

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Asia Cement (China) Holdings Corporation 亞洲水泥(中國)控股公司, you should at once hand this circular and the accompanying proxy form to the purchaser or 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.

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Asia Cement (China) Holdings Corporation **亞洲水泥(中國)控股公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 743)

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
AND
(2) PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS
AND
(3) PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL
PROCEDURES FOR ACQUISITION AND DISPOSAL OF ASSETS
AND
(4) PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL
PROCEDURES FOR MAKING ADVANCES TO THIRD PARTIES
AND
(5) PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL
PROCEDURES FOR THE PROVISION OF GUARANTEES BY WAY OF
ENDORSEMENT
AND
(6) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Asia Cement (China) Holdings Corporation to be held at Conference Room, 39/F, Taipei Metro Tower, No. 207, Tun Hwa South Road, Section 2, Taipei, Taiwan on Friday, 10 June 2022 at 3:00 p.m. is set out on pages 21 to 27 of this circular.

A proxy form for use at the annual general meeting is enclosed with the notice of the annual general meeting. Such proxy form is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (www.achc.com.cn).

Whether or not you are able to attend the annual general meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the completed and signed proxy form to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the annual general meeting (i.e. not later than 3:00 p.m. on Wednesday, 8 June 2022) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish and in such event, the proxy form shall be deemed to be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

The translation into Chinese language of this circular is for reference only. In case of any inconsistency, the English version shall prevail.

26 April 2022

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DEFINITIONS

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

“2022 Amended and Restated Assets Procedures”	The assets procedure in an amended and restated form, the adoption of which will be considered at the 2022 AGM
“2022 Amended and Restated Advances Procedures”	The advances procedure in an amended and restated form, the adoption of which will be considered at the 2022 AGM
“2022 Amended and Restated Guarantee Provisional Procedures”	The guarantee provisional procedure in an amended and restated form, the adoption of which will be considered at the 2022 AGM
“AGM” or “2022 AGM”	an annual general meeting of the Company to be convened and held at Conference Room, 39/F., Taipei Metro Tower, No. 207, Tun Hwa South Road, Section 2, Taipei, Taiwan on Friday, 10 June 2022 at 3:00 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company currently in force
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Asia Cement (China) Holdings Corporation 亞洲水泥(中國)控股公司, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandates”	the Share Issue Mandate and the Share Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	19 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Issue Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise the power of the Company to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of the passing of the relevant resolution granting such mandate
“Share Repurchase Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange of up to a maximum of 10% of the total number of issued Shares of the Company as at the date of the passing of the relevant resolution granting such mandate
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

"Takeovers Code"	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
"%"	per cent

LETTER FROM THE BOARD



Asia Cement (China) Holdings Corporation
亞洲水泥(中國)控股公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 743)

Executive Directors:

Mr. HSU, Shu-ping (*Vice Chairman*)
Mr. CHANG, Tsai-hsiung
Dr. WU, Chung-lih (*Chief Executive Officer*)
Mr. CHANG, Chen-kuen
Mr. LIN, Seng-chang
Ms. WU, Ling-ling

Non-executive Director:

Mr. HSU, Shu-tong (*Chairman*)

Independent Non-executive Directors:

Mr. TSIM, Tak-lung Dominic
Mr. WANG, Wei
Mr. LEE, Kao-chao
Dr. WANG, Kuo-ming

Registered Office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place

of Business in the PRC:
No. 6 Yadong Avenue
Ma-Tou Town, Ruichang City
Jiangxi Province
People's Republic of China

Principal Place

of Business in Hong Kong:
Portion of Unit B
11th Floor
Lippo Leighton Tower
103 Leighton Road
Causeway Bay
Hong Kong

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
AND
(2) PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS
AND
(3) PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL
PROCEDURES FOR ACQUISITION AND DISPOSAL OF ASSETS
AND
(4) PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL
PROCEDURES FOR MAKING ADVANCES TO THIRD PARTIES
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(5) PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL
PROCEDURES FOR THE PROVISION OF GUARANTEES BY WAY OF
ENDORSEMENT
AND
(6) NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with the relevant information in respect of, among other matters, (i) the Share Issue Mandate; (ii) the Share Repurchase Mandate; (iii) the re-election and election of Directors; (iv) the adoption of 2022 amended and restated operational procedures for acquisition and disposals of assets; (v) the adoption of 2022 amended and restated operational procedures for making advances to third parties; (vi) the adoption of 2022 amended and restated operational procedures for the provision of guarantees by way of endorsement; and (vii) to give you notice of the AGM relating to, among other matters, these matters.

PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the power of the Company to allot, issue and deal with additional Shares representing up to 20% of the total number of the issued Shares as at the date of passing of the resolution. As at the Latest Practicable Date, the total number of issued Shares was 1,566,851,000. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 313,370,200 Shares, representing 20% of the total number of issued Shares.

The Share Issue Mandate will end on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required pursuant to the Articles or any applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

Subject to the passing of the following ordinary resolution regarding the Share Repurchase Mandate, an ordinary resolution will also be proposed at the AGM to authorise the Directors to exercise the power of the Company to issue new Shares in an amount not exceeding the total number of the Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Share Issue Mandate.

PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to repurchase issued Shares subject to the criteria set forth in this circular. In particular, Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the Share Repurchase Mandate will be such number which represents 10% of the total number of issued Shares as at the date of passing of the resolution subject to the Listing Rules. The Share Repurchase Mandate will end on the earliest of: (i) the conclusion of the next annual

LETTER FROM THE BOARD

general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required pursuant to the Articles or any applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting. As at the Latest Practicable Date, the total number of issued Shares was 1,566,851,000. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate on the date of passing the resolution approving the Share Repurchase Mandate will be 156,685,100 Shares, representing 10% of the total number of issued Shares.

An explanatory statement, as required under Rule 10.06(1)(b) of the Listing Rules to provide the requisite information in connection with the Share Repurchase Mandate, is set forth in Appendix I to this circular.

PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS

In accordance with Article 87(1) of the Articles, Mr. HSU, Shu-ping, Dr. WU, Chung-lih, Mr. HSU, Shu-tong, and Dr. WANG, Kuo-ming shall retire at the AGM.

Dr. WU, Chung-lih has informed the Board that he would not offer himself for re-election and accordingly will retire as Director upon the conclusion of the AGM.

Save for Dr. WU, Chung-lih, the retiring Directors, being eligible, will offer themselves for re-election at the AGM.

The Board is also pleased to announce that the Board has considered and recommends the nomination of Mr. LEE, Kun-yen as an executive director of the Company. His appointment shall become effective upon the consideration and approval by Shareholders of the Company at the AGM. Biographical details of Mr. LEE, Kun-yen who is recommended to be elected as executive director at the AGM are set forth in Appendix II to this circular.

The Nomination Committee has recommended to the Board on re-election of retiring Directors, save for Dr. WU, Chung-lih. The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors.

Biographical details of the Directors proposed to be re-elected and elected at the AGM are set forth in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF 2022 AMENDED AND RESTATED OPERATIONAL PROCEDURES PURSUANT TO THE TAIWAN SECURITIES AND EXCHANGE ACT

The Company is a subsidiary of Asia Cement Corporation which is listed on the Taiwan Stock Exchange Corporation. According to the relevant rules and regulations under the Taiwan Securities and Exchange Act, the Company is required to adopt amendments to operational procedures at a Shareholders' general meeting for (i) the acquisition and disposal of assets; (ii) making advances to third parties; and (iii) the provision of guarantees by way of endorsement. These amended operational procedures will be effective from the date of its adoption by the Shareholders at the AGM if so approved. The following is a summary of the key provisions of these procedures.

(A) 2022 Amended and Restated Assets Procedures

References are made to the circular of the Company dated 29 April 2020. The operational procedures for acquisition and disposal of assets (the "Assets Procedures") are aimed at strengthening the management of the investment transactions conducted by the Company involving acquisition or disposal of assets. Under the Assets Procedures, the Company may acquire or dispose of the following assets subject to certain investment limits:

- (1) Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. The total amount of investment by the Company for the above types of investment in securities shall not exceed 200% of the shareholder's equity of the Company as reported in the latest audited financial statements of the Company;
- (2) Real estate (including land, properties and buildings, investment properties, and land-use rights) and equipment. The total amount of investment by the Company for non-operational real estate and equipment shall not exceed 50% of the total asset value of the Company as stated in the latest audited financial statements of the Company;
- (3) Memberships;
- (4) Patents, copyrights, trademarks, franchise rights, and other intangible assets;
- (5) Derivatives;
- (6) Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with applicable laws; and
- (7) Other major assets.

