
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus 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 the Prospectus Documents to the purchaser, the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Terms used in this cover page have the same meanings as defined in this Prospectus.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time. You should consult your licensed securities dealer, register institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Expert and consent" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



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)

OPEN OFFER AT HK\$1.50 PER OFFER SHARE ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO SHARES HELD ON THE RECORD DATE

Financial Adviser to the Company



Underwriter



It should be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate the obligations of the Underwriter thereunder on the occurrence of certain events. These certain events are set out in the section headed "Termination of the Underwriting Agreement" on pages 6 to 7 of this Prospectus.

If the Underwriting Agreement is terminated by the Underwriter or does not become unconditional, the Open Offer will not proceed.

The latest time for acceptance of and payment for the Offer Shares is at 4:00 p.m., on Monday, 15 December 2014. The procedures for application and payment for the Offer Shares are set out on pages 12 and 13 of this Prospectus.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Thursday, 20 November 2014 and that dealings in the Shares may take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be at or before 4:00 p.m., on Friday, 19 December 2014), will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.

1 December 2014

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Allied Wangchao”	山東聯合王晁水泥有限公司 (Shandong Allied Wangchao Cement Limited*), a wholly-owned subsidiary of the Company
“Application Form”	the application form for use by the Qualifying Shareholders to accept assured allotment of the Offer Shares
“associate”	has the meaning ascribed to it thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, or Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	Central Clearing and Settlement System established and operated by HKSCC
“China Health”	China Health Management Investment Limited, a controlling Shareholder as at the Latest Practicable Date
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“Company”	Allied Cement Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company from time to time
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making relevant enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules, consider it necessary or expedient to exclude from the Open Offer on account either of the legal restrictions under the laws of the relevant place or the requirements of any relevant regulatory body or stock exchange in that place
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	7 November 2014, being the date of the Underwriting Agreement
“Latest Practicable Date”	26 November 2014, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on 15 December 2014 or such other time or date as may be agreed between the Underwriter and the Company in writing, being the latest time for acceptance of and/or application for, together with payment for, the Offer Shares
“Latest Time for Termination”	4:00 p.m. on 19 December 2014 or such later time or date as may be agreed between the Underwriter and the Company in writing, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Shares”	330,000,000 new Shares to be allotted and issued pursuant to the Open Offer

DEFINITIONS

“Open Offer”	the proposed offer for subscription by way of open offer on an assured allotment basis at the Subscription Price to be made by the Company to the Qualifying Shareholders in the proportion of one Offer Share for every two Shares held on the Record Date upon the terms and conditions of the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	those person(s) whose address as shown on the register of members of the Company on the Record Date are outside Hong Kong
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	this prospectus to be despatched to the Shareholders in connection with the Open Offer
“Prospectus Documents”	together, this Prospectus and the Application Form
“Prospectus Posting Date”	1 December 2014, or such later date as may be agreed between the Underwriter and the Company in writing for the despatch of the Prospectus Documents
“Qualifying Shareholders”	the person(s) whose name(s) appear on the register of members of the Company on the Record Date, other than the Excluded Shareholder(s)
“Record Date”	28 November 2014, or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Open Offer
“Registrar”	Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shandong SAC”	山東上聯水泥發展有限公司 (Shandong Shanghai Allied Cement Co., Ltd.*), a wholly-owned subsidiary of the Company

DEFINITIONS

“Shanghai SAC”	上海聯合水泥有限公司 (Shanghai Allied Cement Co. Ltd.*), a subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Shenzhen Aorongxin”	深圳市奧融信投資發展有限公司 (Shenzhen Aorongxin Investment Development Co., Ltd.*), which is owned as to 83.4% and 16.6% by Mr. Huang Yu and Mr. Huang Xuezhong respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$1.5 per Offer Share
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules
“TACI”	Tian An China Investments Company Limited, a substantial Shareholder, the issued shares of which are listed on the Stock Exchange (stock code: 28)
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Tsinghua Holdings”	Tsinghua Holdings Co., Ltd. (清華控股有限公司), a company wholly owned by Tsinghua University
“Underwriter”	First Shanghai Securities Limited, a licensed corporation to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities for the purposes of the SFO
“Underwriting Agreement”	the underwriting agreement dated 7 November 2014 and entered into among the Company, China Health and the Underwriter
“Waranty Hong Kong”	Waranty Assets Management (HK) Limited, a company wholly owned by Waranty Shenzhen
“Waranty Shenzhen”	深圳市華融泰資產管理有限公司 (Shenzhen Waranty Assets Management Co., Ltd.*), a company owned as to 40% and 60% by Tsinghua Holdings and Shenzhen Aorongxin respectively
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the official currency of the PRC
“%”	per cent.

* For identification purpose only

EXPECTED TIMETABLE

The expected timetable for the Open Offer set out below is indicative only and may be extended or varied. All times and dates stated below refer to Hong Kong local times and dates. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

The expected timetable for the Open Offer is set out as follows:

Event	2014
Despatch of Prospectus Documents	Monday, 1 December
Latest time for acceptance of, and payment for, the Offer Shares	4:00 p.m. on Monday, 15 December
Latest time for termination of the Underwriting Agreement by the Underwriter and the Open Offer expected to become unconditional on or before	4:00 p.m. on Friday, 19 December
Announcement of the results of the Open Offer	Monday, 22 December
Despatch of share certificates for Offer Shares and (if the Open Offer is terminated) refund cheques	Tuesday, 23 December
Expected first day of dealings in Offer Shares	9:00 a.m. on Wednesday, 24 December

EFFECT OF BAD WEATHER UPON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance will not take place if there is a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 15 December 2014. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 15 December 2014. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Monday, 15 December 2014, the dates mentioned above may be affected. In such event, the Company will notify the Shareholders by way of announcement on any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the Underwriting Agreement at any time prior to the Latest Time for Termination:

- (i) in the sole opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction of trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (iii) there is any change in the circumstances of the Company or any member of the Group which in the sole opinion of the Underwriter will adversely affect the operation or prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of this Prospectus and not having been disclosed in this Prospectus, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the announcement of the Company in relation to the Open Offer or the Prospectus Documents or other announcements in connection with the Open Offer.

The Underwriter shall further be entitled to rescind and terminate the Underwriting Agreement prior to the Latest Time for Termination if:

- (i) there be any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement given by the Company that has come to the knowledge of the Underwriter; or
- (ii) any event or matter that has come to the knowledge of the Underwriter occurring or arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement given by the Company untrue or incorrect in any material respect.

If the Underwriter terminates the Underwriting Agreement in accordance with the terms thereof, the Open Offer will not proceed.

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:

Mr. Huang Yu (*Chairman*)

Mr. Ng Qing Hai (*Managing Director*)

Mr. Deng Jin Guang

Independent non-executive Directors:

Mr. Chan Sze Chung

Mr. Zhang Ruibin

Mr. Li Shujie

Registered office:

Clifton House

75 Fort Street

P.O. Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Head office and principal place
of business in Hong Kong:*

9/F, Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

1 December 2014

To the Shareholders

Dear Sir or Madam,

**OPEN OFFER AT HK\$1.50 PER OFFER SHARE
ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO SHARES
HELD ON THE RECORD DATE**

BACKGROUND

Reference is made to the announcement of the Company dated 7 November 2014 in which the Company announced the Open Offer, whereby the Company proposed to raise approximately HK\$487.3 million after expenses by issuing 330,000,000 Offer Shares at the subscription price of HK\$1.50 per Offer Share on the basis of one Offer Share for every two Shares in issue on the Record Date.

The purpose of this Prospectus is to provide you with, among other matters, further details of the Open Offer.

LETTER FROM THE BOARD

PROPOSED OPEN OFFER

Issue statistics

Basis of the Open Offer	–	one (1) Offer Share for every two (2) Shares held on the Record Date
Issued share capital as at the Latest Practicable Date	–	660,000,000 Shares
Number of Offer Shares	–	330,000,000 Offer Shares
Subscription Price	–	HK\$1.5 per Offer Share
Underwriter	–	First Shanghai Securities Limited, being the Underwriter
Number of Offer Shares irrevocably undertaken to be accepted by China Health	–	185,000,000 Offer Shares
Number of Offer Shares to be underwritten by the Underwriter	–	145,000,000 Offer Shares (being all the Offer Shares to be issued pursuant to the Open Offer less those Offer Shares which China Health has undertaken to take up). Accordingly, taking into account the irrevocable undertaking of China Health in respect of 185,000,000 Offer Shares, the Open Offer is fully underwritten.
Issued share capital upon completion of the Open Offer	–	990,000,000 Shares (including the Offer Shares)

The Offer Shares proposed to be issued represent:

- (a) 50% of the issued share capital of the Company as at the Latest Practicable Date; and
- (b) approximately 33% of the Company's issued share capital as enlarged by the allotment and issue of the Offer Shares.

