

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Asia Cement (China) Holdings Corporation, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## **Asia Cement (China) Holdings Corporation**

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

**(Stock Code: 743)**

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**
- (2) RE-ELECTION OF RETIRING DIRECTORS**
- (3) ADOPTION OF AMENDED AND RESTATED OPERATIONAL PROCEDURES FOR MAKING ADVANCES TO THIRD PARTIES**
- (4) ADOPTION OF AMENDED AND RESTATED OPERATIONAL PROCEDURES FOR THE PROVISION OF GUARANTEES BY WAY OF ENDORSEMENT AND**
- (5) NOTICE OF THE AGM**

A notice convening an annual general meeting of Asia Cement (China) Holdings Corporation to be held at Room 1 & 2, 10/F, United Conference Centre, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 22 May 2013 at 2:00 p.m. is set out on pages 15 to 19 of this circular.

A proxy form for use at the annual general meeting is enclosed with the notice of the annual general meeting. Whether or not you are able to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

17 April 2013

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## DEFINITIONS

*In this circular, unless the context requires otherwise, the following expressions have the following meanings:*

“AGM” or “2013 AGM”	the annual general meeting of the Company to be convened and held at Room 1 & 2, 10/F, United Conference Centre, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 22 May 2013 at 2:00 p.m.
“Articles”	the articles of association of the Company as amended from time to time
“Amended and Restated Advances Procedures”	the advance procedure in an amended and restated form, the adoption of which will be considered at the 2013 AGM
“Amended and Restated Endorsement Procedure”	the endorsement procedure in an amended and restated form, the adoption of which will be considered at the 2013 AGM
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Company”	Asia Cement (China) Holdings Corporation, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandates”	the Share Issue Mandate and the Share Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

## DEFINITIONS

“Latest Practicable Date”	10 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the main board of the Stock Exchange
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with the Shares with an aggregate nominal value not exceeding 20% of the share capital of the Company in issue as at the date of the passing of the relevant resolution granting such mandate
“Share Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of Shares of up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant resolution granting such mandate
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



**Asia Cement (China) Holdings Corporation**

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

**(Stock Code: 743)**

*Executive Directors:*

Mr. CHANG, Tsai-hsiung  
Dr. WU, Chung-lih  
Madam CHIANG SHAO, Ruey-huey  
Mr. CHANG, Chen-kuen  
Mr. LIN, Seng-chang

*Non-executive Director:*

Mr. HSU, Shu-tong (*Chairman*)

*Independent Non-executive Directors:*

Mr. LIU, Zhen-tao  
Mr. LEI, Qian-zhi  
Mr. TSIM, Tak-lung Dominic  
Dr. WONG, Ying-ho Kennedy

*Registered Office:*

Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal Place*

*of Business in the PRC:*

No. 6 Yadong Avenue  
Ma-Tou Town, Ruichang City  
Jiangxi Province, PRC

*Principal Place*

*of Business in Hong Kong:*

Portion of Unit B  
11th Floor  
Lippo Leighton Tower  
103 Leighton Road  
Causeway Bay  
Hong Kong

17 April 2013

*To the Shareholders*

Dear Sir or Madam,

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**  
**(2) RE-ELECTION OF RETIRING DIRECTORS**  
**(3) ADOPTION OF AMENDED AND RESTATED OPERATIONAL PROCEDURES FOR MAKING ADVANCES TO THIRD PARTIES**  
**(4) ADOPTION OF AMENDED AND RESTATED OPERATIONAL PROCEDURES FOR THE PROVISION OF GUARANTEES BY WAY OF ENDORSEMENT**  
**AND**  
**(5) NOTICE OF THE AGM**

## LETTER FROM THE BOARD

### INTRODUCTION

The purpose of this circular is to provide you with the relevant information in respect of (i) the Share Issue Mandate; (ii) the Share Repurchase Mandate; (iii) the re-election of the retiring Directors; (iv) the adoption of amendments to operational procedures for making advances to third parties; and (v) the adoption of amendments to operational procedures for the provision of guarantees by way of endorsement, and to seek your approval of the resolutions relating to these matters at the AGM.

### GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to allot, issue and deal with Shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,556,250,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 311,250,000 Shares, representing 20% of the issued share capital of the Company.

