
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 Allied Cement Holdings Limited, you should at once hand this circular, the accompanying form of proxy and the 2013 Annual Report to the purchaser or 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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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)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SECURITIES
AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Allied Cement Holdings Limited (“Company”) to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 22nd May, 2014 at 10:00 a.m. is set out on pages 14 to 18 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude the shareholders of the Company from attending and voting in person at the meeting or any adjournment thereof if they so wish.

10th April, 2014

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DEFINITIONS

In this circular (other than in the notice of AGM), unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 22nd May, 2014 at 10:00 a.m. or any adjournment thereof
“Articles”	the amended and restated articles of association of the Company
“Board”	board of Directors
“China Health”	China Health Management Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a controlling shareholder of the Company
“Company”	Allied Cement Holdings Limited, a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“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 PRC
“Independent Non-Executive Director(s)”	independent non-executive director(s) of the Company
“Latest Practicable Date”	4th April, 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Share Buy-backs Code”	Hong Kong Code on Share Buy-backs
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TACI”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, a substantial shareholder of the Company, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 28)
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Waranty Shenzhen”	Shenzhen Waranty Assets Management Co., Ltd.* (深圳市華融泰資產管理有限公司), a company incorporated under the laws of the PRC with limited liability, which indirectly owns the entire issued share capital of China Health
“2013 Annual Report”	annual report of the Company for the year ended 31st December, 2013
“%”	per cent.

* *for identification purpose only*

LETTER FROM THE BOARD



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)

Executive Directors:

Ng Qing Hai (*Managing Director*)
Huang Yu
Deng Jin Guang

Independent Non-Executive Directors:

Chan Sze Chung
Cheng Kin Chung
Doris Yang Yan Tung

Registered Office:

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Head office and principal place of
business:*

9th Floor
Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

10th April, 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SECURITIES
AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to, among other things, (i) the re-election of Directors; and (ii) the granting to the Directors of general mandates to issue securities of the Company and repurchase Shares up to 20% and 10% respectively of the aggregate nominal amount of the Company's issued share capital as at the date of the passing of such resolutions.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consisted of six (6) Directors, namely Mr. Ng Qing Hai, Mr. Huang Yu, Mr. Deng Jin Guang, Mr. Chan Sze Chung, Mr. Cheng Kin Chung and Ms. Doris Yang Yan Tung.

Pursuant to Article 108 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three (3) years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any Director who has not been subject to retirement by rotation in the three (3) years preceding the annual general meeting shall retire by rotation at such annual general meeting. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A Director is not required to retire upon reaching any particular age. Pursuant to Article 112 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Pursuant to Article 108 of the Articles, Mr. Cheng Kin Chung and Ms. Doris Yang Yan Tung shall retire from office by rotation and, being eligible, offer themselves for re-election at the AGM. Pursuant to Article 112 of the Articles, Mr. Huang Yu and Mr. Deng Jin Guang shall hold office until the AGM and, being eligible, offer themselves for re-election at the AGM.

Article 113 of the Articles provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office of the Company or at the registration office where the Board determines to keep a branch register of Shareholders. The period for lodgment of the notices required under Article 113 of the Articles will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven (7) days.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice in writing of the intention to propose that person for election as a Director and the notice in writing executed by that person of his/her willingness to be elected must be validly served at the head office of the Company at 9th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong or the Company's branch share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong on or before 14th May, 2014.

LETTER FROM THE BOARD

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting.

Brief biographical details of the Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue a supplementary circular to inform the Shareholders of the details of the additional candidate proposed.

GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 23rd May, 2013, ordinary resolutions were passed for the granting of general mandates to the Directors (i) to allot, issue or otherwise deal with additional securities of the Company not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at that date ("Existing Issue Mandate"), being 132,000,000 Shares; and (ii) to repurchase Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at that date ("Existing Repurchase Mandate"), being 66,000,000 Shares.

The Existing Issue Mandate and the Existing Repurchase Mandate will expire upon the conclusion of the AGM. The Directors consider that the Existing Issue Mandate and the Existing Repurchase Mandate increase the flexibility in dealing of the Company's affairs and are in the interests of both the Company and the Shareholders as a whole, and that the same shall continue to be adopted by the Company.