Pursuant to the Assets Procedures, the finance and accounts department of the Company should conduct financial analysis and provide risk assessment of the target assets to be acquired or disposed. Further, with reference to the amount of investment

LETTER FROM THE BOARD

involved in a transaction, valuation of the target assets to be prepared by a professional valuer or auditor should be obtained in the manner as set out in the Asset Procedures, where appropriate.

The asset acquisition or disposal transaction should be approved after seeking professional advice and considering the return on investment, necessity, fairness and reasonableness of the transaction with reference to the investment risks involved, and Shareholders' approval should also be obtained if required by the applicable laws and regulations. Moreover, the Company will announce and report the information required pursuant to the relevant rules and regulations when conducting the asset investment transactions, including but not limited to the Taiwan Securities and Exchange Act and in accordance with the Listing Rules.

Under the 2022 Amended and Restated Assets Procedures, the major amendments to the Assets Procedures are: (i) to strengthen the management of related party transactions; (ii) to improve the quality of opinions issued by external experts; and (iii) to widen information disclosure on certain transactions.

(B) 2022 Amended and Restated Advances Procedures

References are made to the circulars of the Company dated 29 April 2020. The operational procedures for making advances to third parties (the "Advances Procedures") are aimed at strengthening the management of loans and reducing the operational risks of the Company. Under the Advances Procedures, the Company should comply with the following requirements when making any advances to companies which conduct transactions with the Company:

- (1) The advances made shall be repayable within one year and such date of repayment should be agreed in advance;
- (2) The maximum amount of advances made must not exceed 50% of the net asset value as reported in the latest financial statement of the Company as audited or reviewed by its auditor; and
- (3) The interest rate charged on such advances should be calculated based on either the fixed or the floating rate, and the finance department of the Company should seek approval from the chief executive officer of the Company before making any adjustment to the interest rate.

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Pursuant to the Advances Procedures, the Company must conduct necessary financial due diligence enquiries on the following issues before making advances:

- (1) The necessity and reasonableness of such advance;
- (2) The credibility and the risk profile of the borrower;
- (3) The impact of such advance on the Company's business operations, financial position and the interest of the Shareholders; and
- (4) Whether any security, pledge or collateral to secure such advance and appraisal of the value thereof must be obtained.

Further, pursuant to the Advances Procedures, any advances made to third parties should be approved by the Board, and the views of the independent non-executive Directors should be fully considered when making an advance. Moreover, the Company will announce and report the required information pursuant to the relevant rules and regulations under the Taiwan Securities and Exchange Act and the Listing Rules.

Under the 2022 Amended and Restated Advances Procedures, the major amendments to the Advances Procedures are to amend the certification standards reported by the announcement when the new advances of a public offering company or its subsidiaries reach a certain standard, to reflect the latest applicable rules and accounting standards and provisions of the Company.

(C) 2022 Amended and Restated Guarantee Provisional Procedures

Reference is made to the circular dated 29 April 2020, the Operational Procedures for the Provision of Guarantees by way of Endorsement (the "Guarantee Provisional Procedures") are aimed at strengthening the management of guarantees provided by the Company. Under the Guarantee Provisional Procedures, the Company may provide guarantees by way of endorsement to the following parties:

- (1) A company which conducts business with the Group.
- (2) A company in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3) A corporate shareholder that directly and indirectly holds more than 50% of the voting Shares.
- (4) For a publicly listed company which holds, directly or indirectly, 90% or more of the voting Shares, the amount of guarantee provided by way of endorsement may not exceed 10% of the net asset value of its parent company. Such guarantees are subject to board approval by the parent company of the publicly listed company.

LETTER FROM THE BOARD

The total maximum amount of guarantee which can be provided by the Group is limited to the net asset value of the Company at the relevant time, and the maximum amount of guarantee which can be provided to a single corporate entity is limited to 50% of the net asset value of the Company at the relevant time. Pursuant to the Guarantee Provisional Procedures, the Company must conduct necessary financial due diligence enquiries on the following issues before providing any guarantee by way of endorsements:

- (1) The necessity and reasonableness of guarantee by way of endorsement;
- (2) credit status and risk assessment of the entity for which the guarantee is made;
- (3) the impact on the Company's business operations, financial position and the interests of the Shareholders; and
- (4) whether collateral and appraisal of the value thereof must be obtained.

