THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Forms of Acceptance, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Forms of Acceptance.

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Enviro Energy International Holdings Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.



Enviro Energy International Holdings Limited

Amethyst Asia Limited

(Incorporated in the British Virgin Islands with limited liability)

環能國際控股有限公司

(Incorporated in the Cayman Islands with limitedliability)
(Stock Code: 1102)

COMPOSITE OFFER AND RESPONSE DOCUMENT RELATING TO MANDATORY CONDITIONAL CASH OFFER BY
BETA INTERNATIONAL SECURITIES LIMITED FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT)

Financial adviser to the Company

Financial adviser to the Offeror

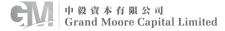


Nuada Limited

Offer Agent



Independent Financial Adviser to the Independent Board Committee



Unless the context otherwise requires, capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Beta Securities containing, among other things, details of the terms of the Offer, is set out on pages 9 to 20 of this Composite Document. A letter from the Board is set out on pages 21 to 29 of this Composite Document. A letter from the Independent Board Committee is set out on pages 30 to 31 of this Composite Document. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages IFA-1 to IFA-26 of this Composite Document.

The procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Form of Acceptance of the Offer must be received by the Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Monday, 24 March 2025 (Hong Kong time), being the Closing Date (or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code).

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form(s) of Acceptance to any jurisdiction outside Hong Kong should read the section headed "Overseas Shareholders" in the "Letter from Beta Securities" and Appendix I to this Composite Document before taking any action. It is the responsibility of the Overseas Shareholders wishing to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers, including the obtaining of any governmental, exchange control or other consent and any registration or filing which may be required or the compliance with other necessary formalities, regulatory and/or legal requirement and the payment of any transfer or other taxes due in respect of such jurisdictions. Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Offers.

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All time and date references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong time and dates.

2025

Despatch date of this Composite Document and the Forms of Acceptance and commencement date of the Offer (Note 1)
First Closing Date (Note 2)
Latest time and date for acceptance of the Offers on the First Closing Date (Notes 3, 4 and 8)
Announcement of the results of the Offer and the level of acceptance as at the First Closing Date posted on the website of the Stock Exchange (Note 2)
Latest date for posting of remittances in respect of valid acceptances received under the Offer on or before the First Closing Date (assuming the Offer becomes or is declared unconditional in all respects on the First Closing Date) (Notes 6 & 8) Wednesday, 2 April
Final Closing Date if the Offer becomes or is declared unconditional in all respect on the First Closing Date (<i>Note 5</i>)
Latest time and date for acceptance of the Offer on the Final Closing Date assuming that the Offer becomes or is declared unconditional in all respects on the First Closing Date (Notes 5 & 8)
Announcement of the results of the Offer as at the Final Closing Date posted on the website of the Stock Exchange
Latest date for posting of remittances in respect of valid acceptances received under the Offer on or before the Final Closing Date (assuming the Offer becomes or is declared unconditional in all respects on the First Closing Date) (Notes 6 & 8)
Latest time and date by which the Offer can be declared unconditional as to acceptance (Note 7)

EXPECTED TIMETABLE

Notes:

