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

If you have sold or transferred all your shares in ANHUI CONCH CEMENT COMPANY LIMITED (the “**Company**”), you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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CONCH

安徽海螺水泥股份有限公司

ANHUI CONCH CEMENT COMPANY LIMITED

(a joint stock limited company incorporated in the People’s Republic of China)

(Stock Code: 00914)

PROPOSALS FOR:

- 1. PROFIT APPROPRIATION (INCLUDING PROPOSED DECLARATION OF FINAL DIVIDEND);**
- 2. GRANT OF GENERAL MANDATE TO ISSUE NEW SHARES;**
- 3. PROVISION OF GUARANTEE BY THE COMPANY TO ITS SUBSIDIARIES AND INVESTED COMPANIES; AND**
- 4. APPOINTMENT OF DIRECTOR OF THE COMPANY**

A notice convening the AGM of the Company is set out on pages 15 to 19 of this circular.

Any Shareholder(s) entitled to attend and vote at the AGM are entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. If you intend to appoint a proxy to attend the AGM and vote on your behalf, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s H share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjournment hereof should you so wish.

23 April 2021

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DEFINITIONS

In this circular, unless otherwise indicated in the context, the following expressions have the following meanings:

“A Share(s)”	domestic share(s) of the Company, with nominal value of RMB1.00 each
“AGM”	the 2020 annual general meeting of the Company to be held at the place of registration of the Company at No. 39 Wenhua Road, Wuhu City, Anhui Province, the PRC on Friday, 28 May 2021 at 2:30 p.m.
“Articles”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	Anhui Conch Cement Company Limited (安徽海螺水泥股份有限公司) (stock code: 00914), a joint stock limited company incorporated in the PRC and whose H Shares are listed on the HK Stock Exchange and A Shares are listed on the Shanghai Stock Exchange
“Company Law”	the Company Law of the PRC
“Conch Holdings”	Anhui Conch Holdings Co., Ltd., a controlling shareholder of the Company
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Final Dividend”	proposed final dividend of RMB2.12 per Share (tax inclusive) for FY2020 on the basis of a total of 5,299,302,579 Shares in issue as at the Latest Practicable Date
“FY2020”	the financial year of the Company ended 31 December 2020
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee to be provided by the Company in respect of the bank borrowings or trade finance credit of 9 subsidiaries and invested companies, details of which are set out in Appendix II to this circular
“H Share(s)”	overseas-listed foreign shares of the Company, with a nominal value of RMB1.00 each

DEFINITIONS

“HKSE Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	subject to the conditions set out in the relevant resolution, the general mandate to be given to the Board to exercise the power of the Company to allot, issue or deal with new Shares of the Company
“Latest Practicable Date”	22 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information of this circular
“PRC Accounting Standards”	China Accounting Standards for Business Enterprises
“PRC”	the People’s Republic of China
“Remuneration and Nomination Committee”	the remuneration and nomination committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	collectively, A Share(s) and H Share(s) and, where the context so requires, any or all of such A Shares and H Shares
“Shareholder(s)”	the registered holder(s) of A Shares and/or H Shares
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

LETTER FROM THE BOARD



安徽海螺水泥股份有限公司

ANHUI CONCH CEMENT COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00914)

Executive Directors:

Mr. Wang Jianchao (*Deputy Chairman*)

Mr. Wu Bin

Mr. Li Qunfeng

Registered office:

39 Wenhua Road,

Wuhu City, Anhui Province,
the PRC

Non-executive Director:

Mr. Ding Feng

Principal place of business:

39 Wenhua Road,

Wuhu City, Anhui Province
the PRC

Independent non-executive Directors:

Mr. Leung Tat Kwong Simon

Ms. Zhang Yunyan

Mr. Zhang Xiaorong

23 April 2021

To the Shareholders

Dear Sir/Madam,

PROPOSALS FOR:

- 1. PROFIT APPROPRIATION (INCLUDING PROPOSED DECLARATION OF FINAL DIVIDEND);**
- 2. GRANT OF GENERAL MANDATE TO ISSUE NEW SHARES;**
- 3. PROVISION OF GUARANTEE BY THE COMPANY TO ITS SUBSIDIARIES AND INVESTED COMPANIES; AND**
- 4. APPOINTMENT OF DIRECTOR OF THE COMPANY**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the notice of the AGM and the resolutions to be proposed at the AGM relating to the following proposals for:

- (i) profit appropriation (including proposed declaration of Final Dividend);
- (ii) grant of the Issue Mandate;

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- (iii) provision of Guarantee by the Company to 9 subsidiaries and invested companies; and
- (iv) appointment of Director.

