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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)

ANNOUNCEMENT REGARDING POSITIVE PROFIT ALERT

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 issued a profit alert announcement dated 14 January 2014. According to the Cement Announcement, Conch Cement is expected to have a significant growth in results and to record an increase of approximately 50% in its net profit for FY2013 as compared to that for FY2012.

In such connection, and having taken into the holding of about 36.78% equity interest by Conch Holdings (which in turn is an associate of the Company and whose 49% equity interest is indirectly owned by the Company) and the level of the Group's profit attributable to Conch Holdings for FY2012 and 1H2013, the Group is expected to record a relatively significant increase in its net profit for FY2013 as compared to that for FY2012.

Shareholders of the Company 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 36.78% equity interest in Anhui Conch Cement Company Limited (“**Conch Cement**”, stock code: 00914).

The board (“**Board**”) of directors of the Company notes that Conch Cement issued a profit alert announcement (“**Cement Announcement**”) dated 14 January 2014. According to the Cement Announcement, Conch Cement’s net profit for the year ended 31 December 2013 (“**FY2013**”) is expected to increase by approximately 50% when compared to that of the year ended 31 December 2012 (“**FY2012**”) (the audited net profit attributable to equity shareholders of Conch Cement prepared by Conch Cement in accordance with the PRC accounting standards for the year 2012 amounted to RMB6,307,587,487 and earnings per share were RMB1.19).

As disclosed in the Company’s prospectus dated 9 December 2013, the Company derived a substantial portion of its profit for the three financial years ended 31 December 2010, 2011 and 2012 from its equity interests in Conch Holdings, an associate of the Company. Over 90% of Conch Holdings’ net profit was contributed by Conch Cement. For FY2012 and the six months ended 30 June 2013 (“**1H2013**”), the share of profit of Conch Holdings accounted for approximately 83.0% and 80.4% 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 Company) for FY2013 would accordingly be enhanced, and the Group is expected to record a relatively significant increase in its net profit for FY2013 as compared to that for FY2012.

The Group is still in the process of preparing its audited consolidated annual results for FY2013. The information contained in this announcement is only based on the Cement 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 FY2013, which will be published by the Company within the timeframe as stipulated under the Listing Rules.

Shareholders of the Company 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

Hong Kong
14 January 2014

As at the date of this announcement, the non-executive Director is GUO Jingbin; the executive Directors are JI Qinying, LI Jian and LI Daming; and the independent non-executive Directors are CHAN Chi On (alias Derek CHAN), CHAN Kai Wing and LAU Chi Wah, Alex.

* *For identification purposes only*