- 1. The Offer is made on the date of despatch of this Composite Document and is capable of acceptance on and from Monday, 3 March 2025 until 4:00 p.m. on the First Closing Date unless the Offeror revises or extends the Offer in accordance with the Takeovers Code.
- 2. In accordance with the Takeovers Code, where an offer document and the offeree board circular are combined in a composite document, the Offer must initially be open for acceptance for at least 21 days after the date of the composite document. The Offer will be closed at 4:00 p.m. on the First Closing Date unless the Offer is extended in accordance with the Takeovers Code. The Offeror and the Company will jointly issue an announcement through the website of the Stock Exchange no later than 7:00 p.m. on the First Closing Date stating the results of the Offer and whether the Offer has been extended, revised or has expired. In the event that the Offeror decides to extend the Offer, an announcement of such extension will be published.
- 3. Beneficial owners of Share(s) who hold their Share(s) in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
- 4. Acceptance of the Offer shall be irrevocable and is not capable of being withdrawn, except as permitted under the Takeovers Code. Please refer to the section headed "RIGHT OF WITHDRAWAL" in Appendix I to this Composite Document for further information on the circumstances where acceptances may be withdrawn.
- 5. In accordance with the Takeovers Code, where a conditional offer becomes or is declared unconditional (whether as to acceptances or in all respects), it should remain open for acceptance for not less than 14 days thereafter. When the Offer becomes or is declared unconditional in all respects, at least 14 days' notice in writing must be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer. The Offeror has the right, subject to the Takeovers Code, to extend the Offer until such date as it may determine or as permitted by the Executive.
- 6. Payment in cash in respect of the acceptance of the Offer (after deducting the sellers' ad valorem stamp duty, as applicable) tendered for acceptance under the Offer will be despatched to the accepting Independent Shareholders at his/her/its own risk as soon as possible but in any event, no later than the earlier of (i) the date on which the Offer becomes unconditional and (ii) seven (7) Business Days after the date on which the duly completed Form of Acceptance and the relevant documents of title of the Shares in respect of such acceptance are received by or for the Offeror to render each such acceptance of the Offer complete and valid pursuant to the Takeovers Code. Please refer to the section headed "PROCEDURES FOR ACCEPTANCE OF THE OFFER" and "SETTLEMENT OF THE OFFER" in Appendix I to this Composite Document and the Form of Acceptance for further information.
- 7. In accordance with the Takeovers Code, except with the consent of the Executive, the Offer may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the date of despatch of this Composite Document (or such later day as permitted by the Executive in accordance with the Takeovers Code). Accordingly, unless the Offer has previously become or been declared unconditional as to acceptances or has been extended with the consent of the Executive, the Offer will lapse at 7:00 p.m. on Wednesday, 2 May 2025 (or such later day as permitted by the Executive in accordance with the Takeovers Code). In accordance with Rule 15.7 of the Takeovers Code, except with the consent of the Executive, the Condition must be fulfilled or the Offer must lapse within 21 days of the First Closing Date or of the date the Offer becomes or is declared unconditional as to acceptances, whichever is later.

EXPECTED TIMETABLE

8. If there is a tropical cyclone warning signal number 8 or above, or "extreme conditions" or a "black rainstorm warning", (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date for acceptance of the Offer or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest date for acceptance of the Offer or the posting of remittances, as the case may be, will remain on the same Business Day; or (b) in force in Hong Kong at any local time at 12:00 noon and/or thereafter on the latest date for acceptance of the Offer or the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest date for acceptance of the Offer or the posting of remittances, as the case may be, will be rescheduled to the following Business Day which does not have either those warnings in force at any local time at 12:00 noon and/or thereafter.

Save as mentioned above, if the latest time for the acceptance of the Offer does not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Shareholders by way of joint announcement(s) on any change to the expected timetable as soon as possible.

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

"1st Sale and Purchase Agreement"	the sale and purchase agreement dated 21 January 2025 entered into between WIFHL and the Offeror in relation to the acquisition of 310,000,000 Shares, which was completed on 21 January 2025
"2nd Sale and Purchase Agreement"	the sale and purchase agreement dated 21 January 2025 entered into between Mr. Pan and the Offeror in relation to the acquisition of 281,384,626 Shares, which was completed on 7 February 2025
"3rd Sale and Purchase Agreement"	the sale and purchase agreement dated 21 January 2025 entered into between Ms. Lu and the Offeror in relation to the acquisition of 69,130,440 Shares, which was completed on 7 February 2025
"4th Sale and Purchase Agreement"	the sale and purchase agreement dated 21 January 2025 entered into between WIFL and the Offeror in relation to the acquisition of 28,530,160 Shares, which was completed on 7 February 2025
"5th Sale and Purchase Agreement"	the sale and purchase agreement dated 21 January 2025 entered into between Wonder International Financial and the Offeror in relation to the acquisition of 20,000,000 Shares, which was completed on 21 January 2025
"acting in concert"	has the meaning ascribed to it under the Takeovers Code
"associate(s)"	has the meaning ascribed to it under the Takeovers Code
"Beta Securities" or "Offer Agent"	Beta International Securities Limited, a licensed corporation under the SFO to carry out Type 1 (dealing in securities) regulated activity under the SFO
"Board"	the board of Directors
"D : D ()"	1 1:11 1 11 6 1 : .

a day on which banks are generally open for business in Hong Kong, the PRC and Cayman Islands, except a Sunday, a Saturday, a public holiday, and a day on which a tropical cyclone warning signal no.8 or above or a "black" rainstorm warning signal is hoisted in Hong Kong, the PRC and Cayman Islands at any time between 9:00 a.m. and 5:00 p.m.

