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ASIA CEMENT CORPORATION

*(Incorporated in Taiwan
with limited liability)*



**ASIA CEMENT (CHINA) HOLDINGS
CORPORATION**

*(Incorporated in the Cayman Islands
with limited liability)
(Stock Code: 743)*

JOINT ANNOUNCEMENT

- (1) PROPOSED PRIVATISATION OF
ASIA CEMENT (CHINA) HOLDINGS CORPORATION
BY ASIA CEMENT CORPORATION
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE COMPANIES ACT**
- (2) PROPOSED WITHDRAWAL OF LISTING OF
ASIA CEMENT (CHINA) HOLDINGS CORPORATION**
- (3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE
AND**
- (4) RESUMPTION OF TRADING IN SHARES**

Financial Adviser to the Offeror



UBS AG Hong Kong Branch

INTRODUCTION

The respective directors of the Offeror and the Company jointly announce that, on 5 June 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Offer Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange.

TERMS OF THE PROPOSAL

Subject to the Scheme becoming effective, all of the Scheme Shares will be cancelled in exchange for HK\$3.22 in cash for each Scheme Share.

Upon the Scheme becoming effective, the Offeror will directly hold 100% in the Company, and the listing of the Shares will be withdrawn from the Hong Kong Stock Exchange.

The Offer Price has taken into account of, and will not be adjusted to reflect, the payment of the 2023 Final Dividend. If, after the date of this announcement, any dividend and/or other distribution and/or other return of capital other than the 2023 Final Dividend is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this announcement, the Scheme Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.

The Offer Price of HK\$3.22 represents:

- (a) a discount of approximately 3.01% over the closing price of HK\$3.32 per Share as quoted on the Hong Kong Stock Exchange on 28 May 2024, being the Last Trading Date;
- (b) a premium of approximately 27.78% over the average closing price of HK\$2.52 per Share as quoted on the Hong Kong Stock Exchange for the five trading days up to and including the Last Trading Date;
- (c) a premium of approximately 52.61% over the average closing price of HK\$2.11 per Share as quoted on the Hong Kong Stock Exchange for the 30 trading days up to and including the Last Trading Date;

- (d) a premium of approximately 52.61% over the average closing price of HK\$2.11 per Share as quoted on the Hong Kong Stock Exchange for the 60 trading days up to and including the Last Trading Date;
- (e) a premium of approximately 51.17% over the average closing price of HK\$2.13 per Share as quoted on the Hong Kong Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (f) a premium of approximately 45.05% over the closing price of HK\$2.22 per Share as quoted on the Hong Kong Stock Exchange on 24 May 2024, being the Last Undisturbed Date;
- (g) a premium of approximately 43.11% over the average closing price of HK\$2.25 per Share as quoted on the Hong Kong Stock Exchange for the five trading days up to and including the Last Undisturbed Date;
- (h) a premium of approximately 57.84% over the average closing price of HK\$2.04 per Share as quoted on the Hong Kong Stock Exchange for the 30 trading days up to and including the Last Undisturbed Date;
- (i) a premium of approximately 54.81% over the average closing price of HK\$2.08 per Share as quoted on the Hong Kong Stock Exchange for the 60 trading days up to and including the Last Undisturbed Date;
- (j) a premium of approximately 52.61% over the average closing price of HK\$2.11 per Share as quoted on the Hong Kong Stock Exchange for the 90 trading days up to and including the Last Undisturbed Date;
- (k) a discount of approximately 72.85% to the audited consolidated net asset value attributable to Shareholders per Share of HK\$11.86 as at 31 December 2023, calculated based on the audited consolidated net asset value attributable to shareholders of RMB16,842,851 (based on an exchange rate of HK\$1.0 = RMB0.90622, the central parity rate published by the People's Bank of China on its website as at 29 December 2023 for illustrative purposes); and
- (l) a discount of approximately 72.64% to the unaudited consolidated net asset value attributable to Shareholders per Share of HK\$11.77 as at 31 March 2024, calculated based on the unaudited consolidated net asset value attributable to shareholders of RMB16,713,104 (based on an exchange rate of HK\$1.0 = RMB0.90655, the central parity rate published by the People's Bank of China on its website as at 29 March 2024 for illustrative purposes).

The trading volume on the Last Trading Date was 56,505,000 Shares. The average daily trading volume over the twelve-month period immediately up to and including the Last Undisturbed Date was approximately 739,892 shares. The share price of the Company traded up by 31.23% on the Last Trading Date and 49.55% between the Last Trading Date and the Last Undisturbed Date. In contrast, the Hang Seng Index traded down by 0.03% on the Last Trading Date and up by 1.14% between the Last Trading Date and the Last Undisturbed Date.

The implementation of the Proposal and the Scheme will be conditional upon the fulfilment or waiver, as applicable, of all the Conditions as described in the section headed “3. *Conditions of the Proposal and the Scheme*” below. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

CONFIRMATION OF FINANCIAL RESOURCES

Assuming that no new Shares will be issued on or before the Record Date, the amount payable to implement the Proposal in full will be HK\$1,628,166,590.

The Offeror intends to finance the consideration payable under the Proposal in full through its internal cash resources and/or external debt financing.

UBS, as the financial adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror to satisfy in full its payment obligations in respect of the cash consideration payable by the Offeror under the Proposal in accordance with the terms of the Proposal.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Mr. TSIM Tak-lung Dominic, Mr. WANG Wei, Mr. LEE Kao-chao and Dr. WANG Kuo-ming (being all of the independent non-executive Directors), has been established by the Board to make recommendations to the Disinterested Shareholders as to: (i) whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM.

