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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)**

#### **REDESIGNATION OF DIRECTOR**

Reference is made to the circular of China Conch Venture Holdings Limited (“**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) dated 11 April 2014 in relation to, among other things, the annual general meeting (“**AGM**”) of the Company held on 21 May 2014 and the announcements of the Company dated 20 and 21 May 2014 in relation to update on redesignation of director and the poll results of the AGM respectively.

The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that Mr. Guo Jingbin (“**Mr. Guo**”) has been redesignated from a non-executive Director to an executive Director with effect from 1 July 2014.

Mr. GUO Jingbin (郭景彬), aged 56, was appointed as a Director on 24 June 2013. He is also the Chairman of the Board of the Company. 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 the group comprising 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 of Hong Kong Limited (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 specialising 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.) 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.), 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.), 揚州海昌港務實業有限責任公司 (Yangzhou Haichang Port Industrial Co., Ltd.) and also the Conch Cement Group. Mr. Guo has extensive experience in capital markets.

Mr. Guo was an executive director of Conch Cement from October 1997 up to 19 June 2014 and has been a non-executive director of Conch Cement since 20 June 2014. He is also 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 date of this announcement, Mr. Guo is a member of 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 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 dated 1 July 2014 and entered into by Mr. Guo and the Company, his term of office is three years commencing from 1 July 2014, 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 of the Company. 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 of the Board by reference to comparable companies, his expected time commitment and responsibilities and the performance of the Group.

As at the date of this announcement, Mr. Guo is 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 Securities and Futures Ordinance.

Save as disclosed herein, Mr. Guo does not hold any other directorships in other listed public companies in the last three years prior to the date of this announcement and 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and there are no other matters concerning him that need to be brought to the attention of the shareholders of the Company.

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

Anhui Province, the People's Republic of China  
2 July 2014

*As at the date of this announcement, the Board comprises Mr. GUO Jingbin, Mr. JI Qinying, 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.*