"Business Day(s)"

"CCASS" the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited "Closing Date" the First Closing Date or the Final Closing Date or a later closing date as may be announced by the Offeror and the Company jointly and approved by the Executive subsequent to the issue of this Composite Document "Company" Enviro Energy International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1102) "Completion" completion of the sale and purchase of all the 709,045,226 Sale Shares in accordance to the terms and conditions of the Sale and Purchase Agreements, which took place on 7 February 2025 "Completion Date" the date of the Completion "Composite Document" this composite offer and response document jointly issued by the Offeror and the Company in accordance with the Takeovers Code containing, among other things, details of the Offer, the recommendation from the Independent Board Committee to the Independent Shareholders and the advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer "Condition" condition of the Offer as set out in the section headed "Condition to the Offer" in "Letter from Beta Securities" in this Composite Document "connected person(s)" has the same meaning as ascribed to it under the Listing Rules "Director(s)" director(s) of the Company "Donvex Capital" Donvex Capital Limited, the financial adviser of the

under the SFO

Company and a corporation licensed to carry on business in type 6 (advising on corporate finance) regulated activity

"Encumbrance(s)" includes any option, right to acquire, right of pre-emption, mortgage, charge, pledge, lien, hypothecation, title retention, right of set off, claim, counterclaim, trust arrangement or other security, any equity or restriction (including any restriction imposed under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) or other adverse rights and interests of all kinds and descriptions) "Executive" the Executive Director of the Corporate Finance Division of the SFC or any of his delegates "Final Closing Date" being the date which is the 14th day after (i) the Unconditional Date or (ii) the First Closing Date, whichever is the later "First Closing Date" Monday, 24 March 2025, being the first closing date of the Offer "Forms of Acceptance" the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document "Group" the Company and its subsidiaries "HK\$" Hong Kong dollars, the lawful currency of Hong Kong "HKSCC" Hong Kong Securities Clearing Company Limited "Hong Kong" The Hong Kong Special Administrative Region of the PRC "Independent Board the independent committee of the Board comprising two Committee" independent non-executive Directors, namely Mr. Pan Yongye and Mr. Liu Qin, who have no direct or indirect interest in the Offer, established to give a recommendation to the Independent Shareholders regarding the terms of the Offer "Independent Financial Grand Moore Capital Limited, a corporation licensed under Adviser" or "Grand Moore" the SFO to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO "Independent Shareholders" Shareholders other than the Offeror and parties acting in concert with it

"Independent Third Party(ies)" person(s) or company(ies) and its (their) respective ultimate beneficial owner(s) which is(are) third party(ies) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) "Irrevocable Undertaking" the deed of irrevocable undertaking dated 21 January 2025 pursuant to which the WIFHL Concert Group has irrevocably undertaken to the Offeror that, among others, it will not accept any general offer to be made by the Offeror with respect to the Shares held by them as described in the section headed "Mandatory conditional cash offer — Irrevocable Undertaking" in the MGO Announcement "Last Trading Day" 21 January 2025, being the last trading day on which the Shares were traded on the Stock Exchange prior to the issue and publication of the MGO Announcement "Latest Practicable Date" 28 February 2025, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained in this Composite Document "Listing Rules" the Rules Governing the Listing of Securities on the Stock Exchange "MGO Announcement" the announcement jointly published by the Offeror and the Company dated 6 February 2025 in relation to, among other things, the Offer pursuant to Rule 3.5 of the Takeovers Code "Mr. Pan" Mr. Pan Lihui, an executive Director of the Company, a Shareholder who held 281,384,626 Shares of the Company (representing approximately 19.55% of the total issued share capital of the Company) immediately prior to the entering into of the 2nd Sale and Purchase Agreement and does not hold any Shares of the Company as at the Latest Practicable Date, and one of the Vendors "Mr. Tang" Mr. Tang Zhengbang, the son of Mr. Li Gang, a PRC citizen, a Shareholder who holds 26,054,491 Shares as at the Latest Practicable Date, representing approximately 1.81% of the total issued share capital of the Company "Mr. Wu" Mr. Wu Jianrong, the legal and beneficial owner of the entire issued share capital of the Offeror