PROPOSAL FOR PROFIT APPROPRIATION (INCLUDING THE PROPOSED DECLARATION OF FINAL DIVIDEND)

In connection with the profit appropriation proposal for FY2020, the Board proposed payment of the Final Dividend for FY2020 of RMB2.12 (tax inclusive) per Share to Shareholders whose names appear on the register of members of the Company on Tuesday, 8 June 2021.

According to the financial data prepared in accordance with the PRC Accounting Standards and International Financial Reporting Standards respectively, the profit after tax and minority interest for FY2020 amounted to RMB35,129.69 million and RMB35,163.54 million respectively. The Board proposed the appropriation of the profit for FY2020 as follows:

- (1) pursuant to the requirements of the Articles, the Company shall appropriate 10% of the realized net profit after tax to the statutory surplus reserve, further appropriation to the statutory surplus reserve is not required when the cumulative appropriated amount for such reserve reaches above 50% of the registered capital of the Company. Since the amount of the Company's statutory surplus reserve has reached 50% of the registered capital of the Company, no appropriation will be made for FY2020;
- (2) based on the Company's total number of issued Shares of 5,299,302,579 Shares as at 31 December 2020, the payment of a final dividend of RMB2.12 per Share (tax inclusive) is recommended. The total amount is RMB11,234.52 million.

For details of the profit appropriation proposal, please refer to the section headed "Report of the Directors" in the Company's annual report for FY2020.

The proposed payment of Final Dividend for FY2020 is subject to the approval by Shareholders at the AGM by way of an ordinary resolution.

As far as the Company is aware, as at the Latest Practicable Date, there was no arrangement under which any Shareholder has waived or agreed to waive any dividend proposed to be distributed for FY2020.

For non-resident individual shareholders (who are non-Hong Kong or Macau residents) whose names appear on the register of members of H Shares, the Company is required to follow the applicable tax laws and regulations as well as the guidance given by the PRC tax authorities and to withhold and pay (on behalf of such individual Shareholders) individual income tax at the rate of up to 20%, depending on factors such as the country of domicile of such individual Shareholders, whether any tax treaty is made between such country of domicile and the PRC, and whether any dividend tax is imposed on the relevant individual Shareholders.

LETTER FROM THE BOARD

Shareholders and investors are advised to peruse the above contents carefully. If your name appear on the register of holders of H Shares, please make enquiries with your nominees or trust organization for details of the relevant arrangements.

The Company is not obliged to confirm the identities of Shareholders and will not be liable for such arrangement. The Company will strictly comply with the law, and withhold and pay the individual income tax on behalf of the relevant Shareholders based on the register of holders of H Shares of the Company as of the date of closure of such register for the AGM (please refer to the notice of AGM as contained in this circular for details). The Company will not accept any liability relating to any delay in confirming the identity of the Shareholders or any errors in confirming the identity of the Shareholders.

PROPOSAL FOR GRANT OF ISSUE MANDATE

A special resolution is proposed under the notice of AGM to seek the Shareholders' grant of a general mandate to the Directors to allot, issue and deal with New Shares (as defined below), that,

- (a) subject to the limitations under paragraphs (c) and (d) below and in accordance with the requirements of the HKSE Listing Rules, the Company Law, and other applicable laws and regulations (in each case, as amended from time to time), an unconditional general mandate will be sought at the AGM to grant to the Board to exercise once or in multiple times during the “**Relevant Period**” (as defined below) all the powers of the Company to allot and issue H Shares (“**New Shares**”) on such terms and conditions as the Board may determine and that, in the exercise of their powers to allot and issue shares, the authority of the Board shall include (without limitation):
 - (i) the determination of the class and number of New Shares to be allotted;
 - (ii) the determination of the issue price of the New Shares;
 - (iii) the determination of the opening and closing dates of the issue of New Shares;
 - (iv) the determination of the class and number of New Shares (if any) to be issued to the existing Shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and
 - (vi) in the case of an offer or issue of shares to the Shareholders, excluding Shareholders who are residents outside the PRC or Hong Kong on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the Board considers expedient;
- (b) in exercising the powers granted under paragraph (a) above, the Board is authorized during the “**Relevant Period**” to make or grant offers, agreements and options which might require the shares relating to the exercise of the authority thereunder being allotted and issued after the expiry of the “**Relevant Period**”;