LETTER FROM THE BOARD

The aggregate nominal value of the Offer Shares is HK\$3,300,000.

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options, warrants or derivatives in issue which confer any right to subscribe for, convert or exchange into Shares.

Basis of the assured allotment of the Offer Shares

One Offer Share will be issued for every two Shares held by a Qualifying Shareholder on the Record Date. Acceptance of all or any part of a Qualifying Shareholder's assured allotment should be made by completing the Application Form.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company will send the Prospectus Documents containing details of the Open Offer to the Qualifying Shareholders. This Prospectus will be sent to the Excluded Shareholders for information only but no Application Form will be sent to them.

To qualify for the Open Offer, Shareholders must at the close of business on the Record Date (i) be registered as a member of the Company; and (ii) not be an Excluded Shareholder.

As at the Latest Practicable Date, save as disclosed in the paragraph headed "Undertakings from China Health" below, the Board has not received any information from any other substantial Shareholders of their intention to take up the Offer Shares under the Open Offer.

Overseas Shareholders

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Based on the register of members of the Company, the Company did not have any Overseas Shareholders as at the Record Date. Accordingly, there are no Excluded Shareholders under the Open Offer.

Fractional entitlements

The Company shall not allot any fractions of Offer Shares to the Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number of Offer Shares. Such fractional entitlements shall be aggregated and will be dealt with as Offer Shares not accepted.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price of HK\$1.5 per Offer Share is payable in full when a Qualifying Shareholder accepts the Open Offer. The Subscription Price represents:

- (i) a discount of approximately 52.38% to the closing price of HK\$3.15 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 53.85% to the average of the closing price of approximately HK\$3.25 per Share for the previous ten consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- (iii) a premium of approximately 24.48% over the unaudited consolidated net asset value per Share of approximately HK\$1.205 (calculated by dividing the unaudited equity attributable to owners of the Company as at 30 June 2014 as shown in the interim report of the Company for the six months ended 30 June 2014 (the “**2014 Interim Report**”) of approximately HK\$795 million by 660,000,000 Shares in issue as at the Latest Practicable Date);
- (iv) a discount of approximately 42.31% to the theoretical ex-entitlement price of approximately HK\$2.60 per Share based on the closing price per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (v) a discount of approximately 54.27% to the closing price of HK\$3.28 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was agreed based on arm’s length negotiations between the Company and the Underwriter after having taken into account the prevailing market price of the Shares. The Subscription Price has been set at a reasonable discount to the closing prices of the Shares prior to the Last Trading Day in order to encourage the Qualifying Shareholders to take up their entitlements and participate in the potential growth of the Company in the future. The Directors consider that the terms of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net Subscription Price per Offer Share is approximately HK\$1.48.

LETTER FROM THE BOARD

Status of the Offer Shares

When issued and fully paid, the Offer Shares will rank pari passu in all respects with the Shares then in issue. Holders of the Offer Shares will be entitled to receive all dividends and distributions which are declared, made or paid after the date of allotment of the Offer Shares in their fully-paid form.

Procedures for acceptance and payment for the Offer Shares

For each Qualifying Shareholder, an Application Form is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Offer Shares shown thereon. If the Qualifying Shareholder(s) wish(es) to exercise his/their rights to subscribe for all the Offer Shares allotted to him/them, he/they must lodge the Application Form(s) in accordance with the instructions printed thereon, together with the remittance for the full amount payable on acceptance, with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on Monday, 15 December 2014.

All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with or banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "Allied Cement Holdings Limited – Open Offer" and must be crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Monday, 15 December 2014, that assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to apply for a number of Offer Shares different from your assured allotments. The Application Form is for use only by the person(s) named therein and is not transferable.

All cheques or banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Any application in respect of which the cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected, and in that event the assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form and of any application monies received.

LETTER FROM THE BOARD

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms by the Latest Time for Termination, the application monies will be refunded, without interest, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company at the risk of such applicants as soon as practicable thereafter.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or dealing in the Offer Shares. It is emphasised that none of the Company, the Directors or any other parties involved in the Open Offer accept responsibility for any tax effects or liability of holders of the Offer Shares resulting from the accepting, holding or disposal of, or dealing in the Offer Shares.

Share certificates and refund cheques for the Offer Shares

Subject to the fulfilment of the conditions as set out in the paragraph headed "Conditions of the Open Offer" in this letter from the Board, share certificates for all fully-paid Offer Shares are expected to be posted on or before Tuesday, 23 December 2014 by ordinary mail to the Qualifying Shareholders who have validly accepted and applied for (where appropriate), and paid for the Offer Shares by 4:00 p.m. on Monday, 15 December 2014 at their own risk. One share certificate will be issued for all the Offer Shares allotted to the applicants. If the Open Offer is terminated, refund cheques will be despatched on or before Tuesday, 23 December 2014 by ordinary post at the respective Shareholders' own risk.

No application for excess Offer Shares

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional efforts and costs for the printing, posting and collection of the application forms for excess Offer Shares and to administer the application and allocation of excess Offer Shares. Although application for excess Offer Shares could provide an option for the Qualifying Shareholders to increase their shareholdings in the Company, the Directors consider that the Open Offer has already provided an equal opportunity for the Qualifying Shareholders to maintain their proportionate shareholding in the Company and thus the additional administrative efforts required to provide an excess application mechanism are, on balance, not cost-effective. Therefore, the Directors are of the view that the absence of an excess application is fair and equitable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

Application for listing

The Company has applied to the Stock Exchange for the listing of, and permission to deal in, the Offer Shares.

No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Stamp duty

Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty in Hong Kong, Stock Exchange trading fees, SFC transaction levy and other applicable fees and charges in Hong Kong.

UNDERWRITING AGREEMENT

Undertakings from China Health

China Health is a party to the Underwriting Agreement and has irrevocably undertaken to the Company and the Underwriter:

- (i) to accept the Offer Shares to be allotted to it in full pursuant to the Open Offer; and
- (ii) the 370,000,000 Shares registered in its name and/or under the name(s) of its nominee(s) as at the date of the Underwriting Agreement shall remain registered in its name and/or under the name(s) of its nominee(s) on the Record Date.

LETTER FROM THE BOARD

China Health is a controlling Shareholder interested in 370,000,000 Shares, representing approximately 56.06% of the issued share capital of the Company as at the Latest Practicable Date. As at the Latest Practicable Date, the entire issued share capital of China Health is wholly-owned by Waranty Hong Kong. The entire issued share capital of Waranty Hong Kong is wholly-owned by Waranty Shenzhen, which in turn is 60% owned by Shenzhen Aorongxin. Mr. Huang Yu is interested in 83.4% of the shareholding of Shenzhen Aorongxin. Mr. Huang Yu is an executive Director and chairman of the Company.

Principal terms of Underwriting Agreement

Date	–	7 November 2014 (after trading hours)
Parties	–	the Company as the issuer
	–	First Shanghai Securites Limited as the underwriter
	–	China Health as the controlling Shareholder providing the above undertakings
Number of Offer Shares to be underwritten	–	145,000,000 Offer Shares (being all the Offer Shares to be issued pursuant to the Open Offer less those Offer Shares which China Health has undertaken to take up)
Commission	–	2.5% of the aggregate Subscription Price for the Shares underwritten

To the best of the Directors' knowledge and belief, having made all reasonable enquiries, the Underwriter and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

The Open Offer is conditional upon the Underwriting Agreement becoming unconditional and not being terminated by the Underwriter in accordance with its terms.

