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ALLIED CEMENT HOLDINGS LIMITED

聯合水泥控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

MAJOR TRANSACTIONS AND DISCLOSEABLE TRANSACTION

PURCHASES OF EQUIPMENT AND MACHINERIES AND RESUMPTION OF TRADING

PURCHASES OF EQUIPMENT AND MACHINERIES

Shanghai SAC, whose equity interest is held as to 60% by AII-Shanghai whose issued share capital is in turn indirectly held as to 83.33% by the Company, has on 28th September, 2012 entered into the Purchase Agreements for the purchases of certain equipment and machineries under the Purchase I, Purchase II and Purchase III at the consideration of RMB42.00 million (equivalent to approximately HK\$51.85 million), RMB103.00 million (equivalent to approximately HK\$127.16 million) and RMB235.00 million (equivalent to approximately HK\$290.12 million) respectively.

LISTING RULES IMPLICATIONS

As the applicable Percentage Ratio for the Purchase I is more than 5% but less than 25%, the Purchase I constitutes a discloseable transaction of the Company pursuant to Rule 14.06(2) of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

On the other hand, as the applicable Percentage Ratios for each of the Purchase II and Purchase III are more than 25% but less than 100%, each of the Purchase II and Purchase III constitutes a major transaction of the Company pursuant to Rule 14.06(3) of the Listing Rules and are therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Purchase II and Purchase III, and as the Company has obtained a written Shareholder's approval of the Purchase II and Purchase III from Autobest Holdings, which as at the date of this announcement directly holds 495,000,000 Shares, representing 75% of the entire issued share capital of the Company, pursuant to Rule 14.44 of the Listing Rules, the Company is not required to convene a general meeting for approving the Purchase II and Purchase III.

A circular containing, among other information, further details of the Purchase II and Purchase III will be despatched to the Shareholders on or before 25th October, 2012.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 3rd October, 2012 pending the release of this announcement and will be resumed from 9:00 a.m. on 4th October, 2012 following the publication of this announcement.

INTRODUCTION

Shanghai SAC, whose equity interest is held as to 60% by AII-Shanghai whose issued share capital is in turn indirectly held as to 83.33% by the Company, has on 28th September, 2012 entered into the Purchase Agreements for the purchases of certain equipment and machineries under the Purchase I, Purchase II and Purchase III at the consideration of RMB42.00 million (equivalent to approximately HK\$51.85 million), RMB103.00 million (equivalent to approximately HK\$127.16 million) and RMB235.00 million (equivalent to approximately HK\$290.12 million) respectively.

THE PURCHASE AGREEMENTS

Purchase Agreement I

1. Date and Parties

Date : 28th September, 2012
Purchaser : Shanghai SAC
Supplier : Chengdu Leejun

As at the date of this announcement, based on the information and confirmation provided by Chengdu Leejun and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Chengdu Leejun and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

2. Equipment and machineries to be purchased

Pursuant to the Purchase Agreement I, Shanghai SAC has agreed to purchase certain equipment and machineries from Chengdu Leejun, which include two sets of each of the roller press machine, separator machine and dynamic powder selecting machine, which are used for the grinding of cement and raw materials, and the separation of raw materials.

3. Conditions precedent

The Purchase Agreement I shall become effective upon (i) Chengdu Leejun having received 17% of the total consideration, being the first payment; and (ii) the Company having complied with the relevant requirements of the Listing Rules and obtained approval from the Shareholder in respect of the Purchase Agreement I.

