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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)

VOLUNTARY ANNOUNCEMENT: INVESTMENT AGREEMENT WITH A WHOLLY-OWNED SUBSIDIARY OF WEST CHINA CEMENT LIMITED

This voluntary announcement is made by the Company.

INVESTMENT AGREEMENT

The Board is pleased to announced that on 1 November 2015 (i) Wuhu Conch Investment (a wholly-owned subsidiary of the Company), (ii) Red Day (the shares of which are wholly owned by Mr. Ma Zhaoyang, a non-executive director of West China Cement, who is the parent company of Yaobai Special Cement), and (iii) Yaobai Special Cement (a wholly-owned subsidiary of West China Cement) entered into an investment agreement, whereby Wuhu Conch Investment and Red Day will inject capital of RMB90,000,000 and RMB30,000,000 into Yobai Environmental, respectively. Upon completion of the capital injection, Yobai Environmental will be owned by Wuhu Conch Investment, Red Day and Yaobai Special Cement as to 60%, 20% and 20% respectively. It is expected that the aforesaid capital injection will be completed within the upcoming six months.

Upon entering into the said Investment Agreement, the Group considered the net asset value of RMB 30,414,539 of Yobai Environmental in determining the amount for capital injection and the percentage of equity interests.

REASONS AND BENEFITS OF INVESTMENT AGREEMENT

Yobai Environmental is currently a wholly-owned subsidiary of Yaobai Special Cement. Yobai Environmental principally engages in collaborative treatment of industrial dangerous and hazardous wastes and sludge by cement kilns. The current development focus of the Company is environment protection businesses such as collaborative treatment of urban household garbage and solid waste by cement kilns and grate furnace waste-to-energy. However, The Company has been actively exploring project opportunities in collaborative treatment of industrial dangerous and hazardous wastes by cement kilns.

After completion of capital injection, Wuhu Conch Investment, Red Day and Yaobai Special Cement will jointly form the board of directors and management of Yobai Environmental, with an intention to develop Yaobai Environmental as a platform of treatment of dangerous and hazardous wastes in China. The Directors (including independent non-executive directors) believe that such cooperation represents a good opportunity for the Group,

enabling the Group to strengthen its technology development and marketing on treatment of industrial dangerous and hazardous wastes to continue to extend the Group's industrial chain and enhance the core competitiveness of the Group, which will play a positive role in promoting its environmental protection business in western and other regions of China. Such Investment Agreement and the transactions contemplated thereunder are fair and reasonable and entered into on normal commercial terms, which represents the interests of the Company and its shareholders as a whole.

Following completion of capital injection under the Investment Agreement, it is expected that Red Day and Yaobai Special Cement (and their associates) will become connected persons of the subsidiary level of the Company.

DEFINITIONS

In this announcement, the following terms shall have the following meanings unless the context requires otherwise:

“Company”	China Conch Venture Holdings Limited, a company incorporated in Cayman Island with limited liability, the issued shares of which are listed on Stock Exchange (Stock Code: 586)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Director(s)”	the director(s) of the Company
“Board”	the Board of the Company
“Wuhu Conch Investment”	蕪湖海螺投資有限公司(Wuhu Conch Investment Ltd.*), a company established in China and a wholly-owned subsidiary of the Company
“Red Day”	Red Day Limited, a company incorporated in British Virgin Island, the shares of which are owned by Mr. Ma Zhaoyang, a non-executive director of West China Cement
“Yaobai Special Cement”	堯柏特種水泥集團有限公司 (Yaobai Special Cement Group Co., Ltd.*), a company established in China and a wholly-owned subsidiary of West China Cement
“West China Cement”	West China Cement Limited, a company incorporated in Jersey with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2233)
“Investment Agreement”	an agreement dated 1 November 2015 entered into amongst Wuhu Conch Investment, Red Day, and Yaobai Special Cement in relation to (amongst others) the capital injection made by Wuhu Conch Investment and Red Day

“Yaobai Environmental”

西安堯柏環保科技工程有限公司 (Xi'an Yaobai Environmental Technology Engineering Co., Ltd.*)，a company established in China with limited liability, which is owned by Yaobai Special Cement as of the date of this announcement and an indirectly wholly-owned subsidiary of West China Cement

By order of the Board
China Conch Venture Holdings Limited
GUO Jingbin
Chairman

Anhui Province, the People's Republic of China
2 November 2015

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; Ms. ZHANG Mingjing 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*