Under the 2022 Amended and Restated Guarantee Provisional Procedures, the major amendments to the Guarantee Provisional Procedures are to amend the certification standards reported by the announcement when the guarantee of a public offering company or its subsidiaries reach a certain standard, to reflect the latest applicable rules and accounting standards and provisions of the Company.

Ordinary resolutions will be proposed at the AGM to approve and adopt the 2022 Amended and Restated Assets Procedures, 2022 Amended and Restated Advances Procedures and 2022 Amended and Restated Guarantee Provisional Procedures. The Board considers that these Procedures will assist in strengthening risk management and internal control of the Group and they are in the interest of the Group and the Shareholders as a whole and would recommend the Shareholders to vote in favour of the relevant resolutions at the AGM.

AGM AND PROXY ARRANGEMENT

Set forth on pages 21 to 27 of this circular is a notice convening the AGM at which, among other things, resolutions will be proposed to approve (i) the granting of the Share Issue Mandate and the Share Repurchase Mandate; (ii) the re-election and election of Directors; (iii) the adoption of 2022 Amended and Restated Assets Procedures; (iv) the adoption of 2022 Amended and Restated Advance Procedures; (v) the adoption of 2022 Amended and Restated Guarantee Provisional Procedures.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.achc.com.cn>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the AGM (i.e. not later than 3:00 p.m. on Wednesday, 8 June 2022). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

VOTING BY POLL

The AGM will be held by voting of Shareholders taken by poll pursuant to Rule 13.39(4) of the Listing Rules, except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the AGM in the manners prescribed under Rule 13.59(3) of the Listing Rules.

RECOMMENDATION

The Directors consider that (i) the granting of the Share Issue Mandate and the Share Repurchase Mandate; (ii) the re-election and election of Directors; (iii) the adoption of 2022 Amended and Restated Assets Procedures; (iv) the adoption of 2022 Amended and Restated Advance Procedures; (v) the adoption of 2022 Amended and Restated Guarantee Provisional Procedures; the Group and the Shareholders as a whole, and would recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular, 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 circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other material matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board
HSU Shu-tong
Chairman

26 April 2022

This Appendix serves as an explanatory statements, as required by the Listing Rules, to provide all the information in relation to the Share Repurchase Mandate for your consideration.

1. LISTING RULES RELATING TO THE SHARE REPURCHASE MANDATE

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their securities subject to certain restrictions.

All proposed repurchases of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up. A maximum of 10% of the total number of issued shares as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were 1,566,851,000 Shares in issue. Subject to the passing of the resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 156,685,100 Shares representing 10% of the total number of issued Shares as at the date of the AGM.

3. REASONS FOR SHARE REPURCHASES

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF SHARE REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws and regulations of the Cayman Islands.

It is presently proposed that any repurchase of the Shares would be made out of profits of the Company or the proceeds of a fresh issue made for the repurchase or out of capital provided that on the day immediately following the date of repurchase the Company is able to pay its debts as they fall due in the ordinary course of business.

5. IMPACT OF SHARE REPURCHASES

On the basis of the financial position of the Company as at 31 December 2021 (being the date of its latest audited accounts), the Directors consider that there is no material adverse impact on the working capital or gearing position of the Company if the Share Repurchase Mandate is exercised in full during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in its most recent published audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

6. GENERAL INFORMATION

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or any of its subsidiaries, if the Share Repurchase Mandate is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have any present intention to sell any Shares to the Company, or have undertaken not to do so, if the Share Repurchase Mandate is approved by the Shareholders.

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong, the Articles and the applicable laws of the Cayman Islands.

8. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Share Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far is known to, or can be ascertained after reasonable enquiry by the Directors, the following Shareholders were directly or indirectly interested in 5% or more of the issued Shares:

Name of Shareholders	Number of Shares in which interested		Capacity in which Shares are held	Approximate percentage of existing shareholding
	Long position (L)	Short position (S)		
Asia Cement Corporation	1,061,209,202 (L)		Beneficial owner	67.73%
	83,652,798 (L)		Interest of Controlled Corporation	5.34%
Far Eastern New Century Corporation	1,061,209,202 (L)		Beneficial owner	67.73%
	83,652,798 (L)		Interest of Controlled Corporation	5.34%