LETTER FROM THE BOARD

- (c) the aggregate amount of the H Shares to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the Board pursuant to the authority granted under paragraph (a) above (excluding any H Shares which may be allotted upon the conversion of the capital reserve into capital in accordance with the Company Law or the Articles) shall not exceed 20% of the aggregate number of H Shares in issue as at the date of passing of the resolution at the AGM;
- (d) the Board in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law, other applicable laws and regulations, and the HKSE Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of CSRC and relevant authorities of the PRC;
- (e) for the purposes of the resolution in relation to the Issue Mandate, “**Relevant Period**” means the period from the date of the passing of the resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the date on which the powers granted by the resolution are revoked or varied by a special resolution of the Company in general meeting; or
 - (iii) the date falling 12 months from the date of passing of the resolution at the AGM;
- (f) the Board shall, subject to the relevant approvals of the relevant authorities and the exercise of the powers granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations, increase the Company’s registered capital to such amount as shall equal the aggregate nominal amounts of the relevant number of shares allotted and issued upon the exercise of the powers granted under paragraph (a) above, provided that the registered capital of the Company shall not exceed 120% of the amount of registered capital of the Company as at the date of passing of the resolution at the AGM; and
- (g) subject to the Listing Committee of the HK Stock Exchange granting listing of, and permission to deal in, the H Shares in the Company’s share capital proposed to be issued by the Company and to the approval of CSRC for the issue of shares, authority will be sought at the AGM that the Board will amend the Articles to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) above to allot and issue New Shares.

As at the Latest Practicable Date, the Company had a total issued capital of 5,299,302,579 Shares (comprising 3,999,702,579 A Shares and 1,299,600,000 H Shares). Subject to the passing of the proposed resolution to grant the Issue Mandate to the Board and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 259,920,000 H Shares.

LETTER FROM THE BOARD

PROPOSAL FOR PROVISION OF THE GUARANTEE BY THE COMPANY

The Board proposed that Guarantee be provided by the Company in respect of the bank borrowings or trade finance credit of 9 subsidiaries and invested companies (the “**Guaranteed Companies**”). Brief details of the gearing ratios of the Guaranteed Companies, guaranteed amount and period of the Guarantee are set out in Appendix II to this circular.

PROPOSAL FOR APPOINTMENT OF DIRECTOR

Reference is made to the announcement of the Company dated 22 April 2021 in relation to the resignation of Mr. Gao Dengbang (“**Mr. Gao**”) from the office of Chairman of the Board and an executive Director and the proposed appointment of Mr. Wang Cheng (“**Mr. Wang**”) as an executive Director (the “**Proposed Director**”). At the Board meeting held on 22 April 2021, the resolution on the nomination of Mr. Wang as a candidate for executive Director was passed by the Board.

Pursuant to the recommendation of the Remuneration and Nomination Committee, the Board has resolved and approved the nomination of Mr. Wang as a candidate for executive Director following the resignation of Mr. Gao. The tenure of Mr. Wang, if so appointed, shall become effective from the date of approval by the Shareholders at the AGM till the date of expiry of the term of the eighth session of the Board (expected to be 29 May 2022). Pursuant to the Articles, Mr. Wang is entitled to be re-elected as an executive Director at subsequent annual general meeting of the Company.

Under the Articles, the appointment of Director is subject to the Shareholders’ approval at the AGM by way of an ordinary resolution.

In such connection, an ordinary resolution will be proposed at the AGM to consider, and if thought fit, approve the appointment of Mr. Wang as an executive Director.

Recommendations to the Board for proposal of appointment of Mr. Wang was made by the Remuneration and Nomination Committee, after having considered a range of perspectives including but not limited to professional skills, experience, expertise, culture, independence and age, as set out in the board diversity policy of the Company.

The biography of Mr. Wang is set out in the Appendix III to this circular for your information.

Recommendation of the Remuneration and Nomination Committee with respect to the Proposed Director subject to election at the AGM

When making recommendations regarding the appointment of any proposed candidate to the Board, the Remuneration and Nomination Committee shall consider a variety of factors including but not limited to the following in assessing the suitability of the proposed candidate:

- a) the needs of the Board and the respective committees of the Board and the current size and composition of the Board;
- b) the proposed candidate’s character, experience and integrity;

LETTER FROM THE BOARD

- c) accomplishment and reputation in the business and other relevant sectors relating to the Group's business of development;
- d) commitment in respect of sufficient time and attention to the Company's business;
- e) conformity to the Board diversity policy in all aspects, including but not limited to skills, experience, knowledge, expertise, culture, independence, age and gender;
- f) the ability to assist and support management and make significant contributions to the Company's success;
- g) proposed candidate's understanding of the fiduciary responsibilities that is required of a Director and the commitment of time and effort necessary to diligently carry out those responsibilities; and
- h) other factors that the Remuneration and Nomination Committee may deem fit to consider in the best interests of the Company and Shareholders.

