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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or other registered institution 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 2015 Annual Report to the purchaser or transferee or to the bank, licensed securities dealer 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 BUY BACK 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 Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 3 June 2016 at 10:00 a.m. is set out on pages 15 to 20 of this circular. If you do not intend to attend the meeting but wish to exercise your right as a shareholder of the Company, you are requested to complete and sign 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.

27 April 2016

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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 respective meanings:

“2015 Annual Report”	annual report of the Company for the year ended 31 December 2015
“AGM”	annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 3 June 2016 at 10:00 a.m., notice of which is set out on page 15 to 20 of this circular
“Articles”	the amended and restated articles of association of the Company
“Board”	board of Directors
“Buy-Back Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to buy back the fully paid up Shares up to 10% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution
“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
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“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
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“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

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares up to 20% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution
“Latest Practicable Date”	19 April 2016, 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
“PRC”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.002 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)
“Shenzhen Aorongxin”	深圳市奧融信投資發展有限公司 (Shenzhen Aorongxin Investment Development Co. Ltd.*), a company established under the laws of the PRC
“Shenzhen Waranty”	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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent.

* For identification purpose only



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:

Mr. Huang Yu (*Chairman*)
Mr. Ng Qing Hai (*Managing Director*)
Mr. Deng Jinguang

Independent Non-Executive Directors:

Mr. Chan Sze Chung
Mr. Zhang Ruibin
Mr. Zhang Junxi Jack

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

27 April 2016

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding the ordinary resolutions to be proposed at the AGM and to give you the notice of AGM. Resolutions to be proposed at the AGM include, among other businesses, ordinary resolutions on (i) the re-election of Directors; (ii) the grant of the Issue Mandate; and (iii) the grant of the Buy-Back Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consisted of six (6) Directors, namely Mr. Huang Yu, Mr. Ng Qing Hai, Mr. Deng Jinguang, Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.

Pursuant to Article 108 of the Articles, at each annual general meeting of the Company, one-third ($\frac{1}{3}$) 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 ($\frac{1}{3}$), 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. Huang Yu and Mr. Deng Jinguang 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. Zhang Junxi Jack shall hold office until the first general meeting of the Company after his appointment and subject to re-election at such meeting. Since Mr. Zhang Junxi Jack was not offered for re-election at the extraordinary general meeting of the Company held on 15 April 2016, he shall retire at the AGM and, being eligible, offer himself for re-election at the AGM.

The Nomination Committee has assessed and reviewed the Independent Non-Executive Directors' annual written confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all the Independent Non-Executive Directors remain independent. It has also reviewed the biographical details of the retiring directors and recommended their re-elections. Therefore, upon the nomination of the Nomination Committee, the Board has recommended that the

LETTER FROM THE BOARD

retiring Directors, Mr. Huang Yu, Mr. Deng Jinguang and Mr. Zhang Junxi Jack stand for re-election as Directors at the AGM. Each of Mr. Huang Yu, Mr. Deng Jinguang and Mr. Zhang Junxi Jack abstained from voting at the relevant Board Meeting on the respective propositions of their recommendations for re-election by the Shareholders.

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 26 May 2016. 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.

The 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 BUY BACK SHARES

At the annual general meeting of the Company held on 3 June 2015, 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 issued Shares of the Company as at that date ("Existing Issue Mandate"), being 990,000,000 Shares; and (ii) to buy back Shares not exceeding 10% of the issued Shares of the Company as at that date ("Existing Buy-Back Mandate"), being 495,000,000 Shares.

LETTER FROM THE BOARD

The Existing Issue Mandate and the Existing Buy-Back Mandate will expire upon the conclusion of the AGM. The Directors consider that the Existing Issue Mandate and the Existing Buy-Back 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.

Issue Mandate as set out in Resolution No. 5(A) of the notice of AGM will be proposed at the AGM. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further securities are issued or no shares are bought back before the AGM, the Company will be allowed under such mandate to issue a maximum of 990,000,000 Shares, representing 20% of the issued Shares as at the Latest Practicable Date.

