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CONCH VENTURE

海螺环保

China Conch Environment Protection Holdings Limited

中國海螺環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 587)

**INSIDE INFORMATION
ANNOUNCEMENT IN RELATION TO
THE PROPOSED ACQUISITION OF
ADDITIONAL EQUITY INTERESTS IN
CHINA CONCH ENVIRONMENT PROTECTION HOLDINGS LIMITED
BY ANHUI CONCH CEMENT COMPANY LIMITED**

This announcement is made by China Conch Environment Protection Holdings Limited (the “**Company**”) pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Company is informed by Anhui Conch Cement Company Limited (HK: 914, SH: 600585) (“**Conch Cement**”) that Conch Cement is contemplating a possible acquisition of additional shares of the Company (the “**Potential Acquisition**”). The Potential Acquisition (subject to approvals from relevant governmental authorities being obtained) will be conducted in the open market through Conch International Holdings (HK) Limited (“**Conch HK**”, a direct wholly-owned subsidiary of Conch Cement), at prevailing market prices and after major considerations of the Company’s prevailing market prices and the prevailing market conditions, at such time(s) as it deems appropriate. Immediately upon completion of the Potential Acquisition (if it materialises), (i) Conch Cement, together with its subsidiaries and parties acting in concert with Conch Cement (as defined in the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong), will hold less than an aggregate of 30% of the voting rights attached to the total issued shares of the Company, and (ii) the Company will be treated as a subsidiary of Conch Cement, and the financial results of the Company will be consolidated into Conch Cement’s consolidated financial statements.

As at the date of this announcement, Conch Cement directly and indirectly through Conch HK holds approximately 13.83% of the issued share capital of the Company, and is the single largest shareholder of the Company. Conch Cement is principally engaged in the production and sale of cement, commodity clinker, aggregate and concrete.

As at the date of this announcement, the Potential Acquisition has been approved by the State-owned Assets Supervision and Administration Commission of Anhui Province. Conch Cement shall apply for review and approvals by, registration and/or filing with other relevant governmental authorities in the People's Republic of China (the "PRC") for the Potential Acquisition, including but not limited to the Anti-Monopoly Bureau under the State Administration of Market Regulation, and the local department of each of the National Development and Reform Commission, the Ministry of Commerce and (if necessary) the State Administration for Foreign Exchange. Conch Cement may proceed with the potential acquisition only after obtaining all the necessary approvals by, registrations and/or filings with the relevant governmental authorities.

The Company will perform relevant obligations in a timely manner in strict accordance with the Company's Articles of Association and other applicable rules, laws, regulations and codes of Hong Kong and the Cayman Islands according to the subsequent progress.

There are uncertainties for the materialisation of the Potential Acquisition. As of the date of this announcement, Conch Cement has not signed or made any oral or written agreement, undertaking or guarantee in relation to the Potential Acquisition. The Potential Acquisition is subject to the approval by, registration and/or filing with the relevant PRC governmental authorities. There are other risks and uncertainties associated with the Potential Acquisition, including but not limited to actual conditions of the stock market, the timing of the completion of the Potential Acquisition, changes in general economic or market conditions, or actions by third parties, including governmental authorities, which may affect the materialisation and completion of the Potential Acquisition.

As there are uncertainties for the materialisation of the Possible Acquisition, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

For and on behalf of the Board
China Conch Environment Protection Holdings Limited
Shu Mao
Executive Director and General Manager

Anhui Province, the People's Republic of China
5 June 2022

As at the date of this announcement, the Board comprises Mr. GUO Jingbin (Chairman), Mr. SHU Mao (General Manager), Mr. WAN Changbao and Mr. ZHANG Keke as executive Directors; Mr. JI Qinying and Mr. XIAO Jiexiang as non-executive Directors; and Mr. HAO Jiming, Mr. CAI Hongping, and Mr. DAI Xiaohu as independent non-executive Directors.