The underwriting commission was determined between the Company and the Underwriter after arm's length negotiations with reference to the prevailing market rate. The Board considers that the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Pursuant to the Underwriting Agreement, in the event that the Underwriter is called upon to subscribe for or procure subscribers of the untaken Offer Shares:

- (i) the Underwriter shall not subscribe, for its own account, for such number of untaken Offer Shares which will result in the shareholding of it and parties acting in concert with it in the Company exceeding 9.9% of the voting rights of the Company upon completion of the Open Offer;
- (ii) the Underwriter shall use its best endeavours to ensure that each of the subscribers of the untaken Offer Shares procured by it (a) be third parties independent of the Company and its connected persons, not acting in concert with China Health, any existing Shareholder or Director or any of their respective associates; and (b) shall not, together with any party acting in concert with it, hold 10% or more of the voting rights of the Company upon completion of the Open Offer; and
- (iii) the Underwriter shall use its best endeavours to ensure that the public float requirements under the Listing Rules be fulfilled by the Company upon completion of the Open Offer.

Conditions of the Open Offer

The obligations of the Underwriter under the Underwriting Agreement are conditional on the following conditions being fulfilled:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly appointed by way of attorney) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of this Prospectus (marked “For Information Only”) and a letter in the agreed form to the Excluded Shareholders, if any, explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (iii) the Stock Exchange granting and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the Prospectus Posting Date and the Stock Exchange not having withdrawn or revoked such listing and permission on or before the Latest Time for Termination;

LETTER FROM THE BOARD

- (iv) compliance with and performance of the undertakings and obligations of the Company under the terms of the Underwriting Agreement;
- (v) the representations and warranties given by the Company under the Underwriting Agreement remaining true, accurate and not misleading in all material respects;
- (vi) compliance with and performance of the undertakings and obligations of China Health under the terms of the Underwriting Agreement; and
- (vii) the Underwriting Agreement not having been terminated pursuant to the terms thereto.

The Underwriter may waive the conditions precedent as set out in (iv) and (v) above by notice in writing to the Company prior to the Latest Time for Termination. Save for the aforesaid, none of the conditions precedent can be waived. In the event that the above conditions have not been satisfied on or before the dates specified therein or if no such time is specified, the Latest Time for Termination (or such other time and date as the Company and the Underwriter may agree in writing), all obligations and liabilities of the parties under the Underwriting Agreement shall cease and terminate and none of the parties shall have any claim against the other. In such case, the Open Offer will not proceed.

WARNING OF THE RISKS OF DEALING IN THE SHARES

The Open Offer is conditional upon the fulfilment of all conditions set out under the section headed “Conditions of the Open Offer” above. The Open Offer is subject to the Underwriter not terminating the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

Any dealing in the Shares from the Latest Practicable Date up to the date on which all the conditions of the Open Offer are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are recommended to consult their own professional advisers.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately after completion of the Open Offer:

	As at the Latest Practicable Date		Immediately after completion of the Open Offer (assuming all Qualifying Shareholders take up their respective entitlements under the Open Offer)		Immediately after completion of the Open Offer (assuming none of the Qualifying Shareholders other than China Health take up their respective entitlements under the Open Offer)	
	Shares	%	Shares	%	Shares	%
China Health (Note 1)	370,000,000	56.06	555,000,000	56.06	555,000,000	56.06
Autobest Holdings Limited (Note 2)	125,000,000	18.94	187,500,000	18.94	125,000,000	12.62
The Underwriter	-	-	-	-	145,000,000	14.65
					(Note 3)	
Public	165,000,000	25.00	247,500,000	25.00	165,000,000	16.67
					(Note 3)	
Total	660,000,000	100.0	990,000,000	100.0	990,000,000	100.0

Notes:

- As at the Latest Practicable Date, the entire issued share capital of China Health was wholly-owned by Waranty Hong Kong. The entire issued share capital of Waranty Hong Kong is wholly-owned by Waranty Shenzhen, which in turn is owned as to 40% and 60% by Tsinghua Holdings and Shenzhen Aorongxin respectively. Shenzhen Aorongxin is owned as to 83.4% and 16.6% by Mr. Huang Yu and Mr. Huang Xuezhong respectively. Mr. Huang Yu is also an executive Director and the chairman of the Company. As set out in the announcement of the Company dated 8 February 2014, these 370,000,000 Shares were pledged in favour of a financial institution as security in relation to a bond issued by Waranty Hong Kong.
- As at the Latest Practicable Date, according to the disclosure of interest forms published on the website of the Stock Exchange, Autobest Holdings Limited was a wholly-owned subsidiary of TACI. TACI is indirectly interested as to approximately 48.66% by Allied Properties (H.K.) Limited (“APL”); APL is owned as to approximately 74.99% by Allied Group Limited (“AGL”). According to the disclosure of interest forms filed with TACI by Mr. Lee Seng Huang on 6 October 2014, Ms. Lee Su Hwei on 6 October 2014 and Mr. Lee Seng Hui on 7 October 2014 in relation to their interests in TACI, Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang together (i) owned approximately 70.21% of the issued share capital of AGL and were therefore deemed to be interested in the Shares for which AGL was interested under the SFO; and (ii) were the trustees of Lee and Lee Trust, being a discretionary trust.
- This scenario is for illustration purpose only. Pursuant to the Underwriting Agreement, in the event the Underwriter being called upon to subscribe for or procure subscribers of the untaken Offer Shares, (i) the Underwriter shall not subscribe, for its own account, for such number of untaken Offer Shares which will result in the shareholding of it and parties acting in concert with it in the Company exceeding 9.9% of the voting rights of the Company upon completion of the Open Offer; (ii) the Underwriter shall use its best endeavours to ensure that each of the subscribers of the untaken Offer Shares procured by it (a) be third parties independent of the Company and its connected persons, not acting in concert with China Health, any existing Shareholder or Director or any of their respective associates; and (b) shall not, together with any party acting in concert with it, hold 10% or more of the voting rights of the Company upon completion of the Open Offer; and (iii) the Underwriter shall use its best endeavours to ensure that the public float requirements under the Listing Rules be fulfilled by the Company upon completion of the Open Offer.

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As at the Latest Practicable Date, the Underwriter had entered into eight sub-underwriting agreements with eight individual or corporate investors which are third parties independent of the Company, its connected persons, substantial Shareholders or chief executive or any of their respective associates. Pursuant to such sub-underwriting agreements, the Underwriter may at its absolute discretion call upon these sub-underwriters to take up a maximum of such number of untaken Offer Shares as specified in the relevant sub-underwriting agreements. Each of the Underwriter and the sub-underwriters (together with their respective parties acting in concert) will not own 10% or more of the voting rights of the Company and the public float requirements under Rule 8.08 of the Listing Rules will be fulfilled upon completion of the Open Offer.

The Company will take all reasonable steps to monitor the public float of the Company from time to time.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE-MONTH PERIOD IMMEDIATELY BEFORE THE ANNOUNCEMENT DATED 7 NOVEMBER 2014

The Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the announcement of the Company dated 7 November 2014.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in the manufacture and sales of cement, clinker and slag, trading of cement and provision of technical services with operations in Shandong province and Shanghai in the PRC. As stated in the 2014 Interim Report, the Board has reviewed the businesses of the Group and will explore pharmaceutical and health industry business or investment opportunities, such as hospital management, healthcare and elderly care services, pharmaceutical and so on, in order to enhance the future development and income bases of the Company.

The Company will raise approximately HK\$495 million before expenses from the Open Offer. The net proceeds from the Open Offer (after deducting the relevant expenses including professional fees, printing charges and sundry expenses) will amount to approximately HK\$487.3 million. It is intended that the entire amount of the net proceeds will be applied for the funding of the development of and/or investment in pharmaceutical and health industry business as mentioned above. As at the Latest Practicable Date, the Company had not identified any investment opportunities and thus, no specific allocation of proceeds among the possible development or investment in pharmaceutical and health industry business has been determined. The estimated expenses in relation to the Open Offer, including underwriting commission, financial, legal and other professional expenses, of approximately HK\$7.7 million, will be borne by the Company.

The Board considers that the Open Offer will enable the Group to strengthen its capital base and enhance its financial position for future business development and investments as and when such opportunities arise. The Board further considers that it is prudent to finance the Group's long-term business development by long-term financing, preferably in the form of equity which will not increase the Group's finance costs.