"Ms. Lu"	Ms. Lu Qing, a Hong Kong citizen, a Shareholder who held 69,130,440 Shares of the Company immediately prior to the entering into of the 3rd Sale and Purchase Agreement, representing approximately 4.80% of the total issued share capital of the Company and does not hold any Shares of the Company as at the Latest Practicable Date, and one of the Vendors
"Nuada Limited"	a corporation licensed to carry on type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror
"Offer"	the mandatory conditional general offer in cash made by Beta Securities for and on behalf of the Offeror to acquire all the Offer Shares in accordance with the terms conditions set out in this Composite Document
"Offer Period"	has the meaning ascribed to it under the Takeovers Code which commences on the date of the MGO Announcement and ends on the Closing Date
"Offer Price"	the price at which the Offer will be made, being HK\$0.05 per Offer Share, subject to the terms of the Offer
"Offer Shares"	all the issued Shares (other than those already beneficially owned or agreed to be acquired by the Offeror and parties acting in concert with it and the Remaining Shares held by WIFHL Concert Group)
"Offeror"	Amethyst Asia Limited, a company incorporated in British Virgin Islands with limited liability which is wholly-owned by Mr. Wu
"Overseas Shareholders"	Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
"PRC"	the People's Republic of China, which for the purpose of this Composite Document, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Relevant Period"	the period from 6 August 2024, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date

"Remaining Shares"	134,597,737 Shares, representing approximately 9.35% of the entire issued share capital of the Company, held by the WIFHL Concert Group immediately after the Completion
"Sale and Purchase Agreements"	the 1st Sale and Purchase Agreement, 2nd Sale and Purchase Agreement, 3rd Sale and Purchase Agreement, 4th Sale and Purchase Agreement and 5th Sale and Purchase Agreement entered into by the Offeror and each of the Vendors on 21 January 2025 in relation to the sale and purchase of the Sale Shares and each a "Sale and Purchase Agreement"
"Sale Shares"	709,045,226 Shares beneficially owned by the Vendors immediately prior to the entering into of the Sale and Purchase Agreements, and sold by the Vendors to the Offeror pursuant to the terms of the Sale and Purchase Agreements
"SFC"	Securities and Futures Commission of Hong Kong
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	the ordinary share(s) of par value of HK\$0.05 each in the share capital of the Company
"Share Registrar"	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, with its address at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Shareholder(s)"	holder(s) of the Share(s)
"SPA Completion Announcement"	the announcement jointly published by the Offeror and the Company dated 7 February 2025 in relation to, among other things, the Completion
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time

"Unconditional Date"

the date on which the Offer becomes or is declared unconditional in all respects, the latest time on which the Offeror can declare the Offer unconditional as to acceptance is 7:00 p.m. on the 60th day after the posting of this Composite Document (or such later date to which the Executive may consent)

"Vendors"

WIFHL, Mr. Pan, Wonder International Financial, WIFL and Ms. Lu

"WIFHL"

Wonderland International Financial Holdings Limited, a company incorporated in Hong Kong with limited liability, and a Shareholder which holds 94,266,480 Shares as at the Latest Practicable Date, representing approximately 6.55% of the total issued share capital of the Company, and one of the Vendors. As at the Latest Practicable Date, WIFHL is owned as to (i) 55.95% by Hua Zhi Investment Limited Investment Limited, which is in turn owned as to 72.01% by Mr. Li Gang, 16.01% by Mr. Wang Shengkun and 11.98% by Ms. Lu; (ii) 41.79% by Pu Shi International Investment Limited; (iii) 1.79% by Mr. Soh Kai Jun; and (iv) 0.47% by Ms. Xia Liping

"WIFHL Concert Group"

WIFHL, WIIHL and Mr. Tang

"WIFL"

