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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)

**POSITIVE PROFIT ALERT AND
ANNOUNCEMENT REGARDING THE PUBLICATION
OF A POSITIVE PROFIT ALERT ANNOUNCEMENT
BY ANHUI CONCH CEMENT COMPANY LIMITED**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board notes that Conch Cement published a profit alert announcement dated 5 January 2018. According to such announcement, Conch Cement is expected to have a significant growth in its results and may record an increase of approximately 70%–90% in its net profit for FY2017 as compared to that for FY2016.

In such connection, and having taken into account the holding of approximately 36.40% equity interest in Conch Cement by Conch Holdings (which in turn is an associate of the Group and whose 49% equity interest is indirectly owned by the Group) and the level of the Group's profit attributable to Conch Holdings for FY2016 and 1H2017, the Group is expected to record a relatively significant increase in its net profit of no less than 60% for FY2017 as compared to that for FY2016.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Conch Venture Holdings Limited (“**Company**”, which together with its subsidiaries are referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (“**SFO**”, Chapter 571 of the Laws of Hong Kong).

As at the date of this announcement, the Company is indirectly interested in 49% equity interest in 安徽海螺集團有限責任公司 (Anhui Conch Holdings Co. Ltd.*) (“**Conch Holdings**”), which in turn is interested in approximately 36.40% equity interest in Anhui Conch Cement Company Limited (“**Conch Cement**”, stock code: 00914).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) that Conch Cement published a profit alert announcement dated 5 January 2018 (“**Cement Profit Alert Announcement**”). According to such announcement, Conch Cement is expected to have a significant growth in results and may record an increase of approximately 70%–90% in its net profit for the year ended 31 December 2017 (“**FY2017**”) as compared to that for the year ended 31 December 2016 (“**FY2016**”) (the audited net profit attributable to its equity shareholders for FY2016, as prepared by Conch Cement in accordance with the PRC accounting standards, amounted to RMB8,529,917,000 and earnings per share were RMB1.61). For further details, shareholders of the Company and potential investors are requested to refer to the Cement Profit Alert Announcement.

As disclosed in the Company’s announcement previously published and its interim report for the six months ended 30 June 2017 (“**1H2017**”), the Group derived a substantial portion of its profit for FY2016 and 1H2017 from its equity interests in Conch Holdings, an associate of the Group. During such periods, the share of profit of Conch Holdings accounted for approximately 72.2% and 79.00% of the Group’s profit, respectively.

The Board believes that the share of the Group’s profit attributable to Conch Holdings (being an associate of the Group) for FY2017 would accordingly be enhanced, and the Group is expected to record a relatively significant increase in its net profit for FY2017 of no less than 60% as compared to that for FY2016.

The Group is still in the process of preparing and finalising its consolidated annual results for FY2017. The information contained in this announcement is only based on the Cement Profit Alert Announcement and the preliminary assessment of the Group’s operations by the management of the Company, and it is not based on any figures or information which has been audited or reviewed by the Company’s auditors. Shareholders and investors are advised to read carefully the annual results announcement of the Company for FY2017, which will be published by the Company within the timeframe as stipulated under the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in shares in the Company.

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

Anhui Province, the People’s Republic of China
5 January 2018

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; and Mr. CHAN Chi On (alias Derek CHAN), Mr. CHAN Kai Wing and Mr. LAU Chi Wah, Alex as independent non-executive Directors.

* *For identification purpose only*