The Share Issue Mandate will end on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required pursuant to the Articles or any applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

Subject to the passing of the following ordinary resolution regarding the Share Repurchase Mandate, an ordinary resolution will also be proposed at the AGM to authorise the Directors to issue new Shares in an amount not exceeding the aggregate nominal amount of the Shares repurchased pursuant to the Share Repurchase Mandate.

### GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to repurchase issued Shares subject to the criteria set forth in this circular. In particular, Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the Share Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution subject to the Listing Rules. The Share Repurchase Mandate will end on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required pursuant to the Articles or any applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in the general meeting. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,556,250,000 Shares. Assuming that

## LETTER FROM THE BOARD

there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate on the date of passing the resolution approving the Share Repurchase Mandate will be 155,625,000 Shares, representing 10% of the issue share capital of the Company.

An explanatory statement, as required under the Listing Rules to provide the requisite information in connection with the Share Repurchase Mandate, is set forth in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

Mr. CHANG, Tsai-hsiung, Mr. LIN, Seng-chang, Mr. LIU, Zhen-tao and Mr. LEI, Qian-zhi shall retire pursuant to Article 87(1) of the Articles. All retiring directors, being eligible, will offer themselves for re-election at the forthcoming AGM. Details of the retiring Directors who are proposed to be re-elected at the AGM are set forth in Appendix II to this circular.

### ADOPTION OF AMENDED AND RESTATED SEVERAL OPERATIONAL PROCEDURES PURSUANT TO THE TAIWAN SECURITIES AND EXCHANGE ACT

The Company is a subsidiary of Asia Cement Corporation which is listed on the Taiwan Stock Exchange Corporation. According to the relevant rules and regulations under the Taiwan Securities and Exchange Act, the Company is required to adopt amendments to several operational procedures at a Shareholders' general meeting for (i) making advances to third parties, and (ii) the provision of guarantees by way of endorsement. These amended operational procedures will be effective on the date of its adoption by the Shareholders at the AGM if so approved. The following is a summary of the key provisions of each of these procedures.

#### (A) Amended Advances Procedures

Reference is made to the circular dated 18 April 2012, the Operational Procedures for Making Advances to Third Parties (the "Advances Procedures"), which aim at strengthening the management of loans and reducing the operational risks of the Company. Pursuant to the Advances Procedures, the Company should comply with the following requirements when making any advances to companies which conduct transactions with the Company:

- (1) The advances made shall be repayable within one year and such date of repayment should be agreed in advance;
- (2) The maximum amount of advances made must not exceed 50% of the net asset value as reported in the latest financial statement of the Company as audited or reviewed by its auditor; and

## LETTER FROM THE BOARD

- (3) The interest rate charged on such advances should be calculated based on either the fixed or the floating rate, and the finance department of the Company should seek approval from the chief executive officer of the Company before making any adjustment to the interest rate.

Pursuant to the Advances Procedures, the Company must conduct necessary financial due diligence enquiries on the following issues before making advances:

- (1) The necessity and reasonableness of such advance;
- (2) The credibility and the risk profile of the borrower;
- (3) The impact of such advance on the Company's business operations, financial position and the interest of the Shareholders; and
- (4) Whether any security, pledge or collateral to secure such advance and appraisal of the value thereof must be obtained.

Under the Amended and Restated Advances Procedures, the major amendments from the Advances Procedures are that: (i) the cumulative balance of the Company's short-term financing cannot exceed 40% of the net worth of the parent company; (ii) the inter-company loans between foreign companies in which the public company holds, directly or indirectly, 100% of the voting shares will subject to the borrower's financial condition and the loan cannot be more than 3 years; and (iii) the wordings of certain procedure are to be amended to reflect the latest applicable rules and accounting standards.

### **(B) Amended and Restated Guarantee Provisional Procedures**

Reference is made to the circular dated 18 April 2012, the Operational Procedures for the Provision of Guarantees by way of Endorsement (the "Guarantee Provision Procedures") are aimed at strengthening the management of guarantees provided by the Company. Under the Guarantee Provision Procedures, the Company may provide guarantees by way of endorsement to the following parties:

- (1) A company which conducts business with the Group.
- (2) A company in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3) A corporate shareholder that directly and indirectly holds more than 50% percent of the voting Shares.



