

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Conch Venture Holdings Limited 中國海螺創業控股有限公司, you should at once hand this circular, together with the enclosed form of proxy and annual report, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

China Conch Venture Holdings Limited

中國海螺創業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 586)

PROPOSALS FOR GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES, RE-ELECTION OF RETIRING DIRECTORS, ELECTION OF DIRECTOR, AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the 2014 Annual General Meeting of China Conch Venture Holdings Limited 中國海螺創業控股有限公司 (the “**Company**”) to be held at Conference Room 528, Conch International Conference Center, 1011 Jiu Hua South Road, Wuhu City, Anhui Province, the People’s Republic of China on Wednesday, 21 May 2014 at 10:00 a.m. is set out on pages 18 to 21 of this circular. A form of proxy for use at the 2014 Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.conchventure.com>).

Whether or not you are able to attend the 2014 Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions stated thereon and return it to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 2014 Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2014 Annual General Meeting and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

11 April 2014

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I — Explanatory Statement for Repurchase Mandate	7
Appendix II — Biographical Details of Directors Proposed for Re-election	10
Appendix III — Biographical Details of Director to be Elected	17
Notice of 2014 Annual General Meeting	18

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the 2014 annual general meeting of the Company to be held at Conference Room 528, Conch International Conference Center, 1011 Jiuhua South Road, Wuhu City, Anhui Province, the People’s Republic of China on Wednesday, 21 May 2014 at 10:00 a.m., or any adjournment thereof
“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“Company”	China Conch Venture Holdings Limited 中國海螺創業控股有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Connected Person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“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
“Issue Mandate”	a general unconditional mandate to be granted to the Directors to allot, issue and deal with unissued Shares with an aggregate nominal amount of not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution
“Latest Practicable Date”	8 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Date”	19 December 2013, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)

DEFINITIONS

“Remuneration and Nomination Committee”	the remuneration and nomination committee of the Board
“Repurchase Mandate”	a general unconditional mandate to be granted to the Directors to purchase Shares on the Stock Exchange with an aggregate nominal amount of not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission
“%”	per cent

LETTER FROM THE BOARD

China Conch Venture Holdings Limited

中國海螺創業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 586)

Non-executive Director:

Mr. GUO Jingbin (*Chairman*)

Executive Directors:

Mr. JI Qinying (*Chief Executive Officer*)

Mr. LI Jian

Mr. LI Daming

Independent Non-executive Directors:

Mr. CHAN Chi On (alias Derek CHAN)

Mr. CHAN Kai Wing

Mr. LAU Chi Wah, Alex

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business

in Hong Kong:

Suite 4018, 40/F Jardine House

1 Connaught Place

Central

Hong Kong

11 April 2014

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
ELECTION OF DIRECTOR,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to be held on Wednesday, 21 May 2014. These include ordinary resolutions relating to (i) the grant to the Directors the Repurchase Mandate and the Issue Mandate; (ii) the declaration of final dividend; (iii) the re-election of the retiring Directors; and (iv) the election of director.

THE REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to purchase Shares on the Stock Exchange with an aggregate nominal amount of not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

THE ISSUE MANDATE

An ordinary resolution will also be proposed by the Company at the AGM that the Directors be granted the Issue Mandate to allot, issue and deal with unissued Shares with an aggregate nominal amount of not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, the total nominal amount of the issued share capital of the Company was HK\$18,047,500 (equivalent to 1,804,750,000 Shares). Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to issue an aggregate nominal amount of Shares up to a maximum of HK\$3,609,500 (equivalent to 360,950,000 Shares).

In addition, an ordinary resolution will further be proposed at the AGM adding the nominal amount of the share capital of the Company repurchased under the Repurchase Mandate to the Issue Mandate. The Repurchase Mandate and the Issue Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless they are renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

DECLARATION OF FINAL DIVIDEND

On 27 March 2014, the Company made an announcement in relation to its audited financial results for the year ended 31 December 2013 whereby the Board has recommended a final cash dividend of HK\$0.25 per Share for the year ended 31 December 2013. Subject to the passing of the resolution approving the payment of the final dividend at the AGM, such final dividend will be paid on 11 June 2014.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 27 May 2014 to Wednesday, 28 May 2014, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to the proposed final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 26 May 2014.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

Mr. Chan Kai Wing shall retire by rotation from office as Director at the AGM and, being eligible, offer himself for re-election pursuant to articles 105(A) and 105(B) of the Articles. Mr. Guo Jingbin, Mr. Ji Qinying, Mr. Li Jian as well as Mr. Li Daming shall also retire from office as Directors at the AGM and, being eligible, offer themselves for re-election pursuant to article 109 of the Articles.