Wonder International Finance Limited, a company incorporated in Hong Kong with limited liability, and a Shareholder which held 28,530,160 Shares immediately prior to the completion of the 4th Sale and Purchase Agreement, representing approximately 1.98% of the total issued share capital of the Company, and does not hold any Shares of the Company as at the Latest Practicable Date, and one of the Vendors. As at the Latest Practicable Date, WIFL is a wholly-owned subsidiary of Wonderland Capital International Holdings Limited. The ultimate holding company of Wonderland Capital International Holdings Limited is Wonderland Group Investment Holdings Corporation, which is in turn owned as to 50% by Mr. Jiang Peixing and 50% by Mr. Liu Shao Kang

"WIIHL"

Wonderland International Investment Holdings Limited, a company incorporated in Hong Kong with limited liability, and a Shareholder which holds 14,276,766 Shares as at the Latest Practicable Date, representing approximately 0.99% of the total issued share capital of the Company. As at the Latest Practicable Date, WIIHL is owned by Hua Zhi Investment Limited Investment Limited as to approximately 58.44%, which is in turn owned as to 72.01% by Mr. Li Gang, 16.01% by Mr. Wang Shengkun and 11.98% by Ms. Lu

"Wonder International Financial"

Wonder International Financial Limited, a company incorporated in Hong Kong with limited liability, and a Shareholder which held 20,000,000 Shares immediately prior to the completion of the 5th Sale and Purchase Agreement, representing approximately 1.39% of the total issued share capital of the Company, and does not hold any Shares of the Company as at the Latest Practicable Date, and one of the Vendors. As at the Latest Practicable Date, Wonder International Financial is a wholly-owned subsidiary of Wonderland Capital International Holdings Limited. The ultimate holding company of Wonderland Capital International Holdings Limited is Wonderland Group Investment Holdings Corporation, which is in turn owned as to 50% by Mr. Jiang Peixing and 50% by Mr. Liu Shao Kang

"%"

per cent

3 March 2025

To the Independent Shareholders

Dear Sir or Madam,

MANDATORY CONDITIONAL CASH OFFER BY
BETA INTERNATIONAL SECURITIES LIMITED FOR AND ON BEHALF OF
THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF
ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT)

INTRODUCTION

References are made to (i) the MGO Announcement jointly published by the Offeror and the Company dated 6 February 2025 in relation to, among other things, the Sale and Purchase Agreements and the Offer; and (ii) the SPA Completion Announcement jointly published by the Offeror and the Company dated 7 February 2025 in relation to the Completion.

Sale and Purchase Agreements

The Company was informed by the Vendors, that on 21 January 2025 (after trading hours), the Offeror and the Vendors entered into five Sale and Purchase Agreements in relation to the acquisition of the Sale Shares.

Pursuant to the terms of the five Sale and Purchase Agreements, the Offeror has conditionally agreed to acquire and each of the Vendors have conditionally agreed to sell the Sale Shares, being 709,045,226 Shares in aggregate beneficially owned by the Vendors, representing approximately 49.26% of the entire issued share capital of the Company as at the Latest Practicable Date. The aggregate consideration for the Sale Shares pursuant to the Sale and Purchase Agreements is HK\$35,452,262, equivalent to HK\$0.05 per Sale Share.

As disclosed in the MGO Announcement, the 1st Sale and Purchase Agreement and the 5th Sale and Purchase Agreement were completed on 21 January 2025. As disclosed in the SPA Completion Announcement, the 2nd Sale and Purchase Agreement, 3rd Sale and Purchase Agreement and 4th Sale and Purchase Agreement were completed on 7 February 2025.

Immediately prior to the entering into of the Sale and Purchase Agreements, none of the Offeror, its ultimate beneficial owner and their respective parties acting in concert owned any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Immediately following Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owner and their respective parties acting in concert own 709,045,226 Shares, representing approximately 49.26% of the existing issued share capital of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, upon the Completion, the Offeror is required to make the mandatory conditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it). Beta Securities is, on behalf of the Offeror, making the Offer in compliance with the Takeovers Code on the terms set out in this Composite Document.

Irrevocable Undertaking

Immediately after the entering into of the Sale and Purchase Agreements and as at the Latest Practicable Date, the WIFHL Concert Group holds 134,597,737 Remaining Shares, representing approximately 9.35% of the issued share capital of the Company.

