

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, 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.

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CONCH VENTURE
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)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES,
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the 2021 Annual General Meeting (the “AGM”) of China Conch Venture Holdings Limited 中國海螺創業控股有限公司 (the “Company”) to be held at First Meeting Room, 2/F, Office Building of Conch Venture Environmental Protection Technology (Shanghai) Co., Ltd.* (海螺創業環保科技(上海)有限公司), No. 18, Lane 928, Yumin South Road, Jiading District, Shanghai, the People’s Republic of China on Friday, 25 June 2021 at 10:00 a.m. is set out in this circular.

Whether or not you are able to attend the AGM, please complete and sign the enclosed form of proxy for use at the AGM in accordance with the instructions printed thereon and return it to the Company’s Branch Share Registrar in Hong Kong (the “Branch Share Registrar”), 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 fixed for the AGM or the adjourned meeting thereof. Accordingly, this form of proxy must be delivered to the Branch Share Registrar no later than 10:00 a.m. on Wednesday, 23 June 2021 (Hong Kong time). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the AGM if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (hlcy@conchventure.com).

* For identification purpose only

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DEFINITIONS

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

“2020 AGM”	the annual general meeting held on 29 June 2020
“AGM”	the 2021 annual general meeting of the Company to be held at First Meeting Room, 2/F, Office Building of Conch Venture Environmental Protection Technology (Shanghai) Co., Ltd.* (海螺創業環保科技(上海)有限公司), No. 18, Lane 928, Yumin South Road, Jiading District, Shanghai, the People’s Republic of China on Friday, 25 June 2021 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 18 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Close Associate(s)”	has the same meaning as defined under the Listing Rules
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Conch Venture Holdings Limited 中國海螺創業控股有限公司, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Core Connected Person(s)”	has the same meaning as defined 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 People’s Republic of China
“Issuance Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of AGM

DEFINITIONS

“Latest Practicable Date”	23 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“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)
“Remuneration and Nomination Committee”	the Remuneration and Nomination Committee of the Board
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of AGM
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 3 December 2013, under which eligible participants may be granted a right to subscribe for Shares under the discretion of the Board
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy, Sustainability and Risk Management Committee”	the Strategy, Sustainability and Risk Management Committee of the Board
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

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CONCH VENTURE
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)

Executive Directors:

Mr. GUO Jingbin (*Chairman*)
Mr. JI Qinying (*Chief Executive Officer*)
Mr. LI Jian
Mr. LI Daming

Non-executive Director:

Mr. CHANG Zhangli

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

Head office in the PRC:

1011 Jiuhua South Road
Wuhu City
Anhui Province
China

Principal place of business in

Hong Kong:
Suite 4018, 40/F Jardine House
1 Connaught Place
Central
Hong Kong

30 April 2021

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES,
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the AGM to be held on 25 June 2021.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 105(A) and 105(B) of the Articles of Association, Mr. Ji Qinying, Mr. Li Daming and Mr. Chang Zhangli shall retire by rotation from office as Directors at the AGM and being eligible, will offer themselves for re-election thereat.

Details of the retiring Directors proposed for re-election at the AGM are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the 2020 AGM, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of the Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of AGM (i.e. a total of 180,475,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the 2020 AGM, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the AGM. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of AGM (i.e. a total of 360,950,000 Shares on the basis that the issued share capital remains unchanged on the date of the AGM). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Repurchase Mandate will also be proposed at the AGM.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

LETTER FROM THE BOARD

5. DECLARATION OF FINAL DIVIDEND

On 29 March 2021, the Company made an announcement in relation to its audited consolidated results and financial positions for the year ended 31 December 2020 whereby the Board has recommended a final cash dividend of HK\$0.70 per Share for the year ended 31 December 2020. Subject to the passing of the resolution approving the payment of such final dividend at the AGM, the above-mentioned final dividend is expected to be paid on 15 July 2021.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Monday, 5 July 2021 to Thursday, 8 July 2021, 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 Friday, 2 July 2021.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of AGM is set out on pages 14 to 18 of this circular.

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

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (hlcy@conchventure.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority 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 as soon as possible but in any event not less than 48 hours before the time appointed for the AGM or the adjourned meeting thereof. Accordingly, this form of proxy must be delivered to the Branch Share Registrar of the Company in Hong Kong no later than 10:00 a.m. on Wednesday, 23 June 2021 (Hong Kong time). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

LETTER FROM THE BOARD

7. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, granting of the Repurchase Mandate, the Issuance Mandate and the extension of the Issuance Mandate to the Directors and the declaration of final dividend 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 as set out in the notice of AGM on pages 14 to 18 of this Circular.

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

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the AGM.

(1) MR. JI QINYING

Mr. Ji Qinying (紀勤應), aged 64, was appointed as a Director with effect from 18 July 2013. He is currently an executive Director and the chief executive officer of the Company who is primarily responsible for day-to-day management of the Group's business operations. He has ceased to act as a member of the Remuneration and Nomination Committee and has been appointed as a member of the Strategy, Sustainability and Risk Management Committee with effect from 29 March 2021. Mr. Ji joined the predecessor group 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)) 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 and executive director of Conch Cement, 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.).