Mr. Guo will be re-designated as an executive director of the Company with immediate effect from the conclusion of the AGM upon confirmation of his re-election. In accordance with the service contract to be entered into by Mr. Guo and the Company, his proposed term of office is three years commencing from the date of the AGM, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. He is entitled to a basic salary of RMB825,000 per annum plus discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Guo are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

Biographical details of the above retiring Directors proposed for re-election at the AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

ELECTION OF DIRECTOR

On 21 March 2014, the Remuneration and Nomination Committee nominated, and the Board recommended Ms. Zhang Mingjing to stand for election as a director of the Company at the AGM for a term of three years commencing from the date of the AGM upon confirmation of her appointment. Ms. Zhang will be designated as a non-executive director of the Company upon confirmation of her appointment. An ordinary resolution will be proposed to elect Ms. Zhang as a director of the Company at the AGM.

Biographical details of Ms. Zhang, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix III to this circular.

2014 ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

Notice of the AGM is set out on pages 18 to 21 of this circular. A form of proxy for appointing proxy is despatched with this circular and published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.conchventure.com) respectively. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions stated thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong

LETTER FROM THE BOARD

Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM and at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

VOTING AT THE 2014 ANNUAL GENERAL MEETING

Pursuant to the Listing Rules and the Articles, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the results of the poll will be published by the Company after the AGM in the manner prescribed under the Listing Rules.

RECOMMENDATION

The Directors consider that the proposed grant of the Repurchase Mandate and Issue Mandate to the Directors, the re-election of the retiring Directors and the election of director are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
China Conch Venture Holdings Limited
中國海螺創業控股有限公司
GUO Jingbin
Chairman of the Board

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 1,804,750,000 Shares in issue with total nominal amount of HK\$18,047,500.

Subject to the passing of the resolution granting the Repurchase Mandate at the AGM and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase an aggregate nominal amount of Shares up to HK\$1,804,750 (equivalent to 180,475,000 Shares), being 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to purchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Repurchases made by the Company pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws of the Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2013) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels of the Company.

4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during the period from the Listing Date up to and including the Latest Practicable Date:

Month	Share Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
December	21.60	15.40
2014		
January	23.55	17.24
February	20.80	18.10
March	20.00	16.72
April (up to and including the Latest Practicable Date)	20.80	19.48

5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

The Company has not been notified by any Connected Person that such person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

No Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, since the Listing Date up to the Latest Practicable Date.

6. TAKEOVERS CODE

If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the controlling shareholders of the Company (as defined in the Listing Rules) were interested in 855,015,837 Shares representing approximately 47.38% of the total issued share capital of the Company. In the event that the Directors exercised in full the power to repurchase Shares, which is proposed to be granted pursuant to the Repurchase Mandate, the shareholding of the controlling shareholders of the Company (namely HLGH Investment Limited, HLGH Fixed Investment Limited, HLGH Management (PTC) Limited and Mr. Liu Yi) would be increased to approximately 52.64% of the total issued share capital of the Company. The Directors consider that such increase may give rise to an obligation on the controlling shareholders to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer under the Takeovers Code.

The following are the biographical details of the Directors proposed for re-election at the AGM:

(1) MR. GUO JINGBIN

Mr. GUO Jingbin (郭景彬), aged 56, was appointed as a Director on 24 June 2013. He is now a non-executive Director and the Chairman of the Company. Mr. Guo will be re-designated as an executive director of the Company with immediate effect from the conclusion of the AGM upon confirmation of his re-election. He is primarily responsible for overall strategic development of the Group; attending meetings and participating in decision-making processes of the Board to perform duties as a Board member. Mr. Guo graduated from Shanghai Construction Materials College and joined the predecessor of 安徽海螺水泥股份有限公司 (Anhui Conch Cement Co. Ltd., “**Conch Cement**”) (a company listed on the Shanghai Stock Exchange (Stock Code: 600585) and the Stock Exchange (Stock Code: 00914)) and its subsidiaries (“**Conch Cement Group**”) in 1980. In July 1998, Mr. Guo received a Master of Business Administration degree from the Post-graduate College of the Social Science Institute of China (中國社會科學院).