In addition, Buy-Back Mandate as set out in Resolution No. 5(B) of the notice of AGM will also be proposed at the AGM. A resolution authorising the extension of the Issue Mandate to include the aggregate number of such Shares bought back (if any) under the Buy-Back Mandate is to be proposed as Resolution No. 5(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. 5(B) to be proposed at the AGM in relation to the proposed Buy-Back Mandate is set out in Appendix II to this circular.

AGM

The notice convening the AGM to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 3 June 2016 at 10:00 a.m. is set out on pages 15 to 20 of this circular. A copy of the 2015 Annual Report is despatched to the Shareholders together with this circular. Ordinary resolutions in respect of, *inter alia*, the re-election of the Directors, the Issue Mandate and Buy-Back Mandate 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 to vote by way of poll. An 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. If you do not intend to attend the AGM but wish to exercise your right as a shareholder, you are requested to complete and sign 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

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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 resolutions to be proposed at the AGM include, ordinary resolutions on (i) the re-election of Directors; (ii) the grant of the Issue Mandate; and (iii) the grant of the Buy-Back Mandate and the addition of the aggregate number of Shares that may be bought back to the aggregate number of the Shares that may be allotted pursuant to Issue Mandate, are each in the best interests of the Company and the Shareholders as a whole. Accordingly, they recommend all Shareholders to vote in favour of the ordinary 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
Huang Yu
Chairman

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

Mr. Huang Yu, aged 47, was appointed an Executive Director and Chairman of the Board of the Company on 15 March 2014 and 24 July 2014 respectively. Mr. Huang was also appointed as a chairman of each of the executive committee, nomination committee and share dealing committee of the Company and a member of the credit and risks management committee of the Company. He is also a director of certain subsidiaries of the Company. He holds a master degree in Science from the 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) (Stock code: 68), the issued share of which are 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), an executive director of Shenzhen Aorongxin, the chairman of the board of directors of Shenzhen Warranty, a director of Warranty Assets Management (HK) Limited (“Warranty Hong Kong”), the chairman of supervisory committee of Penghua Fund Management Co., Ltd.* (鵬華基金管理有限公司) and the vice chairman of Tsinghua Tongfang Co., Ltd.* (同方股份有限公司) (“Tsinghua Tongfang”) (stock code: 600100), the issued share of which are listed on the Shanghai Stock Exchange. 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\$600,000.00 per annum (including basic salaries and allowances); and (ii) a discretionary bonus which will be based on the performance of both Mr. Huang and the Company. 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 3,127,995,000 Shares within the meaning of Part XV of the SFO. Mr. Huang holds 99% interest in Shenzhen Aorongxin 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 Jinguang, aged 45, was appointed an Executive Director and a member of the executive committee and share dealing committee of the Company in March 2014. He holds a bachelor degree and a master degree from Beijing Institute of Technology and a doctoral degree in Applied Chemistry from Tsinghua University. Mr. Deng served as the senior vice president of Shenzhen Waranty, the chief consultant of Beijing Ning Gang Sheng Teng Pharmaceutical Co., Ltd.* (北京寧港升騰藥業有限公司), the general manager of Shandong Donggejiao 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 the 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\$346,500 per annum (including basic salaries and allowances); and (ii) a discretionary bonus which will be based on the performance of both Mr. Deng and the Company. 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. Zhang Junxi Jack, aged 52, was appointed an Independent Non-Executive Director of the Company in August 2015. Mr. Zhang was also appointed as the chairman of the credit and risks management committee and a member of each of the audit committee, remuneration committee and nomination committee of the Company. Mr. Zhang graduated from the Nankai University with a bachelor degree in Physics in July 1983. He obtained a Master of Business Administration degree established jointly by the Ministry of Education of the People's Republic of China (formerly known as the State Education Commission of the People's Republic of China), Nankai University and Canadian International Development Agency in July 1986. Mr. Zhang also obtained a doctoral degree in the Department of Economics at the University of Pittsburgh in the United States in August 1992. Mr. Zhang has over 20 years of experience in the field of economics, financial and business management, and mainly engaged in teaching and research work in the aspect of Monetary Economics and Finance. Mr. Zhang has been an independent director of China

Bohai Bank Co., Ltd. since February 2013, the vice principal of the Tianjin University of Finance and Economics since December 2011 and a part-time professor of China Center for Economic Research in Peking University since September 2000.