4. Consideration

The total consideration under the Purchase Agreement I shall be RMB42.00 million (equivalent to approximately HK\$51.85 million), and shall be paid by Shanghai SAC in cash according to the following schedule:

- (i) 17% of the total consideration, being RMB7.14 million (equivalent to approximately HK\$8.81 million), shall be paid after the signing of the Purchase Agreement I;
- (ii) 13% of the total consideration, being RMB5.46 million (equivalent to approximately HK\$6.74 million), shall be paid within one week after Shanghai SAC giving notification to Chengdu Leejun for commencing the manufacturing of the equipment and machineries;
- (iii) 30% of the total consideration, being RMB12.60 million (equivalent to approximately HK\$15.56 million), shall be paid within the fourth month after the commencement of the manufacturing of the equipment and machineries;
- (iv) 35% of the total consideration, being RMB14.70 million (equivalent to approximately HK\$18.15 million), shall be paid after the completion of the manufacturing of the equipment and machineries, and confirmation on inspection and acceptance of the same by Shanghai SAC; and
- (v) 5% of the total consideration as product warranty, being RMB2.10 million (equivalent to approximately HK\$2.59 million), shall be paid one month after the earlier of 12-month normal operation of the equipment and machineries or 18-month on-site receipt of the equipment and machineries.

The total consideration of the Purchase Agreement I may be adjusted after the Bailonggang Project is approved. The parties to the Purchase Agreement I may adjust the total consideration with reference to the price obtained through bidding or comparison of quotation. If the adjustment to the total consideration is material, further announcement will be made by the Company in accordance with the relevant requirements of the Listing Rules.

The total consideration under the Purchase Agreement I was arrived at after arm's length negotiations between Shanghai SAC and Chengdu Leejun on normal commercial terms with reference to the current market price of the equipment and machineries of similar functions and capabilities and on an agreed discount of 25% on the current market price.

5. Delivery terms

Pursuant to the Purchase Agreement I, the manufacturing of the equipment and machineries by Chengdu Leejun will commence after the receipt of one month's prior written notification from Shanghai SAC and the delivery of the equipment and machineries by Chengdu Leejun shall be subject to further agreement between Shanghai SAC and Chengdu Leejun.

Purchase Agreement II

1. DATE AND PARTIES

Date : 28th September, 2012
Purchaser : Shanghai SAC
Supplier : Loesche Shanghai

As at the date of this announcement, based on the information and confirmation provided by Loesche Shanghai, and to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Loesche Shanghai and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

2. Equipment and machineries to be purchased

Pursuant to the Purchase Agreement II, Shanghai SAC has agreed to purchase three sets of the cement vertical mill from Loesche Shanghai, which are used for the grinding of cement.

3. Conditions precedent

The Purchase Agreement II shall become effective upon (i) Loesche Shanghai having received 16% of the total consideration, being the first payment; and (ii) the Company having complied with the relevant requirements of the Listing Rules and obtained approval from the Shareholder in respect of the Purchase Agreement II.

4. Consideration

The total consideration under the Purchase Agreement II shall be RMB103.00 million (equivalent to approximately HK\$127.16 million), and shall be paid by Shanghai SAC in cash according to the following schedule:

- (i) 16% of the total consideration, being RMB16.48 million (equivalent to approximately HK\$20.35 million), shall be paid after the signing of the Purchase Agreement II;
- (ii) 14% of the total consideration, being RMB14.42 million (equivalent to approximately HK\$17.80 million), shall be paid upon Shanghai SAC giving notification to Loesche Shanghai for commencing the manufacturing of the mills;
- (iii) 30% of the total consideration, being RMB30.90 million (equivalent to approximately HK\$38.15 million), shall be paid within the fourth month after the commencement of the manufacturing of the mills; and
- (iv) 40% of the total consideration, being RMB41.20 million (equivalent to approximately HK\$50.86 million), shall be paid after the completion of the manufacturing of the mills, and inspection and acceptance on the same by Shanghai SAC.

At the time of the last payment of the total consideration, Loesche Shanghai shall provide a bank guarantee in the amount of 10% of the total consideration of the Purchase Agreement II as product warranty. The warranty period shall expire on the earlier of the twelfth month after the confirmation on inspection and acceptance of the mills or the eighteenth month after the delivery of the mills by Loesche Shanghai.

The total consideration of the Purchase Agreement II may be adjusted after the Bailonggang Project is approved. The parties to the Purchase Agreement II may adjust the total consideration with reference to the price obtained through bidding or comparison of quotation. If the adjustment to the total consideration is material, further announcement will be made by the Company in accordance with the relevant requirements of the Listing Rules.

