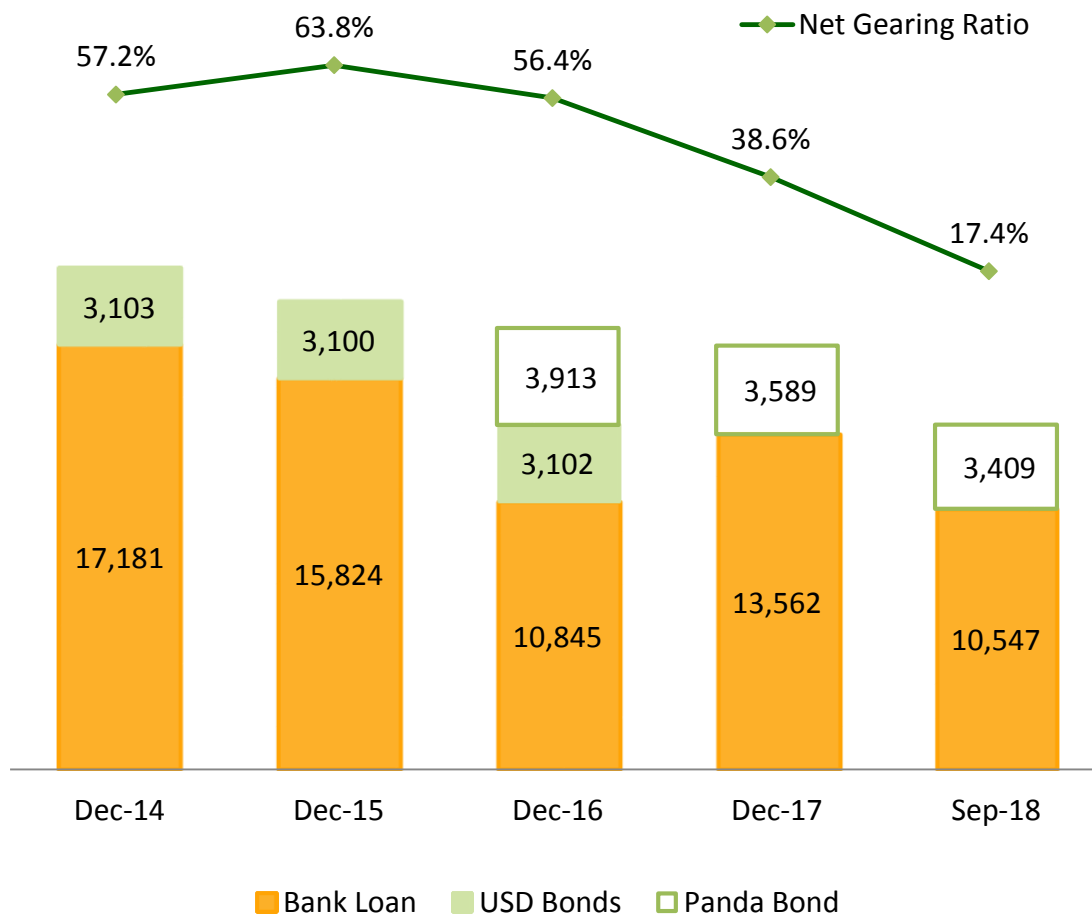
*Note: Such Shares are held by BOCI-Prudential Trustee Limited as the trustee of a trust set up pursuant to the Scheme.

Debt Structure

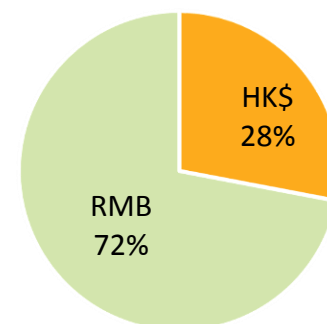
(HK\$ million)



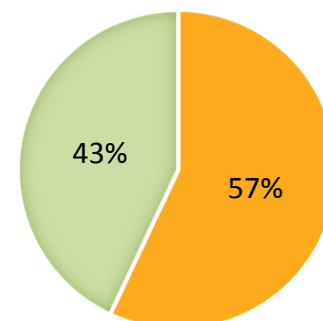
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China Resources Cement Holdings Limited



Currency (30 June 2018)



Duration (30 September 2018)



Due within 1 year (Light Green), Due after 1 year (Orange)

Notes:

1. Net gearing ratio is calculated by dividing net borrowings by equity attributable to owners of the Company.
2. Panda bond encompasses commercial paper and medium term notes. The commercial paper was fully repaid in Sep 2017 and the medium term notes will expire in Sep 2021.