LETTER FROM THE BOARD

The Board considers that the Open Offer will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interest in the Company. The Directors are of the view that fund raising through the Open Offer is in the interests of the Company and the Shareholders as a whole. However, those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

The Board has considered other fund raising alternatives before resolving to the Open Offer, including but not limited to debt financing, placing of new shares and rights issue. However, debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group and placing of new shares would only be available to certain places who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders in the Company. Although rights issue can provide an additional option to those Shareholders who do not wish to take up the entitlements by selling their entitled nil-paid rights, rights issue will involve extra administrative work and costs for the trading arrangements in relation to the nil-paid rights. If the Company is to carry out a rights issue instead of the Open Offer, it is estimated that additional one to two weeks' time would be required for planning, preparation and arranging the nil-paid rights trading. Additional costs and professional fees of approximately HK\$250,000 would be incurred and more liaison work would be required among the Company and its professional advisers. In view of the above, the Board considered that raising funds by way of the Open Offer is more cost effective and efficient than debt financing, placing of new shares and rights issue and it is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding the date of the announcement of the Company dated 7 November 2014 in respect of the Open Offer, and the Open Offer is fully underwritten by the Underwriter who is not a Director, chief executive or substantial shareholder of the Company (or an associate of any of them), the Open Offer is not subject to Shareholders' approval under the Listing Rules.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendices to this Prospectus.

On behalf of the Board
Allied Cement Holdings Limited
Huang Yu
Chairman

1. FINANCIAL INFORMATION OF THE COMPANY

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2013, together with accompanying notes have been published in the annual reports of the Company for each of the three years ended 31 December 2013.

The said annual reports of the Company are available on the Company's website at www.alliedcement.com.hk and the website of the Stock Exchange at www.hkexnews.hk.

2. INDEBTEDNESS

As at the close of business on 31 October 2014, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this Prospectus, the Group had outstanding borrowings of approximately HK\$437.7 million comprising secured bank loans of approximately HK\$213.1 million, unsecured bank loans of approximately HK\$38.0 million, unsecured loan notes of approximately HK\$185.0 million and unsecured borrowings of approximately HK\$1.6 million from a non-controlling shareholder. The Group's secured bank loans were secured by charges over its assets, including property, plant and equipment, prepaid lease payments on land use rights, other principal protected deposits and pledged short-term bank deposits.

As at the close of business on 31 October 2014, the Group had no material contingent liabilities.

Foreign currency amounts have been translated into Hong Kong dollars at the rates of exchange prevailing at the close of business on 31 October 2014.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, as at the close of business on 31 October 2014, the Group did not have other outstanding mortgages, charges, debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that after taking into account the estimated net proceeds from the Open Offer and the Group's internal resources, cash flow from operations and the available banking and other facilities, the Group will have sufficient working capital for its present requirements for at least the next twelve months following the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As disclosed in the 2014 Interim Report, the Group's bank and other borrowings due within one year and bank and other borrowings due after one year had increased from approximately HK\$28.7 million and approximately HK\$65.8 million as at 31 December 2013 to approximately HK\$114.5 million and approximately HK\$185.0 million as at 30 June 2014, respectively.

On 28 August 2014, an additional new bank loan amounting to HK\$147.5 million was drawn by the Group.

As at the Latest Practicable Date, the outstanding bank and other borrowings of the Group were repayable within 2 years and bore interest at fixed or floating market rates which on average ranged from 2.8% to 8.0% per annum. Since the outstanding bank and other borrowings have increased, finance cost borne by the Group is expected to increase. The increase in finance cost may have a material and adverse effect on the financial performance of the Group.

Save for the above and save as disclosed in the 2014 Interim Report, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial and trading position of the Group since 31 December 2013, being the date on which the latest published audited financial statements of the Group were made up.

5. BUSINESS TREND AND FINANCIAL AND TRADING PROSPECTS

As set out in the 2014 Interim Report, national policies including industrialisation, urbanisation and new rural community construction, and infrastructure constructions will continue to drive domestic demand of cement in the PRC. Also as set out in the 2014 Interim Report, according to National Bureau of Statistics of China, total production of cement in the PRC was approximately 1,143.74 million tons in the first half of 2014, up by 3.6% over the same period of last year. The Group's revenue for the six months ended 30 June 2014 was approximately HK\$364.1 million, representing an 18.7% increase as compared to the same period of 2013. However, challenges still exist due to the uncertainty of the overall economy and the real estate industry of the PRC.

The Group will continue to improve production efficiency and promote technological reform to strengthen its competitive position in the industry. Moreover, the Group will further proceed with construction of the new cement production facilities at Bailonggang, Pudong, Shanghai (“**Bailonggang Project**”). As announced by the Company on 30 January 2014, the Bailonggang Project was approved in principle by the 上海市發展和改革委員會 (Shanghai Municipal Development and Reform Commission*). The principal activities for the next stage would be establishment of the joint venture company (“**JV Company**”) and purchase of land. As announced by the Company on 15 February 2012, the registered capital of the JV Company of RMB800 million will be contributed as to RMB400 million by the Group. It is expected that the Group will contribute RMB80 million when establishing the JV Company and the remaining balance will be contributed within two years after the establishment of the JV Company. The Company intends to fund the construction of the Bailonggang Project by internal resources of the Group. Except for the borrowings arising from general operations and refinancing of its borrowings, the Group does not have a current fund raising plan for its existing cement business. The Group will assess the market conditions and the development and prospects of its cement business and consider any fund raising activity as appropriate and beneficial to the Group from time to time.

As stated in the 2014 Interim Report, the Board had reviewed the businesses of the Group and would explore pharmaceutical and health industry business or investment opportunities, such as hospital management, healthcare and elderly care services, pharmaceutical and so on, in order to enhance the future development and income bases of the Company.

As mentioned under the section headed “Reasons for the Open Offer and use of proceeds” in the section headed “Letter from the Board” of this Prospectus, the Company will raise approximately HK\$487.3 million after expenses from the Open Offer. It is intended that the entire amount of the net proceeds will be applied for the funding of the development of and/or investment in pharmaceutical and health industry business as mentioned above.

* *For identification purpose only*

**1. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS OF THE GROUP**

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group (the “**Unaudited Pro Forma Financial Information**”) prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effect of the Open Offer on the basis of one Offer Share for every two Shares held on the Record Date on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as if the Open Offer had taken place on 30 June 2014.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company derived from the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2014, as extracted from the published interim report of the Company for the six months ended 30 June 2014 and is adjusted for the effect of the Open Offer.

The Unaudited Pro Forma Financial Information of the Group has been prepared for illustrative purpose only, based on the judgements, estimates and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Open Offer actually been completed as at 30 June 2014 or at any future date.

Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2014 <i>HK\$'000</i> <i>(Note 1)</i>	Unaudited estimated net proceeds from the Open Offer <i>HK\$'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Open Offer <i>HK\$'000</i>	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company per Share prior to the completion of the Open Offer <i>HK\$</i> <i>(Note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after the completion of the Open Offer <i>HK\$</i> <i>(Note 4)</i>
787,755	487,273	1,275,028	1.19	1.29

Notes:

- (1) The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2014 is arrived at by deducting the intangible assets of HK\$7,598,000 as at 30 June 2014 from the unaudited consolidated net assets of the Group attributable to owners of the Company of HK\$795,353,000 as at 30 June 2014.
- (2) The unaudited estimated net proceeds from the Open Offer are HK\$487,273,000 calculated based on the maximum number of 330,000,000 Offer Shares to be issued at the Subscription Price of HK\$1.5 per Offer Share, and after the deduction of the relevant expenses including underwriting commission, professional fees, printing charges and sundry expenses estimated to be approximately HK\$7,727,000 attributable to the Open Offer.
- (3) The calculation of unaudited consolidated net tangible assets of the Group attributable to owners of the Company per Share prior to the completion of the Open Offer is based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company of HK\$787,755,000 and 660,000,000 Shares in issue as at 30 June 2014.
- (4) The calculation of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after the completion of the Open Offer is based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Open Offer of HK\$1,275,028,000 and 990,000,000 Shares in issue immediately following completion of the Open Offer which comprises the 660,000,000 Shares in issue as at 30 June 2014 and the 330,000,000 Offer Shares to be issued to the Qualifying Shareholders on the basis of one Offer Share for every two Shares held on the Record Date. As at the Latest Practicable Date, the Company had no outstanding convertible securities, options, warrants or derivatives in issue which confer any right to subscribe for, convert or exchange into Shares.
- (5) Save as disclosed above, no adjustment has been made to the Unaudited Pro Forma Financial Information of the Group to reflect any trading results or other transaction of the Group entered into subsequent to 30 June 2014.

2. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of the report on the unaudited pro forma financial information of the Group, prepared for the sole purpose of inclusion in this Prospectus, from the independent reporting accountants, Deloitte Touche Tohmatsu.



INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

To the Directors of Allied Cement Holdings Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Allied Cement Holding Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The pro forma financial information consists of the pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 June 2014 and related notes as set out on pages 24 to 25 of Appendix II to the Prospectus issued by the Company dated 1 December 2014 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described on pages 24 to 25 of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed open offer on the basis of one offer share for every two shares held on the record date (the “**Open Offer**”) on the Group’s financial position as at 30 June 2014 as if the proposed open offer had taken place at 30 June 2014. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s financial statements for the period ended 30 June 2014, on which a review report has been published.

Directors’ Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu*Certified Public Accountants*

Hong Kong

1 December 2014

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Open Offer were/will be as follows:

(i) As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>20,000,000,000</u>	Shares of HK\$0.01 each	<u>200,000,000</u>
<i>Issued and fully paid:</i>		
<u>660,000,000</u>	Shares of HK\$0.01 each	<u>6,600,000</u>

(ii) Immediately following completion of the Open Offer

<i>Authorised:</i>		<i>HK\$</i>
<u>20,000,000,000</u>	Shares of HK\$0.01 each	<u>200,000,000</u>
<i>Issued and fully paid/to be issued:</i>		
660,000,000	Shares as at the Latest Practicable Date	6,600,000
<u>330,000,000</u>	Offer Shares to be allotted and issued under the Open Offer	<u>3,300,000</u>
<u>990,000,000</u>	Shares upon completion of the Open Offer	<u>9,900,000</u>

All the existing Shares in issue are fully-paid and rank pari passu in all respects including all rights as to dividends, voting and return of capital. The Offer Shares, when allotted, issued and fully-paid, will rank pari passu with the existing Shares in issue in all respects. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of Offer Shares.

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

As at the Latest Practicable Date, there was no arrangement under which future dividends were waived or agreed to be waived.

3. DIRECTORS' INTERESTS

- (a) As at the Latest Practicable Date, the interests and short positions of each Director in the shares or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which he was deemed or taken to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Company/associated corporations	Nature of interest	Number of shares or underlying shares/ amount of registered capital		Approximate percentage of interest based on issued share capital or total registered capital as at the Latest Practicable Date
Huang Yu	The Company	Interest of controlled corporation	555,000,000 Shares (Note 1)	(L)	84.09%
Huang Yu	Shenzhen Aorongxin	Beneficial owner	RMB9,841,200	(L)	83.4%

(L) denotes long position

Note:

1. These 555,000,000 Shares comprises: (i) 370,000,000 Shares held by China Health; and (ii) 185,000,000 Offer Shares to be issued to China Health pursuant to the Open Offer and undertaken to be taken up by China Health under the Underwriting Agreement. Mr. Huang Yu owned 83.4% interests in the registered capital of Shenzhen Aorongxin and Shenzhen Aorongxin owned 60% interests in the registered capital of Waranty Shenzhen. Waranty Shenzhen, through its subsidiary, namely Waranty Hong Kong, owned 100% interests in the issued share capital of China Health. Since China Health is the beneficial owner of 555,000,000 Shares, Mr. Huang Yu was deemed to be interested in the Shares held by China Health under the SFO. Mr. Huang Yu is the senior vice president of Tsinghua Holdings, an indirect shareholder of China Health, the controlling Shareholder, and the chairman of the board of directors of Waranty Shenzhen, an indirect shareholder of China Health.
- (b) Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

4. PERSONS HOLDING 5% OR MORE INTERESTS

- (a) As at the Latest Practicable Date, so far as was known to the Directors, the following persons, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name of Shareholder	Nature of interest	Number of Shares and underlying Shares	Approximate percentage of interest based on issued share capital as at the Latest Practicable Date
China Health	Beneficial owner	555,000,000 (<i>Note 1</i>) (L)	84.09%
Waranty Hong Kong	Interest of controlled corporation	555,000,000 (<i>Note 2</i>) (L)	84.09%

Name of Shareholder	Nature of interest	Number of Shares and underlying Shares	Approximate percentage of interest based on issued share capital as at the Latest Practicable Date
Waranty Shenzhen	Interest in controlled corporation	555,000,000 (Note 3) (L)	84.09%
Tsinghua Holdings	Interest in controlled corporation	370,000,000 (Note 4) (L)	56.06%
Tsinghua University	Interest in controlled corporation	370,000,000 (Note 5) (L)	56.06%
Shenzhen Aorongxin	Interest in controlled corporation	555,000,000 (Note 6) (L)	84.09%
Huang Xuezhong	Interest in controlled corporation	370,000,000 (Note 7) (L)	56.06%
TACI	Interest in controlled corporation	125,000,000 (Note 8) (L)	18.94%
Allied Properties (H.K.) Limited ("APL")	Interest in controlled corporation	125,000,000 (Note 9) (L)	18.94%
Allied Group Limited ("AGL")	Interest in controlled corporation	125,000,000 (Note 10) (L)	18.94%
Lee Seng Huang	Interest in controlled corporation	125,000,000 (Note 11) (L)	18.94%
Lee Seng Hui	Interest in controlled corporation	125,000,000 (Note 11) (L)	18.94%
Lee Su Hwei	Interest in controlled corporation	125,000,000 (Note 11) (L)	18.94%
First Shanghai Investments Limited	Other	145,000,000 (L) 133,300,000 (S) (Note 12)	21.97% 20.20%

(L) denotes long position

(S) denotes short position

Notes:

- These 555,000,000 Shares comprises: (i) 370,000,000 Shares held by China Health; and (ii) 185,000,000 Offer Shares to be issued to China Health pursuant to the Open Offer and undertaken to be taken up by China Health under the Underwriting Agreement. As set out in the announcement of the Company dated 8 February 2014, the 370,000,000 Shares set out in (i) above were pledged in favour of a financial institution as security in relation to a bond issued by Waranty Hong Kong.
- Waranty Hong Kong owned 100% interest in the issued share capital of China Health and was therefore deemed to be interested in the 555,000,000 Shares held by China Health under the SFO.
- Waranty Shenzhen owned 100% interest in the issued share capital of Waranty Hong Kong and was therefore deemed to be interested in the Shares for which Waranty Hong Kong was interested under the SFO.
- Tsinghua Holdings owned 40% interest in the registered capital of Waranty Shenzhen.
- Tsinghua University owned 100% interest in the registered capital of Tsinghua Holdings.

6. Shenzhen Aorongxin owned 60% interest in the registered capital of Waranty Shenzhen and was therefore deemed to be interested in the Shares for which Waranty Shenzhen was interested under the SFO.
 7. Mr. Huang Xuezhong owned 16.6% interest in the registered capital of Shenzhen Aorongxin.
 8. As at the Latest Practicable Date, according to the disclosure of interest forms published on the website of the Stock Exchange, the 125,000,000 Shares were held by Autobest Holdings Limited (“Autobest”), a wholly-owned subsidiary of TACI. TACI was therefore deemed to be interested in the Shares for which Autobest was interested under the SFO.
 9. As at the Latest Practicable Date, according to the disclosure of interest forms published on the website of the Stock Exchange, APL, through its direct and indirect subsidiaries, namely Fine Class Holdings Limited and China Elite Holdings Limited, owned approximately 48.66% of the total number of issued shares of TACI. Therefore, APL was deemed to be interested in the Shares for which TACI was interested under the SFO.
 10. As at the Latest Practicable Date, according to the disclosure of interest forms published on the website of the Stock Exchange, AGL owned approximately 74.99% of the issued share capital of APL and was therefore deemed to be interested in the Shares for which APL was interested under the SFO.
 11. As at the Latest Practicable Date, according to the disclosure of interest forms filed with TACI by Mr. Lee Seng Huang on 6 October 2014, Ms. Lee Su Hwei on 6 October 2014 and Mr. Lee Seng Hui on 7 October 2014 in relation to their interests in TACI, Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang together (i) owned approximately 70.21% of the issued share capital of AGL and were therefore deemed to be interested in the Shares for which AGL was interested under the SFO; and (ii) were the trustees of Lee and Lee Trust, being a discretionary trust.
 12. The long position in 145,000,000 Shares represents the total amount of Offer Shares underwritten pursuant to the Underwriting Agreement. The short position in 133,300,000 Shares represents the Shares which have been sub-underwritten by sub-underwriter(s) procured by the Underwriter. According to the disclosure of interests form published on the website of the Stock Exchange, First Shanghai Investments Limited controls 100% of Firstech Financial Holdings Limited, which in turn controls 100% of First Shanghai Financial Holding Limited. First Shanghai Financial Holding Limited controls 100% of First Shanghai Securities Limited, being the Underwriter.
- (b) Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, there was no other person who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, had a direct or indirect interests amounting to 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up).

