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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)

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The Board announces that, the Board has approved the following appointments, with effect from 9 October 2022, and proposed the Shareholders to consider and approve the Proposed Re-election of Directors at the EGM:

- (1) Mr. Li Qunfeng (李群峰) as a non-executive Director, the chairman of the Board, the chairman of the Strategy, Sustainability and Risk Management Committee, a member of the Remuneration and Nomination Committee, an Authorized Representative and an Agent for the Service of Process;
- (2) Mr. Li Xiaobo (李曉波) as an executive Director, a member of the Strategy, Sustainability and Risk Management Committee, an Authorized Representative and an Agent for the Service of Process;
- (3) Mr. Ma Wei (馬偉) as a non-executive Director;
- (4) Ms. Liao Dan (廖丹) as an executive Director; and
- (5) Mr. Fan Zhan (凡展) as an executive Director.

ACQUISITION BY CONCH CEMENT

Reference is made to the announcement of the Company dated 5 June 2022 in relation to the possible acquisition of additional shares of the Company by Conch Cement (the “**Acquisition**”).

The Company was recently informed by Conch Cement that it purchased the Shares of the Company in the open market through Conch HK, a direct wholly-owned subsidiary of Conch Cement. As at the date of this announcement, Conch Cement directly and indirectly through Conch HK held approximately 20% of the issued share capital of the Company, and it was the single largest shareholder of the Company. As confirmed by Conch Cement, as at the date of this announcement, Conch Cement, together with its subsidiaries and the parties acting in concert with it (as defined in the Code on Takeovers and Mergers and Share Buy-backs), hold less than an aggregate of 30% of the voting rights attached to the total issued shares of the Company.

CHANGE OF BOARD OF DIRECTORS

The Board hereby announces that, due to the change in shareholding of the Company, a majority of the composition of the Board will be changed accordingly. Please refer to “Resignation of Executive Directors, Non-executive Director, General Manager and Company Secretary” and “Appointment of Executive Directors and Non-executive Directors and Change of the Composition of Board Committees” of this announcement for further details. The appointment of the New Directors (as defined below) was approved by the Board and became effective from 9 October 2022. In addition, in order to consolidate the accounts of the Company into the audited consolidated accounts of Conch Cement, the Company intends to consider and approve the Proposed Re-election of Directors (as defined below) at an extraordinary general meeting (the “**EGM**”) convened on Friday, 28 October 2022.

PROPOSED CONSOLIDATION OF THE FINANCIAL RESULTS OF THE COMPANY INTO THE FINANCIAL STATEMENTS OF CONCH CEMENT

The Board hereby announces that, according to confirmation of Conch Cement, subject to the approval of the Proposed Re-election of Directors at the EGM and other arrangements (if necessary), the Company will be treated as a subsidiary of Conch Cement and the financial results of the Company will be consolidated into the consolidated financial statements of Conch Cement as Conch Cement will control the composition of a majority of the Board.

RESIGNATION OF EXECUTIVE DIRECTORS, NON-EXECUTIVE DIRECTOR, GENERAL MANAGER AND COMPANY SECRETARY

The Board hereby announces that, with effect from 9 October 2022:

- (1) Mr. Guo Jingbin (郭景彬) (“**Mr. Guo**”) has tendered his resignation as an executive Director, the chairman of the Board, the chairman of the Strategy, Sustainability and Risk Management Committee and a member of the Remuneration and Nomination Committee;
- (2) Mr. Shu Mao (疏茂) (“**Mr. Shu**”) has tendered his resignation as an executive Director, the General Manager, a member of the Strategy, Sustainability and Risk Management Committee and the Company Secretary;
- (3) Mr. Wan Changbao (萬長寶) (“**Mr. Wan**”) has tendered his resignation as an executive Director;
- (4) Mr. Zhang Keke (張可可) (“**Mr. Zhang**”) has tendered his resignation as an executive Director and a member of the Strategy, Sustainability and Risk Management Committee; and
- (5) Mr. Ji Qinying (紀勤應) (“**Mr. Ji**”) has tendered his resignation as a non-executive Director.

The resignation of the aforesaid Directors (collectively, the “**Outgoing Directors**”) was due to change in shareholding of the Company and their personal work arrangements. Each of the Outgoing Directors has confirmed that he has no disagreement with the Board, nor was there any matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

In view of the resignation of Mr. Shu as the General Manager and Company Secretary, the Company is in the process of carrying out the appointment procedure for the General Manager and is identifying a suitable candidate for the Company Secretary, and will publish further announcement(s) once such appointment is confirmed.