Assuming that no further Shares are issued between the Latest Practicable Date and the date of a buy-back under the proposed Share Buy-back Mandate, in the event that the Directors exercise the power to buy back Shares in full in accordance with the proposed Share Buy-back Mandate, the aggregate shareholding of the above Shareholders in the issued share capital of the Company would be increased to:

Name of Shareholders	Approximate percentage of shareholding if the proposed Share Buy-back Mandate is exercised in full
Asia Cement Corporation	81.19%
Far Eastern New Century Corporation	81.19%

If the Directors exercise in full the power to repurchase Shares pursuant to the Share Repurchase Mandate and assuming there will be no change in the total issued share capital of the Company or alterations to the existing shareholding of Asia Cement, the shareholding of Asia Cement will be increased to approximately 81.19% of the total issued share capital of the Company. The Directors believe that such an increase of shareholding will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the issued capital in the public to less than 25% (or the prescribed minimum percentage required by the Stock Exchange).

The Directors do not exercise the Share Repurchase Mandate to the extent that the number of Shares held by the public would be reduced to less than 25% of the Shares in issue, or to the extent that would result in an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Based on the information known to date, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Share Repurchase Mandate.

9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares had been made by the Company during the six months prior to the Latest Practicable Date.

10. SHARE PRICES

The highest and lowest prices per Share at which Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
May	7.97	7.24
June	7.67	5.99
July	6.19	5.23
August	5.93	5.20
September	7.46	5.70
October	6.42	5.65
November	6.40	4.90
December	5.27	4.60
2022		
January	5.49	4.90
February	5.79	4.81
March	5.26	4.39
April (up to the Latest Practicable Date)	5.37	4.96

Trading in the shares on the Main Board of the Stock Exchange has been suspended between April 1, 2021 and May 6, 2021.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT ANNUAL GENERAL MEETING
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The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. HSU Shu-ping (徐旭平)

Mr. HSU, Shu-ping (徐旭平), aged 76, is an executive Director and the vice chairman of the Group. Mr. HSU's principal responsibilities involve formulating the overall business strategy of the Group in China. Mr. HSU is also the director of Far Eastern New Century Corporation, and the director of Asia Cement Corporation and the director of Far Eastone Telecommunications Co. Ltd. and the director of U-Ming Marine Transport Corporation, all of which are listed in Taiwan. Mr. HSU graduated from Stanford University with a master degree in Operation Research. Mr. HSU is brother of Mr. HSU, Shu-tong, Chairman and non-executive Director of the Company.

Mr. HSU entered into a service contract with the Company for a term of three years commencing on 13 March 2020. Under the service contract, Mr. HSU's emoluments recorded in 2021 include director's fees, salaries and other benefits of approximately of HK\$240,000 per annum, which were determined with reference to his experience and qualification.

As at the Latest Practicable Date, Mr. HSU is deemed to be interested in 200,000 underlying shares within the meaning of Part XV of the SFO. Mr. HSU is also interested in 13,454,981 shares in Asia Cement Corporation, a substantial shareholder of the Company within the meaning of Part XV of the SFO. Asia Cement Corporation owns 1,144,862,000 shares or approximately 73.07% of the issued share capital of the Company.

Save as disclosed above, Mr. HSU is not related to any Directors, senior management, or substantial or controlling Shareholders of the Company.

Save for the information disclosed above, the Board and Mr. HSU have indicated that there is no other information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT ANNUAL GENERAL MEETING
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(2) **Mr. HSU Shu-tong (徐旭東)**

Mr. HSU, Shu-tong (徐旭東), aged 80, is the chairman of the Group. Mr. HSU's principal responsibilities involve leading the overall strategy and business development of the Group in China. Mr. HSU is the chairman of Far Eastern Group, conglomerates based in Taiwan. Mr. HSU is also the chairman of Far Eastern New Century Corporation, U-Ming Marine Transport Corporation, Far Eastern Department Stores Ltd., Oriental Union Chemical Corporation, Far Eastone Telecommunications Co., Ltd. and Asia Cement Corporation, the vice chairman of Far Eastern International Bank and a director of Everest Textile Co., Ltd., which are listed in Taiwan.