The Remuneration and Nomination Committee may take such measures that it considers appropriate in connection with its evaluation of a candidate, including candidate interviews, inquiry of the person or persons making the recommendation or nomination, searching for additional information externally, or reliance on the information provided by the members of the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee believes Mr. Wang is a suitable candidate for executive Director after assessment based on the Company's nomination policy. The Remuneration and Nomination Committee is also of the view that Mr. Wang would bring to the Board his own perspective, skills and experience, as further described in his biography in Appendix III to this circular. In particular, the Remuneration and Nomination Committee has reviewed and considered Mr. Wang's extensive experience in the business management field, his working profile and other experience and factors as set out in Appendix III to this circular. The Remuneration and Nomination Committee is satisfied that Mr. Wang has the required character, integrity and experience to fulfill his role as an executive Director effectively. The Board believed that his election as an executive Director would be in the best interests of the Company and its Shareholders as a whole.

Based on the board diversity policy adopted by the Company, the Remuneration and Nomination Committee considers that Mr. Wang can contribute to the diversity of the Board.

Therefore, the Board, with the recommendation of the Remuneration and Nomination Committee, has nominated Mr. Wang for election as an executive Director at the AGM.

CLOSURE OF BOOKS

For the purpose of determining the right of Shareholders to attend and vote at the AGM, the register of members of the Company for H Shares will be closed from Tuesday, 25 May 2021 to Friday, 28 May 2021 (both days inclusive) during which period no transfer of H Shares will be effected.

LETTER FROM THE BOARD

In order to be qualified for attending and voting at the AGM, all transfer instruments accompanied by the relevant share certificates and other appropriate documents must be lodged by the holders of H Shares with the Company's H Share registrar and transfer office, Hong Kong Registrars Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 4:30 p.m. on Monday, 24 May 2021.

Upon obtaining approval of Shareholders at the AGM, the Final Dividend will be payable to holders of H Shares whose names appear on the register of holders of H Shares as at the close of business on Tuesday, 8 June 2021. The payment date of the Final Dividend is expected to be around Thursday, 24 June 2021 and will be further announced. The register of members of H Shares of the Company will be closed from Thursday, 3 June 2021 to Tuesday, 8 June 2021, both days inclusive, during which period no transfer of H Shares will be registered. In order for holders of H Shares to qualify for the proposed Final Dividends, all transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged by the holders of H Shares with the Company's H Share registrar and transfer office, Hong Kong Registrars Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 2 June 2021.

AGM

The AGM will be held at 2:30 p.m. on Friday, 28 May 2021 at No. 39 Wenhua Road, Wuhu City, Anhui, the PRC. Resolutions will be proposed to approve the proposals for, among other matters, (i) the profit appropriation (including the proposed declaration of the Final Dividend); (ii) the granting of the Issue Mandate; (iii) the provision of the Guarantee; and (iv) the appointment of the Proposed Director.

Proxy forms for use in connection with the AGM are included in this circular. For holders of H Shares, the proxy form should be completed and returned to Hong Kong Registrars Limited, the Company's H Share registrar in Hong Kong at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and for holders of A Shares, the proxy form should be completed and returned to the principal place of business of the Company in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding the AGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the respective meeting should you so wish.

VOTING BY POLL

Under Rule 13.39(4) of the HKSE Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands where permitted by the articles of the listed issuer. The chairman of the AGM shall therefore demand voting on all resolutions set out in the notice of AGM be taken by way of poll pursuant to Article 77 of the Articles.

Every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share registered in his/her/its name in the register of members in respect of the Shares. A Shareholder entitled to more than one vote needs not use all his votes or cast all the votes he uses in the same manner.

LETTER FROM THE BOARD

According to the Articles, the Directors may be elected by a cumulative voting mechanism. In the election of Directors, each Share represents the voting rights equivalent to the number of Directors to be elected under a particular resolution. Shareholders can cast all his voting rights in a concentrated or diverse manner, i.e. Shareholders may cast all of his votes for election of a single person, or may diverse and cast his votes, whether in an even or uneven manner, for election of all or such numbers of Directors to be elected. The cumulative voting mechanism is not applicable for the appointment of Mr. Wang in this AGM because there is only one proposed Director standing for election.