New general mandates to allot, issue or otherwise deal with additional securities of the Company up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution as set out in Resolution No. 4(A) of the notice of AGM will be proposed at the AGM. Subject to the passing of the resolution granting the proposed mandate to issue securities of the Company and on the basis that no further securities are issued or repurchased before the AGM, the Company will be allowed under such mandate to issue a maximum of 132,000,000 Shares, representing 20% of the issued share capital of the Company as at the Latest Practicable Date. In addition, a new general mandate to repurchase Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution ("Share Repurchase Mandate") as set out in Resolution No. 4(B) of the notice of AGM will also be proposed at the AGM. A resolution authorising the extension of the general mandate to the Directors to issue securities of the Company to include the aggregate nominal amount of such Shares repurchased (if any) under the Share Repurchase Mandate is to be proposed as Resolution No. 4(C) of the notice of AGM at the AGM.

With reference to the proposed new general mandates, the Directors, as at the date hereof, wish to state that they have no immediate plans to issue any new securities of the Company pursuant to the relevant mandates.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against Resolution No. 4(B) to be proposed at the AGM in relation to the proposed Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

AGM

The notice of the AGM to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 22nd May, 2014 at 10:00 a.m. is set out on pages 14 to 18 of this circular. A copy of the 2013 Annual Report is despatched to the Shareholders together with this circular. Ordinary resolutions in respect of, inter alia, the re-election of the Directors and the general mandates to issue securities of the Company and repurchase Shares will be proposed at the AGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions proposed at the AGM will be put by way of poll. Any announcement on the results of the poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of the re-election of the Directors, the grant of general mandates to issue securities of the Company and repurchase Shares, and to add the aggregate nominal amount of Shares that may be repurchased to the aggregate nominal amount of the Shares that may be allotted pursuant to the general mandate to issue securities of the Company are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of the resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
Allied Cement Holdings Limited
Ng Qing Hai
Managing Director

The biographical details of the Directors proposed to be re-elected at the forthcoming AGM are set out as follows:

Mr. Huang Yu, aged 45, was appointed an Executive Director of the Company in March 2014. He holds a master degree from University of Greenwich. He is the chairman of the board of directors of Shenzhen Huakong Seg Co., Ltd.* (深圳華控賽格股份有限公司), a company listed on the Shenzhen Stock Exchange. Mr. Huang is currently the senior vice president of Tsinghua Holdings Co., Ltd.* (清華控股有限公司), the chairman of the board of directors of Waranty Shenzhen and the chairman of supervision committee of Penghua Fund Management Co., Ltd.* (鵬華基金管理有限公司). Save as disclosed above, Mr. Huang did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

An employment contract which forms the basis of emoluments has been entered into between the Company and Mr. Huang, pursuant to which he is entitled to receive (i) a total remuneration package of HK\$315,000 per annum (including basic salaries and allowances); and (ii) a discretionary bonus which will be based on both the performance of the Company and the performance of Mr. Huang. He is also entitled to a Director's fee of HK\$10,000 per annum which was determined by the Board and shall be subject to the approval by the Shareholders. The remuneration of Mr. Huang was determined with reference to the prevailing market conditions and based on the contribution of Mr. Huang in the Company. He will have no designated length of service with the Company but will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office. As at the Latest Practicable Date, Mr. Huang is deemed to have corporate interest in 370,000,000 Shares within the meaning of Part XV of the SFO. Mr. Huang holds 83.4% interest in Shenzhen Aorongxin Investment Development Co., Ltd.* (深圳市奧融信投資發展有限公司) which in turn indirectly holds 100% interest in China Health. Save as disclosed above, Mr. Huang did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There are no other matters or information in relation to Mr. Huang that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. Deng Jin Guang, aged 43, was appointed an Executive Director of the Company in March 2014. He holds a bachelor degree in Polymer Chemistry and a master degree in Applied Chemistry from Beijing Institute of Technology and a doctorate degree in Applied Chemistry from Tsinghua University. Mr. Deng is the senior vice president of Waranty Shenzhen. Prior to his appointment as senior vice president, he has served as the chief consultant of Beijing Ning Gang Sheng Teng Pharmaceutical Co., Ltd.* (北京寧港升騰藥業有限公司), general manager of Shandong Dongeejiao Health Management Co., Ltd.* (山東東阿阿膠健康管理連鎖有限公司) and Beijing Jinxiang Pharmacy Health Management Co., Ltd.* (北京金象大藥房醫藥連鎖有限責任公司) and assistant to general manager of Beijing Jinxiang Fosun Pharmaceutical Co., Ltd.* (北京金象復星醫藥股份有限公司). Mr. Deng did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