Outside Far Eastern Group, Mr. HSU's professional and other affiliations in prominent organizations include: Director of MasterCard Asia/Pacific Regional Advisory Board, Member of Asia Business Council, Director of Asian Cultural Council, Advisor of International Advisory Council for Wuhan Municipal People's Government, Director of Chung-Hua Institution for Economic Research, Director of the Straits Exchange Foundation, Director of Chiang Ching-kuo Foundation for International Scholarly Exchange, Board Member of National Cultural & Arts Foundation, Chairman of Asian Cultural Council Taipei, Trustees Emeritus of University of Notre Dame, former President of International Textile Manufacturers Federation (ITMF), and former Co-Chair of Nature Conservancy Asia Pacific Council. Mr. HSU is brother of Mr. HSU, Shu-ping, executive Director of the Company.

Mr. HSU graduated from the University of Notre Dame, IN (BA, MA) with post-graduate studies in economics at Columbia University, NY in the US. Since 2002 he holds an honorary doctorate of management from National Chiao Tung University in Taiwan.

Mr. HSU entered into a letter of appointment with the Company on 27 April 2020, for a term of three years. Under the letter of appointment, Mr. HSU is entitled to a directors' fee of HK\$300,000 per annum, which was determined with reference to his experience and qualification. He shall retire from office by rotation and is subject to re-election at annual general meeting of the Company at least once every three years according to the provisions of the Articles.

As at the Latest Practicable Date, Mr. HSU is interested in long position of 3,000,000 shares within the meaning of Part XV of the SFO. Mr. HSU also owns 29,630,801 shares in Asia Cement Corporation, which is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Asia Cement Corporation owns 1,144,862,000 shares or approximately 73.07% of the issued share capital of the Company.

Save as disclosed above, Mr. HSU is not related to any Directors, senior management, or substantial or controlling Shareholders of the Company.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT ANNUAL GENERAL MEETING
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Save for the information disclosed above, the Board and Mr. HSU have indicated that there is no other information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.

(3) Dr. WANG Kuo-ming (王國明)

Dr. WANG, Kuo-ming (王國明), aged 78, has served as an independent non-executive Director since October 2015. Dr. WANG graduated from the Kansas State University with a master degree and PhD degree in Industrial Engineering. Following graduation, he returned to Taiwan and joined Nation Tsing Hua University, where he was an associate professor, professor, head of the department of industrial engineering, and secretary general. In 1989, Dr. WANG was appointed as the founding president of Yuan Ze University. Under his 10-year leadership from 1989 to 1999, Yuan Ze University developed into the best private university in Taiwan. Dr. WANG then returned to National Tsing Hua University and served as the dean and professor of Technology Management College from 2000 to 2003.

With regards to government service, Dr. WANG served as chief consultant to the Minister of Education from 1986 to 1988. He also had one year of experience with the central government of Taiwan as director of the Control Department and the Managing Information Systems Division of Research and Development, Control and Evaluation Commission. Being the first PhD in industrial engineering in Taiwan, Dr. WANG was the founding convenor of the Industrial Engineering Division of the National Science Council. He was also the first recipient of the Industrial Engineering Medal awarded by the Chinese Institute of Industrial Engineers.

In 2004, Dr. WANG was elected president of Nan Kai University of Technology. During his 6-year tenure there, Dr. WANG devoted himself in gerontechnology and service management and built Nan Kai University of Technology into the first university in Taiwan focusing on this area. He also found the Chinese Society of Gerontechnology and Service Management in 2009, and served as the president of the society for four years. Dr. WANG is currently the University Emeritus Professor of Yuan Ze University and he keeps leading the promotion and development in gerontechnology in Taiwan.

Dr. WANG is the chairman of the remuneration committee and a member of the Independent Committee of the Company.

The Company and Dr. WANG have signed a letter of appointment commencing on 1 October 2018 and have signed a renewal letter of appointment on 1 October 2021, under which Dr. WANG is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles. Under the letter of appointment, Dr. WANG is entitled to a directors' fee of HK\$300,000 per annum, which was determined with reference to his experience and qualification.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT ANNUAL GENERAL MEETING
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As at the Latest Practicable Date, Dr. WANG owns 1,841 shares in Asia Cement Corporation, which is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Asia Cement Corporation owns 1,144,862,000 shares or approximately 73.07% of the issued share capital of the Company.

Save as disclosed herein, Dr. WANG did not hold any office of directorships in other listed public companies in the last three years other than the Company.

Save as disclosed herein, Dr. WANG is not related to any Directors, senior management, substantial or controlling Shareholders of the Company.

