

Notice of 2006 Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2006 annual general meeting (the “Annual General Meeting”) of Anhui Conch Cement Company Limited (the “Company”) will be held at the registered office of the Company at 9:00 a.m. on Friday, 8 June 2007.

The following matters are proposed to be resolved at the Annual General Meeting:

1. To consider and approve the report of the board of directors (the “Board”) for the year ended 31 December 2006.
2. To consider and approve the report of the supervisory committee (the “Supervisory Committee”) for the year ended 31 December 2006.
3. To consider and approve the audited financial reports prepared in accordance with the International Financial Reporting Standards and the People’s Republic of China (“PRC”) Accounting Standards respectively for the year ended 31 December 2006.
4. To consider and approve the profit distribution proposal for the year 2006 (details of which are set out in item (5) headed “Profit distribution proposal” under the “Report of the Board of Directors” contained in the 2006 annual report of the Company).
5. To consider and approve the reappointment of KPMG Huazhen Certified Public Accountants and KPMG Certified Public Accountants as the PRC and Hong Kong auditors of the Company respectively, and the authorisation of the Board to determine the remuneration of the auditors.
6. (the election of each director and supervisor and other matters, set out in this resolution to be considered and (if considered appropriate by shareholders) passed as a separate resolution) To consider and approve the re-election of the Board and the Supervisory Committee:

As the term of office of the third session of the Board and the Supervisory Committee will soon expire, and according to the recommendation of Remuneration and Nomination Committee of the Board, the Board nominated Mr Guo Wensan, Mr Yu Biao, Mr Guo Jingbin, Mr Li Shunan, Mr Ren Yong as the candidates of executive directors of the fourth session of the Board; Mr Kang Huan, Mr Chan Yuk Tong, Mr Ding Meicai as the candidates of independent non-executive directors of the fourth session of the Board; Mr Wang Jun and Mr Wang Yanmou as the candidates of supervisors of the fourth session of the Supervisory Committee; Mr Ding Junting as the candidate of the staff representative supervisor of the Company. The term of office of all the directors and supervisors considered and elected by the Annual General Meeting, and the term of office of the staff representative supervisor will commence from 1 June 2007, for a term of three years. (Please refer to appendix I for the biography of the candidates for the fourth session of the Board and Supervisory Committee, and the staff representative supervisor.)

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7. To consider and approve the guarantees given or to be given by the Company for the bank loans borrowed by certain subsidiaries of the Company. (For details, please refer to the “Announcement Regarding the Resolutions Approved at the Board Meeting” published by the Company on 13 April 2007.)
8. To consider and approve the following resolutions by way of special resolutions:
 - (a) **“THAT** subject to the limitations under (c) and (d) below and in accordance with the requirements of the Rules Governing the Listing of Securities (“the Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), the Company Law of the PRC, 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 new shares on such terms and conditions 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 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 of the Company, excluding shareholders who are residents outside the PRC or 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 consider expedient;
 - (b) upon the exercise of the powers granted under paragraph (a), the Board may during the “Relevant Period” make or grant offers, agreements and options which might require the shares relating to the exercise of the authority there under being allotted and issued after the expiry of the “Relevant Period”;

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- (c) the aggregate amount of the overseas listed foreign 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 shares which may be allotted upon the conversion of the capital reserve into capital in accordance with the Company Law of the PRC or the Articles of Association of the Company) shall not exceed 20 per cent (20%) of the aggregate number of the overseas listed foreign shares of the Company 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 of the PRC, other applicable laws and regulations of the PRC, and the Listing Rules of the Stock Exchange (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 is revoked or varied by a special resolution of the Company in general meeting;
- (f) the Board shall, subject to the relevant approvals of the relevant authorities and the exercise of the power granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations of the PRC, 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) of this Resolution, 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 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, Articles 23, 24 and 27 of the Articles of Association of the Company 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) to allot and issue new shares (see Note 6).

By order of the Board

Anhui Conch Cement Company Limited

Zhang Mingjing

Company Secretary

Wuhu City, Anhui Province, the PRC

23 April 2007

As at the date of this Notice, the Board comprises:

- (i) Mr Guo Wensan, Mr Li Shunan, Mr Yu Biao, Mr Ren Yong and Mr Guo Jingbin as executive directors, and (ii) Ms Xue Tongzu, Mr Ding Zhiming and Mr Chan Yuk Tong as independent non-executive directors.

Notes:

1. Persons entitled to attend the Annual General Meeting

Holders of H Shares whose names appear on the register of members maintained by Hong Kong Registrars Limited at 4:30 p.m., Tuesday, 8 May 2007 are entitled to attend the Annual General Meeting after completing the registration procedures for the meeting.