Mr. Guo joined the Group in December 2009. Mr. Guo held various mid to senior managerial positions including head of automatic measurement department, head of personnel department and deputy plant manager of the former Ningguo Cement Plant and the secretary to the board of and deputy general manager of Conch Cement. He has over 30 years’ experience in the building materials industry specializing in corporate strategic planning, marketing planning and general and administration management. He has been a director of 安徽海螺創業投資有限責任公司 (Anhui Conch Venture Investment Co. Ltd., “**CV Investment**”) since February 2011. During such period, he has been given with the powers and responsibilities to oversee the business strategy and direction and operations of 安徽海螺川崎工程有限公司 (Anhui Conch Kawasaki Engineering Co., Ltd., “**CK Engineering**”), 安徽海螺川崎節能設備製造有限公司 (Anhui Conch Kawasaki Energy Conservation Equipment Manufacturing Co., Ltd, “**CK Equipment**”), 揚州海昌港務實業有限責任公司 (Yangzhou Haichang Port Industrial Co., Ltd., “**HC Port**”) and also the Conch Cement Group. Mr. Guo has extensive experience in capital markets.

Mr. Guo has been an executive director of Conch Cement since October 1997 and a director of 安徽海螺集團有限責任公司 (Anhui Conch Holdings Co. Ltd., “**Conch Holdings**”) since January 1997.

As at the Latest Practicable Date, Mr. Guo was a member beneficiary of 安徽海螺集團有限公司工會委員會 (The Staff Association of Anhui Conch Holdings Company Limited, “**SA Conch Group**”), which is controlled by Mr. Liu Yi (a controlling shareholder of the Company) in the capacity of the manager of SA Conch Group.

In accordance with the service contract to be entered into by Mr. Guo and the Company, his proposed term of office is three years commencing from the date of the AGM, determinable by either party by giving not less than three months’ prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. He is entitled to a basic salary of RMB825,000 per annum plus discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Guo are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, Mr. Guo was deemed to be interested in 62,680,000 Shares representing approximately 3.47% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed herein, Mr. Guo does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company.

It is disclosed in the Company’s prospectus dated 9 December 2013 that pursuant to an administrative sanction decision made by China Securities Regulatory Commission (“**CSRC**”) against (among other parties) Conch Holdings, SA Conch Group and 安徽海螺建材股份有限公司 (Anhui Conch Building Materials Co., Ltd., “**Conch Building Materials**”), a then subsidiary of Conch Holdings), Conch Holdings, SA Conch Group and Conch Building Materials were found to have carried out securities transactions under the accounts of certain third parties who were individual persons from June 1998 to October 2007 (“**Securities Trading Incident**”) and income gained by the said parties arising therefrom were confiscated. During the period from June 1998 to October 2007, Mr. Guo was a director of Conch Holdings and Conch Building Materials. He was not subject to any penalty or sanction imposed by CSRC in connection with the Securities Trading Incident.

Save as disclosed above, Mr. Guo confirmed that there is no other information which is discloseable pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

(2) MR. JI QINYING

Mr. Ji Qinying (紀勤應), aged 57, was appointed as a Director on 18 July 2013. He is now an executive Director and the Chief Executive Officer of the Company. He has been appointed as a member of the Remuneration and Nomination Committee with effect from 3 December 2013. He joined the Group in October 2007. He is primarily responsible for day-to-day management of the Group's business operations. He is also a director of CK Engineering and CK Equipment.

Mr. Ji joined the predecessor group of Conch Cement after he graduated from Shanghai Construction Materials College in 1980. He held various leading positions including deputy plant operating director of the Ningguo Cement Plant, general manager of 安徽銅陵海螺水泥有限公司 (Anhui Tongling Conch Cement Co., Ltd.) and general manager and chairman of 蕪湖海螺型材科技股份有限公司 (Wuhu Conch Profiles and Science Co., Ltd., “**Conch Profiles**”). Mr. Ji has been a director of CV Investment since November 2002 and has since then been given the powers and responsibilities to oversee the business strategy and direction and operations of CK Engineering, CK Equipment, HC Port and also the Conch Cement Group. He has become the general manager of CV Investment since May 2013. Mr. Ji has over 30 years' experience in the building materials industry specializing in project investment, construction management, market development, production, general operation and industrial management.