APPOINTMENT OF EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS AND CHANGE OF THE COMPOSITION OF BOARD COMMITTEES

The Board is pleased to announce that, the Board has approved the following appointments, with effect from 9 October 2022, and proposed the Shareholders to consider and approve the re-election of the following Directors at the EGM (the “**Proposed Re-election of Directors**”):

- (1) Mr. Li Qunfeng (李群峰) as a non-executive Director, the chairman of the Board, the chairman of the Strategy, Sustainability and Risk Management Committee and a member of the Remuneration and Nomination Committee;

- (2) Mr. Li Xiaobo (李曉波) as an executive Director and a member of the Strategy, Sustainability and Risk Management Committee;
- (3) Mr. Ma Wei (馬偉) as a non-executive Director;
- (4) Ms. Liao Dan (廖丹) as an executive Director; and
- (5) Mr. Fan Zhan (凡展) as an executive Director.

The biographical details of the aforesaid Directors (collectively, the “**New Directors**”) are set out below:

Mr. Li Qunfeng, aged 51, is a senior engineer. Mr. Li Qunfeng graduated from Luoyang Institute of Science and Technology (洛陽理工學院), previously known as Luoyang Technology College (洛陽工業高等專科學校) in silicate technology in August 1994. Mr. Li Qunfeng has extensive experience in fields such as corporate management, investment development and cement manufacturing technology. He joined Conch Cement Group in 1994, and held various positions such as plant director of the production sub-plant, director of production quality department, assistant to general manager, deputy general manager and general manager in Anhui Tongling Conch Cement Co., Ltd. (安徽銅陵海螺水泥有限公司) as well as officer in charge of the Regional Committee in the northern Anhui in Conch Cement Group and an assistant to general manager and deputy general manager in Conch Cement. He is currently an executive director and general manager of Conch Cement.

As at the date of this announcement, Mr. Li Qunfeng is interested in 2,050,000 shares of the Company by virtue of the SFO.

Mr. Li Xiaobo, aged 52, is a senior engineer. Mr. Li Xiaobo graduated from Tianjin Building Materials School (天津建材學校) in building material machinery in July 1990 and from Wuhu Education College (蕪湖教育學院) in foreign trade English in July 2001. Mr. Li Xiaobo has extensive experience in cement manufacturing and equipment management. He joined Conch Cement Group in 1990, and held various positions such as the assistant to the head, deputy head and executive deputy head of equipment department and assistant to general manager in Conch Cement, the executive deputy general manager in Prosperity Conch Cement Co., Ltd. (英德海螺水泥有限責任公司), chairman and general manager in Chongqing Conch Cement Co., Ltd. (重慶海螺水泥有限責任公司), chairman and general manager in Dazhou Conch Cement Co., Ltd. (達州海螺水泥有限責任公司), officer-in-charge of the Regional Committee in Sichuan and Chongqing and officer-in-charge of the Regional Committee in northern Anhui. He is currently a deputy general manager in Conch Cement.

As at the date of this announcement, Mr. Li Xiaobo is interested in 170,132 shares of the Company by virtue of the SFO.

Mr. Ma Wei, aged 54, graduated from Anhui Vocational and Technical College (安徽職業技術學院), previously known as Anhui Building Materials Industry School (安徽省建材工業學校), in cement process in July 1989 and from Wuhan University of Technology (武漢理工大學), previously known as Wuhan Industrial University (武漢工業大學) in silicate technology in January 1997. Mr. Ma Wei has extensive experience in project investment, development and operation. He joined Conch Cement Group in July 1989 and successively

served as the assistant to general manager, deputy general manager and general manager in subsidiaries of Conch Cement. He is currently a general manager of Anhui Conch New Energy Co., Ltd. (安徽海螺新能源有限公司).

As at the date of this announcement, Mr. Ma Wei is interested in 2,107,127 shares of the Company by virtue of the SFO.

Ms. Liao Dan, aged 42, graduated from Zhengzhou University of Aeronautics (鄭州航空工業管理學院) in financial management in July 2004. Ms. Liao Dan has extensive experience in corporate management and compliance. She joined Conch Cement Group in July 2004, and served as the financial head of Ningguo Cement Plant of Anhui Conch Cement Company Limited, the securities affairs representative and the deputy manager of the board secretary office in Conch Cement.

As at the date of this announcement, Ms. Liao Dan is interested in 930,000 shares of the Company held by her spouse by virtue of the SFO.

Mr. Fan Zhan, aged 38, is a senior accountant. Mr. Fan Zhan graduated from Tongling University (銅陵學院) in accounting in July 2006. Mr. Fan Zhan has extensive experience in finance and investment management. He joined Conch Cement Group in July 2006, and served as the financial head in Anhui Tongling Conch Cement Co., Ltd. (安徽銅陵海螺水泥有限公司) and the head of the financial department and the assistant to department director. He is currently a deputy head of financial department in Conch Cement.