To the best knowledge and belief of the Company, no Shareholder is required to abstain from voting at the AGM in relation to any resolutions to be proposed in such meeting.

RECOMMENDATIONS

The Directors consider that the proposals for (i) the profit appropriation (including the proposed declaration of the Final Dividend); (ii) the granting of the Issue Mandate; (iii) the provision of the Guarantee; and (iv) the appointment of the Proposed Director are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of all the resolutions as set out in the notice of AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the HKSE Listing Rules for the purpose of giving information with regard to the Group. 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 respects and not misleading or deceptive, and, there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
By order of the Board
ANHUI CONCH CEMENT COMPANY LIMITED
Yu Shui
Joint Company Secretary

REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2020**I. REPORT ON THE WORK OF THE SUPERVISORY COMMITTEE IN 2020**

During the period from 1 January 2020 to 31 December 2020 (hereinafter referred to as the “**Reporting Period**”), the Supervisory Committee of the Company held a total of two physical meetings and voted on the relevant matters by means of telecommunication at two meetings, with details and resolutions as follows:

1. On 20 March 2020, the third meeting of the 8th session of the Supervisory Committee was held in the conference room of the Company. The meeting considered and approved the financial reports prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards respectively for 2019, the annual report for 2019 as well as its summary and results announcement, the assessment report of internal control for 2019 and the report of the Supervisory Committee for 2019.
2. On 27 April 2020, the meeting of the Supervisory Committee was held by means of telecommunication to consider and approve the 1st quarterly report for 2020 of the Company.
3. On 21 August 2020, the fourth meeting of the 8th session of the Supervisory Committee was held in the conference room of the Company. The meeting considered and approved the unaudited financial reports prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards respectively for the six months ended 30 June 2020, the interim report for 2020 as well as its summary and the interim results announcement.
4. On 27 October 2020, the meeting of the Supervisory Committee was held by means of telecommunication to consider and approve the 3rd quarterly report for 2020 of the Company.

II. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON CERTAIN ISSUES CONCERNING THE COMPANY IN 2020**1. Operations compliance**

In 2020, all the Supervisors attended the Board meetings and the annual general meeting for 2019 of the Company. In accordance with the relevant laws and regulations of the PRC, the Supervisory Committee is responsible for supervising the proceedings of general meetings of the Company and Board meetings, resolutions passed therein, the process of decision making, the implementation by the Board of resolutions approved at general meetings and the performance of the duties by Directors and managers of the Company. The Supervisory Committee considers that the Board has regulated operation in accordance with the Company Law and the Securities Law of the PRC, the SSE Listing Rules and other relevant laws and regulations as well as the Articles, and has strictly implemented the resolutions of general meetings and made decisions related to the operation and development of the Company in a scientific and reasonable manner. The Board has also established a sound internal management and control system. None of the Directors and members of senior management committed any act which would violate any laws, regulations or the Articles or is prejudicial to the interests of the Company in the course of performing their duties.

2. Annual financial report

The financial report of the Company for 2020 gives a true and objective view on the financial position and operating results of the Company, and the Supervisory Committee was not aware of any violation of the confidentiality requirements by the individuals who participated in the preparation and review of the annual report for 2020.

3. Provisions for assets impairment

During the Reporting Period, the decision-making procedure for the provisions for assets impairment, provisions for overdue receivables and bad debts is legal, well substantiated, can truthfully and fairly reflect the Company's assets condition. It is in line with the Company's actual situation and complies with the requirements of the accounting standards for business enterprises.

4. Connected transactions

During the Reporting Period, the decision-making procedure in relation to connected transactions of the Company is in accordance with the laws and regulations including the Company Law, the SSE Listing Rules and the HKSE Listing Rules and requirements under the Articles. The agreements of connected transactions have been entered into by relevant parties on the basis of equality and mutual benefits, in accordance with normal commercial terms and in line with the principle of fair and equal consideration. The determination of the transaction prices and payment terms are in accordance with relevant regulations of the PRC, and in compliance with the regulations on connected transaction and legal procedures, and on the basis of principles of honesty, fairness and justice. No harmful acts against the interest of the Company and its Shareholders exist, and the transactions were beneficial to both parties.