There is no information which is disclosable nor is/was Dr. WANG involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AND ELECTED AT ANNUAL GENERAL MEETING
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The following are details of the Director proposed to be elected at the Annual General Meeting:

(1) Mr. LEE Kun-yen (李坤炎)

Mr. LEE, Kun-yen (李坤炎), aged 82, is currently a director and general manager of Asia Cement Corporation. Mr. LEE is also a director of U-Ming Marine Transport Corporation and a chairman of Ya Tung Ready Mixed Concrete Co., Ltd. Mr. LEE acts as chairman of Taiwan Cement Manufacturers Association and director of Chinese National Federation of Industries.

Mr. LEE joined Asia Cement Corporation since 1954 starts from a general staff and took up the position of general manager in 2000. Mr. LEE has more than 60 years' experience in cement and concrete related industries. Mr. LEE is a professional manager specializing in corporate management and business marketing. Mr. LEE is also engaged in industrial upgrading work such as the operation management, technology and resource efficiency improvement of ready-mixed concrete, casting and construction projects. Mr. LEE also experienced in the management of industries such as transportation, electric energy and stainless steel.

Subject to the approval by the Shareholders at the AGM, the Company will enter into a service contract with Mr. LEE in respect of his election as an executive Director for a term of three years commencing on the date of the AGM. The service contract may be terminated by not less than one month's notice in writing served by either party. His directorship will be subject to retirement by rotation and re-election in accordance with the articles of association of the Company.

Mr. LEE's overall remuneration package will be determined by the Board following recommendations by the Remuneration Committee with reference to the remuneration policy of the Company, his duties and the prevailing market level of remuneration for executives of similar positions.

As at the Latest Practicable Date, Mr. LEE is interested in long position of 200,000 shares within the meaning of Part XV of the SFO, Mr. LEE also owns 2,361,557 shares in Asia Cement Corporation, which is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Asia Cement Corporation owns 1,144,862,000 shares or approximately 73.07% of the issued share capital of the Company.

Save as disclosed herein, Mr. LEE did not hold any office of directorships in other listed public companies in the last three years other than the Company.

Save as disclosed herein, Mr. LEE is not related to any Directors, senior management, substantial or controlling Shareholders of the Company.

There is no information which is disclosable nor is/was Mr. LEE involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders.



Asia Cement (China) Holdings Corporation
亞洲水泥(中國)控股公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 743)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Asia Cement (China) Holdings Corporation (the “Company”) will be held at Conference Room, 39/F., Taipei Metro Tower, No. 207, Tun Hwa South Road, Section 2, Taipei, Taiwan on Friday, 10 June 2022 at 3:00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “Director(s)”) and the independent auditors (the “Auditors”) for the year ended 31 December 2021.
2. To declare a final dividend for the year ended 31 December 2021 (if any).
3. To consider and approve, each as a separate resolution, if though fit, the following resolutions:
 - (a) to re-elect Mr. HSU, Shu-ping as an executive Director;
 - (b) to re-elect Mr. HSU, Shu-tong as a non-executive Director;
 - (c) to re-elect Dr. WANG, Kuo-ming as an independent non-executive Director;
 - (d) to elect Mr. LEE, Kun-yen as an executive Director; and
 - (e) to authorise the board of Directors of the Company (the “Board”) to determine the Directors’ remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the Auditors and to authorise the Board to fix their remuneration.

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

5. **“THAT:**

- (i) subject to paragraph 5(iii) of this resolution, and pursuant to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) on all the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and the same is hereby generally and unconditionally approved;
- (ii) the approval in paragraph 5(i) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph 5(i) of this resolution, otherwise than by way of (a) a Rights Issue (as hereinafter defined); or (b) the exercise of or the grant of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the issue or grant to officers and/or employees of the Company and/or any of its subsidiaries of shares or options to subscribe for or rights to acquire shares of the Company; or (c) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the total number of issued Shares of the Company as at the date of passing of this resolution and the said approval be limited accordingly; and
- (iv) for the purpose of this resolution:-
 - (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.
 - (b) “Rights Issue” means an offer of shares in the share capital of the Company or an offer or issue of warrants or options or similar instruments to subscribe for shares in the share capital of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”
- 6. **“THAT:**
 - (i) subject to paragraph 6(ii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the share capital of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong (the “SFC”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
 - (ii) the aggregate nominal amount of issued shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph 6(i) of this resolution during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

(iii) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.”