## LETTER FROM THE BOARD

- (4) For a publicly listed company which holds, directly or indirectly, 90% or more of the voting Shares, the amount of guarantee provided by way of endorsement may not exceed 10% of the net asset value of its parent company. Such guarantees are subject to board approval by the parent company of the publicly listed company.

The total maximum amount of guarantee which can be provided by the Group is limited to the net asset value of the Company at the relevant time, and the maximum amount of guarantee which can be provided to a single corporate entity is limited to 50% of the net asset value of the Company at the relevant time. Pursuant to the Guarantee Provision Procedures, the Company must conduct necessary financial due diligence enquiries on the following issues before providing any guarantee by way of endorsements:

- (1) The necessity and reasonableness of guarantee by way of endorsement;
- (2) credit status and risk assessment of the entity for which the guarantee is made;
- (3) the impact on the Company's business operations, financial position and the interests of the Shareholders; and
- (4) whether collateral and appraisal of the value thereof must be obtained.

Under the Amended and Restated Guarantee Provision Procedures, the major amendment from the Guarantee Provision Procedures is to amend wordings of certain procedure to reflect the latest applicable rules and accounting standards.

Ordinary resolutions will be proposed at the AGM to approve and adopt the Amended and Restated Advance Procedure and the Amended and Restated Guarantee Provision Procedures. The Board considers that the Amended and Restated Advance Procedure and the Amended and Restated Guarantee Provision Procedures will help strengthening internal control. Therefore, they are in the interest of the Group and the Shareholders as a whole.

### **AGM**

Set forth on pages 15 to 19 of this circular is a notice convening the AGM at which, among other things, resolutions will be proposed to approve the Share Issue Mandate, the Share Repurchase Mandate, the re-election of the retiring Directors and the adoption of operational procedures for making advances to third parties, providing guarantees by way of endorsement and the acquisition and disposal of assets.

### **VOTING BY POLL**

The forthcoming AGM will be held by voting of shareholders pursuant to Rule 13.39(4) of the Listing Rules.

## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors consider that (i) the granting of the General Mandates and the Repurchase Mandate; (ii) the re-election of Directors, (iii) the adoption of the Amended and Restated Advances Procedures; and (iv) the adoption of the Amended and Restated Guarantee Provision Procedures are in the best interests of the Company, the Group and the Shareholders as a whole, and would recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and beliefs the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
For and on behalf of the Board  
**HSU, Shu-tong**  
*Chairman*

*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Share Repurchase Mandate for your consideration.*

## **1. LISTING RULES RELATING TO THE REPURCHASE MANDATE**

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their securities subject to certain restrictions.

All proposed repurchases of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up. A maximum of 10% of the issued capital as to the date of passing the relevant resolution may be repurchased on the Stock Exchange.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were 1,556,250,000 Shares in issue. Subject to the passing of the resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 155,625,000 Shares representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

## **3. REASONS FOR REPURCHASES**

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **4. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws and regulations of the Cayman Islands.

It is presently proposed that any repurchase of the Shares would be made out of profits of the Company or the proceeds of a fresh issue made for the repurchase or out of capital provided that on the day immediately following the date of repurchase the Company is able to pay its debts as they fall due in the ordinary course of business.

## **5. IMPACT OF REPURCHASES**

On the basis of the financial position of the Company as at 31 December 2012 (being the date of its latest audited accounts), the Directors consider that there is no material adverse impact on the working capital or gearing position of the Company if the Share Repurchase Mandate is exercised in full during the proposed repurchase period.

However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in its most recent published audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

## 6. GENERAL INFORMATION

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or any of its subsidiaries, if the Share Repurchase Mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have any present intention to sell any Shares to the Company, or have undertaken not to do so, if the Share Repurchase Mandate is approved by the Shareholders.

## 7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the Share Repurchase Mandate in accordance with the Listing Rules, the Articles and the applicable laws of the Cayman Islands.

## 8. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Share Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Asia Cement Corporation ("Asia Cement") held 1,136,074,000 shares, representing approximately 73% of the issued shares.