Each of the New Directors has entered into a service contract with the Company for a term of three years commencing on 9 October 2022, subject to retirement by rotation and re-election in accordance with the abovementioned arrangement for the Proposed Re-election of Directors and the articles of association of the Company, pursuant to which Mr. Li Qunfeng, Mr. Ma Wei and Mr. Fan Zhan shall not be entitled to receive any remunerations from the Company, while Mr. Li Xiaobo and Ms. Liao Dan will be entitled to receive emoluments of approximately RMB2.51 million and RMB1.30 million per annum, respectively. Such emoluments are determined by the Board in accordance with the operating results and the remuneration policy of the Company and with reference to their qualifications, experience, job responsibilities and prevailing market rate.

Save as disclosed herein, as at the date of this announcement, each of the New Directors (i) has not held any other directorships in any listed public companies, in Hong Kong or overseas, in the last three years or held any other positions within the Group; (ii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (if any) of the Company; and (iii) has no interests in the shares of the Company or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein, as at the date of this announcement, there were no other matters relating to the appointment of the New Directors that need to be brought to the attention of the shareholders of the Company nor was there any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Guo, Mr. Ji, Mr. Shu, Mr. Wan and Mr. Zhang for their valuable contributions and services to the development of the Group during their tenure of office, and the Board would like to express its warm welcome to Mr. Li Qunfeng, Mr. Li Xiaobo, Mr. Ma Wei, Ms. Liao Dan and Mr. Fan Zhan for joining the Board.

A circular of the EGM containing, among other matters, details of the Proposed Re-election of Directors and the New Directors' biographical details will be dispatched to the Shareholders in due course.

CHANGE OF AGENTS FOR THE SERVICE OF PROCESS AND AUTHORIZED REPRESENTATIVES

Mr. Guo and Mr. Shu have resigned as the Agents for the Service of Process and Authorized Representatives, with effect from 9 October 2022. Mr. Li Qunfeng and Mr. Li Xiaobo have been appointed as the Agents for the Service of Process and the Authorized Representatives with effect from 9 October 2022.

EXTRAORDINARY GENERAL MEETING

The Company will hold the EGM at Meeting Room 582, Conch International Conference Centre, No. 1011 South Jiuhua Road, Yijiang District, Wuhu City, Anhui Province, the PRC on Friday, 28 October 2022 at 10:00 a.m.. The notice of the EGM will be published on the website of the Company (www.conchenviro.com) and the website of the Stock Exchange (www.hkexnews.hk), and will be despatched to the Shareholders in due course.

For determining the entitlement to attend and vote at the EGM, the Register of Members of the Company will be closed from Tuesday, 25 October 2022 to Friday, 28 October 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 24 October 2022.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Agent(s) for the Service of Process”	agent(s) for the acceptance of service of process and notices on behalf of the Company in Hong Kong for the purpose of Rule 19.05(2) of the Listing Rules
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Authorized Representative(s)”	the authorized representative(s) of the Company for the purpose of Rule 3.05 of the Listing Rules

“Board”	the board of Directors of the Company
“Company”	China Conch Environment Protection Holdings Limited (中國海螺環保控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 587)
“Company Secretary”	the company secretary of the Company
“Conch Cement”	Anhui Conch Cement Company Limited (安徽海螺水泥股份有限公司), a joint stock company established in the PRC with limited liability, whose shares are listed on Shanghai Stock Exchange (stock code: 600585) and on the Main Board of the Stock Exchange (stock code: 914) and a substantial shareholder of the Company
“Conch Cement Group”	Conch Cement and its subsidiaries and its associates
“Conch HK”	Conch International Holdings (HK) Limited, a wholly-owned subsidiary of Conch Cement
“Director(s)”	the director(s) of the Company
“General Manager”	the general manager of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented, or otherwise modified from time to time
“PRC” or “China”	the People’s Republic of China, and for the purposes of this announcement only, excluding Hong Kong, Macau Special Administrative Region of the PRC, and Taiwan
“Regional Committee”	an administration institution established for the purpose of implementing regional administration of certain subsidiaries in a province or adjacent areas as a regional administration unit with the aim of enhancing the management and improving management efficiency of the subsidiaries by Conch Cement
“Remuneration and Nomination Committee”	the remuneration and nomination committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of HKD0.01 each
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy, Sustainability and Risk Management Committee”	the strategy, sustainability and risk management committee of the Board
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules

For and on behalf of the Board
China Conch Environment Protection Holdings Limited
Li Qunfeng
Chairman

Anhui Province, the People’s Republic of China
10 October 2022

As at the date of this announcement, the Board comprises Mr. LI Xiaobo, Ms. LIAO Dan and Mr. FAN Zhan as executive Directors; Mr. LI Qunfeng (Chairman), Mr. XIAO Jiexiang and Mr. MA Wei as non-executive Directors; and Mr. HAO Jiming, Mr. DAI Xiaohu and Ms. WANG Jiafen as independent non-executive Directors.