The total consideration under the Purchase Agreement II was arrived at after arm's length negotiations between Shanghai SAC and Loesche Shanghai on normal commercial terms with reference to the current market price of cement vertical mill of similar functions and capabilities and on an agreed discount of 25% on the current market price.

5. Delivery terms

Pursuant to the Purchase Agreement II, the manufacturing of the cement vertical mills by Loesche Shanghai will commence after the receipt of one month's prior written notification from Shanghai SAC and the delivery of the three sets of the cement vertical mill by Loesche Shanghai shall take place within ten months after its commencement of manufacturing.

Purchase Agreement III

1. Date and Parties

Date : 28th September, 2012

Purchaser : Shanghai SAC

Supplier : Sinoma Technology

As at the date of this announcement, based on the information and confirmation provided by Sinoma Technology, and to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Sinoma Technology and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

2. Equipment and machineries to be purchased

Pursuant to the Purchase Agreement III, Shanghai SAC has agreed to purchase certain equipment and machineries from Sinoma Technology, which include two sets of each of the preheater, cooler, rotary kiln, coal vertical mill, kiln inlet collector, kiln head collector, coal mill collector, cement mill collector and clinker conveyer, as well as one set of each of the limestone piling machine, limestone taking machine, steel structure and sludge treatment equipment, which are used for, inter alia, calcination, cooling and transporting of clinker, collection of dust and powder, processing of limestone and sludge treatment.

3. Conditions precedent

The Purchase Agreement III shall become effective upon (i) Sinoma Technology having received 19% of the total consideration, being the first payment; and (ii) the Company having complied with the relevant requirements of the Listing Rules and obtained approval from the Shareholder in respect of the Purchase Agreement III.

4. Consideration

The total consideration under the Purchase Agreement III shall be RMB235.00 million (equivalent to approximately HK\$290.12 million), and shall be paid by Shanghai SAC in cash according to the following schedule:

- (i) 19% of the total consideration, being RMB44.65 million (equivalent to approximately HK\$55.12 million), shall be paid after the signing of the Purchase Agreement III;
- (ii) 11% of the total consideration, being RMB25.85 million (equivalent to approximately HK\$31.91 million), shall be paid within one week after Shanghai SAC giving notification to Sinoma Technology for commencing the manufacturing of the equipment and machineries;

- (iii) 30% of the total consideration, being RMB70.50 million (equivalent to approximately HK\$87.04 million) shall be paid within ten days after the on-site receipt of the base part of the equipment and machineries;
- (iv) 30% of the total consideration, being RMB70.50 million (equivalent to approximately HK\$87.04 million), shall be paid before the delivery of the last batch of the equipment and machineries; and
- (v) 10% of the total consideration as product warranty, being RMB23.50 million (equivalent to approximately HK\$29.01 million), shall be paid within ten days after one year of production of the Bailonggang Project or eighteen months after the delivery of the equipment and machineries.

The total consideration of the Purchase Agreement III may be adjusted after the Bailonggang Project is approved. The parties to the Purchase Agreement III may adjust the total consideration with reference to the price obtained through bidding or comparison of quotation. If the adjustment to the total consideration is material, further announcement will be made by the Company in accordance with the relevant requirements of the Listing Rules.

The total consideration under the Purchase Agreement III was arrived at after arm's length negotiations between Shanghai SAC and Sinoma Technology on normal commercial terms with reference to the current market price of equipment and machineries of similar functions and capabilities.

5. Delivery terms

Pursuant to the Purchase Agreement III, the manufacturing of the equipment and machineries by Sinoma Technology will commence after the receipt of one month's prior written notification from Shanghai SAC and the delivery of all of the equipment and machineries by Sinoma Technology shall take place within six to eight months after its commencement of manufacturing.