As each of Mr. HSU Shu-tong, Mr. LEE Kun-yen, Mr. CHEN Ruey-long and Ms. WU Ling-ling (each being a non-executive Director) is also a director of the Offeror, Mr. HSU Shu-tong, Mr. LEE Kun-yen, Mr. CHEN Ruey-long and Ms. WU Ling-ling are regarded as being interested in the Proposal and will not form part of the Independent Board Committee.

INDEPENDENT FINANCIAL ADVISER

Altus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal and the Scheme. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. The letter of advice of the Independent Financial Adviser to the Independent Board Committee in connection with the Proposal and the Scheme will be included in the Scheme Document to be despatched jointly by the Company and the Offeror to the Shareholders.

DESPATCH OF THE SCHEME DOCUMENT

A Scheme Document including, among other things: (a) further details of the Proposal and the Scheme; (b) an explanatory statement in respect of the Scheme as required under the Companies Act; (c) the expected timetable relating to the Proposal and the Scheme; (d) a letter from the Independent Board Committee containing its recommendations to the Disinterested Shareholders in respect of the Proposal and the Scheme; (e) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal and the Scheme; and (f) notices of the Court Meeting and the EGM (including proxy forms relating to such meetings for use by the relevant Shareholders), will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

WITHDRAWAL OF LISTING OF THE SHARES ON THE HONG KONG STOCK EXCHANGE

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application to the Hong Kong Stock Exchange for the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange in accordance with Rule 6.15 of the Listing Rules immediately following the Scheme becoming effective.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or (where applicable) waived on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Hong Kong Stock Exchange will not be withdrawn.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Hong Kong Stock Exchange was halted from 3:31 p.m. on 28 May 2024, pending the issue of this announcement.

An application has been made by the Company to the Hong Kong Stock Exchange for the resumption of trading in the Shares on the Hong Kong Stock Exchange with effect from 9:00 a.m. on 6 June 2024.

WARNINGS

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or (where applicable) waived. Accordingly, the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors are advised to 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.

This announcement is not intended to, and does not, constitute or form part of any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote, approval or acceptance in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of Applicable Laws. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any approval or other response to the Proposal should be made only on the basis of information in the Scheme Document.

The availability of the Proposal to persons who are citizens, residents or nationals of a jurisdiction other than Hong Kong may be affected by the laws of the relevant jurisdiction in which they are located or resident or of which they are citizens. Such Scheme Shareholders should inform themselves about, and observe, any applicable legal, regulatory or tax requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Shareholders will be contained in the Scheme Document.

NOTICE TO U.S. INVESTORS

The Proposal and the Scheme relate to the cancellation of the securities of a company incorporated under the laws of the Cayman Islands by way of a scheme of arrangement provided for under the Companies Act. The Proposal and the Scheme are subject to Hong Kong procedural disclosure requirements and practices which are different from those of the United States.

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules of the United States Securities Exchange Act of 1934. Accordingly, the Proposal and the Scheme are subject to the procedural and disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement and securities offer, which differ from the disclosure and procedural and practice requirements applicable under United States federal securities laws.

The receipt of cash pursuant to the Proposal or the Scheme by a U.S. holder of the Scheme Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of the Scheme Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal and the Scheme applicable to him/her/it.

It may be difficult for a U.S. holder of the Scheme Shares to enforce his/her/its rights and claims arising out of the U.S. federal securities laws, as the Offeror and the Company are incorporated in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. A U.S. holder of the Scheme Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, a U.S. holder of the Scheme Shares may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved the Proposal or the Scheme, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

This announcement is not intended to, and does not, constitute, or form part of, an offer or invitation to purchase or subscribe for any securities of the Company in the United States.

Forward-Looking Statements: This announcement may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “envisages”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Offeror's, the Company's or their respective affiliates' intentions, beliefs or current expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those made in or suggested by the forward-looking statements contained in this announcement, and may not be indicative of results or developments in subsequent periods. The forward-looking statements and information contained in this announcement are made as of the date hereof and each of the Offeror and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Takeovers Code.

Financial information disclosed in respect of the Proposal and the Scheme has been or will have been prepared in accordance with non-U.S. accounting standards that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

1. INTRODUCTION

On 5 June 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Offer Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange.

If the Proposal is approved and implemented, under the Scheme, the Scheme Shares will be cancelled and extinguished on the Effective Date. Contemporaneously with such cancellation and extinguishment, the share capital of the Company will be maintained by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

Upon the Scheme becoming effective, the Offeror will directly hold 100% in the Company, and the listing of the Shares will be withdrawn from the Hong Kong Stock Exchange.

2. TERMS OF THE PROPOSAL

The Scheme

Subject to the Scheme becoming effective, all of the Scheme Shares will be cancelled in exchange for HK\$3.22 in cash for each Scheme Share.

The Offer Price has taken into account of, and will not be adjusted to reflect, the payment of the 2023 Final Dividend. If, after the date of this announcement, any dividend and/or other distribution and/or other return of capital other than the 2023 Final Dividend is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this announcement, the Scheme Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.

