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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 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 2011 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, 24th May, 2012 at 10:00 a.m. is set out on pages 15 to 19 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 26th Floor, Tesbury Centre, 28 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.

23rd April, 2012

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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:

“AGL”	Allied Group 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: 373)
“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, 24th May, 2012 at 10:00 a.m. or any adjournment thereof
“APL”	Allied Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability, a substantial shareholder of the Company, the securities of which are listed on the Main Board of the Stock Exchange (Stock Code: 56 and Warrant Code: 1183)
“Articles”	amended and restated articles of association of the Company
“Board”	board of Directors
“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 People’s Republic of China
“Latest Practicable Date”	16th April, 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 18th January, 2012
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Repurchase Code”	Hong Kong Code on Share Repurchases
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“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 and a controlling 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
“2011 Annual Report”	annual report of the Company for the year ended 31st December, 2011
“%”	per cent.

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*)

Li Chi Kong

Yu Zhong

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:*

22nd Floor

Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

23rd April, 2012

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. Li Chi Kong, Mr. Yu Zhong, 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 Articles 108 and 112 of the Articles, Mr. Ng Qing Hai, Mr. Li Chi Kong, Mr. Yu Zhong, Mr. Chan Sze Chung, Mr. Cheng Kin Chung and Ms. Doris Yang Yan Tung shall hold office only until the AGM and being eligible, offer themselves for re-election.

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 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 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 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong or the Company's branch share registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong on or before 16th May, 2012.

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 retiring 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

An ordinary resolution will be proposed at the AGM to grant the general mandate to the Directors to exercise the powers of the Company 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 the date of passing the resolution as set out in Resolution No. 5(A) of the notice of 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 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. 5(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. 5(C) of the notice of AGM at the AGM.

With reference to the proposed 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 Share Repurchase Mandate is set out in Appendix II to this circular.

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, 24th May, 2012 at 10:00 a.m. is set out on pages 15 to 19 of this circular. A copy of the 2011 Annual Report of the Company is despatched to the Shareholders together with this circular. Ordinary resolutions in respect of 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.

LETTER FROM THE BOARD

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. Any announcement on the results of the vote by 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 26th Floor, Tesbury Centre, 28 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 retiring 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. Ng Qing Hai, aged 55, was appointed a Director of the Company in March 2011 and re-designated as an Executive Director of the Company in December 2011. Mr. Ng is also the Managing Director of the Group. Mr. Ng is a director of all subsidiaries of the Company. Mr. Ng completed a three years' course in Finance and Accounting in Building Materials Industry in Faculty of Enterprises Management at Shanghai Institute of Building Materials Industry in 1983 and also completed a course in management consultancy at GROUPE ESSEC of France in 1988. Mr. Ng has been a non-practising member of The Chinese Institute of Certified Public Accountants of the PRC since 1994. Mr. Ng is the 6th vice chairman of China Building Materials Enterprises Management Association and of Shanghai Cement Industrial Association of the PRC, and was a fellow member of Asian Knowledge Management Association for the period from November 2005 to November 2006. Mr. Ng has extensive experience in managing enterprises and in the cement industry in the PRC. He was appointed an executive director of TACI in April 2003 and became the managing director of TACI in October 2003. He was re-designated as a deputy managing director of TACI in December 2005 and subsequently re-designated as a non-executive director and ceased to act as a deputy managing director of TACI in January 2012. Mr. Ng was the chief executive officer of ChinaVision Media Group Limited ("ChinaVision Media", a former non wholly-owned subsidiary of TACI), and ceased to act as its chief executive officer with effect from April 2010. Mr. Ng is currently the president and an executive director of ChinaVision Media. He is a younger brother of Mr. Huang Wu Hu (a senior management of the Group). Save as disclosed above, Mr. Ng 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. Ng pursuant to which he is entitled to receive (i) a total remuneration package of HK\$1,800,000 per annum (including a monthly basic salary together with allowances); (ii) a discretionary bonus which is based on the performance of both Mr. Ng and the Company; and (iii) a thirteen-month salary payment that is made each December in respect of that year. 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. Ng was determined with reference to the prevailing market conditions and based on the performance and contribution of Mr. Ng 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. Save as disclosed above, Mr. Ng 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. Taking into consideration Mr. Ng's experience and contributions to the Company, the Nomination Committee of the Company has recommended and the Board has considered that it is in the interests of the Company to re-appoint Mr. Ng as the Managing Director of the Company. Mr. Ng is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Ng to be disclosed.