Operational Review



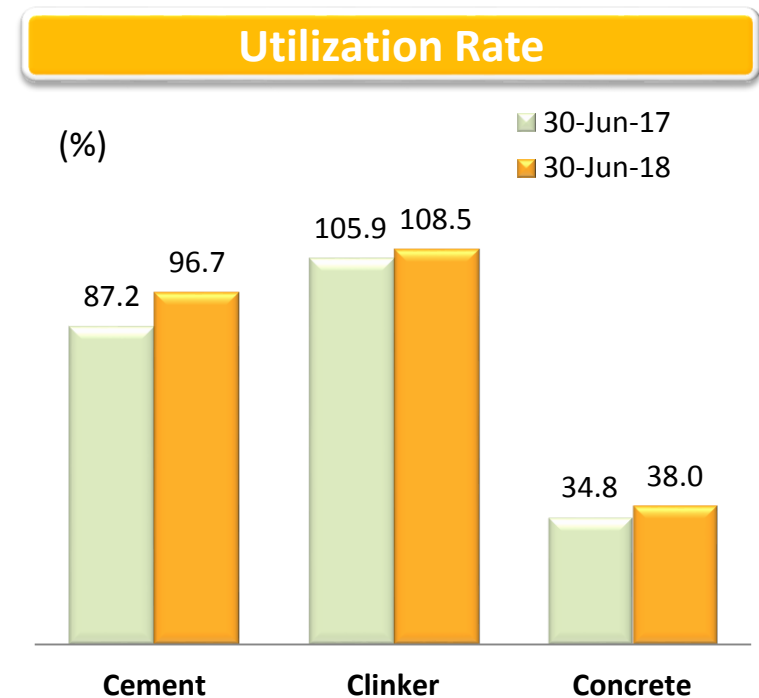
Production Capacity



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China Resources Cement Holdings Limited

- As at 30 Sep 2018, the Group had 95 cement grinding lines and 45 clinker production lines in operation, with annual production capacity of **83.3** million tons of cement and **61.3** million tons of clinker respectively. It also owned 62 concrete batching plants with annual production capacity of **37.7** million m³ of concrete.
- The respective annual production capacities attributable to the Company according to equity interests in associates and joint ventures were **19.4** million tons of cement, **11.9** million tons of clinker and **4.4** million m³ of concrete.



Energy Consumption

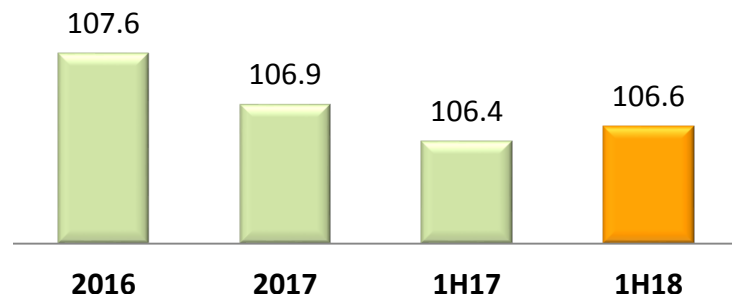


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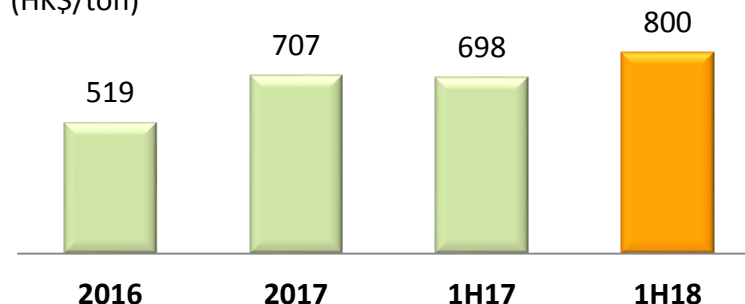
Standard Coal Consumption

(kg/ton of clinker)



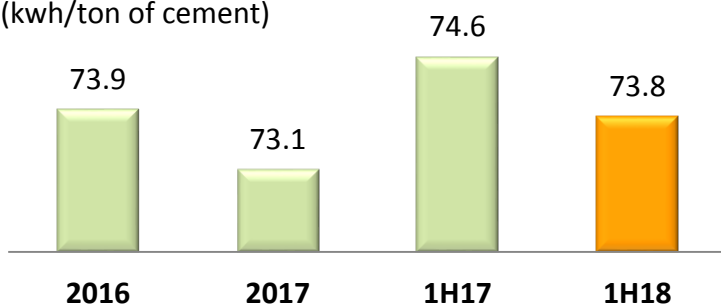
Average Coal Purchase Price

(HK\$/ton)



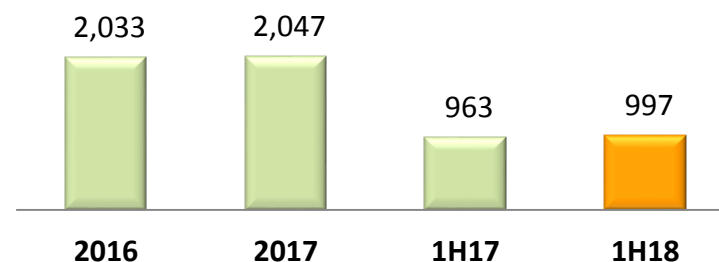
Electricity Consumption

(kwh/ton of cement)



Residual Heat Electricity Generated

(million kwh)



➤ **Coal cost:** Average coal cost per ton of clinker increased by 15.5% to HK\$118.0

➤ **Electricity cost:**

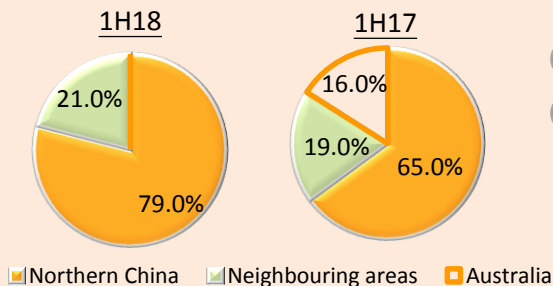
- The reduced electricity consumption resulted in a cost saving of approximately HK\$19.8 million
- Residual heat recovery generators - **31.7%** of required electricity consumption, representing a cost saving of approx. **HK\$512.4 million**
- Direct power supply agreements and price bidding arrangements – **59.9%** of the total electricity consumption for the production of cement products, representing a cost saving of **HK\$100.3 million**