The Offer Price of HK\$3.22 represents:

- (a) a discount of approximately 3.01% over the closing price of HK\$3.32 per Share as quoted on the Hong Kong Stock Exchange on 28 May 2024, being the Last Trading Date;
- (b) a premium of approximately 27.78% over the average closing price of HK\$2.52 per Share as quoted on the Hong Kong Stock Exchange for the five trading days up to and including the Last Trading Date;
- (c) a premium of approximately 52.61% over the average closing price of HK\$2.11 per Share as quoted on the Hong Kong Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (d) a premium of approximately 52.61% over the average closing price of HK\$2.11 per Share as quoted on the Hong Kong Stock Exchange for the 60 trading days up to and including the Last Trading Date;
- (e) a premium of approximately 51.17% over the average closing price of HK\$2.13 per Share as quoted on the Hong Kong Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (f) a premium of approximately 45.05% over the closing price of HK\$2.22 per Share as quoted on the Hong Kong Stock Exchange on 24 May 2024, being the Last Undisturbed Date;
- (g) a premium of approximately 43.11% over the average closing price of HK\$2.25 per Share as quoted on the Hong Kong Stock Exchange for the five trading days up to and including the Last Undisturbed Date;
- (h) a premium of approximately 57.84% over the average closing price of HK\$2.04 per Share as quoted on the Hong Kong Stock Exchange for the 30 trading days up to and including the Last Undisturbed Date;
- (i) a premium of approximately 54.81% over the average closing price of HK\$2.08 per Share as quoted on the Hong Kong Stock Exchange for the 60 trading days up to and including the Last Undisturbed Date;
- (j) a premium of approximately 52.61% over the average closing price of HK\$2.11 per Share as quoted on the Hong Kong Stock Exchange for the 90 trading days up to and including the Last Undisturbed Date;
- (k) a discount of approximately 72.85% to the audited consolidated net asset value attributable to Shareholders per Share of HK\$11.86 as at 31 December 2023, calculated based on the audited consolidated net asset value attributable to shareholders of RMB16,842,851 (based on an exchange rate of HK\$1.0 = RMB0.90622, the central parity rate published by the People's Bank of China on its website as at 29 December 2023 for illustrative purposes); and

- (l) a discount of approximately 72.64% to the unaudited consolidated net asset value attributable to Shareholders per Share of HK\$11.77 as at 31 March 2024, calculated based on the unaudited consolidated net asset value attributable to shareholders of RMB16,713,104 (based on an exchange rate of HK\$1.0 = RMB0.90655, the central parity rate published by the People's Bank of China on its website as at 29 March 2024 for illustrative purposes).

The trading volume on the Last Trading Date was 56,505,000 Shares. The average daily trading volume over the twelve-month period immediately up to and including the Last Undisturbed Date was approximately 739,892 shares. The share price of the Company traded up by 31.23% on the Last Trading Date and 49.55% between the Last Trading Date and the Last Undisturbed Date. In contrast, the Hang Seng Index traded down by 0.03% on the Last Trading Date and up by 1.14% between the Last Trading Date and the Last Undisturbed Date.

The Offer Price has been determined on an arm's length commercial basis after taking into account the prices of the Shares traded on the Hong Kong Stock Exchange and with reference to other privatisation transactions in Hong Kong in recent years.

Highest and lowest prices

During the six-month period ended on and including the Last Trading Date, the highest closing price of the Shares as quoted on the Hong Kong Stock Exchange was HK\$3.32 on 28 May 2024, and the lowest closing price of the Shares as quoted on the Hong Kong Stock Exchange was HK\$1.82 on 16 April 2024.

During the six-month period immediately up to and including the Last Undisturbed Date, the highest closing price of the Shares as quoted on the Hong Kong Stock Exchange was HK\$2.44 on 29 December 2023, and the lowest closing price of the Shares as quoted on the Hong Kong Stock Exchange was HK\$1.82 on 16 April 2024.

3. CONDITIONS OF THE PROPOSAL AND THE SCHEME

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting, provided that:
 - (i) the Scheme is approved (by way of a poll) by not less than 75% of the votes attaching to the Disinterested Shares cast by the Disinterested Shareholders, present and voting either in person or by proxy at the Court Meeting; and

- (ii) the number of votes cast (by way of a poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all of the Disinterested Shares;
- (b) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to (i) approve and give effect to any reduction of the issued share capital of the Company on the Effective Date by cancelling the Scheme Shares; and (ii) contemporaneously to issue to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares;
- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (d) the approval by the Department of Investment Review of the Ministry of Economic Affairs of Taiwan of the additional investment by the Offeror in the PRC pursuant to Article 35 of the Act Governing Relations between the People of the Taiwan Area and the Mainland Area (as amended from time to time) and the regulations promulgated thereunder;
- (e) compliance, to the extent necessary, with the applicable procedural requirements and conditions, if any, under the Companies Act in relation to any reduction of the issued share capital of the Company as a result of the cancellation of the Scheme Shares and the Scheme, respectively;
- (f) all of the Approvals having been obtained, completed and/or made and remaining in full force and effect without modification or variation;
- (g) all Applicable Laws having been complied with and no legal, regulatory or administrative requirement having been imposed by any Authority in any jurisdiction which is not expressly provided for, or is in addition to the legal, regulatory and administrative requirements which are expressly provided for, in the Applicable Laws in connection with the Proposal or the Scheme;
- (h) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or the Scheme void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations in connection with the Proposal or the Scheme); and

- (i) save in connection with the implementation of the Proposal, the listing of the Shares on the Hong Kong Stock Exchange not having been withdrawn, and no indication having been received from the Executive and/or the Hong Kong Stock Exchange to the effect that the listing of the Shares on the Hong Kong Stock Exchange is or is likely to be withdrawn.