Mr. Ji served as 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**") from November 2002 to February 2016. He also served as the general manager of CV Investment from May 2013 to April 2015 and the chairman of CV Investment from May 2015 to February 2016. 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 has entered into a service contract with the Company for a term of three years commencing from 29 November 2019, which is 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 of Association. He is entitled to a basic salary of RMB1,030,000 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, Mr. Ji was deemed to be interested in 35,033,752 Shares held by Ms. Yan Zi, the spouse of Mr. Ji, representing approximately 1.94% of the issued share capital of the Company within the meaning of Part XV of the SFO.

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) 安徽海螺集團有限責任公司 (Anhui Conch Holdings Co. Ltd., "**Conch Holdings**"), 安徽海螺集團有限責任公司工會委員會 (The Staff Association of Anhui Conch Holdings Company Limited, "**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**"), 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. 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 does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He does not at present, nor did he in the past three years, hold any directorships in any other public companies, the securities of which are listed in Hong Kong or overseas.

Save as disclosed above, Mr. Ji 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.

(2) MR. LI DAMING

Mr. LI Daming (李大明), aged 55, was appointed as a Director with effect from 18 July 2013. He is currently an executive Director and a deputy general manager of the Company. He is also a director of 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**") and 安徽海螺川崎工程有限公司 (Anhui Conch Kawasaki Engineering Co., Ltd., "**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 Equipment and CK Engineering. Mr. Li graduated from Anhui Mechanical and Electrical College (安徽機電學院) in July 1986, majoring in manufacture of electrical equipment.

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 over 20 years' experience in the building materials industry. He also has extensive experience in residual heat power generation and waste management and has established good cooperation relationship with Kawasaki Heavy Industries Ltd. (a substantial shareholder of CK Engineering and CK Equipment) in developing the residual heat power generation business.

Mr. Li has entered into a service contract with the Company for a term of three years commencing from 29 November 2019, 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 of Association. He is entitled to a basic salary of RMB980,000 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.

As at the Latest Practicable Date, Mr. Li was beneficially interested in 6,200,563 Shares and was deemed to be interested in 10,000 Shares held by Ms. Zhang Qingmei, the spouse of Mr. Li, representing a total of approximately 0.34% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Li does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He does not at present, nor did he in the past three years, hold any directorships in any other public companies, the securities of which are listed in Hong Kong or overseas.

Save as disclosed above, 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.

(3) MR. CHANG ZHANGLI

Mr. CHANG Zhangli (常張利), aged 50, was appointed as a non-executive Director on 21 March 2019. He has been appointed as a member of the Remuneration and Nomination Committee and the Strategy, Sustainability and Risk Management Committee with effect from 29 March 2021. Mr. Chang has accumulated approximately 30 years of experience in handling affairs of listed companies. Mr. Chang has been the deputy general manager of China National Building Material Group Co., Ltd. since July 2018, and a non-executive director of China National Building Material Company Limited (“**CNBM**”), whose H shares are listed on the Main Board of the Stock Exchange (stock code: 03323) since June 2018. Mr. Chang has been a director of China Jushi Co., Ltd (中國巨石股份有限公司), a company listed on the main board of the Shanghai Stock Exchange (stock code: 600176) since July 2005, and the chairman of the Board and an executive director of China Shanshui Cement Group Limited (“**Shanshui Cement**”), whose shares are listed on the Main Board of the Stock Exchange (stock code: 00691) since May 2018. From November 2011 to June 2018, Mr. Chang has served as an executive director of CNBM and from August 2006 to June 2018, as the vice-President and from March 2005 to June 2018 as the secretary of the Board of CNBM, and from July 2008 to April 2019, as a director of Beijing New Building Material Public Limited (北新集團建材股份有限公司), a company listed on the main board of the Shenzhen Stock Exchange (stock code: 000786).

Mr. Chang is an engineer and he obtained a bachelor's degree in engineering from Wuhan Polytechnic University (武漢工業大學) (now known as Wuhan University of Technology (武漢理工大學) in July 1994 and obtained a master of business administration degree from Tsinghua University in July 2005. Mr. Chang is currently the vice president of the Listed Companies Association of Beijing (北京上市公司協會) and the vice president of China Association for Public Companies (中國上市公司協會). Mr. Chang was awarded the first prize of National Corporate Management Modernization and Innovation Achievements (國家級企業管理現代化創新成果).

Mr. Chang has signed an appointment letter with the Company for a term of 3 years commencing from 21 March 2019, determinable by either party by giving not less than three months' prior written notice, and 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 of Association. Mr. Chang is not entitled to receive any remuneration from the Company.

The Company was informed by Mr. Chang that, a petition (the "**Winding-up Petition**") seeking to wind up Shanshui Cement was presented by Tianrui (International) Holdings Company Limited (the "**Petitioner**") before the Grand Court of the Cayman Islands ("**Cayman Grand Court**") on 30 August 2018. Despite the Winding-up Petition was struck out pursuant to a decision of the Cayman Grand Court delivered on 19 October 2018, the Court of Appeal of the Cayman Islands allowed an appeal by the Petitioner and reinstated the Winding-up Petition. Since the presentation of the Winding-up Petition and up to the date of this Circular, Mr. Chang has been the chairman of the board of directors and an executive director of Shanshui Cement.