Procurement Management

Coal Procurement

- The Group purchased **5.22 million tons** of coal, +7.8% YoY in 1H18
- The proportion of direct procurement from coal producers: **84%**
- Strengthen co-operation with large-scale domestic coal suppliers and maintain procurement channels of imported coal to secure supply of high-quality coal
- **SRM system** & “Sunshine Procurement”



Operational Management

Internal benchmark management

- Enhance operational efficiency

Lean management

- Completion of technological advancement, upgrade and reform of **104** cement bagging machines
- Control water inrush into the limestone mine of the cement production plant in **Pingnan** caused by cave mining
- The ceramic ball technology at the production plants in **Guigang** and **Jinjiang** to reduce power consumption



Logistics Management

To Reduce impact of rising logistics costs

- Actively organized logistics research and tenders and optimized the layout of silo terminals
- Promoted innovative ways such as the mode of delivery by self-unloading ships along rivers

Shipping and silo capacity

- Annual shipping capacity along Xijiang River: **33.4 million tons**
- **41** silo terminals with annual capacity of approximately **28.4 million tons**

IT system

- “**Smart Card**” system & **Mobile Apps**



Production Safety

Production safety standardization

- The Group has **217** specialized safety management personnel, including **58** registered safety engineers
- First-Class Enterprise in National Production Safety Standardization: **25** cement production plants

Safety management

- EHS accountability assessment system
- Inspections on mines, production plants and management of counterparties

Safety training

- Staff and counterparties
- Emergency drills, EHS Knowledge Competitions, video learning



Environmental Protection

Energy saving & emission reduction

- All clinker production lines equipped with residual heat recovery generators, denitration systems and bag filters.
- Emission levels of **NO_x**, **SO₂** and **particulate matters** are lower than the national standard limits of pollutant emissions
- Effective use of resources such as **industrial waste & waste limestone**
- The Company was awarded the “EcoChallenger” of “BOCHK Corporate Environmental Leadership Awards 2017” by the Federation of Hong Kong Industries



Innovation

R&D Capability

- The laboratory of the Group's Research and Development Centre: 42 specialized employees, including **33** R&D personnel; The Group held **122** patent licenses, including **16** inventions and **106** utility models.
- Systematic checks, tests and diagnosis on the quality of production workmanship for production plants to further **reducing energy consumption** at production and **improving product quality**.

Co-Processing Projects



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- CR Cement has always been fulfilling corporate social responsibility and supporting the national policies of energy saving and emission reduction.
- We actively launch projects of co-processing **municipal waste, urban sludge and hazardous waste** by use of cement kilns, in order to stimulate the sustainable development of corporate and society.

Project	Type	Daily Processing Capacity	
Binyang, Guangxi	Municipal waste	300 tons	In operation
Nanning, Guangxi	Urban sludge	300 tons	In operation
Guangzhou, Guangdong*	Urban sludge	300 tons	In operation
Changjiang, Hainan	Hazardous waste	Annual: 30,000 tons	Trial operation
Tianyang, Guangxi	Municipal waste	500 tons	Trial operation
Midu, Yunnan	Municipal waste	300 tons	Trial operation
Fengqing, Yunnan*	Municipal waste	300 tons	Trial operation

**Note: These projects are located in the cement production plants of our associates and joint ventures.*



The municipal waste co-processing project in Binyang, Guangxi

Prefabricated Construction



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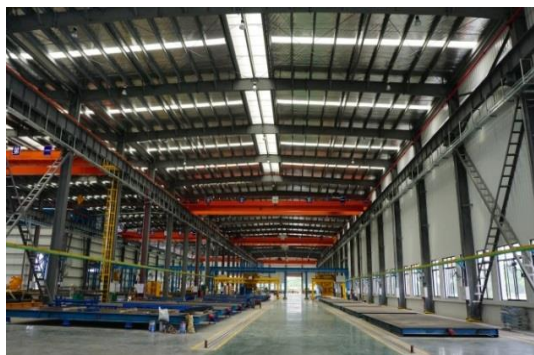
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- Chinese government aimed at increasing the proportion of prefabricated buildings to newly constructed buildings in China to over 15% by 2020, with the major regions*
 - ✓ 20% in Pearl River Delta, Yangtze River Delta, Beijing-Tianjin-Hebei
 - ✓ Shenzhen: 30% / Nanning: 20%
- The Group regards prefabricated construction business as one of the major businesses to be developed in future.
 - ✓ The production plant of a joint venture in **Dongguan**, Guangdong, which is held as to 49% by the Group, commenced operation in May 2018 (Design annual production capacity: 40,000 m³)
 - ✓ Two production plants in **Nanning**, Guangxi and **Zhanjiang**, Guangdong are expected to commence construction in 1H19 (Design annual production capacity of 400,000m³ respectively)

*Source:

- “13th Five-Year Action Plan for Prefabricated Construction” issued by the Ministry of Housing and Urban-Rural Development of China
- Plan for Prefabricated Construction Development issued by Shenzhen and Nanning government

Precast Concrete Production Plant



Precast Concrete Production Plant
in Dongguan, Guangdong

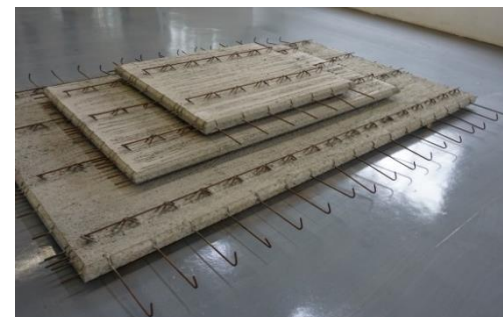
Precast Concrete Product



Stairs



Window



Composite concrete slab



Outlook & Prospects



Macroeconomic Outlook



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2018

2018 is the critical year in transition between the first and second halves of the “13th Five-Year” Plan in China. The Chinese government will promote development of high quality and intensify **supply-side structural reform**.