An employment contract which forms the basis of emoluments has been entered into between the Company and Mr. Deng, pursuant to which he is entitled to receive (i) a total remuneration package of HK\$315,000 per annum (including basic salaries and allowances); and (ii) a discretionary bonus which will be based on both the performance of the Company and the performance of Mr. Deng. He is also entitled to a Director's fee of HK\$10,000 per annum which was determined by the Board and shall be subject to the approval by the Shareholders. The remuneration of Mr. Deng was determined with reference to the prevailing market conditions and based on the contribution of Mr. Deng in the Company. He will have no designated length of service with the Company but will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office. Mr. Deng did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There are no other matters or information in relation to Mr. Deng that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. Cheng Kin Chung, aged 52, was appointed an Independent Non-Executive Director of the Company in December 2011. Mr. Cheng was admitted as an Associate of The Institute of Chartered Accountants in England and Wales in 2005 and a member of American Institute of Certified Public Accountants in 1993. He obtained his Master of Professional Accounting and Master of Arts in English for the Professions in 2000 and in 2009 respectively, from The Hong Kong Polytechnic University.

Mr. Cheng is experienced in auditing, accounting, and financial management and consultation. Mr. Cheng had been a partner of Deloitte Touche Tohmatsu for the period from 2001 to 2004. Thereafter, he joined Skyworth Digital Holdings Limited, shares of which are listed on the Stock Exchange, and served as an executive director for the period from September 2004 to December 2004 and as the chief financial officer since July 2004 until he had been re-designated from the chief financial officer to chief information and investment officer in January 2007, responsible for the evaluation and management of investments of the group. Mr. Cheng is currently the sole director of his own consultancy firm, namely Poly Genius Consulting Limited, a private company incorporated in Hong Kong, mainly engaged in providing consultancy services and is also the sole director and chief executive officer of another private company incorporated in Hong Kong, namely QEE Technology (HK) Company Limited, which is engaged in Light-Emitting Diode lighting business. Mr. Cheng did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

An appointment letter which forms the basis of emoluments has been entered into between the Company and Mr. Cheng, pursuant to which (i) his term of appointment shall continue until 17th January, 2016, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office; and (ii) he is entitled to (a) a Director's fee of HK\$10,000 per annum which was determined by the Board and shall be subject to the approval by the Shareholders; and (b) a service fee of HK\$102,000 per annum from 18th January, 2014 onwards. The remuneration of Mr. Cheng was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Mr. Cheng did not have any relationship with any Director, senior

management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Mr. Cheng has also given an annual confirmation of his independence to the Company, and has been assessed by the Nomination Committee of the Company to be independent.

There are no other matters or information in relation to Mr. Cheng that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Ms. Doris Yang Yan Tung, aged 44, was appointed an Independent Non-Executive Director of the Company in December 2011. Ms. Yang graduated from University of Leicester, England with a Bachelor of Science (Economics) in 1993. She then obtained her Master of Science from The Chinese University of Hong Kong in 2003. Ms. Yang is a fellow member of The Hong Kong Institute of Chartered Secretaries with practitioner's endorsement and a fellow member of The Institute of Chartered Secretaries and Administrators. Ms. Yang also earned the Certificate in Risk Management Assurance (CRMA) designation granted by The Institute of Internal Auditors in 2013. She is currently a director of Bloomy Corporate Consultant Limited, a company incorporated in Hong Kong mainly engaged in providing company secretarial and management consultancy services. She is also a director of Green Grin Club Limited ("Green Grin"), a company principally engaged in provision of training services, and a director of Grin Kitchen Limited, a wholly-owned subsidiary of Green Grin and is principally engaged in philanthropic and volunteer activities. She is experienced in handling company secretarial and internal control matters of listed companies in Hong Kong. Prior to joining the Group, Ms. Yang was the company secretary of ChinaVision Media Group Limited, shares of which are listed on the Stock Exchange, for the period from June 2001 to June 2002. Thereafter, she served as company secretary of Greater China Holdings Limited, shares of which are listed on the Stock Exchange, for the period from July 2002 to August 2005, and served as company secretary of China Gas Holdings Limited, shares of which are also listed on the Stock Exchange, for the period from November 2002 to April 2011. Ms. Yang did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

An appointment letter which forms the basis of emoluments has been entered into between the Company and Ms. Yang pursuant to which (i) her term of appointment shall continue until 17th January, 2016, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby she shall vacate her office; and (ii) she is entitled to (a) a Director's fee of HK\$10,000 per annum which was determined by the Board and shall be subject to the approval by the Shareholders; and (b) a service fee of HK\$79,500 per annum from 18th January, 2014 onwards. The remuneration of Ms. Yang was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Ms. Yang did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had she any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Ms. Yang has also given an annual confirmation of her independence to the Company, and has been assessed by the Nomination Committee of the Company to be independent.