The Conditions in paragraphs (a) to (e) (inclusive) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (f) to (i) (inclusive) above in whole or in part. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. As at the date of this announcement, no Condition has been fulfilled or waived, as applicable.

As at the date of this announcement and based on the information available to the Offeror and the Company, other than those specifically set out as the Conditions above (including the Condition under paragraph (d)) and the application for the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange upon the Scheme becoming effective, each of the Offeror and the Company is not aware of any Approvals which are required as set out in the Condition in paragraph (f) above, and each of the Offeror and the Company is also not aware of any other circumstances which may result in any of the Conditions in paragraphs (g) to (i) (inclusive) above not being satisfied. In particular, as at the date of this announcement, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (h).

If the Conditions are satisfied or (where applicable) waived, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

WARNINGS

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or (where applicable) waived. Accordingly, the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors are advised to 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.

4. CONFIRMATION OF FINANCIAL RESOURCES

Assuming that no new Shares will be issued on or before the Record Date, the amount payable to implement the Proposal in full will be HK\$1,628,166,590.

The Offeror intends to finance the cash consideration payable under the Proposal in full through its internal cash resources and/or external debt financing.

UBS, as the financial adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror to satisfy in full its payment obligations in respect of the cash consideration payable by the Offeror under the Proposal in accordance with the terms of the Proposal.

5. SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement:

- (a) the issued share capital of the Company is 1,566,851,000 Shares;
- (b) the Offeror legally and beneficially owns, controls or has direction over 1,061,209,202 Shares, representing approximately 67.73% of the issued Shares, which will not form part of the Scheme Shares;
- (c) the Offeror Concert Parties beneficially own, control or have direction over 88,515,798 Shares in aggregate, representing approximately 5.65% of the issued Shares;
- (d) the Scheme Shareholders (including the Offeror Concert Parties who are subject to the Scheme) legally and/or beneficially own, control or have direction over 505,641,798 Shares in aggregate, representing approximately 32.27% of the issued share capital of the Company; and
- (e) the Company does not have any outstanding shares, options, warrants, convertible securities or other relevant securities in issue.

Shareholding Structure

The table below sets out the shareholding structure of the Company as at the date of this announcement and immediately following completion of the Proposal, assuming that: (a) no further Shares will be issued on or before the Record Date; and (b) there will be no other change in the shareholding of the Company before the Effective Date:

Shareholders	As at the date of this announcement		Immediately following completion of the Proposal	
	Number of Shares	Total number of Shares in issue (%) ⁽⁴⁾	Number of Shares	Total number of Shares in issue (%) ⁽⁴⁾
(A) Offeror⁽¹⁾	1,061,209,202	67.73	1,566,851,000	100.00
(B) Offeror Concert Parties				
Asia Cement (Singapore) ⁽²⁾	63,790,798	4.07	–	–
Falcon Investment ⁽²⁾	16,700,500	1.07	–	–
Asia Engineering ⁽²⁾	3,161,500	0.20	–	–
Directors ⁽³⁾				
Mr. HSU, Shu-tong	3,000,000	0.19	–	–
Mr. HSU, Shu-ping	200,000	0.01	–	–
Mr. LEE, Kun-yen	200,000	0.01	–	–
Mr. CHANG, Chen-kuen	713,000	0.05	–	–
Ms. WU, Ling-ling	50,000	0.003	–	–
Mr. LIN, Seng-chang	700,000	0.04	–	–
Sub-total	88,515,798	5.65	–	–
(C) Offeror and Offeror Concert Parties				
(A) + (B)⁽⁴⁾	1,149,725,000	73.38	1,566,851,000	100.00
(D) Disinterested Shareholders	417,126,000	26.62	–	–
Total number of Shares in issue				
(C) + (D)	1,566,851,000	100.00	1,566,851,000	100.00

Notes:

- As at the date of this announcement, the Offeror holds 67.73% Shares. Such Shares will not form part of the Scheme Shares and will not be cancelled.

2. As at the date of this announcement:
- (a) Asia Cement (Singapore) holds 4.07% Shares and Asia Cement (Singapore) is directly wholly owned by the Offeror.
 - (b) Asia Engineering holds 0.20% Shares and Asia Engineering is indirectly wholly owned by the Offeror.
 - (c) Falcon Investments holds 1.07% Shares. Falcon Investments is owned as to 100% by U-Ming Marine Transport (Singapore) Private Limited, which is in turn owned as to 99.99% by U-Ming Marine Transport Corporation. U-Ming Marine Transport Corporation, whose shares are listed on the Taiwan Stock Exchange, is owned as to 39.25% by the Offeror. Based on information available to the Offeror, the Offeror is the largest shareholder of U-Ming Marine Transport Corporation and there is no other shareholder who holds more than 2% of the shares in U-Ming Marine Transport Corporation.
3. Each of Mr. HSU, Shu-tong, Mr. HSU, Shu-ping, Mr. LEE, Kun-yen, Mr. CHANG, Chen-kuen, Ms. WU, Ling-ling and Mr. LIN, Seng-chang is a Director and is also considered as an Offeror Concert Party.

Based on the information provided by Mr. LIN, Seng-chang, during the six months prior to and including the date of this announcement, Mr. LIN, Seng-chang has dealt for value in the Shares on the open market, details of which are set out below:

Transaction Date	Settlement Date	Purchase price per Share (HK\$)	Number of Shares purchased	Approximate% of total issued Shares
1 December 2023	5 December 2023	2.3	40,000	0.003%

4. UBS is the financial adviser to the Offeror in connection with the Proposal. Accordingly, UBS and persons controlling, controlled by or under the same control as UBS (excluding members of the UBS Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and are connected for the sole reason that they control, are controlled by or are under the same control as UBS) are presumed to be acting in concert with the Offeror in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code.