Mr. Li Chi Kong, aged 58, was appointed a Director of the Company in March 2011 and re-designated as an Executive Director of the Company in December 2011. Mr. Li is a director of all subsidiaries of the Company. Mr. Li graduated from the University of Edinburgh in Scotland, United Kingdom with a Bachelor's Degree of Science and obtained a Post-graduate Diploma in Accounting from Heriot-Watt University in Edinburgh. He is a member of the Institute of Chartered Accountants of Scotland and a fellow of the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Mr. Li has extensive experience in finance and accounting. Prior to joining the Group, Mr. Li worked for two major audit firms and acted as the group financial controller for several listed companies in Hong Kong. Mr. Li is the financial controller and an executive director of APL and the group financial controller of AGL. In addition, Mr. Li was an executive director of TACI during the period from February 2004 to October 2009. Save as disclosed above, Mr. Li 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. Li pursuant to which he is entitled to receive (i) a total remuneration package of HK\$90,000 per annum (including basic salaries, allowances and a thirteen-month salary payment); and (ii) a discretionary bonus which is based on the performance of both Mr. Li 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. Li was determined with reference to the prevailing market conditions and based on the performance and contribution of Mr. Li 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. Save as disclosed above, Mr. Li 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. Li is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Li to be disclosed.

Mr. Yu Zhong, aged 49, was appointed a Director of the Company in March 2011 and re-designated as an Executive Director of the Company in December 2011. Mr. Yu is principally responsible for the sales and marketing operations of the Group. He joined Shanghai Allied Cement Co., Ltd. ("Shanghai SAC"), a subsidiary of the Company in Shanghai, in December 1993 and is currently a director and the vice general manager of Shanghai SAC, and has been a director of Shandong Allied Wangchao Cement Limited, a subsidiary of the Company in Shandong, since December 2003. Mr. Yu served as the deputy general manager of Shandong Shanghai Allied Cement Co., Ltd., also a subsidiary of the Company in Shandong, for the period from June 2001 to July 2004. Mr. Yu completed a two and a half years' course in cement craftsmanship at Shanghai School of Building Materials in 1982 and in 1988, he graduated from Shanghai Light Industry Authority Workers College in Industrial Enterprise Management. In 1993, Shanghai Building Material Authority certified that Mr. Yu was qualified as an economist. Mr. Yu has extensive experience in cement industry and in operation management, marketing and production management. Mr. Yu 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. Yu pursuant to which he is entitled to receive (i) a total remuneration package of RMB368,244 per annum (including a monthly basic salary together with allowances); (ii) performance related bonus pursuant to the monthly sales incentive scheme in Shanghai; (iii) a discretionary bonus which is based on the performance of both Mr. Yu and the Company; and (iv) a thirteen-month salary payment that is made each December in respect of that year. 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. Yu was determined with reference to the prevailing market conditions and based on the performance and contribution of Mr. Yu 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. Save as disclosed above, Mr. Yu 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. Yu is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Yu to be disclosed.

Mr. Chan Sze Chung, aged 42, was appointed an Independent Non-Executive Director of the Company in December 2011. He graduated from the University of Wales with Bachelor of Arts in Accounting and Finance in 1991 and obtained Master of Arts in Accounting and Finance of the University of Lancaster in 1992. Mr. Chan is a Certified Public Accountant of the HKICPA and a member of American Institute of Certified Public Accountants of the United States of America. Besides, he was also recognised as Chartered Financial Analyst by CFA Institute of the United States of America. Mr. Chan has extensive experience in accounting and finance. Prior to joining the Group, Mr. Chan acted as the chief financial officer of Coolpoint Energy Limited (now known as Viva China Holdings Limited) whose shares are listed on the Stock Exchange and was the acting chief financial officer of Nam Tai Electronic and Electrical Products Limited whose shares were previously listed on the Stock Exchange, and acted as vice chief financial officer of Nam Tai Electronics, Inc. whose shares are listed on the New York Stock Exchange. During the period from January 1993 to August 1997, Mr. Chan was employed by Deloitte Touche Tohmatsu and served as senior accountant at the time of his resignation. Mr. Chan 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. Chan pursuant to which (i) his term of appointment shall continue until 17th January, 2014, 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\$70,000 per annum. The remuneration of Mr. Chan was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Save as disclosed above, Mr. Chan 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. Chan is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Chan to be disclosed.

Mr. Cheng Kin Chung, aged 50, was appointed an Independent Non-Executive Director of the Company in December 2011. He is a fellow of the HKICPA and a committee member of its Practice Review Committee, and also a fellow of The Association of International Accountants. Besides, Mr. Cheng was admitted as an Associate of The Institute of Chartered Accountants in England and Wales in 2005, a member of the Hong Kong Securities Institute in 1999 and a member of American Institute of Certified Public Accountants in 1993. Mr. Cheng 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 has also been recognised as Chartered Global Management Accountant in February 2012.

Mr. Cheng is experienced in auditing, accounting, and financial management and consultation. Mr. Cheng had been a partner of Deloitte Touche Tohmatsu, certified public accountants, for the period from 2001 to 2004. Thereafter, Mr. Cheng 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 & 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 financial advisory service 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 (LED) 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, 2014, 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\$90,000 per annum. The remuneration of Mr. Cheng was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Save as disclosed above, 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 is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Cheng to be disclosed.

