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TAIWAN CEMENT CORPORATION
(台灣水泥股份有限公司)
(A joint stock company incorporated in Taiwan)

TCC INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1136)

TCC INTERNATIONAL LIMITED
(Incorporated in the British Virgin Islands with limited liability)

JOINT ANNOUNCEMENT

PROPOSED PRIVATISATION OF TCC INTERNATIONAL HOLDINGS LIMITED BY TAIWAN CEMENT CORPORATION AND TCC INTERNATIONAL LIMITED BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES LAW OF THE CAYMAN ISLANDS)

- (1) DESPATCH OF SCHEME DOCUMENT AND**
- (2) CLOSURE OF REGISTERS OF MEMBERS**

Financial Adviser to Taiwan Cement Corporation and TCC International Limited



BNP PARIBAS

INTRODUCTION

References are made to (i) the joint announcement of the Offeror and the Company dated April 20, 2017 (the “**Joint Announcement**”) in relation to, among others, the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Law; (ii) the joint announcement of the Offeror and the Company dated May 25, 2017 in relation to the extension of time for despatch of the Scheme Document; (iii) the update announcement jointly issued by the Offeror and the Company dated June 27, 2017; (iv) the joint announcements of the Offeror and the Company dated July 25, 2017 and June 29, 2017 in relation to, among other things, the fulfilment of Conditions (f) and (g), respectively; and (v) the scheme document jointly issued by the Offeror and the Company dated August 24, 2017 in relation to the Proposal and the Scheme (the “**Scheme Document**”). Unless otherwise defined, capitalised terms used in the Scheme Document shall have the same respective meanings as used in this joint announcement.

DESPATCH OF SCHEME DOCUMENT

The Scheme Document together with the respective notices of the Court Meeting, the EGM and the Special EGM, each to be held on September 18, 2017, the relevant proxy forms and the Election Form have been despatched to the Shareholders on August 24, 2017.

The Scheme Document contains, among other things, further details of the Proposal, the Scheme, the expected timetable of the Scheme, the explanatory memorandum of the Scheme as required under the Companies Law, letters from the Board, the Independent Board Committee and Somerley, financial information of the Group and TCC Group, the valuation reports of the properties of the Group and TCC Group, general information regarding the Company and the Offeror, the respective notices of the Court Meeting, the EGM, the Special EGM and the Information Memorandum.

The Scheme Document is also available on the websites of the Stock Exchange and the Company from August 24, 2017.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all non-executive Directors and independent non-executive Directors who are not interested in the Proposal, namely, Dr. Shan Weijian, Dr. Chih Ching Kang, Kenneth and Mr. Shieh Jen-Chung, Roger, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and as to voting on the relevant resolutions to be put forward at the Court Meeting, the EGM and the Special EGM.

Somerley has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal.

Shareholders are urged to read and consider carefully the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as set out in the letter from the Independent Board Committee and the letter from Somerley, respectively, before deciding how to vote in relation to the resolutions to be proposed at the Court Meeting, the EGM and the Special EGM.

COURT MEETING, EGM AND SPECIAL EGM

The Court Meeting, the EGM and the Special EGM are scheduled to be held at 9:00 a.m., 9:30 a.m. and 10:00 a.m., respectively (or in the case of the EGM immediately after the conclusion or adjournment of the Court Meeting; and in the case of the Special EGM immediately after the conclusion or adjournment of the EGM), on September 18, 2017 at Alexandra Room, 2/F Mandarin Oriental Hotel, 5 Connaught Road, Central, Hong Kong.

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modification(s)).

The EGM will be held for the purpose of considering and if thought fit passing (a) the special resolution to, among other things, approve the Reduction by cancelling all the Scheme Shares; and (b) the ordinary resolution to increase simultaneously the issued share capital of the Company to the amount prior to the Reduction and apply the reserve created as a result of the Reduction to pay up in full at par the new Shares to be issued to TCC and TCCI (as the case may be).

The Special EGM will be held for the purpose of considering and if thought fit passing a special resolution of the Convertible Preference Shareholders to approve and give effect to the Reduction by cancelling all of the Convertible Preference Scheme Shares pursuant to Article 3A(k)(iv) of the Articles.

Notices of the Court Meeting, the EGM and the Special EGM are contained in the Scheme Document. An announcement will be made jointly by the Company and the Offeror in relation to the results of the Court Meeting, the EGM and the Special EGM on Monday, September 18, 2017.

CLOSURE OF REGISTERS OF MEMBERS

For the purpose of determining the entitlements of the holders of Scheme Shares to attend and vote at the Court Meeting and the entitlements of Shareholders to attend and vote at the EGM and the Special EGM, it is proposed that the registers of members of the Company will be closed from Tuesday, September 12, 2017 to Monday, September 18, 2017 (both days inclusive) and during such period, no transfer of Shares will be effected.

