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Date: 23 February 2010
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TCCIH GOES AHEAD WITH MAJOR ACQUISITION TO SIGNIFICANTLY ENHANCE CAPACITY AND MARKET COVERAGE

TCC International Holdings Limited (“TCCIH” or the “Company”, stock code: 01136) together with its subsidiaries (the “Group”)’s proposed acquisition of an array of clinker and cement production facilities in South, Southwestern and Northeastern China, has been approved by its shareholders today. Following the completion of the transaction, TCCIH’s overall capacity will be lifted to over 40 million metric tonnes per annum (“mtpa”), making the Group the leading cement manufacturer in Guangdong and one of the largest cement manufactures in China.

The shareholders of TCCIH approved today at an extraordinary general meeting (“EGM”) an acquisition of the entire issued share capital of Upper Value Investments Limited (“Target Company”) and the shareholder loan of the Target Company and its subsidiaries (“Target Group”) (excluding companies to be disposed of by the Target Company immediately before completion of the acquisition) for a consideration of HK\$3,800 million.

The attributable annual capacity of the Target Group is expected to be 15.50 mtpa of clinker and cement in 2010. This together with TCCIH’s existing annual capacity of approximately 26.85 million tonnes will enable the Group to become the leading cement manufacturer in Guangdong Province.

The Target Group is principally engaged in the manufacture and sale of clinker and cement in Guangdong Province and Yunnan Province, and has a number of facilities under construction in Chongqing Municipality, Liaoning Province, Guizhou Province and Sichuan Province.

The acquisition allows TCCIH to benefit from the synergy in operation and management offered by the Target Group and to extend the Group’s market reach to the southwestern, western and northeastern parts of China. More geographically diversified sources of income will enable the Group to leverage the variation in costs and product selling prices in different regions to maintain a more stable and healthy gross profit margin in the long run.

“Following years of organic growth through development of facilities in Southern China, we began in recent years to expedite our expansion in scale of operation and market coverage through mergers and acquisitions. This approach will significantly shorten the lead time for the Group’s capacity expansion,” remarked Mr Koo, Cheng-Yun, chairman of TCCIH.

“The inclusion of the Target Group into the Group’s portfolio will instantly boost its production capacity, thereby enabling the Group to capture the market opportunities arising from the State’s policy of eliminating obsolete capacity and the recovery of the cement market in southern and

western China. The acquisition will provide the Group with a significantly extended array of facilities, enlarged capacity and strengthened revenue stream and asset base,” added Mr Koo.

About TCCIH

The principal activities of TCCIH consist of the import and distribution of cement in Hong Kong, the manufacture and distribution of clinker, cement and slag powder in other areas of the People’s Republic of China. Through its associates, the Company is also engaged in the production and distribution of ready-mixed concrete in Hong Kong and Mainland China. The Company’s shares became listed on The Stock Exchange of Hong Kong Limited in 1997.

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Issued by: TCC International Holdings Limited
Through: CorporateLink Limited