The government is determined in winning the “**Top Three Tough Battles**”, namely, prevention and resolution to substantial risks, targeted poverty alleviation and the **Blue Sky Defense Battle** for pollution prevention, thus fostering a stable and healthy economic development.

According to the Report on the Work of the Chinese government, the targeted GDP growth in 2018 is approximately **6.5%**.

Demand Drivers



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➤ Transportation Investments:

- **2018** - Railway: RMB732.0 billion; Highways & waterways: RMB1.8 trillion
- **RMB15 trillion** in 13th Five-Year period, **+20%** vs 12th Five-Year Plan
 - ✓ Railways: RMB3.5 trillion
 - ✓ Highways: RMB7.8 trillion
 - ✓ Waterways: RMB0.5 trillion

Source: The Report on the Work, The Ministry of Transport of China



- The Chinese government carries out more severe measures to suppress housing price hike, which has had certain impact on the real estate market.
- **Long-term stable and healthy development of the property market**
 - Support the demand for owner-occupiers' dwellings
 - Cultivate the residential property tenancy market
 - Increase the protection from public rental housing



➤ Rural Revitalization Strategy:

- Improve infrastructure such as water supply, power and information.
- The government plans to build and renovate 200,000 km of rural roads in 2018. By 2020, impoverished regions will be basically connected to the main national highways, and county seats with the necessary conditions will be connected to roads of Grade II or above.
- As of end 2017, the urbanization rate reached 58.5%. By 2020, the urbanization rate aims to reach **60%**.






Greater Bay Area



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CR Cement's Production Facilities

-  Cement grinding lines and clinker production lines
-  Cement grinding lines and clinker production lines owned by joint ventures
-  Cement grinding lines
-  Concrete batching plants
-  Concrete batching plants owned by joint ventures



Scheme on Further Intensifying Reform and Opening-up in the China (Guangdong) Pilot Free Trade Zone

Comprehensive Development Plan for Coastal Economic Belt in Guangdong Province (2017-2030) ~ Investment approx. of **RMB3.5 trillion**

Raise the competitiveness of the Pan Pearl River Delta Region

- Radiate to the neighboring provinces such as **Guangxi** and **Hainan**
- Drive the regional demand for construction materials in the medium-long term

Strategies and Prospects

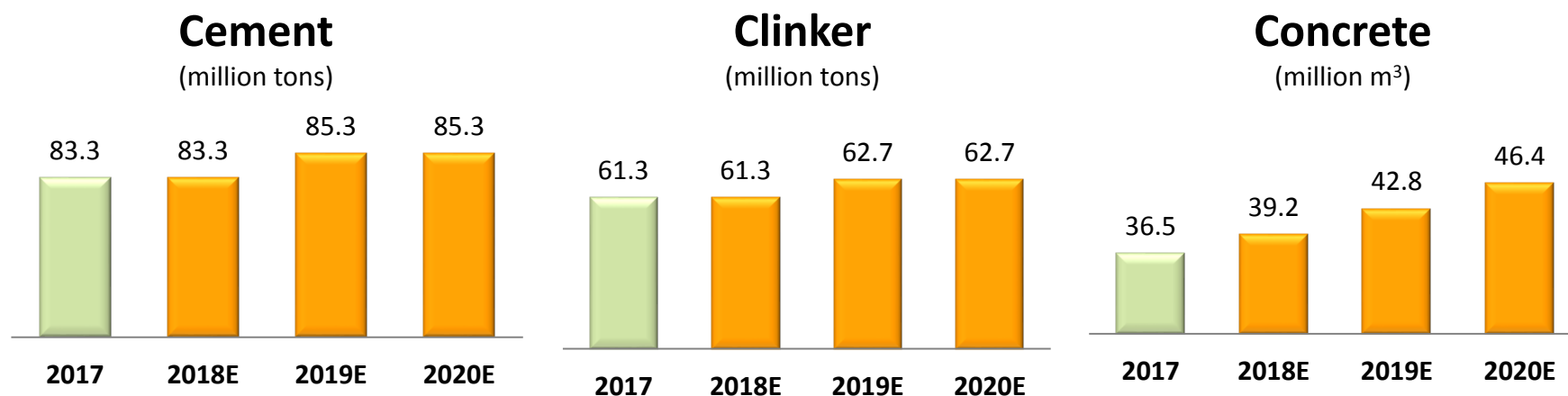


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- During the “Thirteenth Five-Year” period, the Group will continue to strive for the **lowest total cost** with a **leading market position**.
- The Group will proactively fulfil corporate social responsibility and promote **waste co-processing projects** by use of cement kilns. In addition, the Group will strengthen **brand building** and enhance the capability in **R&D** of products, technologies and materials in order to drive for further development with **innovation** and create competitive advantage by differentiation.
- The Group will actively promote environmental transformation, explore opportunities of **upstream and downstream expansion** in the industry, seek strategic co-operation with domestic and international leading cement enterprises for joint promotion of the sustainable development of the cement industry in China.