As at the date of this announcement, except for Shares held by member(s) of the UBS Group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s), members of the UBS Group did not own or control any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

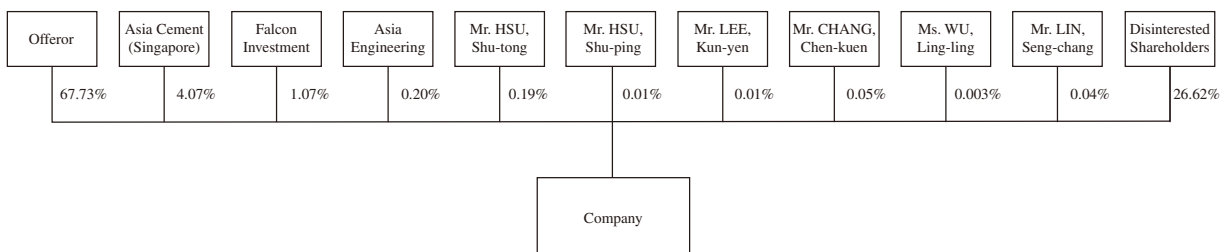
Notwithstanding the above:

- (a) Shares held by any member of the UBS Group acting in the capacity of an exempt principal trader connected with the Offeror shall not be voted at the Court Meeting or the EGM in accordance with the requirement of Rule 35.4 of the Takeovers Code; and
- (b) Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if: (i) such member of the UBS Group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the UBS Group and such non-discretionary client that strictly prohibit such member of the UBS Group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by such member of the UBS Group); and (iv) such non-discretionary client is not the Offeror or an Offeror Concert Party.

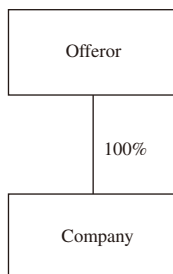
Any dealings in the Shares during the six months prior to 5 June 2024 (being the date of this announcement and the commencement of the offer period) and since the commencement of the offer period to the latest practicable date prior to the despatch of the Scheme Document by the UBS Group (excluding dealings in Shares by members of the UBS Group who are exempt principal traders or exempt fund managers) will be disclosed in the Scheme Document and pursuant to Rule 22 of the Takeovers Code.

- 5. All percentages in the above table are approximations and rounded to the nearest 2 decimal places and the aggregate percentages may not add up due to rounding of the percentages to 2 decimal places.

Set out below is a simplified shareholding structure of the Company as at the date of this announcement:



Set out below is a simplified shareholding structure of the Company immediately upon the completion of the Proposal:



6. VOTING AT THE COURT MEETING AND THE EGM

Only Scheme Shareholders as at the Meeting Record Date may attend and vote at the Court Meeting to approve the Scheme. The Offeror will provide undertakings to the Grand Court (a) not to attend and vote at the Court Meeting and (b) to be bound by the Scheme, so as to ensure that it will comply with and be subject to the terms and conditions of the Scheme.

All Shareholders as at the Meeting Record Date will be entitled to attend the EGM and to vote on the special resolution to approve and give effect to (a) any reduction of the issued share capital of the Company on the Effective Date by cancelling the Scheme Shares; and (b) the contemporaneous issuance to the Offeror of such number of new Shares as is equal to the number of Scheme Shares cancelled and the application of the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares.

7. INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability whose Shares have been listed on the Main Board of the Hong Kong Stock Exchange since 20 May 2008. The Group is principally engaged in the manufacture and sale of cement, concrete and related products.

Based on the published audited consolidated financial statements of the Company, the table below sets out the financial information of the Group for the three financial years ended 31 December 2023:

	For the year ended 31 December		
	2023	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	7,427,010	9,614,330	11,755,908
Profit (loss) before tax	471,631	689,001	2,564,771
Profit (loss) after tax	111,235	423,992	1,821,303

As disclosed in the Company's announcement dated 29 April 2024, the Company made an announcement regarding its unaudited results for the three months ended 31 March 2024 (the "**Q1 Results**"), which constitute a profit forecast pursuant to Rule 10 of the Takeovers Code. **It does not meet the standard as required by Rule 10 of the Takeovers Code and has not been reported on in accordance with Rule 10 of the Takeovers Code. Thus, Shareholders and potential investors of the Company are advised to exercise caution in placing reliance on such Q1 Results when assessing the merits and demerits of the Proposal.**

As additional time is required for the preparation of the reports by the Company's financial adviser and auditors, the Q1 Results will be reported on in accordance with Rule 10.4 of the Takeovers Code in the next document to be sent to the Shareholders, being the Scheme Document. However, as the Company expects to include the interim results of the Company for the six months ended 30 June 2024 (the "**2024 Interim Results**") in the Scheme Document to be sent to the Shareholders, the requirements under Rule 10.4 of the Takeovers Code to report on the Q1 Results will be superseded by the inclusion of the 2024 Interim Results in the Scheme Document.

8. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in Taiwan with limited liability and is listed on the Taiwan Stock Exchange (stock code: 1102.TW). The Offeror was founded in 1957 and is principally engaged in manufacturing, wholesale and trading in cement and ready-mixed concrete and is headquartered in Taiwan.