In order to qualify to attend and vote at the Court Meeting, the EGM and/or the Special EGM, all transfers accompanied by the relevant share certificates must be lodged with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Monday, September 11, 2017.

CONDITIONS OF THE PROPOSAL

Subject to all the Conditions being fulfilled or waived (as applicable), the Scheme is expected to become effective on or around Thursday, November 16, 2017 (Cayman Islands time). Details of the Conditions are set out in the section headed "4. Conditions of the Proposal" in Part VII – Explanatory Memorandum of the Scheme Document. As at the date of this joint announcement, Conditions (f) and (g) have been fulfilled.

All the Conditions will have to be fulfilled or waived (as applicable) on or before December 31, 2017 (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Grand Court may direct), failing which the Scheme and the Proposal will lapse. The Company has no right to waive any of the Conditions. Further announcements of any changes regarding the timetable of the Scheme and the Proposal will be made as and when necessary.

EXPECTED TIMETABLE

Hong Kong Time
(Unless otherwise stated)

Date of despatch of the Scheme Document Thursday, August 24, 2017

Latest time for lodging transfers of Shares
in order to qualify for attending and
voting at the Court Meeting, the EGM and
the Special EGM 4:30 p.m. on
Monday, September 11, 2017

Registers of members of the Company closed
for determination of entitlements of
holders of Scheme Shares to attend and
vote at the Court Meeting and entitlements of
Shareholders to attend and vote at
the EGM and the Special EGM (*Note 1*) Tuesday, September 12, 2017 to
Monday, September 18, 2017
(both days inclusive)

Hong Kong Time
(Unless otherwise stated)

Latest time for lodging forms of proxy in respect of *(Note 2)*:

Court Meeting 9:00 a.m. on
Saturday, September 16, 2017
(or to be handed to the chairman
at the Court Meeting before
the taking of the poll)

EGM 9:30 a.m. on
Saturday, September 16, 2017

Special EGM 10:00 a.m. on
Saturday, September 16, 2017

Meeting Record Date Monday, September 18, 2017

Court Meeting *(Note 3)* 9:00 a.m. on
Monday, September 18, 2017

EGM *(Note 3)* 9:30 a.m. on
Monday, September 18, 2017
(or immediately after the conclusion or
adjournment of the Court Meeting)

Special EGM *(Note 3)* 10:00 a.m. on
Monday, September 18, 2017
(or immediately after the conclusion or
adjournment of the EGM)

Hong Kong Time
(Unless otherwise stated)

Announcement of the results of the Court Meeting, the EGM and the Special EGM published on the website of the Stock Exchange and the website of the Company	No later than 7:00 p.m. on Monday, September 18, 2017
Expected latest time for dealing in the Ordinary Shares on the Stock Exchange	4:00 p.m. on Tuesday, September 19, 2017
Latest time for lodging transfers of the Shares in order to qualify for entitlements under the Scheme	4:30 p.m. on Thursday, September 21, 2017
Registers of members of the Company closed for determining entitlements to qualify under the Scheme (<i>Note 4</i>)	From Friday, September 22, 2017 onwards
Scheme Record Date	Monday, September 25, 2017
Latest time to submit Election Form to elect the Share Alternative	4:30 p.m. on Tuesday, October 3, 2017
Application to the FSC for the new issuance of TCC Shares and updated draft Information Memorandum published on MOPS (<i>Note 5</i>)	Thursday, October 19, 2017
Approval by the FSC of the new issuance of TCC Shares (<i>Note 6</i>)	Monday, November 6, 2017

Hong Kong Time
(Unless otherwise stated)

Final Information Memorandum published on MOPS	Monday, November 6, 2017
Court Hearing to sanction the Scheme and to confirm the Reduction (<i>Note 7</i>)	Friday, November 10, 2017 (Cayman Islands Time)
Announcement of (1) the results of the Court Hearing to sanction the Scheme and confirm the Reduction, (2) the expected Effective Date and (3) the intention to withdraw the listing of the Ordinary Shares on the Stock Exchange	Before 8:30 a.m. on Monday, November 13, 2017
Effective Date (<i>Note 7 and Note 8</i>)	Thursday, November 16, 2017 (Cayman Islands Time)
Announcement of the Effective Date and withdrawal of listing of the Ordinary Shares on the Stock Exchange	Friday, November 17, 2017
Withdrawal of listing of the Ordinary Shares on the Stock Exchange becomes effective	9:00 a.m. on Monday, November 20, 2017
Cheques for cash entitlements to be despatched (<i>Note 9</i>)	On or before Monday, November 27, 2017
TCC Shares under the Share Alternative to be allotted (<i>Note 9</i>)	On or before Monday, November 27, 2017

Shareholders should note that the timetable is subject to change. Further announcement(s) will be made in the event that there is any change to the timetable.