Mr. Ji was an executive director of Conch Cement from December 2009 to November 2013. He resigned from such office in November 2013 on his own volition, in order to devote his full attention and time to the Group.

As at the Latest Practicable Date, Mr. Ji was a member beneficiary of SA Conch Group, which is controlled by Mr. Liu Yi (a controlling shareholder of the Company) in the capacity of the manager of SA Conch Group.

Mr. Ji has entered into a service contract with the Company for a term of three years commencing from 1 December 2013, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. He is entitled to a basic salary of RMB750,000 per annum plus discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Ji are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

As at the Latest Practicable Date, together with his spouse's interest, Mr. Ji was deemed to be interested in 61,113,752 Shares representing approximately 3.38% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed herein, Mr. Ji does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company.

In connection with the Securities Trading Incident disclosed above, during the period from June 1998 to October 2007, Mr. Ji was the deputy general manager of Conch Holdings. He was not subject to any penalty or sanction imposed by CSRC in connection with the Securities Trading Incident.

Save as disclosed above, Mr. Ji confirmed that there is no other information which is discloseable pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

(3) MR. LI JIAN

Mr. LI Jian (李劍), aged 52, was appointed as a Director on 18 July 2013. He is now an executive Director and a Deputy General Manager of the Company. He joined the Group in March 2011. He is primarily responsible for strategic development of the Group and general operation of 安徽海創新型節能建築材料有限責任公司 (Anhui Conch Venture New Energy-saving Building Material Co., Ltd., "**Conch Venture Green**"). He is also a director of Conch Venture Green. He graduated from Anhui Broadcast and Television University (安徽廣播電視大學) majoring in electrical engineering in July 1994.

Mr. Li joined a member of a group comprising Conch Holdings and its affiliates in 1995, and joined the Group in 2011 and was a director of CK Equipment from March 2011 to March 2012. During the period from February 2011 to March 2012, he was an assistant to general manager of CV Investment. He has also been a director and deputy general manager of CV Investment since May 2013. He has nearly 20 years' experience in the building materials industry specializing in market development, sales network development and management, building materials production and corporate management. He also has extensive experience in the production and operation management in the new building materials industry.

As at the Latest Practicable Date, Mr. Li was a member beneficiary of SA Conch Group, which was controlled by Mr. Liu Yi (a controlling shareholder of the Company) in the capacity of the manager of SA Conch Group.

Mr. Li has entered into a service contract with the Company for a term of three years commencing from 1 December 2013, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. He is entitled to a basic salary of RMB650,000 per annum plus discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Li are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

Mr. Li does not at present, nor did he in the past three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, as a fixed beneficiary of a fixed trust established with Mr. Liu Yi as settlor and the member beneficiaries of the SA Conch Group as fixed beneficiaries ("**HLGH Fixed Trust**") and together with his spouse's interest, Mr. Li was deemed to be interested in 7,751,716 Shares representing approximately 0.43% of the issued share capital of the Company within the meaning of Part XV of the SFO. He also held 417,000 domestic shares in Conch Cement, an associated corporation of the Company (as defined under Part XV of the SFO).

Save as disclosed herein, Mr. Li does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Li confirmed that there is no information which is discloseable pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

(4) MR. LI DAMING

Mr. LI Daming (李大明), aged 48, was appointed as a Director on 18 July 2013. He is now an executive Director and a Deputy General Manager of the Company. He is also a director of CK Equipment and CK Engineering. He is primarily responsible for energy preservation and environmental protection business including residual heat power generation and waste incineration projects, general operation of CK Engineering and CK Equipment. He graduated from Anhui Mechanical and Electrical College (安徽機電學院) majoring in manufacture of electrical equipment in July 1986.

Mr. Li joined the Group in December 2006 and has been a director of CK Equipment since September 2007, a director of CK Engineering since November 2006 and deputy general manager of CK Engineering since December 2006.