Capacity Expansion by Organic Growth



Note: Excluding the capacity held through equity interest in associates and joint ventures



Appendix





Our vision

To become a respected world-class cement company

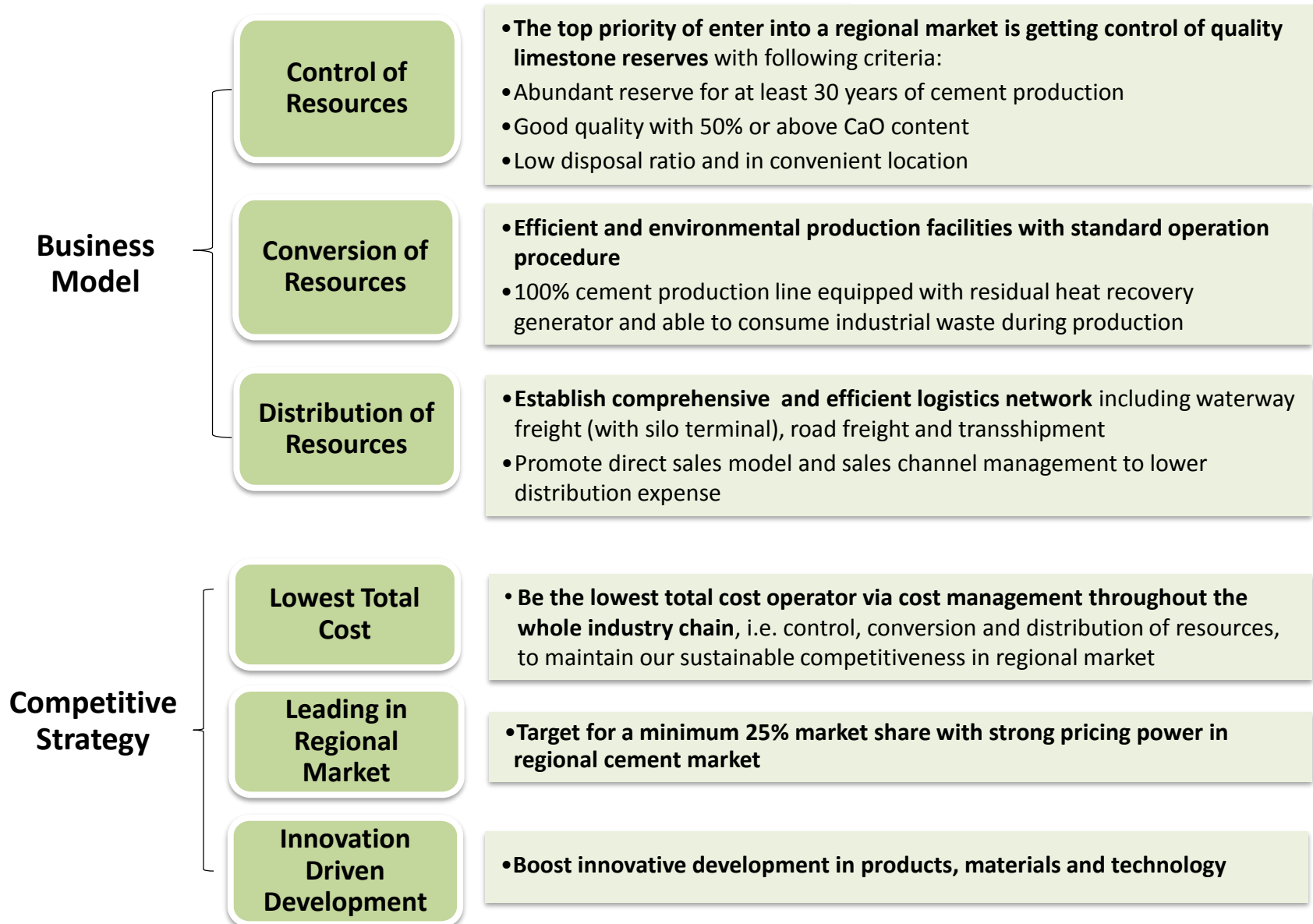


CR Cement Development Strategy



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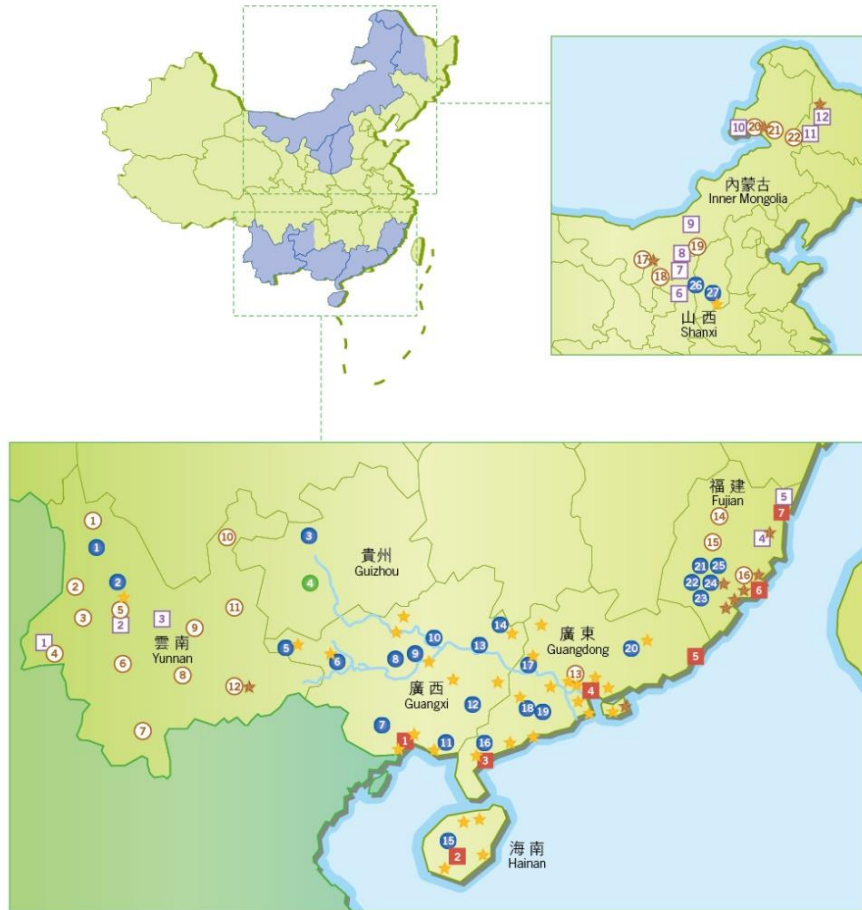
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Production Capacity Map



華潤水泥控股有限公司
China Resources Cement Holdings Limited



運營中設有水泥粉磨線及熟料生產線的生產基地

The production plants with cement grinding lines and clinker production lines in operation

- | | | | |
|----------------|------------------|-----------------|-----------------|
| 1 鶴慶 Heqing | 2 彌渡 Midu | 3 金沙 Jinsha | 5 田陽 Tianyang |
| 6 南寧 Nanning | 7 上思 Shangsi | 8 賓陽 Binyang | 9 貴港 Guigang |
| 10 武宣 Wuxuan | 11 合浦 Hepu | 12 陸川 Luchuan | 13 平南 Pingnan |
| 14 富川 Fuchuan | 15 昌江 Changjiang | 16 廉江 Lianjiang | 17 封開 Fengkai |
| 18 陽春 Yangchun | 19 惠州 Huizhou | 20 龍岩 Longyan | 21 曹溪 Caoxi |
| 22 羅定 Luoding | 23 永定 Yongding | 24 龍岩 Longyan | 25 漳平 Zhangping |
| 26 柳林 Liulin | 27 長治 Changzhi | | |



在建中設有水泥粉磨線及熟料生產線的生產基地

The production plants with cement grinding lines and clinker production lines under construction



安順 Anshun



運營中的水泥粉磨線

The cement grinding lines in operation

- | | | | |