From April 2007 to March 2010, he was an investment strategy and development analyst of Binhai Investment Company Limited (stock code: 2886), the issued shares of which are listed on the Stock Exchange. From August 1992 to August 1995, Mr. Zhang taught in the Department of Economics of The Chinese University of Hong Kong, and he was engaged in teaching and researching at the University of Dundee in the United Kingdom from August 1995 to July 1997. Mr. Zhang taught in the National University of Singapore from July 1997 to August 1998. From September 1998 to August 2012, he has been a doctoral tutor in the School of Economics and Finance at The University of Hong Kong. Mr. Zhang is an internationally well-known financial economist, he has been the dean of the China Academy of Finance and Development at the Central University of Finance and Economics from September 2006 to August 2009 and the dean of the Institute of Finance and Development at the Nankai University from September 2009 to April 2012. Mr. Zhang 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. Zhang, pursuant to which (i) his term of appointment shall continue until 21 August 2018, 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\$79,500 per annum. The remuneration of Mr. Zhang was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy.

Mr. Zhang 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. Zhang 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. Zhang 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.

* *For identification purposes only*

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 Buy-Back Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 4,950,000,000 issued Shares.

Subject to the passing of the proposed resolution granting the Buy-Back Mandate and on the basis that no further Shares are issued and no Shares are bought back before the AGM, the Company will be allowed under the Buy-Back Mandate to buy back a maximum of 495,000,000 Shares, representing 10% of the issued Shares as at the AGM date up to the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles or any applicable laws of the Cayman Islands; or (iii) the revocation or variation of the resolution of the Shareholders in general meeting of the Company, whichever occurs first.

REASONS FOR BUY-BACKS

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 buy back Shares on the Stock Exchange. Such buy-backs 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 buy-back will benefit the Company and the Shareholders as a whole.

The Directors would exercise the Buy-Back Mandate in circumstances where they consider that the buy-back would be in the best interests of the Company and in circumstances where they consider that the Shares can be bought back on the terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31 December 2015, being the date to which the latest published audited financial statements of the Company were made up, if the Buy-Back Mandate was to be exercised in full at any time during the proposed buy-back 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 Buy-Back Mandate 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 BUY-BACKS

Buy-backs to be made pursuant to the Buy-Back Mandate 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 buy back Shares pursuant to the Buy-Back 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.

As at the Latest Practicable Date and on the date assuming the Buy-Back Mandate is exercised in full, the shareholding interests of the substantial shareholders of the Company were as follows:

Name of Shareholder(s)	Number of Shares interested	Approximate % of the issued share capital	Approximate % of the issued share capital should the Buy-Back Mandate be exercised in full
Tsinghua Tongfang and its associates	3,241,989,000	65.49%	72.77%

Note:

China Health directly held 3,127,995,000 Shares, representing approximately 63.19% of the issued Shares of the Company. Shenzhen Waranty, through its subsidiary, 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. The equity interest of Shenzhen Waranty was held by Shenzhen Aorongxin as to 52% and 北京同方創新投資有限公司 (Beijing Tongfang Chuangxin Investment Co., Ltd.*) ("Tongfang Chuangxin") as to 48%. Tongfang Chuangxin was therefore deemed to have an interest in the Shares in which Shenzhen Waranty was interested under the SFO being 3,127,995,000 Shares representing approximately 63.19% of the issued Shares of the Company. The entire equity interest of Tongfang Chuangxin was held by Tsinghua Tongfang and Tsinghua Tongfang was therefore deemed to have an interest in the Shares in which Tongfang Chuangxin was interested under the SFO. In addition, THTF Energy-Saving Holdings Limited ("THTF Energy-Saving"), an indirect wholly-owned subsidiary of Tsinghua Tongfang, was the beneficial owner of 113,994,000 Shares, and Tsinghua Tongfang was therefore also deemed to have an interest in the Shares in which THTF Energy-Saving was interested under the SFO. Tsinghua Tongfang was therefore interested in 3,241,989,000 Shares representing approximately 65.49% of the issued Shares of the Company.