TERMINATION EVENTS OF THE PURCHASE AGREEMENTS

Pursuant to the respective Purchase Agreements, in the event that the Bailonggang Project cannot be proceeded due to disapproval from the relevant government authorities or any event of force majeure, or parties to the respective Purchase Agreements fail to agree on further terms on the transaction such as final price or specification of the equipment and delivery time of the equipment and machineries, Shanghai SAC or each of the respective supplier of the Purchase Agreement I, the Purchase Agreement II and the Purchase Agreement III is entitled to terminate the transaction pursuant to the respective Purchase Agreements without liabilities, and after termination, the suppliers shall refund the full amount of the deposit received (after deducting any tax-related expenses borne by the suppliers (if necessary)) to Shanghai SAC pursuant to the respective Purchase Agreements.

SOURCE OF FUNDING

The Transactions will be funded through internal resources of Shanghai SAC.

SELECTION OF SUPPLIERS

The Group selects its suppliers of equipment based on, inter alia, their reputation, track record, product price and technical advancement. After conducting market research and investigation on suppliers of equipment and machineries by Shanghai SAC, each of Chengdu Leejun, Loesche Shanghai and Sinoma Technology is among top-tiers of the equipment suppliers for the cement industry in the PRC which provides first-class products. Certain cement production equipment and machineries of the Group located in Shandong are also provided by Sinoma Technology. Chengdu Leejun, which is a PRC-listed corporation, is able to provide advanced products at reasonable prices, and Loesche Shanghai is a branch company of a multinational company originated from Germany providing advanced products, whose products are offered in a very competitive price on the market. Moreover, after negotiations with potential suppliers, each of Chengdu Leejun, Loesche Shanghai and Sinoma Technology is able to offer Shanghai SAC more favourable conditions of cooperation and terms of the contract, thus Shanghai SAC decided to engage them in the provision of the equipment and machineries pursuant to the respective Purchase Agreements. For further information regarding Chengdu Leejun, Loesche Shanghai and Sinoma Technology, please refer to the paragraph headed “Information relating to the suppliers under the Purchase Agreements” in this announcement.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

As disclosed in the JV Announcement and the JV Circular, the JV Company is to be established to operate and manage the Bailonggang Project. As at the date of this announcement, the establishment of the JV Company and the Bailonggang Project are under the approval process of the relevant government authorities, and as such, the JV Company is not in place to purchase the assets for the Bailonggang Project for the time being.

The management of the Group has by reference to the current market value of those machineries and believes that the market values of such machineries are now at a reasonable level. Further, in order to shorten the period for preparation of the factory, the entering into the Purchase Agreements will benefit to push the production date earlier for the Bailonggang Project.

In addition, in order for Shanghai SAC to potentially enjoy the tax concession on the use of compensation funds granted under the Premises Vacation prior to the change of the National tax policy which is expected to be adjusted in October 2012, the Company has agreed to procure Shanghai SAC to enter into the Transactions prior to the formation of the JV Company. After the JV Company is established, Shanghai SAC may dispose of the assets purchased under the Purchase Agreements at cost or transfer and/or novate the rights and obligations of the Purchase Agreements at cost to the JV Company in accordance with the relevant PRC rules and regulations, or subject to the relevant PRC rules and regulations, may transfer the assets to the JV Company at cost as contribution of its proportion of the registered capital of the JV Company, and which may constitute notifiable transaction(s) of the Company and the Company will comply with the relevant requirements of the Listing Rules, if required.

As each of the respective Purchase Agreements provides an exit to the Company without incurring any liabilities if the approval for Bailonggang Project cannot be obtained from the relevant governmental authorities, the Company considers that the entering into the Purchase Agreements could speed up the process of the construction and development of Bailonggang Project and on the other hand provides flexibility to the Company without incurring any liabilities if the Bailonggang Project cannot be proceeded.

In view of the above, the Directors are of the view that the terms of the respective Purchase Agreements are on normal commercial terms and the Transactions are fair and reasonable, and in the interests of the Company and the Shareholders taken as a whole.

INFORMATION RELATING TO THE GROUP

The Company and Shanghai SAC

The Company is a company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange.