5. Assessment report of internal control

The Supervisory Committee conscientiously reviewed the assessment report of internal control of the Company for 2020 and considered that the Company has established a relatively comprehensive internal control system that is in compliance with the relevant laws and regulations of the PRC and that can cope with the actual needs of the Company in its production, operation and management, and such system has been effectively implemented. The establishment of such system allows better risk prevention and risk control in various segments in the operation and management of the Company. The self-assessment report of internal control of the Company truly and objectively reflects the development and operation of the internal control system of the Company.

DETAILS OF THE PROVISION OF GUARANTEE BY THE COMPANY FOR ITS 9 SUBSIDIARIES AND INVESTED COMPANIES

The Board of the Company approved the resolution regarding the provision of guarantee by the Company in respect of the bank loans or trade finance credit of its subsidiaries and invested companies on 25 March 2021, among which the Guarantee provided by the Company to the 9 subsidiaries and invested companies as set out in the below table is subject to approval by the Shareholders at the general meeting of the Company.

No.	Name of Guaranteed Companies	Place of registration	Shareholding proportion	Gearing ratio	Amount to be guaranteed (RMB'000)	Guarantee period
I. Subsidiaries for which the Company provides full guarantee						
1	Shanghai Conch Building Materials International Trade Co., Ltd.	Shanghai	100%	78%	2,800,000	3 years
2	Jiande Conch Cement Co., Ltd.	Zhejiang	100%	82%	500,000	3 years
3	PT Conch North Sulawesi Cement	Indonesia	100%	81%	420,000	3 years
4	Fenyi Conch Building Materials Co., Ltd.	Jiangxi	90%	78%	300,000	3 years
5	Chuzhou Conch Cement New Construction Materials Co., Ltd.	Anhui	70%	84%	35,000	3 years
6	Shaoyang Yeafing New Energy Technology Co., Ltd.	Hunan	65%	73%	700,000	3 years
7	PT Conch Cement Indonesia	Indonesia	75%	111%	1,300,000	3 years
8	Luangprabang Conch Cement Co., Ltd.	Laos	70%	100%	950,000	3 years
Subtotal					7,005,000	
II. Invested company for which the Company provides guarantee based on shareholdings						
9	PT SDIC Papua Cement Indonesia	Indonesia	49%	102%	514,500	3 years
Subtotal					514,500	
Total					7,519,500	

Notes:

1. The gearing ratios and shareholdings as shown in the above table are based on the financial statements of the respective companies as at 31 December 2020;
2. The shareholdings as shown in the above table are the sum of the Company's direct shareholdings and indirect shareholdings through its subsidiaries;
3. If there is any change in the shareholdings of these non-wholly-owned companies fully guaranteed by the Company during the period of guarantee, other shareholders shall provide counter-guarantee on a pro-rata basis in proportion to their respective adjusted shareholdings, and the provision of guarantees by the Company shall be subject to the completion of the legally-binding procedures for counter-guarantee by guaranteed companies or other shareholders;
4. The above Guarantees shall be valid only if they are provided within 12 months from the date of approval by Shareholders at AGM of the Company.

Brief biographical details of Mr. Wang as candidate of Proposed Director for appointment by Shareholders at the AGM are set out below:

Mr. Wang Cheng, born in March 1965, has a postgraduate degree in economic management from the Central Party School. In March 2021, Mr. Wang joined Conch Holdings. Mr. Wang is currently the party secretary and chairman of Conch Holdings. Mr. Wang started his career in 1983. Since 2003, he has held key senior positions in a number of provincial cities including deputy mayor and a member of the standing committee of the municipal committee of Huainan city, deputy secretary of the municipal committee and mayor of the municipal government of Bengbu city. Mr. Wang has a relatively deep understanding of work related to economics, high awareness of innovation and development as well as strong organisational leadership ability. Mr. Wang is currently a representative of the 13th National People's Congress.

Saved as disclosed above, as at the Latest Practicable Date, Mr. Wang did not hold any position in the Group and does not have other major appointments and professional qualifications. In the three years prior to the Latest Practicable Date, Mr. Wang has not been a director of any other publicly listed company.

Save as disclosed above, Mr. Wang does not have any relationships with any other Directors, supervisors, substantial Shareholders, controlling Shareholders or senior management of the Company or its subsidiaries.

As at the Latest Practicable Date, Mr. Wang had no interests in any Shares or underlying Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong).

The Company shall issue a formal letter of appointment to Mr. Wang to confirm his appointment as a Director. He will not be entitled to any remuneration payable by the Company in his term, and will not request the Company to pay remuneration.