Save as disclosed above, Mr. Chang does not at present, nor did he in the past three years, hold any directorships in any other public companies, the securities of which are listed in Hong Kong or overseas. Mr. Chang does not have any relationships with any Directors, senior management, substantial Shareholders or Controlling shareholders of the Company.

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

Save as disclosed above, Mr. Chang 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 is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such stock exchange is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such Company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,804,750,000 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of AGM in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the AGM, i.e. being 1,804,750,000 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 180,475,000 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

3. REASONS FOR SHARE REPURCHASES

The Directors believe that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF SHARE REPURCHASES

Repurchases made by the Company pursuant to the Repurchase Mandate may only 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 and the Listing Rules.

5. IMPACT OF SHARE REPURCHASES

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 consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2020) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company and/or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2020		
April	37.45	32.50
May	37.00	34.25
June	36.15	32.55
July	35.55	32.90
August	35.20	32.00
September	37.80	33.15
October	37.50	33.80
November	37.45	34.35
December	38.00	35.85
2021		
January	40.85	36.60
February	37.70	34.50
March	36.75	34.00
April (up to and including the Latest Practicable Date)	38.10	35.85

7. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any Core Connected Persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

8. 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 purposes 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 Shareholder's 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 knowledge and belief of the Company, the Company has no substantial or controlling shareholders (as defined in the Listing Rules). The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of an exercise of the proposed Repurchase Mandate.

9. REPURCHASE OF SHARES MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

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(Stock Code: 586)

NOTICE OF 2021 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 Annual General Meeting (the “**AGM**”) of China Conch Venture Holdings Limited 中國海螺創業控股有限公司 (the “**Company**”) will be held at First Meeting Room, 2/F, Office Building of Conch Venture Environmental Protection Technology (Shanghai) Co., Ltd.* (海螺創業環保科技(上海)有限公司), No. 18, Lane 928, Yumin South Road, Jiading District, Shanghai, the People’s Republic of China on Friday, 25 June 2021 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 auditors for the year ended 31 December 2020.
2. To declare a final dividend of HK\$0.70 per share for the year ended 31 December 2020.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) To re-elect Mr. Ji Qinying as an executive Director.
 - (b) To re-elect Mr. Li Daming as an executive Director.
 - (c) To re-elect Mr. Chang Zhangli as a non-executive Director.
 - (d) To authorise the board of directors (“**the Board**”) of the Company to fix the respective directors’ remuneration.
4. To re-appoint KPMG as auditors and to authorise the Board to fix their remuneration.

* For identification purpose only

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

“THAT

- (a) subject to paragraph 5(b) below, a general and unconditional mandate be and is hereby granted to the directors of the Company during the Relevant Period (as hereinafter defined) to repurchase 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 “**SFC**”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the SFC and the Stock Exchange or of any other stock exchange as amended from time to time;
 - (b) the total number of shares of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph 5(a) above during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the approval pursuant to paragraph 5(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.”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph 6(b) below, a general and unconditional mandate be and is hereby granted to the directors of the Company during the Relevant Period (as hereinafter defined) to allot, issue and deal with additional shares 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;

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- (b) the aggregate number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued pursuant to the approval in paragraph 6(a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the total number of issued shares 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 adopted by the Company from time to time;
 - (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.”

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7. 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 numbered 5 and 6 as set out in the notice convening this meeting, the general mandate granted to the directors of the Company pursuant to resolution numbered 6 to allot, issue and deal with the additional shares of the Company be and is hereby extended by the addition thereto the number of shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution numbered 5, provided that such number in aggregate shall not exceed 10% of the total number of issued shares 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
GUO Jingbin
Chairman of the Board

Anhui Province, China, 30 April 2021

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating 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 of Hong Kong Limited (the “**Listing Rules**”). 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 of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy/more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In the case of joint holders of shares, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if it/he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof.
4. 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 certified copy of that power of attorney or authority, 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 the meeting or the adjourned meeting thereof. Accordingly, this form of proxy must be delivered to the Branch Share Registrar of the Company in Hong Kong no later than 10:00 a.m. on Wednesday, 23 June 2021 (Hong Kong time). Completion and return 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 instrument appointing a proxy shall be deemed to be revoked.

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5. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Friday, 18 June 2021 to Friday, 25 June 2021, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents 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 Thursday, 17 June 2021.
6. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Annual General Meeting), the Register of Members of the Company will be closed from Monday, 5 July 2021 to Thursday, 8 July 2021, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents 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 Friday, 2 July 2021.
7. A circular containing further details concerning items 3, 5, 6 and 7 set out in the above notice will be sent to all shareholders of the Company together with the annual report of the Company for the year ended 31 December 2020.
8. References to time and dates in this notice are to Hong Kong time and dates.

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