Shanghai SAC, whose equity interest is held as to 60% by AII-Shanghai whose issued share capital is in turn indirectly held as to 83.33% by the Company.

The Company is an investment holding company. The Group is engaged principally in the manufacture and sales of cement, clinker and slag, trading of cement and provision of technical services with operations in Shandong province and Shanghai in the PRC.

INFORMATION RELATING TO THE SUPPLIERS UNDER THE PURCHASE AGREEMENTS

Chengdu Leejun

Chengdu Leejun is a company incorporated in the PRC with limited liability and the shares of which are listed on the Small-Middle-Enterprise Board of the Shenzhen Stock Exchange (Stock Code: 002651). Chengdu Leejun is principally engaged in the research and development, manufacturing and sales of grinding techniques and core equipment for cement and mining industries.

Loesche Shanghai

Loesche Shanghai is a company incorporated in the PRC with limited liability which is a branch company of Loesche, a multinational company originated from Germany. Loesche Shanghai is principally engaged in the manufacturing, sales and after-sales services of grinding machine.

Sinoma Technology

Sinoma Technology is a company incorporated in the PRC with limited liability which is a group company of China National Materials Group Co., Ltd., a state-owned enterprise. Sinoma Technology is principally engaged in the research, technique development, processing, manufacturing and supply of high-technology system and equipment for iron and steel, metallurgy, mining, electricity, coal, chemical, environmental protection and other industries.

LISTING RULES IMPLICATIONS

As the applicable Percentage Ratio for the Purchase I is more than 5% but less than 25%, the Purchase I constitutes a discloseable transaction of the Company pursuant to Rule 14.06(2) of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

On the other hand, as the applicable Percentage Ratios for each of the Purchase II and Purchase III are more than 25% but less than 100%, each of the Purchase II and Purchase III constitutes a major transaction of the Company pursuant to Rule 14.06(3) of the Listing Rules and are therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Autobest Holdings directly holds 495,000,000 Shares, representing 75% of the entire issued share capital of the Company. To the best knowledge, information and belief of the Directors, each of Autobest Holdings and its associates (as defined in the Listing Rules) does not have any interest in the Transactions other than as a shareholder of the Company (where applicable). No Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the Purchase II and Purchase III.

As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Purchase II and Purchase III, and as the Company has obtained a written Shareholder's approval of the Purchase II and Purchase III from Autobest Holdings, pursuant to Rule 14.44 of the Listing Rules, the Company is not required to convene a general meeting for approving the Purchase II and Purchase III.

A circular containing, among other information, further details of the Purchase II and Purchase III will be despatched to the Shareholders on or before 25th October, 2012.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 3rd October, 2012 pending the release of this announcement and will be resumed from 9:00 a.m. on 4th October, 2012 following the publication of this announcement.

DEFINITIONS

“AII-Shanghai”	AII-Shanghai Inc., a company incorporated in the British Virgin Islands with limited liability and whose issued share capital is indirectly held as to 83.33% by the Company
“Autobest Holdings”	Autobest Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of Tian An China Investments Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 28)
“associate(s)”	having the meaning ascribed to it under the Listing Rules
“Bailonggang Project”	the development project of new cement production facilities at Bailonggang (白龍港), Pudong, Shanghai, the PRC
“Board”	the board of directors of the Company
“Chengdu Leejun”	成都利君實業股份有限公司 (Chengdu Leejun Industrial Co., Ltd.*), a company incorporated in the PRC and an Independent Third Party