As at the date of this announcement, Far Eastern New Century Corporation is the largest shareholder of the Offeror, holding approximately 21.16% of the total issued shares of the Offeror, and the Offeror is in turn the largest shareholder of Far Eastern New Century Corporation, holding approximately 23.77% of the total issued shares of Far Eastern New Century Corporation. Based on the information available to the Offeror, and as at the date of this announcement, there is no other shareholder who holds more than 5% of the shares in Far Eastern New Century Corporation.

As at the date of this announcement, the Offeror is indirectly interested in 1,144,862,000 Shares, representing approximately 73.07% of the issued Shares, through its interest in the Offeror Group Shareholders.

9. INTENTION OF THE OFFEROR WITH REGARD TO THE GROUP

As at the date of this announcement, it is the intention of the Offeror for the Group to continue to carry on its existing business and the Offeror does not have any plan to make any material change to: (a) the business of the Group (including any redeployment of any fixed asset of the Group); or (b) the continued employment of the employees of the Group (other than in the ordinary course of business).

10. INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Mr. TSIM Tak-lung Dominic, Mr. WANG Wei, Mr. LEE Kao-chao and Dr. WANG Kuo-ming (being all of the independent non-executive Directors), has been established by the Board to make recommendations to the Disinterested Shareholders as to: (i) whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM.

As each of Mr. HSU Shu-tong, Mr. LEE Kun-yen, Mr. CHEN Ruey-long and Ms. WU Ling-ling (each being a non-executive Director) is also a director of the Offeror, Mr. HSU Shu-tong, Mr. LEE Kun-yen, Mr. CHEN Ruey-long and Ms. WU Ling-ling are regarded as being interested in the Proposal and will not form part of the Independent Board Committee.

11. INDEPENDENT FINANCIAL ADVISER

Altus Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal and the Scheme. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. The letter of advice of the Independent Financial Adviser to the Independent Board Committee in connection with the Proposal and the Scheme will be included in the Scheme Document to be despatched jointly by the Company and the Offeror to the Shareholders.

12. REASONS FOR AND BENEFITS OF THE PROPOSAL

The Offeror is of the view that the Proposal is beneficial to the Company and the terms of the Proposal are attractive to the Scheme Shareholders in a number of ways.

Benefits of the Proposal to the Company:

The privatisation of the Company will permit the Offeror and the Company to make strategic decisions focused on long-term growth and benefits, free from the pressure of market expectations and share price fluctuations which arise from the Company being a publicly listed company.

The Proposal, which entails the delisting of the Company, is also expected to reduce the administrative costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements and, in turn, allow greater flexibility for the Offeror and the Company to manage the Group's business.

Benefits of the Proposal to the Scheme Shareholders:

The Proposal is an opportunity for Scheme Shareholders to monetize their Shares amidst challenging market and industry conditions.

The average daily trading volume of Shares for the approximate 1-month period, 3-month period and 12-month period up to and including the Last Trading Date were approximately 4.8 million Shares, 2.2 million Shares and 1.0 million Shares per day, representing only approximately 0.31%, 0.14% and 0.07% respectively of the total number of issued Shares as at the date of this announcement.

The average daily trading volume of Shares for the approximate 1-month period, 3-month period and 12-month period up to and including the Last Undisturbed Date were approximately 1.4 million Shares, 1.0 million Shares and 0.7 million Shares per day, representing only approximately 0.09%, 0.07% and 0.05% respectively of the total number of issued Shares as at the date of this announcement.

The low trading liquidity of the Shares could make it difficult for Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. As such, the Scheme presents an immediate opportunity for Scheme Shareholders to monetize their investments for cash and redeploy the proceeds from accepting the Scheme into other investment opportunities.

Against the backdrop of an ongoing downcycle in the broader China real estate and construction sector, which poses uncertainties associated with the overall cement demand and pricing, and thus in turn, the Company's future financial performance, the Proposal provides an opportunity for Scheme Shareholders to effectively reduce their exposure to the China cement sector.

The Proposal allows an exit for the Scheme Shareholders at a compelling premium to the current market price. As set out in the section headed "Terms of the Proposal" of this announcement, the Offer Price represents a significant premium of approximately 57.84% and 54.81% over the average closing price of approximately HK\$2.04 and HK\$2.08 per Share for the 30 and 60 trading days up to and including the Last Undisturbed Date, respectively, and a premium of 31.97% over the highest closing price of HK\$2.44 per Share during the six-month period ending on the Last Undisturbed Date.

13. WITHDRAWAL OF LISTING OF THE SHARES ON THE HONG KONG STOCK EXCHANGE

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application to the Hong Kong Stock Exchange for the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange in accordance with Rule 6.15 of the Listing Rules immediately following the Scheme becoming effective.

The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on the Hong Kong Stock Exchange and the day on which the Scheme and the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange will become effective. A detailed timetable of the implementation of the Proposal will be included in the Scheme Document, which will also contain, among other things, further details of the Scheme.

14. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or (where applicable) waived on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Hong Kong Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

15. GENERAL MATTERS RELATING TO THE PROPOSAL

Overseas holders of the Scheme Shares

The availability of the Proposal to persons who are citizens, residents or nationals of a jurisdiction other than Hong Kong may be affected by the laws of the relevant jurisdiction in which they are located or resident or of which they are citizens. Such Scheme Shareholders should inform themselves about and observe any applicable legal, regulatory or tax requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Shareholders will be contained in the Scheme Document.