|---------------------|-----------------|----------------|---------------|
| 1 防城港 Fangchenggang | 2 五指山 Wuzhishan | 3 湛江 Zhanjiang | 4 東莞 Dongguan |
| 5 汕頭 Shantou | 6 泉州 Quanzhou | 7 連江 Lianjiang | |



運營中的混凝土攪拌站

The concrete batching plants in operation



聯營公司及合營公司擁有運營中設有熟料生產線的生產基地

The production plants with clinker production lines in operation owned by associates and joint ventures

- | | | | |
|-----------------|-------------------|-------------------|----------------|
| 1 迪慶 Diqing | 2 怒江 Nujiang | 3 保山 Baoshan | 4 德宏 Dehong |
| 5 大理 Dali | 6 臨滄 Lincang | 7 普洱 Pu'er | 8 玉溪 Yuxi |
| 9 昆明 Kunming | 10 昭通 Zhaotong | 11 曲靖 Qujing | 12 紅河 Honghe |
| 13 廣州 Guangzhou | 14 順昌 shunchang | 15 永安 Yong'an | 16 德化 Dehua |
| 17 烏海 Wuhai | 18 棋盤井 Qipanjiang | 19 清水河 Qingshuihe | 20 海拉爾 Hailaer |
| 21 牙克石 Yakeshi | 22 阿榮旗 Arongqi | | |



聯營公司及合營公司擁有運營中的水泥粉磨線

The cement grinding lines in operation owned by associates and joint ventures

- | | | | |
|-----------------------|---------------------|-----------------|-----------------|
| 1 德宏梁河 Dehong Lianghe | 2 大理巍山 Dali Weishan | 3 楚雄 Chuxiong | 4 福州 Fuzhou |
| 5 寧德 Ningde | 6 榆林 Yulin | 7 雙嶺 Shuangling | 8 東勝 Dongsheng |
| 9 包頭 Baotou | 10 滿洲里 Manzhouli | 11 大慶 Daqing | 12 齊齊哈爾 Qiqihar |



聯營公司及合營公司擁有運營中的混凝土攪拌站

The concrete batching plants in operation owned by associates and joint ventures

Note: Please refer to 2018 interim report for details.