5. INTERESTS IN CONTRACT OR ARRANGEMENT

As at the Latest Practicable Date, none of the Directors was materially interested in contract or arrangement subsisting which is significant in relation to the business of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up), nor had any Director had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up) since 31 December 2013, the date to which the latest published audited consolidated financial statements of the Group were made up.

6. LITIGATION

A former limestone excavation service provider (the “**Former Contractor**”) initiated legal proceedings against Allied Wangchao and Shandong SAC, both wholly-owned subsidiaries of the Company, in November 2009 at Zaozhuang City Intermediate People’s Court (棗莊市中級人民法院) (“**Zaozhuang City Court**”) for Allied Wangchao’s failure to settle service fees in respect of infrastructure at Langshan, Taierzhuang (台兒莊狼山礦區), and supply of limestone excavated from Langshan quarry in accordance with the contract entered into between Allied Wangchao and the Former Contractor on 6 September 2004. Under such legal proceedings, the Former Contractor claimed for outstanding service fees for infrastructure of approximately RMB2.7 million and for excavation and supply of minerals of approximately RMB4.3 million, totaling approximately RMB7.0 million. In addition, the Former Contractor further claimed for damages for alleged breach of contract. Allied Wangchao counterclaimed against the Former Contractor for approximately RMB2.8 million as compensation for monetary losses caused by the Former Contractor’s failure to provide Allied Wangchao the relevant invoices for claiming value added tax refund in the same year. On 5 July 2010, the Zaozhuang City Court handed down a judgment in favour of the Former Contractor concluding that Allied Wangchao and Shandong SAC shall pay the Former Contractor a total sum of approximately RMB7 million together with damages for alleged breach of contract. The Group appealed to a higher court and on 10 December 2010, the Shandong Province High People’s Court (山東省高級人民法院) (“**Shandong High Court**”) set aside the judgment of the Zaozhuang City Court and remitted the case for re-trial. On 20 November 2013, the Zaozhuang City Court ruled in favour of the Former Contractor for its claims and awarded an aggregate of approximately RMB5.8 million in respect of outstanding service fees for infrastructure and excavation and supply of minerals, together with damages for alleged breach of contract. However, the Zaozhuang City Court also ruled that the Former Contractor shall pay Allied Wangchao approximately RMB2.8 million as compensation for monetary losses. The Group appealed again to the Shandong High Court on 27 December 2013 against the parts of the ruling of Zaozhuang City Court which were in favour of the Former Contractor in respect of excavation and supply of minerals and damages for alleged breach of contract. A hearing was conducted on 25 June 2014 and the Directors confirmed the case was still under trial as at the Latest Practicable Date. The Directors confirm the Group has made full provision in relation to the above litigation.

Save as disclosed above, as at the Latest Practicable Date, no member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up) was engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up).

7. SERVICE CONTRACTS

- (a) Mr. Li Shujie, an independent non-executive Director, entered into an appointment letter with the Company for a service term of three years commencing from 24 July 2014. He will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company or any other applicable laws from time to time whereby he shall vacate his office. Mr. Li Shujie is entitled to a Director's fee of HK\$10,000 per annum and a service fee of HK\$79,500 per annum which shall be payable in January each year in the manner as mutually agreed from time to time. The Director's fee and service fee are determined based on his duties and responsibilities with the Company, the prevailing market rate and the remuneration policy of the Company.
- (b) Mr. Zhang Ruibin, an independent non-executive Director, entered into an appointment letter with the Company for a service term of three years commencing from 24 July 2014. He will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company or any other applicable laws from time to time whereby he shall vacate his office. Mr. Zhang Ruibin is entitled to a Director's fee of HK\$10,000 per annum and a service fee of HK\$79,500 per annum which shall be payable in January each year in the manner as mutually agreed from time to time. The Director's fee and service fee are determined based on his duties and responsibilities with the Company, the prevailing market rate and the remuneration policy of the Company.

- (c) Mr. Chan Sze Chung, an independent non-executive Director, entered into another letter of appointment on 3 January 2014 with the Company upon the expiry of previous terms of appointment, with term of service commencing from 18 January 2014 until 17 January 2016 and subject to retirement and re-election at the annual general meeting of the Company pursuant to the articles of association of the Company or any other applicable laws from time to time whereby he shall vacate his office. Mr. Chan is entitled to a Director's fee of HK\$10,000 per annum and a service fee of HK\$79,500 per annum from 18 January 2014 onwards, which shall be payable in January each year in the manner as mutually agreed from time to time. The Director's fee and service fee are determined based on his duties and responsibilities with the Company, the prevailing market rate and the remuneration policy of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had a service contract with the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up) which is not determinable by the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up) within one year without payment of compensation other than statutory compensation.

8. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business of the Company) have been entered into by members of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up) within two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) a loan agreement dated 23 May 2014 entered into between Shanghai SAC, a subsidiary of the Company and 上海建築材料(集團)總公司 (Shanghai Building Material (Group) General Company*, "**Shanghai Building Material**") pursuant to which the major terms of an entrusted loan amounting to RMB54 million at the interest rate of 5% per annum were agreed;
- (b) an entrusted loan agreement dated 23 May 2014 entered into among Shanghai SAC (as lender), 華一銀行上海嘉定支行 (as lending agent) and Shanghai Building Material (as borrower) in relation to an entrusted loan amounting to RMB54 million at the interest rate of 5% per annum;

- (c) a loan agreement dated 2 July 2014 entered into between Shanghai SAC and Shanghai Building Material pursuant to which the major terms of an entrusted loan amounting to RMB78 million at the interest rate of 5% per annum were agreed;
- (d) an entrusted loan agreement dated 2 July 2014 entered into among Shanghai SAC (as lender), 華一銀行上海嘉定支行 (as lending agent) and Shanghai Building Material (as borrower) in relation to an entrusted loan amounting to RMB78 million at the interest rate of 5% per annum; and
- (e) the Underwriting Agreement.

* *for identification purposes only*

9. COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors nor his associates (as defined in the Listing Rules) was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

10. EXPERT AND CONSENT

The following is the qualifications of the expert whose statements have been included in this Prospectus:

Name	Qualification
Deloitte Touche Tohmatsu	Certified public accountants

Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or opinions or reports or references to its name in the form and context in which it appear.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu did not hold any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu had not had any direct or indirect interest in any assets which have been, since 31 December 2013 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up), or which are proposed to be acquired or disposed of by or leased to any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2013, the date to which the latest audited accounts have been made up).