2. Registration for attendance at Annual General Meeting

- (1) Holders of H shares who intend to attend the Annual General Meeting have to complete (without prejudice to their right of attendance) the reply slip attached, deposit the same together with the copies of the transfers, share certificates or receipts of share transfer and their identity cards, at the registered office of the Company by Friday, 18 May 2007.
- (2) Shareholders may deliver the documents required for registration to the registered office of the Company in person, by mail or by facsimile (86-553-3114550). Upon receipt of the requisite documents for registration, the Company will complete the registration procedures for attendance at the Annual General Meeting on behalf of the shareholders and send a duplicate copy of the meeting attendance card to the shareholders by mail or by facsimile. Shareholder attending the meeting must produce the duplicate copy or facsimile copy of the meeting attendance cards and exchange them for formal meeting attendance cards.

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3. Appointment of proxies
 - (1) Each shareholder who has the right to attend and vote at the Annual General Meeting 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 behalf at the Annual General Meeting.
 - (2) Proxies of the shareholders must be appointed in writing and the appointment must be signed by the shareholders 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 —Hong Kong Registrars Limited at the address given in note (4), not less than 24 hours before the time appointed for holding of the Annual General Meeting.
 - (3) If a shareholder appoints more than one proxy, his/her proxies may only exercise his/her appointor's voting rights when the resolution concerned is to be decided by poll.
4. The register of members of the Company for H shares will close from 4:30 p.m. on Tuesday, 8 May 2007 to Friday, 8 June 2007, both days inclusive. In order to qualify for attendance at the Annual General Meeting and the proposed dividend of RMB0.20 per H share, transfers accompanied by share certificates and other appropriate documents must be lodged with the Company's H share register — Hong Kong Registrars Limited at 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on Monday, 7 May 2007.
5. In the event that the final dividend for the year ended 31 December 2006 being passed by the Annual General Meeting, it is expected that the final dividend will be payable on Friday, 29 June 2007, to holders of H shares whose names appear on the register of members on Tuesday, 8 May 2007. The registration date and details regarding the distribution of the proposed final dividends to holders of A shares will be announced separately.
6. The purpose of resolution number 8 is to grant a general mandate by the Annual General Meeting to the Board to allot and issue new shares subject to applicable laws, regulations and rules.
7. The Annual General Meeting is expected to take half day. Shareholders or their proxies attending the Annual General Meeting should bear their own lodging and travelling costs.

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APPENDIX 1: BIOGRAPHY OF CANDIDATES OF DIRECTORS AND SUPERVISORS, AND THE STAFF REPRESENTATIVE SUPERVISOR

1. Biography of candidates of executive directors

Mr Guo Wensan, aged 52, senior engineer. Mr Guo graduated from Shanghai Tongji University in 1978. He joined the Group in 1980 and has held various leadership positions. He has over 20 years of experience in corporate management and is a very experienced cement engineering expert. Mr Guo has received the second prize of “National Science and Technology Progress Award” from the State Council of the PRC for key new dry-process cement production technology and equipment development and engineering application project. Mr Guo has received honours such as the “First of May” Labour Medal and the national construction material exemplary award. He received the “gold award for contributions” from the People’s Government of Anhui Province. Mr Guo is also the vice president of China Construction Material Industry Association and an expert of the expert committee of China International Engineering Consulting Company. Mr Guo had been appointed as chairman of the first, second, and third sessions of the Board.

Mr Yu Biao, aged 53, senior engineer. Mr Yu graduated from Anhui Construction Materials College in 1980 and joined the Group thereafter. Mr Yu has held various leadership positions including the deputy general manager of the Company. He has in-depth knowledge in the engineering technology of cement and has ample experience in the management of engineering projects. He was appointed as a member of Education Committee for Cement Subdivision of the former State Administration for Construction Materials. Mr Yu is also the Vice Chairman of China Cement Association. Mr Yu had been appointed as an executive director of the first, second, and third sessions of the Board. Mr Yu is currently a director of Wuhu Conch Profiles and Science Co., Ltd and the chairman of Anhui Chaodong Cement Company Limited.

Mr Guo Jingbin, aged 49, engineer. Mr Guo graduated from Shanghai Construction Materials College in 1980 and joined the Group thereafter. Mr Guo has held various leadership positions including secretary to the Board and deputy general manager. He has ample experience in capital markets. Mr Guo had been appointed as an executive director of the first, second, and third sessions of the Board.

Mr Li Shunan, aged 49, senior engineer. Mr Li graduated from the Anhui Construction Materials College in 1980 and joined the Group thereafter. Mr Li has held various leadership positions including the plant director of Anhui Ningguo Cement Plant and deputy general manager of the Company. He is very experienced in engineering technology and production management of the cement industry. Mr Li had been appointed as an executive director of the first, second, and third sessions of the Board.

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Mr Ren Yong, aged 44, engineer. Mr Ren graduated from Shanghai Construction Material College and participated in the professional training program in MBA provided by the State Economic and Trade Organisation and the professional training program in MBA provided by the Business School of Stockholm University, Sweden in 1998. Mr Ren joined the Group in 1982 and has held various leadership positions including plant director of the divisional plant of Ningguo Cement Plant, deputy general manager of Anhui Tongling Conch Cement Company Limited and director of the sales division of the Company. Mr Ren had been appointed as an executive director of the third session of the Board and has been the general manager of the Company since 2000.