If the Directors exercise in full the power to repurchase Shares pursuant to the Share Repurchase Mandate and assuming there will be no change in the issued share capital of the Company or alterations to the existing shareholding of Asia Cement, the shareholding of Asia Cement will be increased to approximately 81.11% of the issued share capital of the Company. The Directors believe that such an increase of shareholding will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Directors do not have any present intention to exercise the Share Repurchase Mandate to the extent that the number of Shares held by the public would be reduced to less than 25% of the Shares in issue, or to the extent that would result in an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. Based on the information known to date, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Share Repurchase Mandate.

#### 9. SHARE REPURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company during the period from 25 May 2012 (date of last annual general meeting) to the Latest Practicable Date.

#### 10. SHARE PRICES

The highest and lowest prices at which Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2012</b>		
March	4.36	3.81
April	4.13	3.70
May	3.93	3.03
June	3.53	3.13
July	3.46	3.00
August	3.27	2.85
September	3.34	2.88
October	3.52	3.20
November	3.45	3.15
December	3.92	3.26
<b>2013</b>		
January	4.03	3.76
February	4.32	3.96
March	4.25	3.66
April (up to the Latest Practicable Date)	4.20	3.70

Details of the retiring directors proposed to be re-elected at the AGM are set out as follows:

**Mr. CHANG, Tsai-hsiung (張才雄)**, aged 89, is an executive Director and the vice chairman of the Group. Mr. CHANG's primary responsibilities include formulating and implementing the overall business strategies as well as planning and overseeing the entire operation of the Group in the PRC. Mr. CHANG is also an executive director of Asia Cement Corporation, a company listed in Taiwan. Mr. CHANG joined Asia Cement Group in 1963 and joined the Group in October 1997. Mr. CHANG has more than 40 years of experience in the cement industry in both Taiwan and the PRC. Mr. CHANG is not related to any Directors, senior management, substantial or controlling Shareholders of the Company. Mr. CHANG also holds directorships in certain wholly owned subsidiaries of the Company. Save as disclosed herein, Mr. CHANG did not hold any office of directorships in other listed public companies in the last three years other than the Company.

Mr. CHANG entered into a service contract with the Company for a term of three years commencing on 27 April 2011 which may be terminated by either party upon three months' prior written notice. Under the service contract, Mr. CHANG's emoluments recorded in 2012 include directors' fees, salaries and other benefits of approximately RMB697,000, with reference to his experience and qualification.

On 27 April 2008, Mr. CHANG had accepted a share option to subscribe for 1,500,000 Shares subject to certain vesting conditions, representing approximately 0.1% of the issued shares of the Company, pursuant to the Company's pre-IPO share option scheme adopted on 27 April 2008. He was interested in these Shares within the meaning of Part XV of the SFO. As at the Latest Practicable Date, Mr. CHANG has not exercised the share option. Mr. CHANG is interested in long position of 120,000 Shares of the Company. Save as aforementioned, Mr. CHANG was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Save for the information disclosed above, the Board and Mr. CHANG have indicated that there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.

**Mr. LIN, Seng-chang (林昇章)**, aged 69 is an executive Director, the deputy chief executive officer and the chief marketing officer of the Group. Mr. LIN is primarily responsible for formulating and implementing the sales and marketing strategies of the Group as well as overseeing its sales and marketing activities. Mr. LIN has more than 40 years of experience of sales and management in the cement industry. Mr. LIN joined Asia Cement Group in 1962 and joined the Group in October 1999. Mr. LIN graduated from National Taipei College of Business in October 1962. Mr. LIN is not related to any Directors, senior management, substantial or controlling Shareholders of the Company. Mr. LIN also holds directorships in certain wholly owned subsidiaries of the Company. Save as disclosed herein, Mr. LIN did not hold any office of directorships in other listed public companies in the last three years other than the Company.

Mr. LIN entered into a service contract with the Company for a term of three years commencing on 27 April 2011 which may be terminated by either party upon three months' prior written notice. Under the service contract, Mr. LIN's emoluments recorded in 2012 include directors' fees, salaries and other benefits of approximately RMB1,309,000, with reference to his experience and qualification.