“Company”	Allied Cement Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	having the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	person(s) or company(ies) which is(are) not connected person(s) of the Company and its connected persons
“JV Announcement”	the announcement of the Company dated 15th February, 2012 in respect of, among other things, the entering into the 《關於建設「白龍港項目」合作協議》(Bailonggang Project Construction Cooperation Agreement*) and the 《關於設立合資公司(原則)協議》(Principle Agreement for the Establishment of the JV Company*) both dated 13th February, 2012 between Shanghai Building Material and Shanghai SAC in respect of formation of the JV Company
“JV Company”	a joint venture company to be established as a limited liability company in the PRC by Shanghai Building Material and Shanghai SAC
“JV Circular”	the circular of the Company dated 16th March, 2012 in respect of, among other things, the entering into the 《關於建設「白龍港項目」合作協議》(Bailonggang Project Construction Cooperation Agreement*) and the 《關於設立合資公司(原則)協議》(Principle Agreement for the Establishment of the JV Company*) both dated 13th February, 2012 between Shanghai Building Material and Shanghai SAC in respect of formation of the JV Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Loesche Shanghai”	萊歇研磨機械製造(上海)有限公司(Loesche (Shanghai) Co., Ltd.*), a company incorporated in the PRC and an Independent Third Party
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM Board of the Stock Exchange

“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Taiwan, Hong Kong and Macau Special Administrative Region of the People’s Republic of China
“Premises Vacation”	the vacation of the Shanghai plant of the Group in Xuhui District (徐滙區), Shanghai as part of city planning and to facilitate the organization of the World Expo 2010 in Shanghai, and for which site relocation compensation agreement was entered into between Shanghai SAC and the Shanghai government authority for land resumption on 27th November, 2009
“Purchase I”	the purchase of certain equipment and machineries by Shanghai SAC pursuant to the Purchase Agreement I
“Purchase II”	the purchase of certain equipment and machineries by Shanghai SAC pursuant to the Purchase Agreement II
“Purchase III”	the purchase of certain equipment and machineries by Shanghai SAC pursuant to the Purchase Agreement III
“Purchase Agreement I”	the purchase agreement dated 28th September, 2012 (as amended and supplemented by a supplemental agreement signed on 28th September, 2012 by the same parties) entered into between Shanghai SAC as purchaser and Chengdu Leejun as supplier pursuant to which Shanghai SAC has agreed to purchase certain equipment and machineries from Chengdu Leejun
“Purchase Agreement II”	the purchase agreement dated 28th September, 2012 (as amended and supplemented by a supplemental agreement signed on 28th September, 2012 by the same parties) entered into between Shanghai SAC as purchaser and Loesche Shanghai as supplier pursuant to which Shanghai SAC has agreed to purchase certain equipment and machineries from Loesche Shanghai
“Purchase Agreement III”	the purchase agreement dated 28th September, 2012 (as amended and supplemented by a supplemental agreement signed on 28th September, 2012 by the same parties) entered into between Shanghai SAC as purchaser and Sinoma Technology as supplier pursuant to which Shanghai SAC has agreed to purchase certain equipment and machineries from Sinoma Technology
“Purchase Agreements”	the Purchase Agreement I, the Purchase Agreement II and the Purchase Agreement III
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Building Material”	上海建築材料(集團)總公司 (Shanghai Building Material (Group) General Company*), a state-owned enterprise holding 40% equity interest of Shanghai SAC

“Shanghai SAC”	上海聯合水泥有限公司(Shanghai Allied Cement Co., Ltd.*), a company incorporated in the PRC with limited liability and whose equity interest is held as to 60% by AII-Shanghai and as to 40% by Shanghai Building Material
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Sinoma Technology”	中材裝備集團有限公司 (Sinoma Technology & Equipment Group Co. Ltd.*), a company incorporated in the PRC and an Independent Third Party
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the Purchase I, Purchase II and Purchase III
“%”	per cent.

On behalf of the Board
Allied Cement Holdings Limited
Li Chi Kong
Executive Director

Hong Kong, 3rd October, 2012

For the purpose of this announcement, translations of Renminbi into Hong Kong dollars or vice versa have been calculated by using an exchange rate of HK\$1.00 equal to RMB0.81. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

As at the date of this announcement, the Board comprises Mr. Ng Qing Hai (Managing Director), Mr. Li Chi Kong and Mr. Yu Zhong being the Executive Directors; and Mr. Chan Sze Chung, Mr. Cheng Kin Chung and Ms. Doris Yang Yan Tung being the Independent Non-Executive Directors.

** for identification purpose only*