Saved as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the HKSE Listing Rules nor is there other information to be disclosed in relation to the proposed appointment of Mr. Wang as an executive Director.

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安徽海螺水泥股份有限公司

ANHUI CONCH CEMENT COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00914)

NOTICE OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 annual general meeting (the “**AGM**”) of Anhui Conch Cement Company Limited (the “**Company**”) will be held at No. 39 Wenhua Road, Wuhu City, Anhui, the People's Republic of China (the “**PRC**”), at 2:30 p.m. on Friday, 28 May 2021.

The AGM is to be held for considering and, if thought fit, transacting the following businesses:

AS ORDINARY RESOLUTIONS

1. To consider and approve the report of the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company for the year ended 31 December 2020.
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2020 (please refer to the Appendix I to the circular of the Company dated 23 April 2021 (the “**Circular**”) of which this notice forms part).
3. To consider and receive and approve the audited financial reports prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards respectively for the year ended 31 December 2020.
4. To consider and approve the resolution for the reappointment of KPMG Huazhen Certified Public Accountants (special general partnership) and KPMG Certified Public Accountants as the PRC and international (financial) auditors of the Company respectively, to reappoint KPMG Huazhen Certified Public Accounts (special general partnership) as the internal control auditor of the Company, and to authorise the Board to determine the remuneration of the auditors in accordance with the volume of auditing work performed by the auditors as required by the business and scale of the Company.

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5. To consider and approve the Company's 2020 profit appropriation proposal (details of which are set out in the sub-section headed "(2) Profit appropriation policy and its implementation" of the "Report of the Directors" contained in the Company's annual report for the year ended 31 December 2020 and on page 4 of the Circular).
6. To consider and approve the resolution for the provision of guarantee by the Company in respect of the bank borrowings or trade finance credit of 9 subsidiaries and invested companies (as described in Appendix II to the Circular, of which this notice forms part).
7. To consider and approve the appointment of Mr. Wang Cheng as an executive Director of the eighth session of the Board of the Company for a term commencing from the date of approval at the AGM (i.e. 28 May 2021) till the date of expiry of the term of the eighth session of the Board which is expected to be on 29 May 2022.

AS SPECIAL RESOLUTION

8. To consider and approve the following resolution for authorizing the Board to allot and issue overseas-listed foreign shares ("**H Shares**"):
 - "(a) THAT subject to the restrictions under (c) and (d) below and in accordance with the requirements of The Rules Governing the Listing of Securities (the "**HKSE Listing Rules**") on The Stock Exchange of Hong Kong Limited ("**HK Stock Exchange**"), the Company Law of the PRC (the "**Company Law**"), and other applicable laws and regulations (in each case, as amended from time to time), an unconditional general mandate be and is hereby granted to the Board to exercise once or in multiple times during the "**Relevant Period**" (as defined below) all the powers of the Company to allot and issue H Shares ("**New Shares**") on such terms and conditions as the Board may determine and that, in the exercise of their powers to allot and issue shares, the authority of the Board shall include (without limitation):
 - (i) the determination of the class and number of the New Shares to be allotted;
 - (ii) the determination of the issue price of the New Shares;
 - (iii) the determination of the opening and closing dates of the issue of New Shares;
 - (iv) the determination of the class and number of New Shares (if any) to be issued to the existing shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and

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- (vi) in the case of an offer or issue of shares to the shareholders of the Company, excluding shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region (“**Hong Kong**”) on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the Board considers expedient;
- (b) in exercising the powers granted under paragraph (a) above, the Board is authorized during the “**Relevant Period**” to make or grant offers, agreements and options which might require the shares relating to the exercise of the authority thereunder being allotted and issued after the expiry of the “**Relevant Period**”;
- (c) the aggregate amount of the H Shares to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the Board pursuant to the authority granted under paragraph (a) above (excluding H Shares which may be allotted upon the conversion of the capital reserve into capital in accordance with the Company Law or the Articles) shall not exceed 20 per cent (20%) of the aggregate number of the H Shares in issue as at the date of passing of this Resolution;
- (d) the Board in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law, other applicable laws and regulations, and the HKSE Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of China Securities Regulatory Commission (“**CSRC**”) and relevant authorities of the PRC;
- (e) for the purposes of this Resolution, “**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the date on which the powers granted by this Resolution are revoked or varied by a special resolution of the Company in general meeting; or
 - (iii) the date falling 12 months from the date of passing of this Resolution;
- (f) the Board shall, subject to the relevant approvals of the relevant authorities and the exercise of the powers granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations, increase the Company’s registered capital to such amount as shall equal the aggregate nominal amounts of the relevant number of shares allotted and issued upon the exercise of the powers granted under paragraph (a) above, provided that the registered capital of the Company shall not exceed 120 per cent (120%) of the amount of registered capital of the Company as at the date of passing of this Resolution;