On 27 April 2008, Mr. LIN had accepted a share option to subscribe for 400,000 Shares subject to certain vesting conditions, representing approximately 0.03% of the issued shares of the Company, pursuant to the Company's pre-IPO share option scheme adopted on 27 April 2008. He was interested in these Shares within the meaning of Part XV of the SFO. As at the Latest Practicable Date, Mr. LIN has not exercised the share option. Save as aforementioned, Mr. LIN was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Save for the information disclosed above, the Board and Mr. LIN have indicated that there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.

**Mr. LIU, Zhen-tao (劉震濤)**, aged 75, has served as an independent non-executive Director of the Company since April 2008. Mr. LIU is a director of the Institute of Taiwan Studies of the Tsinghua University in the PRC, a council member of Taiwan Affairs Office of the State Council of the PRC, and a leader of an advisory expert group for cross-strait industrial cooperation by Department of Utilisation of Foreign Investment and Overseas Investment of National Development and Reform Commission of China and Economic Services Bureau of Taiwan Affairs Office of the State Council of China. Mr. LIU has over 25 years experience of teaching and research while serving as the deputy director of the Automatisation Department and the Technology Development of the Tsinghua University from September 1960 to June 1986. He then served as the deputy secretary of the Foreign Loans Bureau and the Department of Foreign Capital Utilization of the former State Planning Commission, currently known as the NDRC, from June 1986 to April 1989, and as the secretary of the Economy Bureau of the State Council's Taiwan Affairs Office and the head of the Taiwan Affairs Office of the State Planning Commission from April 1989 to April 1998. From October 1998 to October 2003, Mr. LIU was the vice president of the Association for Relations across the Taiwan Strait. Mr. LIU was the vice-president of the China Industrial Overseas Development & Planning Association from October 2003 to October 2012. Mr. LIU graduated from the power mechanical engineering department of the Tsinghua University, China in July 1960. He was appointed as an independent non-executive Director on 27 April 2008. Mr. LIU is not related to any Directors, senior management, substantial or controlling Shareholders of the Company. Save as disclosed herein, Mr. LIU did not hold any office of directorships in other listed public companies in the last three years other than the Company.

The Company and Mr. LIU have signed a letter of appointment, under which Mr. LIU is subject to retirement by rotation and re-election in accordance with the Articles. Under the letter of appointment, Mr. LIU's emoluments recorded in 2012 was approximately RMB232,000.

Mr. LIU is the Chairman of the Independence Committee of the Company.

Mr. LIU does not have any interest in the shares within the meaning of Part XV of the SFO.

Save for the information disclosed above, the Board and Mr. LIU have indicated that there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.

**Mr. LEI, Qian-zhi (雷前治)**, aged 71, has served as an independent non-executive Director of the Company since April 2008. Mr. LEI is a professor engineer. He is the president of the China Cement Association Council and the vice-president of the China Building Material Industry Association Council. Mr. LEI has over 40 years experience of engineering and cement enterprise management. He served as a technician, an engineer, a workshop head and a factory director of Guizhou Shuicheng Cement Plant from January 1970 to April 1986. He also has over 22 years of experience of administrative management of local and national governments relating to the building materials industry. Mr. LEI was the president of Guizhou Province Building Materials Bureau from March 1986 to January 1991, and he served as a deputy department manager of the National Building Materials Industry Bureau from January 1991 to February 2001. Mr. LEI was the vice president of China Building Material Industry Association from February 2001 to June 2004. Mr. LEI obtained a bachelor degree in Portland Cement from Nanjing Chemistry Institution in 1968. He was appointed as an independent non-executive Director on 27 April 2008. Mr. LEI is not related to any Directors, senior management, substantial or controlling Shareholders of the Company. Save as disclosed herein, Mr. LEI did not hold any office of directorships in other listed public companies in the last three years other than the Company.

The Company and Mr. LEI have signed a letter of appointment under which Mr. LEI is subject to retirement by rotation and re-election in accordance with the Articles. Under the letter of appointment, Mr. LEI's emoluments recorded in 2012 was approximately RMB232,000.

Mr. LEI does not have any interest in the shares within the meaning of Part XV of the SFO.

Save for the information disclosed above, the Board and Mr. LEI have indicated that there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.





