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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 ISSUE OF HK\$3,925,000,000 AGGREGATE PRINCIPAL
AMOUNT OF
ZERO COUPON GUARANTEED CONVERTIBLE BONDS DUE 2023,
BY CHINA CONCH VENTURE HOLDINGS INTERNATIONAL LIMITED,
A SUBSIDIARY OF CHINA CONCH VENTURES HOLDING LIMITED**

CREDIT SUISSE 

J.P.Morgan

As Lead Managers

COMPLETION OF ISSUE OF CONVERTIBLE BONDS

Reference is made to the announcement of China Conch Venture Holdings Limited (the “**Company**”) dated 30 August 2018 (the “**Announcement**”) in relation to the Subscription Agreement entered into among the Company, the Issuer and Lead Managers. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that Completion took place on 5 September 2018. Upon the Completion, the Company has issued the Bonds in an aggregate principal amount of HK\$3,925,000,000.

The approval for the listing of, and permission to deal in, the Bonds have been granted by the Frankfurt Stock Exchange. A conditional approval for the listing of, and permission to deal in, the Shares issuable upon the conversion of the Bonds has been granted by the Listing Committee of the Stock Exchange.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Lead Managers are not connected with the Company or any of its connected persons, and none of the Bonds were placed to any connected persons of the Company.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF THE CONVERSION

The following table illustrates, so far as is known to the Directors, the existing shareholding structure as at the date of this announcement and the shareholding structure assuming the Bonds are fully converted into 97,685,415 Shares at the initial Conversion Price of each (without taking into account the effect of the stock lending arrangement below); on the assumptions that (a) there will be no other change to the shareholding structure of the Company from the date of this announcement until the completion of the conversion of the Bonds in full, save for the issue of the Shares as a result of the conversion of the Bonds in

full (as the case may be), and (b) the Bondholders do not and will not hold any Shares other than the Shares as a result of the conversion of the Bonds. The Shares to be issued upon conversion of the Bonds will rank *pari passu* in all respects with the Shares then in issue on the relevant Conversion Date.

| | As at the date of this announcement | | Assuming the Bonds are fully converted into Shares at the initial Conversion Price of HK\$40.18 each (assuming there is no change in the total number of issued Shares or in the number of Shares held by the Directors and other connected persons of the Company except for the Bonds proposed to be issued as disclosed in this announcement) | |
|--|-------------------------------------|--|--|--|
| | Number of issued Shares | % of issued share capital of the Company | Number of issued Shares | % of enlarged share capital of the Company |
| Shareholder | | | | |
| The Staff Association of Anhui Conch Holdings Company Limited ⁽¹⁾ | 145,696,000 | 8.07% | 145,696,000 | 7.66% |
| Mr. Guo Jingbin ⁽²⁾ | 62,680,000 | 3.47% | 62,680,000 | 3.29% |
| Mr. Ji Qinying ⁽³⁾ | 35,033,752 | 1.94% | 35,033,752 | 1.84% |
| Mr. Li Jian ⁽⁴⁾ | 7,501,716 | 0.42% | 7,501,716 | 0.39% |
| Mr. Li Daming | 6,112,563 | 0.34% | 6,112,563 | 0.32% |
| Public Shareholders: | | | | |
| Bondholders | — | 0.00% | 97,685,415 | 5.13% |
| Other public Shareholders | <u>1,547,725,969</u> | <u>85.76%</u> | <u>1,547,725,969</u> | <u>81.35%</u> |
| Total | <u><u>1,804,750,000</u></u> | <u><u>100%</u></u> | <u><u>1,902,435,415</u></u> | <u><u>100%</u></u> |

Notes:

- (1) The Staff Association of Anhui Conch Holdings Company Limited is taken to be interested in (i) the 125,486,000 shares held by Anhui Conch Venture Investment Co., Ltd., which is held as to 82.93% by the Staff Association of Anhui Conch Holdings Company Limited, and (ii) the 20,210,000 shares held by Shanghai Yijiang Investment Co., Ltd., a wholly-owned subsidiary of Anhui Conch Venture Investment Co., Ltd.
- (2) These shares are owned by Splendor Court Holdings Limited, which is solely owned by Mr. Guo Jingbin.
- (3) Mr. Ji Qinying is taken to be interested in the 105,346 shares held by his spouse, Ms. Yan Zi.

(4) Mr. Li Jian is taken to be interested in the shares held by his spouse, Ms. Wang Zhenying.

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

Anhui Province, the People's Republic of China

5 September 2018

As at the date of this announcement, the Board comprises

- (i) Messrs. GUO Jingbin (Chairman), JI Qinying (Chief Executive Officer), LI Jian and LI Daming as executive Directors; and*
- (ii) Messrs. CHAN Chi On (alias Derek CHAN), CHAN Kai Wing and LAU Chi Wah, Alex as independent non-executive Directors.*