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- (g) subject to the Listing Committee of the HK Stock Exchange granting listing of, and permission to deal in, the H Shares in the Company's share capital proposed to be issued by the Company and to the approval of CSRC for the issue of shares, the Board be and it is hereby authorised to amend, as it may deem appropriate and necessary, the Articles to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) above to allot and issue New Shares.

(The purpose of resolution no.8 is to grant a general mandate by shareholders of the Company at the AGM to the Board to allot and issue new shares, subject to applicable laws, regulations and rules.)

By order of the Board
Anhui Conch Cement Company Limited
Yu Shui
Joint Company Secretary

Wuhu City, Anhui Province, the PRC
23 April 2021

As at the date of this notice, the Board comprises (i) Mr Wang Jianchao, Mr Wu Bin and Mr Li Qunfeng as executive Directors; (ii) Mr Ding Feng as non-executive Director; (iii) Mr Leung Tat Kwong Simon, Ms Zhang Yunyan and Mr. Zhang Xiaorong as independent non-executive Directors.

Notes:

1. Persons entitled to attend the AGM

Holders of H Shares whose names appear on the register of members maintained by Hong Kong Registrars Limited at 4:30 p.m., Monday, 24 May 2021 are entitled to attend the AGM after completing the registration procedures for the meeting.

2. Appointment of proxies

- (1) Each shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies in writing, whether they are shareholders of the Company or not, to attend and vote on his/her behalf at the AGM.
- (2) Proxies of the shareholders must be appointed in writing and the appointment must be signed by the shareholder or their agent who has been duly authorised in writing. If the instrument of the appointment of proxy is signed by an agent of the shareholder, the power of attorney or other authority of the agent must be notarially certified. In order to be valid, the notarially certified copy of such power of attorney or other authority, together with the instrument of the appointment of proxy, shall be deposited at the Company's H share registrar in Hong Kong, Hong Kong Registrars Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding of the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjournment hereof should you so wish.

3. Shareholders shall produce their identification documents and supporting documents in respect of the shares of the Company held when attending the AGM. If corporate Shareholders appoint authorized representative to attend the AGM, the authorised representative shall produce his/her identification documents and a notarized copy of the relevant

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authorisation instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarized documents allowed by the Company. Proxies shall produce their identification documents and the proxy form signed by the Shareholders or their attorney when attending the AGM.

4. The register of members of the Company for H Shares will close from Tuesday, 25 May 2021 to Friday, 28 May 2021, both days inclusive. In order to qualify for attendance at the AGM, transfers accompanied by share certificates and other appropriate documents must be lodged with the Company's H share registrar - Hong Kong Registrars Limited at the address given in Note (2), by 4:30 p.m. on Monday, 24 May 2021.
5. Subject to and upon the approval of the AGM, the final dividend for the year ended 31 December 2020 is expected to be distributed to the holders of H Shares whose names appear on the register of members in respect of H Shares maintained in Hong Kong on Tuesday, 8 June 2021. The register of members of the Company for H Shares will close from Thursday, 3 June 2021 to Tuesday, 8 June 2021, both days inclusive. In order to qualify for the distribution of the proposed dividend, all transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged with the Company's H share registrar - Hong Kong Registrars Limited at the address given in Note (2), by 4:30 p.m. on Wednesday, 2 June 2021. The record date of the proposed final dividend for holders of A Shares and the relevant information on the distribution of final dividend will be disclosed in a separate announcement to be published in the PRC.
6. The AGM is expected to take half a day. Shareholders or their proxies attending the AGM should bear their own lodging and travelling costs.
7. Contact details of the Company are set out as follows:

Address: No. 39 Wenhua Road, Wuhu City, Anhui Province, the PRC
Postal code: 241000
Tel: 86-553-8396609/86-553-8398976
Fax: 86-553-8398931

8. Contact details of the Company's H share register - Hong Kong Registrars Limited are set out as follows:

Address: shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel: 852 2862 8628
Fax: 852 2529 6087