There are no other matters or information in relation to Ms. Yang that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Share Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$6,600,000 divided into 660,000,000 Shares.

Subject to the passing of the resolution granting the proposed mandate to repurchase Shares 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 66,000,000 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

The Directors would exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on the terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2013, being the date to which the latest published audited financial statements of the Company were made up, if the general mandate to repurchase Shares was to be exercised in full at any time during the proposed repurchase period, it may have an adverse impact on the working capital and gearing level of the Company.

The Directors do not propose to exercise the mandate to repurchase Shares to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company as compared with the position disclosed in the latest published audited financial statements of the Company or the gearing level which, in the opinion of the Directors, are from time to time appropriate for the Company.

FUNDING OF REPURCHASES

Repurchases to be made pursuant to the proposed mandate to repurchase Shares would be financed out of funds legally available for such purpose in accordance with the Company's amended and restated memorandum of association and the Articles, the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution.

EFFECT OF THE TAKEOVERS CODE AND SHARE BUY-BACKS CODE

Upon the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interests in the voting rights of the Company increase, and such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code and Rule 6 of the Share Buy-backs Code. Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and, depending on the level of increase of the Shareholders' interests, may become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

Name of Shareholders	Number of Shares interested	Approximate % of the issued share capital	Notes	Approximate % of the issued share capital should the Share Repurchase Mandate be exercised in full
China Health and parties acting in concert with it	370,000,000	56.06%	1	62.29%
TACI and parties acting in concert with it	125,000,000	18.94%	2	21.04%

Notes:

- Waranty Shenzhen, through its subsidiary, namely Waranty Assets Management (HK) Limited ("Waranty Hong Kong"), owned 100% interests in the issued share capital of China Health and was therefore deemed to have an interest in the Shares in which China Health was interested. Mr. Huang Yu, a Director, and Mr. Huang Xuezhong owned 83.4% and 16.6% interests respectively in the registered capital of Shenzhen Aorongxin Investment Development Co., Ltd. * (深圳市奧融信投資發展有限公司) ("Shenzhen Aorongxin"), which in turn owned 60% interests in the registered capital of Waranty Shenzhen and therefore Mr. Huang Yu, Mr. Huang Xuezhong and Shenzhen Aorongxin were deemed to have an interest in the Shares in which Waranty Shenzhen was interested. Tsinghua University owned 100% interests in the registered capital of Tsinghua Holdings Co., Ltd. * (清華控股有限公司) ("Tsinghua Holdings"), which in turn owned 40% interests in the registered capital of Waranty Shenzhen and therefore both Tsinghua University and Tsinghua Holdings were deemed to have an interest in the Shares in which Waranty Shenzhen was interested.

2. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. They together owned approximately 69.22% (inclusive of Mr. Lee Seng Hui's personal interests) of the total number of issued shares of Allied Group Limited ("AGL"), which owned approximately 74.99% of the total number of issued shares of Allied Properties (H.K.) Limited ("APL"), which in turn owned approximately 48.66% in the issued share capital of TACI. Lee and Lee Trust, AGL and APL were therefore deemed to have an interest in the Shares in which TACI was interested.

As at the Latest Practicable Date, each of China Health, Waranty Hong Kong, Waranty Shenzhen, Shenzhen Aorongxin, Mr. Huang Yu, Mr. Huang Xuezhong, Tsinghua Holdings and Tsinghua University is taken to have an interest under the SFO in the same block of 370,000,000 Shares, representing approximately 56.06% of the issued share capital of the Company.

In addition, as at the Latest Practicable Date, each of TACI, APL, AGL and Lee and Lee Trust is taken to have an interest under the SFO in the same block of 125,000,000 Shares, representing approximately 18.94% of the issued share capital of the Company.

Based on such interests in the Shares and in the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the AGM, (i) the interests of China Health together with the parties acting in concert with it (including Waranty Hong Kong, Waranty Shenzhen, Shenzhen Aorongxin, Mr. Huang Yu, Mr. Huang Xuezhong, Tsinghua Holdings and Tsinghua University) will be increased to approximately 62.29% of the issued share capital of the Company; and (ii) the interests of TACI together with the parties acting in concert with it (including APL, AGL and Lee and Lee Trust) will be increased to approximately 21.04% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, such increase in the interests of China Health and TACI, both being substantial Shareholders, together with parties acting in concert with any of them will not give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code, but the amount of Shares held by the public will be reduced to less than 25% of the total issued share capital of the Company. The Directors have no immediate intention to repurchase Shares to the extent that it will result in the amount of Shares held by the public being reduced to less than 25% of the total issued share capital of the Company if the Share Repurchase Mandate is approved at the AGM.