To the best of the knowledge and belief of the Directors, the Board is not aware of any consequences which would give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code as a result of an exercise of the Buy-Back Mandate. The Directors also have no immediate intention to exercise the Buy-Back Mandate to an extent which will result in the amount of Shares held by the public being reduced to less than 25%.

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>
2015		
April	1.070	0.600
May	1.910	0.820
June	2.030	0.920
July	1.190	0.375
August	0.840	0.460
September	0.600	0.445
October	0.680	0.445
November	0.640	0.540
December	0.640	0.475
2016		
January	0.850	0.570
February	0.890	0.710
March	0.860	0.730
April (up to the Latest Practicable Date)	0.840	0.750

BUY-BACK OF SHARES

No buy-back 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 close associates have any present intention to sell any Shares to the Company or its subsidiaries.

No core connected persons of the Company 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 buy-backs of the Shares.

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

* *For identification purpose only*



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 (“Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 3 June 2016 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited financial statements of the Company and the directors’ report and independent auditor’s report for the year ended 31 December 2015.
2. To re-elect the following retiring directors of the Company (“Directors”):
 - (A) To re-elect Mr. Huang Yu as an Executive Director.
 - (B) To re-elect Mr. Deng Jinguang as an Executive Director.
 - (C) To re-elect Mr. Zhang Junxi Jack as an Independent Non-Executive Director.
3. To authorise the board of Directors (“Board”) to fix the Directors’ fees for the year ending 31 December 2016.
4. To re-appoint Deloitte Touche Tohmatsu as the independent auditor of the Company and authorise the Board to fix its remuneration.
5. To consider 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

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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;

- (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 number of Shares 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 number of the issued Shares at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of 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 earliest 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 of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company (“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 recognized for this purpose by the Securities and Futures Commission of Hong Kong (“SFC”) and the Stock Exchange under the Hong Kong Code on Share Buy-backs administrated by the SFC, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be bought back by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate number of the issued Shares 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 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 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. 5(A) and 5(B) as set out in the notice convening the Meeting (“Notice”), 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. 5(A) as set out in the Notice be and is hereby extended by the addition thereto an amount representing the aggregate number of the Shares bought back by the Company under the authority granted pursuant to Resolution No. 5(B) as set out in the Notice, provided that such amount shall not exceed 10% of the aggregate number of the issued Shares at the date of the passing of this Resolution.”

By Order of the Board
Allied Cement Holdings Limited
Si Tou Man Wai
Company Secretary

Hong Kong, 27 April 2016

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 will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange” and “Listing Rules”, respectively) and the results of the poll will be published on the respective websites of the Stock Exchange and the Company in accordance with the Listing Rules.
2. A member of the Company (“Member”) entitled to attend and vote at the Meeting will be entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) proxy to attend and, on a poll, vote in his or her stead. A proxy need not be a Member.
3. A form of proxy in respect of the Meeting is enclosed. If you do not intend to attend the Meeting but wish to exercise your right as a shareholders, you are urged to complete, sign 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 Thursday, 2 June 2016 and Friday, 3 June 2016, 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 Wednesday, 1 June 2016.
7. In respect of Resolution No. 5(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 Shares 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. 5(B) above is to increase flexibility and to provide discretion to the Directors in the event that it becomes desirable to buy back Shares representing up to a maximum of 10% of the issued Shares at the date of the passing of the resolution.
9. If a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 8:00 a.m. and 5:00 p.m. on the date of the AGM, the AGM will be postponed and Members will be informed of the date, time and venue of the postponed AGM by a supplemental notice posted on the respective websites of the Company and Hong Kong Exchanges and Clearing Limited.

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If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is lowered or cancelled at or before 8:00 a.m. on the date of the AGM and where conditions permit, the AGM will be held as scheduled.

The AGM will be held as scheduled when an amber or red rainstorm warning signal is in force. After considering their own situations, Members should decide on their own whether or not they would attend the AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.