2. Biography of candidates of independent non-executive directors

Mr Kang Huan, aged 44, is a holder of doctoral degree in law awarded by The University of Texas at Austin, the USA. Mr Kang is a registered lawyer of the High Court of the New York State government of the USA. He is also a member of the Law Association of Great Britain. Mr Kang was appointed as an independent non-executive director of the first and second sessions of the Board and a supervisor of the third session of the Supervisory Committee.

Mr Chan Yuk Tong, aged 44, a practicing fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. Mr Chan graduated from the University of Newcastle in Australia with a bachelor's degree in commerce. He has also obtained his master's degree in business administration from the Chinese University of Hong Kong. Mr Chan has worked for the G2000 Group, Tak Sing Alliance Holdings Limited and Ernst & Young, and has over 20 years of experience in finance management. Mr Chan is also a director of several companies listed on the Stock Exchange, namely Vitop Bioenergy Holdings Limited, Daisho Microline Holdings Limited, Kam Hing International Holdings Limited, Carico Holdings Limited and World Trade Bun Kee Limited, and a director of six private companies in Hong Kong, including Cachet Certified Public Accountants Limited. Mr Chan was appointed as an independent non-executive director of the third session of the Board.

Mr Ding Meicai, aged 65, graduated from Anhui Agricultural University. Mr Ding was the Chief Director of State-owned Assets Administration Bureau of Anhui Province and the deputy director of Finance Office of Anhui Province. Mr Ding possesses the qualification of a Certified Public Accountant in the PRC, a registered asset appraiser in the PRC, and a senior economist, and is a part-time professor of Finance and Economics at Anhui University. Mr Ding is currently the chairman of Anhui Institute of Certified Public Accountants and Anhui Institute of Certified Assets Appraisers, and honourable chairman of Anhui Province Engineering Cost Association.

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3. Biography of candidates of supervisors

Mr Wang Jun, aged 50, senior engineer. Mr Wang graduated from Anhui University in 1982 and joined the Group thereafter. Mr Wang held various positions including director of quantitative automation department and personnel department and party secretary of Anhui Ningguo Cement Plant. Mr Wang was appointed as chairman of the first, second, and third sessions of the Supervisory Committee of the Company.

Mr Wang Yanmou, aged 75. Mr Wang graduated from China Dongnan University in 1956. He obtained an associate doctor's degree in the former Soviet Union in 1962. Mr Wang was the president of China Building Material Academy, director of the State Construction Material Industry Bureau and China Silicates Institute. Since 1997, he has been a consultant of the expert committee of China International Engineering Consulting Company. He has also been appointed as a special consultant of China Investment Association and honourable chairman of China Construction Materials Industry Association. Mr Wang was a delegate of the Eighth CNPCC. Mr Wang was appointed as an independent non-executive director of the first and second sessions of the Board and supervisor of the third session of the Supervisory Committee. He is currently an independent non-executive director of Wuhu Conch Profiles and Science Co., Ltd.

4. Biography of the staff representative supervisor

Mr Ding Junting, aged 51, graduated from Anhui Institute of Mechanical and Electrical Engineering and joined the Group in 1980. Mr Ding has been vice-chairman of the Labour Union of Anhui Conch Holdings Company Limited ("Conch Holdings") since 2001.

5. Among the above-mentioned candidates of executive directors, Mr Guo Wensan also holds the posts of chairman of the board and general manager of Conch Holdings, the controlling shareholder of the Company; Mr Yu Biao also holds the posts of director and deputy general manager of Conch Holdings; Mr Guo Jingbin also holds the posts of director and deputy general manager of Conch Holdings; Mr Li Shunan also holds the posts of vice-chairman of the board and deputy general manager of Conch Holdings; Mr Ren Yong also holds the post of director of Conch Holdings. Save as the aforesaid, the above-mentioned candidates of executive directors are not related to any directors, senior management staff and major shareholders or controlling shareholders of the Company.

All the candidates of independent non-executive Directors are not related to any directors, senior management staff and major shareholders or controlling shareholder of the Company.

All the candidates of supervisors are not related to any directors, senior management staff and major shareholders or controlling shareholder of the Company.

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As at the date of this notice, the above-mentioned candidates of executive directors, independent non-executive directors, and supervisors do not possess the shares or relevant shareholding interests of the Company referred to in Part XV of the Securities and Futures Ordinance.

6. General Information

In compliance with Article 147 of the Articles of Association of the Company, remunerations payable to the directors and supervisors are required to be approved by the general meeting of the Company. Save as disclosed above, there are no other matters related to the proposal of re-election or appointment of the above-mentioned candidates of directors and supervisors should be taken note of by the shareholders, nor are there any other matters which are required to be disclosed in compliance with Rule 13.51(2) of the Listing Rules of the Stock Exchange (especially the sub-paragraphs (h) to (v) of such Rule).