Mr. Li has nearly 20 years' experience in the building materials industry specializing in plant operation and, equipment and plant system management. He has extensive experience in residual heat power generation and has established good cooperation relationship with Kawasaki Heavy Industry Ltd. (a substantial shareholder of CK Engineering and CK Equipment) in developing the residual heat power generation business.

As at the Latest Practicable Date, Mr. Li was a member beneficiary of SA Conch Group, which was controlled by Mr. Liu Yi (a controlling shareholder of our Company) in the capacity of the manager of SA Conch Group.

Mr. Li has entered into a service contract with the Company for a term of three years commencing from 1 December 2013, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. He is entitled to a basic salary of RMB650,000 per annum plus discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors for any financial year of the Company may not exceed 10% of the audited combined net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company (which is covered by the service contract). The emoluments of Mr. Li are determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

Mr. Li does not at present, nor did he in the past three years, hold any directorships in other public companies, the securities of which are listed in Hong Kong or overseas.

As at the Latest Practicable Date, as a fixed beneficiary of the HLGH Fixed Trust, Mr. Li was deemed to be interested in 6,112,563 Shares representing approximately 0.34% of the issued share capital of the Company within the meaning of Part XV of the SFO. He also held 310,000 domestic shares in Conch Cement, an associated corporation of the Company (as defined under Part XV of the SFO).

Save as disclosed herein, Mr. Li does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Li confirmed that there is no information which is discloseable pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

(5) MR. CHAN KAI WING

Mr. CHAN Kai Wing (陳繼榮), aged 53, was appointed as an independent non-executive Director, a member of the audit committee of the Board and the Remuneration and Nomination Committee on 3 December 2013. Mr. Chan is currently the managing director of Mandarin Capital Enterprise Limited, a company Mr. Chan founded in 2004 and is specialized in providing financial advisory services to companies in the area of accounting services, merger and acquisition, corporate restructuring, and other corporate finance matters. Mr. Chan obtained a bachelor degree of economics from Macquarie University in Sydney, Australia in April 1986 and is a fellow member of CPA Australia. From 1988 to 1991, Mr. Chan worked in the audit department of Ernst & Young in Hong Kong. Mr. Chan has been an independent non-executive director of China Assurance Finance Group Limited (a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8090)) since December 2011.

Mr. Chan has signed an appointment letter with the Company for a term of three years commencing from 3 December 2013, determinable by either party by giving not less than three months' prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. He is entitled to a director's fee of HK\$150,000 per annum (which is covered by the appointment letter) as determined by the Board with the recommendation of the Remuneration and Nomination Committee by reference to comparable companies, his time commitment and responsibilities and the performance of the Group.

Mr. Chan does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does he hold any other positions in the Group.

As at the Latest Practicable Date, Mr. Chan did not have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Chan confirmed that there is no information which is discloseable pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

The following are the biographical details of Ms. Zhang Mingjing who will be proposed to be elected at the AGM:

Ms. Zhang Mingjing (章明靜), aged 51, is an executive director of Conch Cement. Ms. Zhang serves as the chairman of the board of directors of Indonesia Conch Cement Co. Ltd. (印尼海螺水泥有限公司). She graduated from Anhui Normal University and joined the Conch Cement Group in 1987. Ms. Zhang held positions such as head of external economic co-operation department and deputy head of development department of the former Ningguo Cement Plant, officer in-charge of the secretariat to the Board and secretary to the board of directors of Conch Cement. She has extensive experience in capital operation, standard management of listed companies and establishment of internal control system. Ms. Zhang is a senior economist.

Pursuant to the appointment letter to be entered into by Ms. Zhang and the Company, her proposed term of office is three years commencing from the date of the AGM, determinable by either party by giving not less than three months' prior written notice, and she is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles. Ms. Zhang will not receive any remuneration for acting as non-executive Director.