It is the responsibility of the overseas Scheme Shareholders who wish to take any action in relation to the Proposal and the Scheme to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with any such action, including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with any other necessary formality and the payment of any issue, transfer or other tax in any relevant jurisdiction.

Any approval or acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror, the Company and their respective advisers (including UBS as the financial adviser to the Offeror) that such laws and regulations have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch of the Scheme Document to the overseas Scheme Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or the Shareholders), the Scheme Document may not be despatched to such holders of the Scheme Shares. For that purpose, the Company will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time prior to the despatch of the Scheme Document. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such holders of the Scheme Shares. In granting any such waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders.

Taxation advice

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal or the Scheme. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company, UBS, their respective ultimate beneficial owners, directors, officers, employees, agents and associates and any other person involved in the Proposal or the Scheme accepts any responsibility for any taxation effects on, or liabilities of, any person as a result of the Proposal or the Scheme.

Costs of the Scheme

If either the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal and the Scheme, and the Scheme is not approved, all costs and expenses incurred by the Company in connection with the Proposal and the Scheme shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

Other arrangements

As at the date of this announcement:

- (a) save as disclosed in the section headed “5. *Shareholding Structure of the Company*” above, neither the Offeror nor any of the Offeror Concert Parties owns, controls or has direction over any Shares;
- (b) there are no securities, warrants or options convertible into Shares held, controlled or directed by the Offeror or any of the Offeror Concert Parties;
- (c) save as disclosed in the section headed “5. *Shareholding Structure of the Company*” above, none of the Offeror nor any of the Offeror Concert Parties has dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the six months prior to and including the date of this announcement;

- (d) neither the Offeror nor any of the Offeror Concert Parties has entered into any outstanding derivative in respect of the securities in the Company;
- (e) neither the Offeror nor any of the Offeror Concert Parties has borrowed or lent any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (f) no irrevocable commitment to vote for or against the Scheme has been received by the Offeror or any of the Offeror Concert Parties;
- (g) there are no arrangements (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or the shares of the Offeror between the Offeror or any of the Offeror Concert Parties and any other person which might be material to the Proposal;
- (h) there is no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal or the Scheme;
- (i) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) either (a) the Offeror or the Offeror Concert Parties; or (b) the Company or the Company's subsidiaries or associated companies; and
- (j) save for the Offer Price, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any of the Offeror Concert Parties to the Scheme Shareholders in connection with the Proposal or the Scheme.

Despatch of the Scheme Document

A Scheme Document including, among other things: (a) further details of the Proposal and the Scheme; (b) an explanatory statement in respect of the Scheme as required under the Companies Act; (c) the expected timetable relating to the Proposal and the Scheme; (d) a letter from the Independent Board Committee containing its recommendations to the Disinterested Shareholders in respect of the Proposal and the Scheme; (e) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal and the Scheme; and (f) notices of the Court Meeting and the EGM (including proxy forms relating to such meetings for use by the relevant Shareholders), will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

The Scheme Document will contain important information, and the Disinterested Shareholders or Shareholders (as the case may be) are urged to read the Scheme Document carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the EGM.

16. RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Hong Kong Stock Exchange was halted from 3:31 p.m. on 28 May 2024, pending the issue of this announcement.

An application has been made by the Company to the Hong Kong Stock Exchange for the resumption of trading in the Shares on the Hong Kong Stock Exchange with effect from 9:00 a.m. on 6 June 2024.

17. DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined in the Takeovers Code) of the Offeror and the Company, including any person who owns or controls 5% or more of any class of the relevant securities of the Offeror or the Company, are hereby reminded to disclose their dealings in any relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below.

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

18. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“2023 Final Dividend”	the final dividend of RMB4.1 cents per Share in respect of the year ended 31 December 2023 recommended by the Board and which is subject to approval by shareholders at the Company’s annual general meeting proposed to be held on 7 June 2024, details of which are set out in the announcement of the Company dated 4 March 2024
“acting in concert”	has the meaning given to it in the Takeovers Code
“Applicable Laws”	any and all laws, rules, regulations, judgments, decisions, decrees, orders, injunctions, treaties, directives, guidelines, standards, notices and/or other legal, regulatory and/or administrative requirements of any Authority
“Approval”	any approval, authorisation, ruling, permission, waiver, consent, licence, permit, clearance, registration or filing which is required or desirable under any Applicable Law, or any licence, permit or contractual obligation of any member of the Group, for or in connection with the Proposal or the implementation of the Proposal in accordance with its terms and conditions (including the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange), in each case excluding any filing or notification to any Authority which does not require such Authority’s approval, acknowledgement, permission, consent or clearance
“Asia Cement (Singapore)”	Asia Cement (Singapore) Private Limited, a company incorporated with limited liability in Singapore
“Asia Engineering”	Asia Engineering Enterprise Corporation, a company incorporated with limited liability in Taiwan
“associates”	has the meaning ascribed to it under the Takeovers Code
“Authority”	any supranational, national, federal, state, regional, provincial, municipal, local or other government, governmental, quasi-governmental, legal, regulatory or administrative authority, department, branch, agency, commission, bureau or body (including any securities or stock exchange) or any court, tribunal, or judicial or arbitral body
“Board”	the board of Directors
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands

“Company”	Asia Cement (China) Holdings Corporation, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 743)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as set out in the section headed “3. <i>Conditions of the Proposal and the Scheme</i> ” in this announcement
“Control”	has the meaning given to it in the Takeovers Code, and “Controlling” and “Controlled” shall be construed accordingly
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Director(s)”	the director(s) of the Company
“Disinterested Shares”	the Shares other than any Shares which are beneficially owned by the Offeror or any Offeror Concert Party
“Disinterested Shareholders”	the holders of Disinterested Shares, including, for the avoidance of doubt, any member of the UBS Group which is exempt principal trader or exempt fund manager, in each case recognised by the Executive as such for the purposes of the Takeovers Code and is connected for the sole reason that it controls, is controlled by or is under the same control as UBS
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Act and the Conditions
“EGM”	an extraordinary general meeting of the Company to be held promptly after the conclusion or adjournment of the Court Meeting for the purpose of approving, among other things, any reduction of the share capital of the Company as a result of the cancellation of the Scheme Shares; and the implementation of the Scheme
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate(s) of the Executive Director
“Falcon Investment”	Falcon Investments Private Limited, a company incorporated with limited liability in British Virgin Islands
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent committee of the Board, comprising Mr. TSIM Tak-lung Dominic, Mr. WANG Wei, Mr. LEE Kao-chao and Dr. WANG Kuo-ming (being all of the independent non-executive Directors)
“Independent Financial Adviser”	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee who will advise the Independent Board Committee as to: (i) whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM
“Last Trading Date”	28 May 2024, being the last day on which the Shares were traded on the Hong Kong Stock Exchange before publication of this announcement
“Last Undisturbed Date”	24 May 2024, being the last trading day prior to when there were irregular trading volumes and price movements in the Shares
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
“Long Stop Date”	5 June 2025, or such later date as may be agreed between the Offeror and the Company or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive and consented to by UBS
“Meeting Record Date”	the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM
“offer period”	has the meaning ascribed to it in the Takeovers Code, which commenced on 5 June 2024, being the date of this announcement

“Offer Price”	the offer price of HK\$3.22 for the cancellation of each Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Offeror”	Asia Cement Corporation, a company incorporated on 21 March 1957 in Taiwan with limited liability under the Taiwan Company Law with its shares listed on the Taiwan Stock Exchange (stock code: 1102) and the controlling shareholder of the Company
“Offeror Concert Parties”	persons who are acting in concert or presumed to be acting in concert with the Offeror under the Takeovers Code, including: (a) each of the Offeror Group Shareholders; (b) each of Mr. HSU, Shu-tong, Mr. HSU, Shu-ping, Mr. CHEN, Ruey-long, Mr. LEE, Kun-yen, Mr. CHANG, Chen-kuen and Ms. WU, Ling-ling (each also a director of the Offeror) and Mr. LIN, Seng-chang; and (c) members of the UBS Group (excluding members of the UBS Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and are connected for the sole reason that they control, are controlled by or are under the same control as UBS)
“Offeror Group Shareholders”	Asia Cement (Singapore), Falcon Investment and Asia Engineering
“PRC” or “China”	the People’s Republic of China and, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme and the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange, on the terms and subject to the conditions set out in this announcement
“Record Date”	the record date to be announced for determining the entitlements of the Scheme Shareholders under the Scheme
“relevant securities”	has the meaning given to it in Note 4 to Rule 22 of the Takeovers Code
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme”	the scheme of arrangement to be proposed under section 86 of the Companies Act for the implementation of the Proposal

“Scheme Document”	the composite scheme document of the Offeror and the Company containing, among other things, further details of the Proposal together with the additional information set out in the section headed “15. General Matters Relating to the Proposal — Despatch of the Scheme Document” in this announcement
“Scheme Share(s)”	the Share(s) in issue on the Record Date other than the Shares directly held by the Offeror
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s) as at the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of Share(s)
“Taiwan Stock Exchange”	Taiwan Stock Exchange Corporation
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC in Hong Kong as amended from time to time
“UBS”	UBS AG (acting through its Hong Kong Branch), a registered institution under the SFO to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO, the financial adviser to the Offeror in connection with the Proposal. UBS AG is incorporated in Switzerland with limited liability
“UBS Group”	UBS Group AG, UBS AG and any subsidiary, branch, affiliate or associate of UBS Group AG or UBS AG
“U.S.” or “United States”	the United States of America
“%”	per cent

In the event of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.

By order of the board of
ASIA CEMENT CORPORATION
WU Ling-ling
Director

By order of the Board
**ASIA CEMENT (CHINA) HOLDINGS
CORPORATION**
TSIM Tak-lung Dominic
Director

Hong Kong, 5 June 2024

As at the date of this announcement, the directors of the Offeror are Mr. HSU Shu-tong (Chairman), Mr. SHIH Johnny, Mr. CHEN Chang-wen, Mr. LEE Kun-yen, Mr. HSU Shu-ping, Mr. CHANG Chen-kuen, Mr. CHEN Ruey-long, Mr. LEE Champion, Mr. LI Kwan-Tao, Ms. WU Ling-ling, Mr. CHI Schive, Mr. CHEN S. Gordon, Mr. CHU Yun-Peng, Mr. CHANG Chang-Pang and Ms. CHANG Flora Chia-I.

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

As at the date of this announcement, the executive Directors are Mr. HSU Shu-ping, Mr. CHANG Chen-kuen and Mr. LIN Seng-chang; the non-executive Directors are Mr. HSU Shu-tong (Chairman), Mr. LEE Kun-yen, Mr. CHEN Ruey-long and Ms. WU Ling-ling; the independent non-executive Directors are Mr. TSIM Tak-lung Dominic, Mr. WANG Wei, Mr. LEE Kao-chao and Dr. WANG Kuo-ming.

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