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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)

**COMPLETION OF SHARE TRANSACTION IN RELATION TO
ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF
THE TARGET COMPANIES,
INVOLVING THE ISSUE OF
CONSIDERATION SHARES UNDER GENERAL MANDATE**

Reference is made to the announcement of China Conch Venture Holdings Limited (the “**Company**”) dated 7 June 2021 in respect of, the SP Agreement entered into between the Purchaser and the Vendors, pursuant to which the Purchaser conditionally agreed to acquire (a) from the First Vendor, the entire issued share capital in AGL, at the AGL Consideration of HK\$616,151,831; and (b) from the Second Vendor, the entire issued share capital in WETH, at the WETH Consideration of HK\$190,847,580. Pursuant to the SP Agreement, (a) the AGL Consideration shall be settled by the allotment and issue of Tranche A Consideration Shares (i.e. a total of 16,808,710 new Shares) to the First Vendor, and (b) the WETH Consideration shall be settled by the allotment and issue of Tranche B Consideration Shares (i.e. a total of 5,206,349 new Shares) to the Second Vendor. The Consideration Shares will be issued under the General Mandate at the issue price of HK\$36.6567 per Consideration Share.

Capitalised terms used herein shall have the same meanings as those defined in the announcement dated 7 June 2021 unless stated otherwise.

COMPLETION OF THE ACQUISITIONS

The Board is pleased to announce that as of the date of this announcement, all the conditions precedent set out in the SP Agreement had been fulfilled and the completion of the Acquisitions had taken place (the “**Completion**”) in accordance with the terms and conditions of the SP Agreement. Upon Completion, each of AGL, Able Bless, WETH, Faithful Environmental, Yaobai JV (together with each of the Yaobai Subsidiaries) and Chongqing JV has become an indirect wholly-owned subsidiary of the Company.

On 28 June 2021, a total of 22,015,059 Consideration Shares (comprising 16,808,710 Tranche A Consideration Shares and 5,206,349 Tranche B Consideration Shares) have been allotted and issued to the Vendors (being the allottees to the Consideration Shares) at the issue price of HK\$36.6567 per Consideration Share pursuant to the SP Agreement. The Consideration Shares were allotted and issued pursuant to the General Mandate granted to the Directors pursuant to an ordinary resolution passed by the Shareholders at the Company's annual general meeting held on 29 June 2020.

The Consideration Shares represent (i) about 1.22% of the entire issued share capital in the Company immediately before Completion, and (ii) about 1.21% of the Company's issued share capital as enlarged by the issue of the Consideration Shares immediately after Completion.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after the allotment and issuance of the Consideration Shares upon Completion are set out below for illustrative purpose only:

Name of Director, his/her associate(s), Shareholders and/or the Vendors	Immediately before the allotment and issuance of the Considerations Shares		Immediately after the allotment and issuance of the Consideration Shares	
	Number of Shares	Percentage shareholding	Number of Shares	Percentage shareholding
安徽海螺集團有限責任公司工會委員會 (The Staff Association of Anhui Conch Holdings Co., Ltd.)* ("SA Conch") ^(Note 1)	126,651,500	7.02%	126,651,500	6.93%
Aggregate of Standard Life Aberdeen plc affiliated investment management entities	91,299,914	5.06%	91,299,914	4.99%
Mr. Guo Jingbin ^(Note 2)	47,680,000	2.64%	47,680,000	2.61%
Mr. Ji Qinying's spouse ^(Note 3)	35,033,752	1.94%	35,033,752	1.92%
Mr. Li Jian and his spouse ^(Note 4)	7,501,716	0.42%	7,501,716	0.41%
Mr. Li Daming and his spouse ^(Note 5)	<u>6,210,563</u>	<u>0.34%</u>	<u>6,210,563</u>	<u>0.34%</u>
Sub-total:	<u>314,377,445</u>	<u>17.42%</u>	<u>314,377,445</u>	<u>17.20%</u>
First Vendor	0	0%	16,808,710	0.92%
Second Vendor	<u>0</u>	<u>0%</u>	<u>5,206,349</u>	<u>0.29%</u>
Public Shareholders	<u>1,490,372,555</u>	<u>82.58%</u>	<u>1,490,372,555</u>	<u>81.59%</u>
Total:	<u><u>1,804,750,000</u></u>	<u><u>100.00%</u></u>	<u><u>1,826,765,059</u></u>	<u><u>100.00%</u></u>

Notes:

1. Among these Shares, 41,560,000 Shares are directly owned by 安徽海螺創業投資有限責任公司 (Anhui Conch Venture Investment Co., Ltd.*) (“**CV Investment**”) and the remaining 75,643,500 Shares, 5,182,000 Shares, 3,229,500 Shares, 991,500 Shares and 45,000 Shares are owned respectively by (i) 海螺創投控股(珠海)有限公司 (Conch Venture Holdings (Zhuhai) Co., Ltd.*) (“**CV Holdings (Zhuhai)**”), (ii) 安徽海螺創業醫療投資管理有限責任公司 (Anhui Conch Venture Medical Investment Management Co., Ltd.*) (“**CV Medical**”), (iii) 海螺創業國際有限公司 (Conch Venture International Limited*) (“**CVI**”), (iv) 上海弋江投資有限公司 (Shanghai Yijiang Investment Limited*) (“**SHYJ**”) and (v) 上海新永鎰資產管理有限公司 (Shanghai Xinyongyi Asset Management Limited*) (“**SHXY**”), all of which are wholly-owned by CV Investment. CV Investment is deemed to be interested in the Shares in which CV Holdings (Zhuhai), CV Medical, CVI, SHYJ and SHXY are interested by virtue of the SFO. As 82.93% of CV Investment’s registered capital is held by SA Conch, SA Conch is deemed to be interested in the Shares in which CV Investment is interested by virtue of the SFO.
2. These Shares are owned by Splendor Court Holdings Limited which is wholly owned by Mr. Guo Jingbin. Mr. Guo Jingbin is deemed to be interested in the Shares held by Splendor Court Holdings Limited by virtue of the SFO.
3. These Shares are owned by Mr. Ji Qinying’s spouse, Ms. Yan Zi. Mr. Ji Qinying is deemed to be interested in the Shares held by his spouse by virtue of the SFO.
4. Among these Shares, 7,396,370 Shares are owned by Mr. Li Jian and the remaining 105,346 Shares are owned by his spouse, Ms. Wang Zhenying. Mr. Li Jian is deemed to be interested in the Shares held by his spouse by virtue of the SFO.
5. Among these Shares, 6,200,563 Shares are owned by Mr. Li Daming and the remaining 10,000 Shares are owned by Mr. Li Daming’s spouse, Ms. Zhang Qingmei. Mr. Li Daming is deemed to be interested in the Shares held by his spouse by virtue of the SFO.

By Order of the Board
China Conch Venture Holdings Limited
SHU Mao
Company Secretary

Anhui Province, the People’s Republic of China
28 June 2021

As at the date of this announcement, the Board comprises Mr. GUO Jingbin (Chairman), Mr. JI Qinying (Chief Executive Officer), Mr. LI Jian and Mr. LI Daming as executive Directors; Mr. CHANG Zhongli 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.

* *English translation or transliteration of Chinese name for identification purpose only*