Notes:

- (1) The closure of the registers of members of the Company during this period is not for the purpose of determining entitlements under the Scheme. Instead, it is for the purpose of determining entitlements of holders of Scheme Shares to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the EGM and the Special EGM.
- (2) Forms of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited with the Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not later than the times and dates stated above. In order to be valid, the **pink** form of proxy for the Court Meeting, the **white** form of proxy for the EGM and the **green** form of proxy for the Special EGM must be deposited by the times and dates stated above. The **pink** form of proxy in respect of the Court Meeting may alternatively be handed to the chairman of the Court Meeting at the Court Meeting before the taking of the poll if it is not so deposited and the chairman shall have absolute discretion as to whether or not to accept it. Completion and return of a form of proxy for the Court Meeting, the EGM and/or the Special EGM will not preclude a holder of Scheme Shares and a Shareholder, respectively, from attending the relevant meeting and voting in person. In such event, the relevant form of proxy will be deemed to have been revoked.
- (3) The Court Meeting, the EGM and the Special EGM will be held at Alexandra Room, 2/F Mandarin Oriental Hotel, 5 Connaught Road, Central, Hong Kong at the times and dates specified above. Notice of the Court Meeting is set out in Appendix VII to the Scheme Document, notice of the EGM is set out in Appendix VIII to the Scheme Document and notice of the Special EGM is set out in Appendix IX to the Scheme Document.
- (4) The registers of members of the Company will be closed as from such time and on such date for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme.
- (5) An updated draft Information Memorandum with the aggregate number of TCC Shares to be issued will be uploaded onto MOPS at <http://mops.twse.com.tw/>.
- (6) The approval of the FSC will be deemed granted if the FSC does not voice its objection within 12 business days in Taiwan after the filing of such application.

- (7) All references to times and dates are references to Hong Kong times and dates, other than references to the expected dates of the Court Hearing and the Effective Date, which are the relevant times and dates in the Cayman Islands. As at the date of this joint announcement, Cayman Islands time is 13 hours behind Hong Kong time.
- (8) The Scheme will become effective upon all the Conditions set out in the section headed “4. Conditions of the Proposal” in Part VII – Explanatory Memorandum of the Scheme Document having been fulfilled or waived, as applicable.
- (9) Cheques for cash entitlements to the Scheme Shareholders will be despatched by post and TCC Shares will be allotted to the Scheme Shareholders who have validly elected the Share Alternative, in both cases, within seven (7) Business Days from the Effective Date.

WARNINGS:

Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the satisfaction of the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By Order of the Board of
Taiwan Cement Corporation
Chang, An-Ping, Nelson
Chairman

By Order of the Board of
TCC International Holdings Limited
Chang, An-Ping, Nelson
Chairman

By Order of the Board of
TCC International Limited
Chang, An-Ping, Nelson
Director

Hong Kong, August 24, 2017

As at the date of this joint announcement, the board of directors of TCC comprises Chang An-Ping, Nelson as the Chairman; Koo, Jason Kung Yi, Kenneth C.M. Lo, Chi-Wen Chang, Wang, Por-yuan, Yu, Tzun-yen, Chen Chien-Tong, Eric T. Wu, Lin, Ming Sheng, Jennifer Lin, Esq., Chang, Kang-Lung Jason, Lin Nan-Chou, Hsieh Chi-Chia, Chen Chi-Te and David Carr Michael as directors; and Arthur Yu-Cheng Chiao, Victor Wang, Cheng-Ming Yeh and Sheng, Chih-Jen as independent directors.

As at the date of this joint announcement, the board of directors of TCCI comprises Chang An-Ping, Nelson and Koo, Jason Kung Yi.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the board of directors of the Company comprises Mr. Chang, An-Ping, Nelson as the Chairman and an executive Director; Mr. Koo, Jason Kung Yi as the Managing Director and an executive Director; Dr. Shan Weijian, Mr. Chang, Kang-Lung, Jason, Ms. Wang, Lishin, Elizabeth and Ms. Wang, Chi-May as non-executive Directors; and Dr. Liao Poon Huai, Donald, Dr. Chih Ching Kang, Kenneth and Mr. Shieh, Jen-Chung, Roger as independent non-executive Directors.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (relating to the Group only) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (relating to opinions expressed by the Group only) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.