Ms. Zhang is the spouse of Mr. Zhu Zhongping, the chief accountant of the Company. As at the Latest Practicable Date, Ms. Zhang was a member beneficiary of the SA Conch Group, which was controlled by Mr. Liu Yi (a controlling shareholder of the Company) in the capacity of the manager of SA Conch Group. She is a fixed beneficiary of the HLGH Fixed Trust and is deemed to be interested in 17,457,675 Shares by virtue of the SFO. As at the Latest Practicable Date, Ms. Zhang together with her spouse's interests was deemed to be interested in 49,478,584 Shares representing approximately 2.74% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed herein, Ms. Zhang does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company nor does she hold any other positions in the Group.

Ms. Zhang confirmed that there is no information which is discloseable pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning her that need to be brought to the attention of the Shareholders.

NOTICE OF 2014 ANNUAL GENERAL MEETING

China Conch Venture Holdings Limited

中國海螺創業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 586)

NOTICE OF 2014 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2014 Annual General Meeting (the “Meeting”) of China Conch Venture Holdings Limited 中國海螺創業控股有限公司 (the “Company”) will be held at Conference Room 528, Conch International Conference Center, 1011 Jiuhua South Road, Wuhu City, Anhui Province, the People’s Republic of China on Wednesday, 21 May 2014 at 10:00 a.m. for the following purposes:-

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and of the independent auditor for the year ended 31 December 2013.
2. To declare a final dividend for the year ended 31 December 2013.
3. To elect and re-elect directors.
4. To authorise the board of directors to fix the directors’ remuneration.
5. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
6. To consider and if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by The Securities and Futures Commission of Hong Kong (the “Securities and Futures Commission”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission and the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate nominal amount of the shares of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total nominal

NOTICE OF 2014 ANNUAL GENERAL MEETING

amount of the issued share capital of the Company as at the date of passing of this resolution and the approval pursuant to paragraph (a) shall be limited accordingly; and

- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”

7. To consider and if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) below, a general mandate be and is hereby unconditionally given to the directors of the Company (the “Directors”) to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to allot, issue and deal with the unissued shares in the capital of the Company and to make and grant offers, agreements and options which would or might require the exercise of such powers, whether during the continuance of the Relevant Period or thereafter;
- (b) the aggregate nominal amount of the shares allotted, issued or agreed conditionally or unconditionally to be allotted, issued or dealt with pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly:
 - (i) a rights issue where shares are offered for a period fixed by the Directors to shareholders on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in Hong Kong, or in any territory applicable to the Company);
 - (ii) the exercise of options under a share option scheme;

NOTICE OF 2014 ANNUAL GENERAL MEETING

- (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or exercise of warrants to subscribe for shares of the Company;
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or in part of any dividend in accordance with the articles of association of the Company; or
 - (v) any specific authority granted or to be granted by the shareholders of the Company in general meeting; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”
8. To consider and if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions 6 and 7 as set out in the notice convening this meeting, the general mandate granted to the directors of the Company pursuant to resolution 7 to exercise the powers of the Company to allot, issue and deal with the unissued shares in the share capital of the Company be and is hereby extended by the addition thereto the nominal amount of the shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution 6, provided that such amount in aggregate shall not exceed 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

By Order of the Board
China Conch Venture Holdings Limited
中國海螺創業控股有限公司
SHU Mao
Company Secretary

Anhui Province, China

11 April 2014

NOTICE OF 2014 ANNUAL GENERAL MEETING

Notes:

- (1) All resolutions at the Meeting will be taken by poll (except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (2) Any shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more (if he holds two or more shares) proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
- (3) In order to be valid, the form of proxy together with the power of attorney, or other authority, if any, under which it is signed, or a notarially certified copy thereof, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the Meeting and, in such event, the said form of proxy shall be deemed to be revoked.
- (4) For determining the qualification as shareholders of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 19 May 2014 to Wednesday, 21 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as shareholders to attend and vote at the Meeting, investors are required to lodge all transfers of shares accompanied by the relevant share certificates with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 16 May 2014.
- (5) For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 27 May 2014 to Wednesday, 28 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 26 May 2014.

The directors of the Company as at the date of this notice are Mr. GUO Jingbin (Chairman) being the Non-executive Director, Mr. JI Qinying (Chief Executive Officer), Mr. LI Jian and Mr. LI Daming being the Executive Directors and Mr. CHAN Chi On (alias Derek CHAN), Mr. CHAN Kai Wing and Mr. LAU Chi Wah, Alex being the Independent Non-executive Directors.