Ms. Doris Yang Yan Tung, aged 42, 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 an associate of The Hong Kong Institute of Chartered Secretaries with practitioner's endorsement and is also an associate of The Institute of Chartered Secretaries and Administrators. Ms. Yang is currently a director of Bloomy Corporate Consultant Limited, a company incorporated in Hong Kong mainly engaged in providing company secretarial services. Ms. Yang is also a manager and the principal of Green Grin Education Centre which is a learning centre that provides education programs. Ms. Yang 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 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, 2014, 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\$70,000 per annum. The remuneration of Ms. Yang was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Save as disclosed above, 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 is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Ms. Yang to be disclosed.

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, 2011, being the date to which the latest published audited financial statements of the Company were made up, the Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the currently prevailing market value, it might cause the working capital and gearing position of the Company to be materially different from such position as contained in the latest published audited financial statements 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 and 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 REPURCHASE CODE

Upon the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, 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 Repurchase 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' interest, 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 held	% of the issued share capital	Notes	Approximate % of the issued share capital should the Share Repurchase Mandate be exercised in full
TACI	495,000,000	75.00%	–	83.33%
Lee and Lee Trust and parties acting in concert with it	495,000,000	75.00%	1, 2, 3 and 4	83.33%

Notes:

- The figure refers to the same interest of 495,000,000 Shares held by TACI through its direct wholly-owned subsidiary, Autobest Holdings Limited and was therefore deemed to have an interest in the Shares in which TACI was interested.
- APL owned approximately 46.85% interest in the issued share capital of TACI through its direct and indirect wholly-owned subsidiaries, Fine Class Holdings Limited and China Elite Holdings Limited respectively and was therefore deemed to have an interest in the Shares in which TACI was interested.
- AGL owned approximately 71.10% interest in the issued share capital of APL and was therefore deemed to have an interest in the Shares in which APL was interested.
- 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 62.25% interest in the issued share capital of AGL (inclusive of Mr. Lee Seng Hui's personal interest) and were therefore deemed to have an interest in the Shares in which AGL was interested.

As at the Latest Practicable Date, Lee and Lee Trust and parties acting in concert with it (including AGL, APL and TACI) are interested in an aggregate of 495,000,000 Shares, representing 75.00% of the issued share capital of the Company.

Based on such interest 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, the interest of Lee and Lee Trust together with parties acting in concert with it (including AGL, APL and TACI) will be increased to approximately 83.33% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, such increase in the interest of Lee and Lee Trust together with parties acting in concert with it (including AGL, APL and TACI) will not give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code, and 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 will result in the amount of Shares held by the public being reduced to less than 25% 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 the period since the date of Listing and up to the Latest Practicable Date:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
January	1.12	1.02
February	1.22	1.03
March	1.07	0.75
April (up to the Latest Practicable Date)	0.94	0.83

REPURCHASE OF SHARES

No repurchase of Shares have been made by the Company on the Stock Exchange or otherwise in the period since the date of Listing and up to 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.

NOTICE OF AGM



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, 24th May, 2012 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, 2011.
2. To declare a special dividend.
3.
 - (A) To re-elect Mr. Ng Qing Hai as a Director.
 - (B) To re-elect Mr. Li Chi Kong as a Director.
 - (C) To re-elect Mr. Yu Zhong as a Director.
 - (D) To re-elect Mr. Chan Sze Chung as a Director.
 - (E) To re-elect Mr. Cheng Kin Chung as a Director.
 - (F) To re-elect Ms. Doris Yang Yan Tung as a Director.
 - (G) To fix the Directors’ fee.
4. To re-appoint Deloitte Touche Tohmatsu as Auditor and authorise the Board of Directors to fix its remuneration.
5. 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;

NOTICE OF AGM

- (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; and

- (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; and

NOTICE OF AGM

‘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 Repurchases, 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; and
- (c) 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.”

NOTICE OF AGM

- (C) “**THAT** conditional upon the passing of Resolution Nos. 5(A) and 5(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. 5(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. 5(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, 23rd April, 2012

Registered Office:

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

Head office and principal place of business:

22nd Floor
Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

NOTICE OF AGM

Notes:

1. *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.*
2. *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.*
3. *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 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.*
4. *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.*
5. *For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed on Wednesday, 23rd May, 2012 and Thursday, 24th May, 2012, during which period no transfer of shares of the Company 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 22nd May, 2012.*
6. *For determining the entitlement to the proposed special dividend for the year ended 31st December, 2011, the register of members of the Company will be closed on Wednesday, 30th May, 2012 and Thursday, 31st May, 2012, during which period no transfer of shares of the Company will be registered. In order for a member to qualify for the proposed special dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 29th May, 2012. Subject to approval by the members at the Meeting, dividend warrants are expected to be paid to the members by post on or around Wednesday, 13th June, 2012.*
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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, 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. 5(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.*