11. PARTIES INVOLVED IN THE OPEN OFFER AND CORPORATE INFORMATION

The Company	<i>Registered office</i> Clifton House 75 Fort Street P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands <i>Principal place of business in Hong Kong</i> 9/F, Allied Kajima Building 138 Gloucester Road Wanchai Hong Kong
Underwriter	First Shanghai Securities Limited 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
Financial adviser to the Company	First Shanghai Capital Limited 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
Legal advisers to the Company	<i>As to Hong Kong laws</i> K&L Gates 44/F, Edinburgh Tower The Landmark Central Hong Kong

Auditors and reporting accountants	Deloitte Touche Tohmatsu Certified Public Accountants 35/F., One Pacific Place 88 Queensway Hong Kong
Principal bankers	China CITIC Bank International Limited 61-65 Des Voeux Road Central Hong Kong Standard Chartered Bank (Hong Kong) Limited 4-4A Des Voeux Road Central Hong Kong
Principal share registrar and transfer agent	Appleby Trust (Cayman) Ltd. Clifton House 75 Fort Street P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Secretaries Limited Level 22 Hopewell Centre 183 Queen's Road East Hong Kong
Authorised representatives	Mr. Huang Yu Room 05-06, 13th Floor, Block 5 Xiangxieli Garden Nonglin Road Futian District Shenzhen PRC Mr. Ng Qing Hai Flat A, 30/F, Tower 3 The Long Beach, 8 Hoi Fai Road West Kowloon Hong Kong

Company secretary Ms. Si Tou Man Wai, CA
9/F, Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

12. DIRECTORS AND SENIOR MANAGEMENT PROFILE

Particulars of the Directors and senior management of the Company:

Name	Residential/Business address
Executive Directors	
Mr. Huang Yu (<i>Chairman</i>)	Room 05-06, 13th Floor, Block 5 Xiangxieli Garden Nonglin Road Futian District Shenzhen PRC
Mr. Ng Qing Hai (<i>Managing Director</i>)	Flat A, 30/F, Tower 3 The Long Beach, 8 Hoi Fai Road West Kowloon Hong Kong
Mr. Deng Jinguang	No. 904, Door 3, 28th Floor Longzeyuan Xiaoqu Huilongguan Town Changping District Beijing PRC

Independent non-executive Directors

Mr. Chan Sze Chung	Flat G, 11th Floor Block 5, Castello 69 Siu Lek Yuen Road Shatin New Territories Hong Kong
Mr. Zhang Ruibin	No. 1-2-2, Guan Shui Xiang Road Nanming District, Guiyang City Guizhou Province PRC
Mr. Li Shujie	16-17F, Phase 2, Shanghai IFC 8 Century Avenue, Pudong District Shanghai PRC

Senior management

Mr. Yu Zhong	01, Building 27 No. 1388, Zhangdong Road Pudong, Shanghai PRC
Mr. Huang Wuhu	Sunsuzhuang, Jiantouji Town Taierzhuang District Zaozhuang, Shandong PRC
Mr. Li Chao	01, Building 27 No. 1388, Zhangdong Road Pudong, Shanghai PRC
Mr. Zhang Shoutian	Sunsuzhuang, Jiantouji Town Taierzhuang District Zaozhuang, Shandong PRC
Ms. Si Tou Man Wai	9/F, Allied Kajima Building 138 Gloucester Road Wanchai Hong Kong

Executive Directors**(1) Mr. Huang Yu**

Mr. HUANG Yu (黃俞先生) (“**Mr. Huang**”), aged 46, was appointed as an executive Director and chairman 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. He was also appointed as a member of the credit and risks management committee of the Company. Mr. Huang obtained a master’s degree in science from University of Greenwich. He has been the chairman of the board of directors and the director of 深圳華控賽格股份有限公司 (Shenzhen Huakong Seg Co., Ltd.*) (SHE: 68), the issued shares of which are listed on the Shenzhen Stock Exchange, since 8 April 2013. As at the Latest Practicable Date, Mr. Huang was a director of the following subsidiaries of the Company: Gratwick Limited, Kingway Hong Kong Limited, 前海興瑋企業管理諮詢(深圳)有限公司, Greater Vision Limited and Fully Fine Limited. As at the Latest Practicable Date, Mr. Huang was the senior vice president of Tsinghua Holdings, the chairman of the board of directors and general manager of Warranty Shenzhen and the chairman of supervisory committee of 鵬華基金管理有限公司 (Penghua Fund Management Co., Ltd.*).

As at the Latest Practicable Date, Mr. Huang owned 83.4% interests and Mr. Huang Xuezhong owned 16.6% interests in the registered capital of Shenzhen Aorongxin. Shenzhen Aorongxin owned 60% interests and Tsinghua Holdings owned 40% interests in the registered capital of Warranty Shenzhen. Warranty Shenzhen, through its subsidiary, namely Warranty Hong Kong, owned 100% interests in the issued share capital of China Health, a controlling Shareholder. As such, Mr. Huang was deemed to be interested in the 555,000,000 Shares held and deemed to be held by China Health under the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Huang did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(2) *Mr. Ng Qing Hai*

Mr. NG Qing Hai (黃清海先生) (“**Mr. Ng**”), aged 58, was appointed as a Director in March 2011 and re-designated as an executive Director in December 2011. Mr. Ng was also appointed as the managing Director and a member of each of the executive committee, nomination committee, credit and risks management committee and share dealing committee of the Company. As at the Latest Practicable Date, Mr. Ng was a director of the following subsidiaries of the Company: Shanghai Allied Cement Holdings Limited, AII-cement Limited, AII-Shanghai Inc., SAC Intellectual Properties Limited, Fortunate Gold Limited, Splendid Link Limited, Allied Wangchao, Shandong SAC and Shanghai SAC. Mr. Ng completed a three-year course in finance and accounting in building materials industry in the faculty of enterprises management at 上海建築材料工業專科學校 (Shanghai Institute of Building Materials Industry) in 1983. He was a non-practising member of The Chinese Institute of Certified Public Accountants. Mr. Ng was the 6th vice chairman of 上海市水泥行業協會 (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. He was appointed as a member of 中國人民政治協商會議第十一屆山東省委員會 (11th Shandong Provincial Committee of the Chinese People’s Political Consultative Conference) in January 2013. Mr. Ng was the chief executive officer (from 15 May 2001 to 20 April 2010), the president (from 15 May 2001 to 24 June 2014) and an executive director (from 15 May 2001 to 24 June 2014) of ChinaVision Media Group Limited (now known as Alibaba Pictures Group Limited) (stock code: 1060), the issued shares of which are listed on the Stock Exchange. Mr. Ng was a non-executive director of TACI (stock code: 28), the issued shares of which are listed on the Stock Exchange, from 18 January 2012 to 18 January 2013. Mr. Ng is a younger brother of Mr. Huang Wuhu, a senior management of the Group.

As at the Latest Practicable Date, Mr. Ng was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ng did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(3) Mr. Deng Jinguang

Mr. DENG Jinguang (鄧勁光先生) (“**Mr. Deng**”), aged 44, was appointed as an executive Director and a member of the executive committee and share dealing committee of the Company in March 2014. He holds a bachelor’s degree and a master’s degree from 北京理工大學 (Beijing Institute of Technology) and a doctorate degree in applied chemistry from Tsinghua University. Mr. Deng was the senior vice president of Waranty Shenzhen. As at the Latest Practicable Date, Mr. Deng was a supervisor of 前海興瑋企業管理諮詢 (深圳) 有限公司, a wholly-owned subsidiary of the Company. He also served as the chief consultant of 北京寧港升騰藥業有限公司 (Beijing Ning Gang Sheng Teng Pharmaceutical Co., Ltd.*), the general manager of 山東東阿阿膠健康管理連鎖有限公司 (Shandong Dongeejiao Health Management Co., Ltd.*) and 北京金象大藥房醫藥連鎖有限公司 (Beijing Jinxiang Pharmacy Health Management Co., Ltd.*), and the assistant to general manager of 北京金象復星醫藥股份有限公司 (Beijing Jinxiang Fosun Pharmaceutical Co., Ltd.*).

As at the Latest Practicable Date, Mr. Deng was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Deng did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

Independent non-executive Directors**(1) Mr. Chan Sze Chung**

Mr. CHAN Sze Chung (陳思聰先生) (“**Mr. Chan**”), aged 44, was appointed as an independent non-executive Director in December 2011. He entered into a new appointment letter on 3 January 2014 with the Company upon the expiry of previous terms with term commencing from 18 January 2014 until 17 January 2016. He is the chairman of the audit committee and a member of each of the remuneration committee, nomination committee and credit and risks management committee of the Company. He graduated from the University of Wales with a bachelor of arts degree in accounting and finance in 1991 and obtained a master of arts degree in accounting and finance at the University of Lancaster in 1992. Mr. Chan was a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a member of American Institute of Certified Public Accountants. Besides, he was also recognised as a chartered financial analyst by CFA Institute of the United States of America. Prior to joining the Company, he acted as the chief financial officer (from December 2009 to August 2010) of Coolpoint Energy Limited (now known as Viva China Holdings Limited) (stock code: 8032), the issued shares of which are listed on the Stock Exchange, and was acting as the chief financial officer (from September 2008

to March 2009) of Nam Tai Electronic & Electrical Products Limited, the issued shares of which were previously listed on the Stock Exchange, and acted as vice chief financial officer (from March 2009 to November 2009) of Nam Tai Electronics, Inc. (now known as Nam Tai Property Inc.) (NYSE: NTP), the issued shares of which are listed on the New York Stock Exchange. During the period between January 1993 and August 1997, Mr. Chan was employed by Deloitte Touche Tohmatsu and served as senior accountant at the time of his resignation.