PRICE OF THE SHARES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the last twelve months:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
April	0.90	0.80
May	0.85	0.80
June	0.88	0.75
July	0.85	0.78
August	0.89	0.78
September	1.62	0.90
October	2.50	1.33
November	2.38	1.98
December	2.31	1.95
2014		
January	2.20	1.80
February	1.90	1.68
March	2.83	1.70
April (up to the Latest Practicable Date)	2.45	2.11

REPURCHASE OF SHARES

No repurchase of Shares have been made by the Company on the Stock Exchange or otherwise during the six months immediately preceding the Latest Practicable Date.

GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company or its subsidiaries.

No connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so in the event that the Company is authorised to make repurchases of the Shares.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate to repurchase any Shares in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

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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)

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“Meeting”) of Allied Cement Holdings Limited (聯合水泥控股有限公司) (“Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 22nd May, 2014 at 10:00 a.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditor for the year ended 31st December, 2013.
2.
 - (A) To re-elect Mr. Huang Yu as a Director.
 - (B) To re-elect Mr. Deng Jin Guang as a Director.
 - (C) To re-elect Mr. Cheng Kin Chung as a Director.
 - (D) To re-elect Ms. Doris Yang Yan Tung as a Director.
 - (E) To fix the Directors’ fees.
3. To re-appoint Deloitte Touche Tohmatsu as Auditor and authorise the Board of Directors to fix its remuneration.
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

- (A) **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (“Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

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- (b) the approval given in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) 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 given in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the amended and restated articles of association of the Company from time to time;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:

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

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the amended and restated 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 of the Company in general meeting; and

‘Rights Issue’ means the allotment, issue or grant of Shares pursuant to an offer of Shares 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 at that date (subject to such exclusion 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 any recognised regulatory body or any stock exchange in, any territory applicable to the Company).’

(B) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Buy-backs, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to paragraph (a) 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 at the date of the passing of this Resolution, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

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(d) for the purpose of this Resolution:

‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier 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 amended and restated 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 of the Company in general meeting.”

(C) “**THAT** conditional upon the passing of Resolution Nos. 4(A) and 4(B) as set out in the notice convening the Meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to Resolution No. 4(A) as set out in the notice convening the Meeting be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the Shares repurchased by the Company under the authority granted pursuant to Resolution No. 4(B) as set out in the notice convening the Meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution.”

By Order of the Board
Allied Cement Holdings Limited
Wong Ka Hang
Company Secretary

Hong Kong, 10th April, 2014

Registered Office:

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

Head office and principal place of business:

9th Floor
Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

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Notes:

1. *All resolutions set out in this notice of the Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company in accordance with the Listing Rules.*
2. *A member of the Company entitled to attend and vote at the Meeting will be entitled to appoint one or more proxies to attend and, on a poll, vote in his or her stead. A proxy need not be a member of the Company.*
3. *A form of proxy in respect of the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending the Meeting and voting in person if you so wish. In the event that you attend the Meeting after having lodged the form of proxy, it will be deemed to have been revoked.*
4. *To be valid, the form of proxy, together with any 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 deposited at the Company's branch share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.*
5. *Where there are joint holders of any Shares, any one of such joint holders may vote at the Meeting either personally or by proxy in respect of such Shares as if he or she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of such joint holders so present whose name stands first on the register of members of the Company shall alone be entitled to vote in respect of such Shares.*
6. *For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed on Wednesday, 21st May, 2014 and Thursday, 22nd May, 2014, during which period no transfer of Shares will be registered. In order for a member to be eligible to attend and vote at the Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 20th May, 2014.*
7. *In respect of Resolution No. 4(A) above, the Directors wish to state that they have no immediate plans to issue any new securities of the Company under this mandate. Approval is being sought from members as a general mandate, in compliance with the Listing Rules, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any securities of the Company up to 20% of the issued share capital of the Company at the date of the passing of the resolution.*
8. *The general purpose of the authority to be conferred on the Directors by Resolution No. 4(B) above is to increase flexibility and to provide discretion to the Directors in the event that it becomes desirable to repurchase Shares representing up to a maximum of 10% of the issued share capital of the Company at the date of the passing of the resolution on the Stock Exchange.*