CR Cement's Production Capacity



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China Resources Cement Holdings Limited

Controlled by the Group

(As at 30 Sep 2018)

Province/AR/SAR	Cement		Clinker		Concrete	
	No. of lines	million tons	No. of lines	million tons	No. of plants	million m ³
Guangdong	24	22.5	10	14.4	25	15.7
Guangxi	37	33.2	18	26.5	25	15.2
Fujian	14	10.1	6	7.0	-	-
Hainan	5	4.4	3	3.3	5	3.0
Yunnan	7	5.1	4	3.9	1	0.6
Guizhou	2	2.0	1	1.6	-	-
Shanxi	6	6.0	3	4.6	1	0.6
Zhejiang	-	-	-	-	2	1.1
Hong Kong	-	-	-	-	3	1.5
Total	95	83.3	45	61.3	62	37.7

Controlled by associates and joint ventures

Province/AR/SAR	Cement		Clinker		Concrete	
	No. of lines	million tons	No. of lines	million tons	No. of plants	million m ³
Guangdong	8	4.8	2	3.7	-	-
Fujian	13	10.8	7	7.9	9	5.4
Yunnan	37	24.7	17	16.6	1	0.3
Inner Mongolia	22	17.8	6	8.5	5	1.5
Hong Kong	-	-	-	-	5	2.3
Total	80	58.1	32	36.7	20	9.5
Attributable	-	19.4	-	11.9	-	4.4

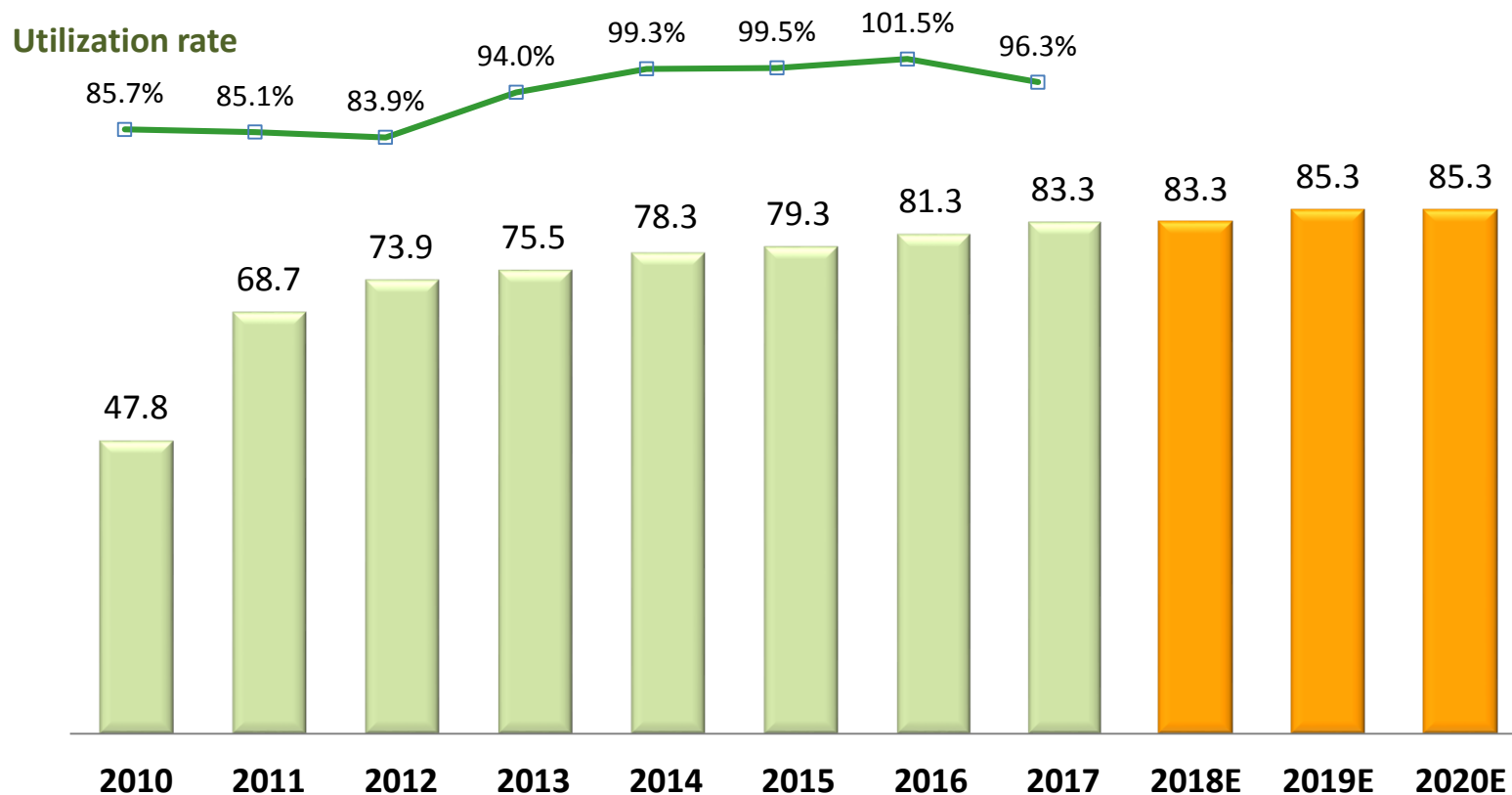
Cement Capacity

(million tons)



