



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

2009 Annual General Meeting Record

It was the first time for Asia Cement (China) (hereinafter the Company) to hold its Annual General Meeting in Hong Kong after it had been listed on Hong Kong Stock Exchange on 20 May 2008. A total number of vote casted in the 2008 Annual General Meeting reached 1,220,028,850, accounting for 78% of total issued capital shares 1,556,250,000, indicates the shareholders pay close attention to the latest development and shows their support by casting their votes.

Summary of the speech of Mr. Chang Tsai-hsiung, the executive Director and CEO

- ✘ The Company achieved satisfactory results in 2008 through its leading position in the Central Yangtze River Region and Sichuan Region with enhanced production capacity and operational efficiency. The prices of cement products in these two regions remained stable, of which cement price in Sichuan Region continued to maintain a relatively high level as opposed to other regions due to its tightened demand and supply situation, and the commencement of various infrastructure and reconstruction projects
- ✘ About production capacity: Asia Cement (China) performed well on production in 2008. Production of cement and clinker reached 10.1 million tones and 6.77 million tones respectively, recorded a growth of 23% and 18%.
- ✘ About sales volume: Sales volume of cement and clinker recorded a new high, totaling 10.14 million tones, representing an increase of 20%. Sales volume of Hubei was the highest among all regions, reaching 3.95 million tones, an increase of 39%. Sales volume in Sichuan region was 2.5 million tones, up 25%, while that for Jiangxi region and Yangzhou region was 2.11 million tones and 360,000 tonnes, increased by 21% and 15% respectively. The market share of the Company in Hubei region, Sichuan region, Jiangxi region and Yangzhou region was 7%, 3%, 4% and 8% respectively.
- ✘ Business overview: In 2008, the Company recorded revenue of RMB3.2 billion. Gross profit was RMB 900 million, while the gross profit margin was 28%. Net profit recorded over RMB 400 million, increased by 43% compared with the same period in 2007. Net profit margin reached 13.5%.

- ✘ Jiangxi Yadong's rated capacity of clinker ranked 17 in China and its actual production capacity ranked 11.
- ✘ Performance in the first quarter: 2008 was a challenging year for the industries. Snow storm, Sichuan earthquake and financial crisis subsequently & overwhelmingly hit the country & its economy. Yet, operation environment becomes better in 2009.
 - In the first quarter, production of clinker and cement increased by 37% and 42% to 2.2 million tonnes and 2.62 million tonnes respectively, while that of slag powder dropped slightly to 200,000 tonnes.
 - The total sales volume increased by 44%, from 1.85 million tonnes in the first quarter of 2008 to 2.67 million tonnes in the same period of this year.
 - Production capacity of cement may reach 20 million tonnes, while that for slag powder may achieve 1.2 million tonnes. The total annual production capacity is 21.2 million tonnes.
 - Gross margin in the first quarter drop from 32.6% to 29.2%. It was mainly because of the reduction of operation days and the effect of high price coal purchased in the 4th quarter of 2008.
- ✘ Prospects: With the fully operation of 10 rotary kilns (each with a daily production capacity of 4,200 tonnes clinker) by end of 2010, the total rated capacity of clinker will be 13.86 million tonnes while actual production capacity of clinker reaches 16.5 million tonnes. The utilization rate will then reach 119%.

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1. Asia Cement (China)'s 2008 annual results
2. Business overview
3. Asia Cement (China)'s first quarter results
4. Future development strategies

Discuss process

Resolution passed on 2008 AGM

A. Ordinary business

1. To receive and adopt the audited consolidated financial statements and the reports of the directors of the Company and the auditor of the Company for the year ended 31 December 2008
2. To approve and declare a final dividend policy for the year ended 31 December 2008
3. To re-elect retiring Directors and to authorize the board of Directors to determine their remuneration
4. To re-appoint Deloitte Touche Tohmatsu as the Company's Auditor and to authorize the Board to fix its remuneration

B. Special Business

5. To give a general mandate to the Board to issue and dispose of shares not exceeding 20% of the existing issued share capital of the Company
6. To give a general mandate to the Board to repurchase shares not exceeding 10% of the existing issued share capital of the Company
7. To add the nominal amount of repurchased shares to the general mandate given to the Board to allot shares