

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following is an illustrative unaudited pro forma statement of adjusted net tangible assets of the Group, which has been prepared for the purpose of illustrating the effect of the Share Offer as if it had taken place on 30 June 2011. It is prepared based on the audited combined net assets of the Group as of 30 June 2011 as set out in the Accountants' Report in Appendix I to this prospectus, and adjusted as described below. The unaudited pro forma statement of adjusted net tangible assets does not form part of the Accountants' Report in Appendix I to this prospectus. The unaudited pro forma financial information has been prepared for illustrative purpose only, and because of its nature, it may not give a true picture of the financial position of the Group had the Share Offer been completed as of 30 June 2011 or any future date.

	Audited adjusted combined net tangible assets of the Group attributable to owners of the Company as at 30 June 2011	Estimated net proceeds from the Share Offer	Unaudited pro forma adjusted net tangible assets attributable to owners of the Company	Unaudited pro forma adjusted net tangible assets per Share
	HK\$'000 <i>(Note 1)</i>	HK\$'000 <i>(Note 2)</i>	HK\$'000	HK\$ <i>(Note 3)</i>
Based on Offer Price of				
HK\$1.00 per Share	297,018	145,000	442,018	0.67

Notes:

1. The audited adjusted combined net tangible assets of the Group attributable to owners of the Company as at 30 June 2011 is based on the net assets attributable to owners of the Company, after deducting the intangible asset with aggregate carrying amount of HK\$7,781,000, extracted from the Accountants' Report set out in Appendix I to this prospectus.
2. The estimated net proceeds from the Share Offer are based on an Offer Price of HK\$1.00 per Share (after deducting the underwriting fees and other related expenses), and takes no account of any Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.
3. The number of Shares used for the calculation of unaudited pro forma adjusted net tangible assets attributable to owners of the Company per Share is based on 660,000,000 Shares to be in issue immediately after the Share Offer, which included the 142,292,167 Shares issued for the loan capitalisation as stated in note 4 below, and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme.
4. Subsequent to 30 June 2011, shareholders' loans due to Tian An Group with an aggregate amount of approximately HK\$227,305,000 have been capitalised for the consideration of the issuance of 142,292,167 Shares. No pro forma adjustment has been made to the net tangible assets of the Group in connection to these shareholders' loans capitalisation. If the shareholders' loans capitalisation were to be adjusted to the pro forma net tangible assets of the Group, the unaudited pro forma adjusted net tangible assets per Share would have been approximately HK\$1.01.
5. With reference to the valuation of the Group's buildings and prepaid lease payments on land use rights as at 31 October 2011 as set out in Appendix III to this prospectus, there was a valuation surplus of the Group's buildings and prepaid lease payments on land use rights of approximately HK\$53.5 million. The Group will not incorporate the valuation surplus in its future financial statements. If the valuation surplus were to be incorporated in the Group's financial statements, additional annual depreciation and amortisation charge of approximately HK\$1.5 million would have been charged against the profit or loss.

B. REPORT FROM THE REPORTING ACCOUNTANTS ON UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following is the text of a report received from the independent reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong.

**ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF ALLIED CEMENT HOLDINGS LIMITED**

We report on the unaudited pro forma statement of adjusted net tangible assets (hereinafter referred to as the "Unaudited Pro Forma Financial Information") of Allied Cement Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the placing and public offer might have affected the financial information presented, for inclusion in Appendix II to the prospectus of the Company dated 30 December 2011 (the "Prospectus"). The basis of preparation of the Unaudited Pro Forma Financial Information is set out on page II-1 of Appendix II to the Prospectus.

Respective responsibilities of directors of the Company and reporting accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purpose only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in future and may not be indicative of the financial position of the Group as at 30 June 2011 or any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Deloitte Touche Tohmatsu*Certified Public Accountants*

Hong Kong, 30 December 2011