As at the Latest Practicable Date, Mr. Chan was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chan did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(2) Mr. Zhang Ruibin

Mr. ZHANG Ruibin (張瑞彬先生) (“**Mr. Zhang**”), aged 42, was appointed as an independent non-executive Director on 24 July 2014. Mr. Zhang was also appointed as a chairman of the remuneration committee and a member of each of audit committee, nomination committee and credit and risks management committee of the Company. Mr. Zhang holds a doctorate degree in statistics from Xiamen University. He was a post-doctoral research fellow at Renmin University of China and 中國人民銀行金融研究所. He was qualified as a senior economist by 廣東省人事廳. He is qualified as a certified treasury professional of The Association for Financial Professionals. He has been awarded the research project second prize by The Securities Association of China and key research project third prize by the People’s Bank of China. Mr. Zhang was an external director of 中國貴州茅台酒廠集團有限責任公司 (Moutai Group Company Limited*). Mr. Zhang has been (i) an 獨立董事(independent director) of 貴州盤江精煤股份有限公司 (Guizhou Panjiang Refined Coal Co., Ltd*) (SH600395), the issued shares of which are listed on the Shanghai Stock Exchange, since 18 May 2013, (ii) an 獨立董事 (independent director) of 中國振華(集團)科技股份有限公司 (China Zhenhua (Group) Science & Technology Co. Ltd*) (SHE: 000733), the issued shares of which are listed on the Shenzhen Stock Exchange, since 25 July 2014; and (iii) an 獨立董事 (independent director) of 貴州黔源電力股份有限公司 (Guizhou Qianyuan Power Co., Ltd.*) (SHE: 2039), the issued shares of which are listed on the Shenzhen Stock Exchange, since 12 September 2014; and (iv) a 常務理事 of 中國金融工程學年會(China Financial Engineering Annual Conference*).

As at the Latest Practicable Date, Mr. Zhang was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zhang did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(3) Mr. Li Shujie

Mr. LI Shujie (李樹杰先生) (“**Mr. Li**”), aged 47, was appointed as an independent non-executive Director on 24 July 2014. Mr. Li was also appointed as a chairman of credit and risks management committee and a member of each of audit committee, remuneration committee and nomination committee of the Company. Mr. Li holds a master’s degree from 北京師範大學 (Beijing Normal University). He was the vice general manager of China Fortune Finance Holdings Limited. He was general manager of sales department of 富國基金管理有限公司 (Fullgoal Fund Management Company Limited*).

As at the Latest Practicable Date, Mr. Li was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

Senior management of the Group**(1) Mr. Yu Zhong**

Mr. YU Zhong (余忠先生), aged 52, was appointed a Director in March 2011 and re-designated as an executive Director from December 2011 to 15 March 2014. He joined Shanghai SAC, a subsidiary of the Company, in December 1993 and is currently a director and the vice general manager of Shanghai SAC, and has been a director of Allied Wangchao a subsidiary of the Company, since December 2003. He served as the deputy general manager of Shandong SAC, also a subsidiary of the Company, for the period from June 2001 to July 2004. Mr. Yu completed a two-and-a-half year 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.

As at the Latest Practicable Date, Mr. Yu Zhong was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yu Zhong did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(2) Mr. Huang Wuhu

Mr. HUANG Wuhu (黃五湖先生), aged 61, joined the Group in June 2001 and is a director and general manager of Shandong SAC and Allied Wangchao. Prior to joining the Group, Mr. Huang Wuhu worked for various 農村信用社 (unions) in Nan'an City of Fujian province, now known as 福建南安農村合作銀行 (Fujian Nan'an Rural Cooperative Bank), for more than twenty years. He was a registered planner in the PRC (中國註冊策劃師) and qualified as a finance economist. He was qualified as an 國際高級職業經理人(international senior occupation manager) by China Manager Society. Mr. Huang Wuhu was appointed as a member of the 7th to 9th 中國人民政治協商會議棗莊市委員會 (Zaozhuang Committee of the China People's Political Consultative Conference). He is an elder brother of Mr. Ng Qing Hai, an executive Director.

As at the Latest Practicable Date, Mr. Huang Wuhu was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Huang Wuhu did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(3) Mr. Li Chao

Mr. LI Chao (李超先生), aged 51, joined the Group in February 2002. He is the financial controller and a director of Shanghai SAC and also a director of Allied Wangchao. Mr. Li Chao completed a three-year course in finance and accounting in building materials industry in the faculty of enterprises management at 上海建築材料工業專科學校 (Shanghai Institute of Building Materials Industry) in 1983. In 2001, he completed a three-year part-time post-graduate course in economic management at 中共湖北省委黨校 (Party School of Chinese Communist Party of Hubei province). Mr. Li Chao was qualified as a senior accountant by 湖北省會計專業高級職務評審委員會 (Professional Title Reform Office of Hubei province) in 1996.

As at the Latest Practicable Date, Mr. Li Chao was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li Chao did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(4) Mr. Zhang Shoutian

Mr. ZHANG Shoutian (張守田先生), aged 63, joined the Group in June 2005. He has been the financial controller of Shandong SAC and Allied Wangchao since December 2006. Mr. Zhang Shoutian completed a two-year course in finance and accounting for infrastructure from 立信會計專科學校 (Li Xin Accounting Institute) in 1991 and a two-and-a-half-year part time course in economic management at 中共山東省委黨校 (Party School of Chinese Communist Party of Shandong province) in 1996. Prior to joining the Group, he served as finance officer at 滕州市水利局所屬水利工程公司 (Tengzhou Water Resources Bureau*) for more than ten years, and was the deputy head of finance department and head of audit division and a supervisor of 魯南中聯水泥有限公司 (China United Cement Lunan Co., Ltd.*) for about five years respectively. Mr. Zhang Shoutian was appointed a member of the 6th council of 中國會計學會建材分會 (Construction Materials Society, Accounting Society of China*) in 2008.

As at the Latest Practicable Date, Mr. Zhang Shoutian was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zhang Shoutian did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

(5) Ms. Si Tou Man Wai

Ms. SI TOU, Man Wai (司徒敏慧女士) (“**Ms. Si Tou**”), aged 36, appointed as a chief financial officer and company secretary of the Company on 7 November 2014. Ms. Si Tou holds a master of commerce degree in funds management and a bachelor of commerce degree in accounting and finance from the University of New South Wales. Ms. Si Tou has more than 14 years of experience in audit and financial advisory services with companies that engage in provision of advisory services including valuation, mergers and acquisitions, and reorganisation. Prior to joining the Company, she worked at Deloitte Touche Tohmatsu in Hong Kong and Macau and two accountancy firms in Australia. Ms. Si Tou was a chartered accountant of the Institute of Chartered Accountants in Australia.

As at the Latest Practicable Date, Ms. Si Tou was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Ms. Si Tou did not (i) hold any directorships in other listed company in the last three years; (ii) have any other major appointments and professional qualifications; (iii) hold any other position with the Company or other members of the Group; and (iv) have any relationship with any other Directors, senior management, substantial or controlling Shareholders.

* for identification purposes only

13. GENERAL

In the event of inconsistency, the English text of this Prospectus and the accompanying form of proxy shall prevail over the Chinese text.

14. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong).

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to in the paragraph headed “Expert and consent” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at 9/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong from the date of this Prospectus up to the Latest Time for Acceptance:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the two financial years ended 31 December 2013;
- (c) the accountants’ report from Deloitte Touche Tohmatsu on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (d) the written consent as referred to in the paragraph headed “Expert and consent” in this appendix;
- (e) the material contracts referred to under the section headed “Material contracts” in this appendix; and
- (f) the Prospectus Documents.