On 21 January 2025, each of the member of the WIFHL Concert Group entered into the Irrevocable Undertaking pursuant to which they have had irrevocably undertaken to and covenanted with the Offeror that (i) they will not accept the Offer; and (ii) they will remain as the legal and beneficial owner of the 134,597,737 Remaining Shares, representing approximately 9.35% of the issued share capital of the Company as at the Latest Practicable Date, during the period commencing on the date of the Irrevocable Undertaking and ending on the Completion up to and including the Closing Date. Such irrevocable undertaking will cease upon the close of the Offer.

This letter forms part of this Composite Document and sets out, among other things, details of the terms of the Offer, the information of the Offeror and the intention of the Offeror in relation to the Group. Further details of the terms and the procedures of acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser", the accompanying Form of Acceptance and the appendices which form part of this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

MANDATORY CONDITIONAL CASH OFFER

The Offer

Beta Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

The Offer Price of HK\$0.05 per Offer Share is equal to the purchase price per Sale Shares paid by the Offeror under the Sale and Purchase Agreements.

All the Offer Shares to be acquired under the Offer shall be (i) fully-paid; (ii) free from mortgage, charge, pledge, lien (otherwise than arising by statutes or operation of law), equities or other third party rights and interests of any nature; and (iii) with all rights attached to the Shares including all rights to any dividends and other distributions hereafter declared, paid or made, if any, on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Directors (excluding Mr. Zhong Jian) confirm that, as at the Latest Practicable Date, the Company has not declared any dividend that is unpaid and does not intend to declare or pay any dividend or make other distributions on or before the close or lapse of the Offer.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance

Condition to the Offer

The Offer is conditional on the number of Shares in respect of valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide), together with the Shares already owned by the Offeror and parties acting in concert with it and acquired or agreed to be acquired before or during the Offer Period, resulting in the Offeror and parties acting in concert with it holding in aggregate more than 50% of the voting rights of the Company. This Condition cannot be waived.

If the Condition cannot be fulfilled by the Closing Date, the Offer will lapse, unless the Closing Date is extended. The Offeror will issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of the condition to the Offer in accordance with the Takeovers Code and the Listing Rules. As at the Latest Practicable Date, the Condition has not been fulfilled.

The Offer may or may not become unconditional. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares. Those who are in doubt as to the action should consult a licensed securities dealer or registered institutions in securities, bank manager, solicitor, professional accountant or other professional advisers.

Comparison of value of the Offer Price

The Offer Price of HK\$0.05 per Offer Share represents:

- (i) a discount of approximately 13.79% to the closing price of HK\$0.058 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 24.24% to the closing price of HK\$0.066 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 18.03% to the average closing price of HK\$0.061 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 20.38% to the average closing price of HK\$0.0628 per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day;
- (v) a price difference of approximately HK\$0.094 as compared to the audited consolidated net liabilities of approximately HK\$0.044 per Shares as at 31 December 2023, which is calculated based on the Group's audited consolidated net liabilities of the Company of approximately HK\$63,884,000 as at 31 December 2023 and 1,439,385,743 Shares in issue as at the Latest Practicable Date; and
- (vi) a price difference of approximately HK\$0.068 as compared to the unaudited consolidated net liabilities of the Company of approximately HK\$0.018 per Share as at 30 June 2024, which is calculated based on the Group's unaudited consolidated net liabilities of the Company of approximately HK\$26,554,000 as at 30 June 2024 and 1,439,385,743 Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares was HK\$0.089 per Share as quoted on the Stock Exchange on 14 November 2024 and the lowest closing price of the Shares was HK\$0.052 per Share as quoted on the Stock Exchange on 9 December 2024.

Value and total consideration of the Offer

As at the Latest Practicable Date, the Company had 1,439,385,743 Shares in issue. On the basis of the Offer Price of HK\$0.05 per Share, the entire issued ordinary share capital of the Company would be valued at approximately HK\$71.97 million.

Immediately after the Completion and as at the Latest Practicable Date, save for (i) the 709,045,226 Shares held by the Offeror; and (ii) the 134,597,737 Shares held by the WIFHL Concert Group, of which the WIFHL Concert Group has irrevocably undertaken not to accept the Offer, and assuming the Offer is accepted in full and assuming that there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 595,742,780 Shares (representing approximately 41.39% of the total issued share capital of the Company as at the Latest Practicable Date) will be subject to the Offer. The maximum cash consideration payable by the Offeror under the Offer would be HK\$29,787,139 based on the Offer Price of HK\$0.05 per Offer Share.