華潤水泥控股有限公司

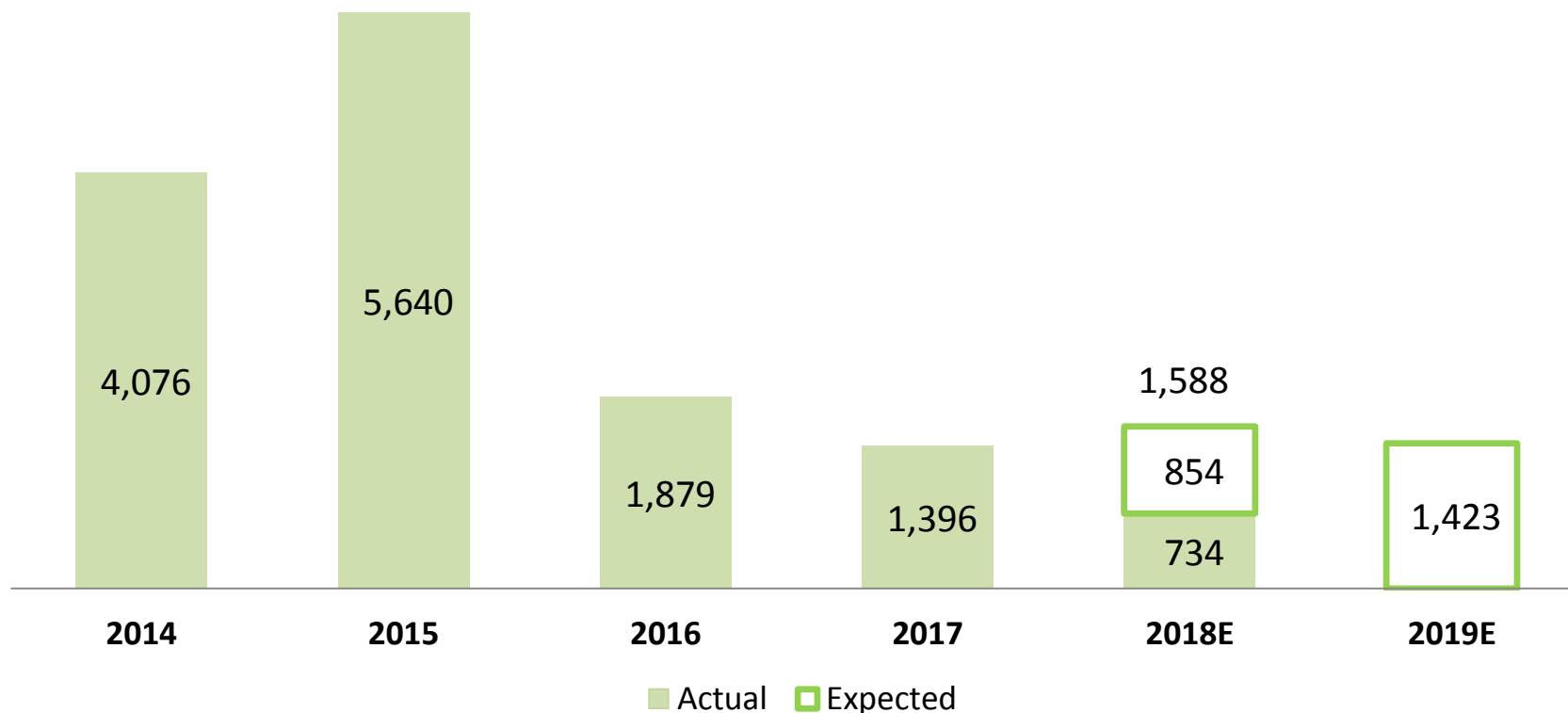
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Capital Expenditure

(HK\$ million)



Prefabricated construction business:

- Total payment for capital expenditure in 1H18 was HK\$50.6 million.
- Expected capital expenditures are approximately HK\$74.4 million and HK\$429.4 million in 2H18 and 2019 respectively.

Financial Summary



華潤水泥控股有限公司
China Resources Cement Holdings Limited

(HK\$ million)	2017	2016	2015	2014	2013	2012	2011
Turnover	29,958	25,648	26,779	32,669	29,341	25,345	23,240
EBITDA	7,433	4,882	3,838	8,285	6,698	5,236	6,634
Profit attributable to owners of the Company	3,617	1,326	1,015	4,206	3,338	2,324	4,179
Basic earnings per share (HK\$)	0.554	0.203	0.155	0.644	0.512	0.357	0.641
Total Assets	56,527	52,157	54,217	57,537	54,180	52,159	50,580
Equity attributable to owners of the Company	30,309	26,007	26,557	28,180	24,821	21,376	19,299
Net borrowings	11,707	14,668	16,945	16,113	17,618	18,642	17,626
Net assets per share (HK\$)	4.64	3.98	4.07	4.31	3.80	3.28	2.96

(HK\$ million)	2017	2016	2015	2014	2013	2012	2011
Net cash generated from operating activities	6,613	4,112	4,834	6,859	5,121	4,305	5,151
Net cash used in investing activities	(1,888)	(1,671)	(4,642)	(4,557)	(3,317)	(4,500)	(13,290)
Net cash (used in) generated from financing activities	(2,792)	(1,035)	(2,245)	(972)	(2,643)	20	7,571
Cash and cash equivalent at end of the year	5,384	3,159	1,938	4,148	2,822	3,562	3,738

Notes:

1. Net borrowings equal to total bank borrowings, unsecured bonds, commercial paper and medium term notes less cash and bank balances and pledged bank deposits.
2. Net assets per share is calculated by dividing equity attributable to owners of the Company by the number of issued shares at the end of the year.



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Important Shareholders' Dates

Events	Dates
2018 Annual Results Announcement	8 March 2019*
Publication of 2018 Annual Report	21 March 2019*

**Tentatively*



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