## Asia Cement (China) Holdings Corporation

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

**(Stock Code: 743)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the "AGM") of Asia Cement (China) Holdings Corporation (the "Company") will be held at Room 1 & 2, 10/F, United Conference Centre, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 22 May 2013 at 2:00 p.m. for the following purposes:

### **AS ORDINARY BUSINESS**

1. To receive and adopt the audited consolidated financial statements and the reports of the directors (the "Director(s)") of the Company and the auditors (the "Auditors") of the Company for the year ended 31 December 2012.
2. To approve and declare a final dividend for the year ended 31 December 2012.
3. To re-elect retiring Directors and to authorise the board of Directors (the "Board") to determine their remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the Auditors and to authorise the Board to fix their remuneration.

### **AS SPECIAL BUSINESS**

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

5. **"THAT:**
  - (i) subject to paragraph (iii) of this Resolution, and pursuant to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the exercise by the Directors during the Relevant Period (as hereinafter defined) on all the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and the same is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this Resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (i) of this Resolution, otherwise than by way of (a) a Rights Issue (as hereinafter defined); or (b) the exercise of or the grant of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the issue or grant to officers and/or employees of the Company and/or any of its subsidiaries of shares or options to subscribe for or rights to acquire shares of the Company; or (c) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval be limited accordingly; and
- (iv) for the purpose of this Resolution:
  - (a) “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
    - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.

- (b) “Rights Issue” means an offer of shares in the share capital of the Company or an offer or issue of warrants or options or similar instruments to subscribe for shares in the share capital of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”;

6. “THAT:

- (i) subject to paragraph (ii) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the share capital of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong (the “SFC”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of issued shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (i) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (iii) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;

- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
  - (c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.”;
7. “**THAT** conditional upon Resolutions No. 5 and No. 6 above being passed, the general mandate granted to the Directors to allot, issue or otherwise deal with additional shares pursuant to Resolution No. 5 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 6.”
8. “**THAT** the Amended and Restated Advances Procedures, (as defined in the Circular), a copy of the said procedure being produced to the meeting as marked as “Exhibit A” and initialed by the chairman of the meeting for identification purpose) be and is hereby approved and adopted by the Company pursuant to Resolution 8.”
9. “**THAT** the Amended and Restated Guarantee Provision Procedures (as defined in the Circular), a copy of the said procedure being produced to the meeting as marked as “Exhibit B” and initialed by the chairman of the meeting for identification purpose) be and is hereby approved and adopted by the Company pursuant to Resolution 9.”

By order of the Board  
**Asia Cement (China) Holdings Corporation**  
**Mr. Hsu, Shu-tong**  
*Chairman*

Hong Kong, 17 April 2013

*Registered Office:*  
Cricket Square, Hutchins Drive  
PO Box 2681, Grand Cayman KY1-1111  
Cayman Islands

*Principal place of business in the PRC:*  
No. 6 Yadong Avenue  
Ma-Tou Town, Ruichang City  
Jiangxi Province, PRC

*Principal Place of Business in Hong Kong:*  
Portion of Unit B  
11th Floor  
Lippo Leighton Tower  
103 Leighton Road  
Causeway Bay  
Hong Kong

*Notes:*

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a member of the Company.
- (2) In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority), must be delivered to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof.
- (3) Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the Meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) The register of members of the Company will be closed from Wednesday, 15 May 2013 to Wednesday, 22 May 2013 (both days inclusive), during which period no transfer of Shares will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM to be held on Wednesday, 22 May 2013, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 14 May 2013.
- (5) Subject to the approval of shareholders at the AGM, the proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company after the close of business at 4:30 p.m. on Tuesday, 28 May 2013 being the record date for determination of entitlement to the final dividend. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Registrar, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 28 May 2013.
- (6) A circular containing, inter alia, details of the proposed general mandates to issue and repurchase shares of the Company and information of the retiring directors of the Company who are proposed to be re-elected at the annual general meeting, will be despatched to the shareholders of the Company on Wednesday, 17 April 2013.
- (7) The Board recommends the payment of a final dividend of RMB10 cents per share for the year ended 31 December 2012, totalling RMB155.6 million. The dividend will be denominated and declared in Renminbi and will be paid in Hong Kong dollars. The relevant exchange rate will be the rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China on the date of declaration of dividends.