AS SPECIAL BUSINESS

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as appropriate:-

- 7. “**THAT** conditional upon resolutions No. 5 and 6 above being passed, the general mandate granted to the Directors to allot, issue or otherwise deal with additional shares pursuant to resolution No. 6 be and is hereby extended by the addition to the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to resolution No. 7.”
- 8. “**THAT** the 2022 Amended and Restated Operational Procedures for Acquisition and Disposal of Assets (as defined in the circular of the Company dated 26 April 2022), a copy of the said procedures having produced to the meeting as “Exhibit A” and initialled by the chairman of the meeting for identification purpose be and are hereby approved and adopted by the Company.”
- 9. “**THAT** the 2022 Amended and Restated Operational Procedures for Making Advances to Third Parties (as defined in the circular of the Company dated 26 April 2022), a copy of the said procedures having produced to the meeting as “Exhibit B” and initialled by the chairman of the meeting for identification purpose be and are hereby approved and adopted by the Company.”

10. “THAT the 2022 Amended and Restated Operational Procedures for the Provision of Guarantees by Way of Endorsement (as defined in the circular of the Company dated 26 April 2022), a copy of the said procedures having produced to the meeting as “Exhibit C” and initialled by the chairman of the meeting for identification purpose be and are hereby approved and adopted by the Company.”

By Order of the Board
Asia Cement (China) Holdings Corporation
HSU Shu-tong
Chairman

Hong Kong, 26 April 2022

Notes:

- (1) All resolutions (except where the chairman decides to allow a resolution relating to procedural or administrative matters to be voted on by a show of hand) at the AGM will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (2) Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy does not need to be a shareholder of the Company. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
- (3) In order to be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time appointed for the AGM (i.e. not later than 3:00 p.m. on Wednesday, 8 June 2022) or any adjournment thereof.
- (4) Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the AGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (5) The register of members of the Company will be closed from Tuesday, 7 June 2022 to Friday, 10 June 2022 (both days inclusive), during which period no transfer of shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the AGM to be held on Friday, 10 June 2022, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Monday, 6 June 2022.

In the event that the AGM is adjourned to a date later than 10 June 2022 because of bad weather or other reasons, the record date for determination of entitlement to attend and vote at the AGM will remain as the aforesaid date.

- (6) Subject to the approval of shareholders at the AGM, the register of members of the Company will be closed from Tuesday, 5 July 2022 to Thursday, 7 July 2022, both days inclusive, during which period, no transfer of Shares will be registered. The proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company after the close of business at 4:30 p.m. on Thursday, 7 July 2022 being the record date for determination of entitlement to the final dividend. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong,

Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 4 July 2022.

- (7) The Board recommends the payment of a final dividend of RMB0.45 per share for the year ended 31 December 2021, totalling RMB705,083,000. The dividend will be denominated and declared in Renminbi and will be paid in Hong Kong dollars. The relevant exchange rate will be the middle exchange rate of RMB to Hong Kong dollars as announced by the State Administration of Foreign Exchange on the date of the AGM.
- (8) If a tropical cyclone warning signal number 8 or above is hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning is/are in force or is expected to be hoisted or in force in Hong Kong at any time between 1:00 p.m. and 3:00 p.m. on the date of the AGM, the AGM will be automatically postponed to a later date and if postponed, the Company will as soon as practicable post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting. The AGM will be held as scheduled when an amber or a red rainstorm warning signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.
- (9) In light of the continuing risks posed by the COVID-19 pandemic, the meeting will NOT serve refreshment or distribute souvenirs. The Company also strongly encourages shareholders NOT to attend the meeting in person and advise shareholders to appoint the chairman of the meeting or any director or Company Secretary of the company as their proxy to vote according to their indicated voting instructions are an alternative to attending the meeting in person.
- (10) The translation into Chinese language of this notice is for the reference only. In case of any inconsistency, the English version shall prevail.
- (11) References to time and dates in this notice are to Hong Kong time and dates.
- (12) In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending shareholders, staff and stakeholders from the risk of infection:
 - (i) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
 - (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
 - (iii) No refreshment will be served, and there will be no corporate gift.
 - (iv) Each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the Annual General Meeting; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue. In addition, the Company reminds all shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong. If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong
Email: is-enquiries@hk.tricorglobal.com
HK Tel: (852) 2980 1333
Fax: (852) 2980 8185