Confirmation of financial resources available for the Offer

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the consideration for the Offers by a combination of cash from its own internal resources and external financing. The maximum aggregate amount payable by the Offeror for the Offer would be HK\$29,787,139 based on the Offer Price of HK\$0.05 per Offer Share assuming full acceptance of the Offer.

Nuada Limited, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to satisfy the maximum payment obligations upon full acceptance of the Offer in respect of 595,742,780 Offer Shares (excluding the Remaining Shares held by WIFHL Concert Group, of which WIFHL Concert Group has irrevocably undertaken not to accept the Offer).

Effect of accepting the Offer

By accepting the Share Offer, provided that valid acceptance forms and the relevant certificate(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are complete and in good order and have been received by the branch share registrar of the Company in Hong Kong, the Shareholders will sell their tendered Shares to the Offeror free from all liens, claims, charges, options, equities, adverse interests, third party rights or Encumbrances whatsoever and together with all rights accruing or attaching thereto, including without limitation, the right to receive all dividends and distributions declared, paid or made, if any, on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

As at the Latest Practicable Date, no dividend has been paid or declared by the Company and it is advised by the Board that no dividend is expected to be declared during the Offer Period.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code. Rule 17 of the Takeovers Code provides that an acceptor of the Offer shall be entitled to withdraw his/her/its acceptance after 21 days from the First Closing Date of the Offer if the Offer has not by then become unconditional as to acceptances.

Closing of the Offer

In accordance with Rule 15.1 of the Takeovers Code, the First Closing Date of the Offer will fall on the 21st day from the date of the Composite Document, being Monday, 24 March 2025. Where the Offer becomes or is declared unconditional (whether as to acceptances or in all respects), it shall remain open for acceptance for not less than fourteen (14) days thereafter, provided that the Offer shall initially be open for acceptance for at least twenty-one (21) days. The Independent Shareholders are reminded that the Offeror does not have any obligations to keep the Offer open for acceptance beyond this minimum 14-days period.

The latest time on which the Offeror can declare the Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the date of the Composite Document (or such later date to which the Executive may consent). In accordance with Rule 15.3 of the Takeovers Code, the Offeror will publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects.

Payment

Payment in cash in respect of the acceptance of the Offer will be made as soon as possible but in any event, no later than seven (7) business days (as defined in the Takeovers Code) following the later of the date on which the Offer becomes, or is declared, unconditional and the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by and for the Offeror to render each such acceptance of the Offer complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.1 of the Takeovers Code.

No fractions of a cent (HK\$) will be payable and the amount of the consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent (HK\$).

Hong Kong stamp duty

The seller's Hong Kong *ad valorem* stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the higher of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable by the Offeror to such person on acceptance of the Offer.

The Offeror will arrange for payment of the seller's Hong Kong *ad valorem* stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong *ad valorem* stamp duty in connection with the acceptance of the Share Offer and transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, Nuada Limited, Beta Securities, Donvex Capital and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Overseas Shareholders

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders. However, the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they reside. The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders in respect of such jurisdictions).

Any acceptance by the Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be lawful, valid and binding in accordance with all applicable laws. Such Overseas Shareholders should consult their respective professional advisers if in doubt.

As at the Latest Practicable Date, based on the register of members of the Company, there are five (5) Overseas Shareholders holding 71,002,800 Shares in aggregate as at the Latest Practicable Date (representing approximately 4.93% of the total issued share capital of the Company as at the Latest Practicable Date). The Offeror and the Company will despatch the composite document in relation to the Offer to the Overseas Shareholders.

Any acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the local laws and regulations have been complied with. Overseas Shareholders should consult their professional advisers if in doubt.

INFORMATION OF THE GROUP

The Group is principally engaged in the supply of construction essentials business in the PRC since 2017, which primarily consisted of two major businesses, namely (1) the supply of building materials business; and (2) the supply of aluminum related products business, which are part of the construction supply chain.

Set out below is a summary of (i) the audited financial information of the Group for each of the two financial years ended 31 December 2023 and 2022 as extracted from the annual reports of the Company for the years ended 31 December 2023 and 2022 respectively; and (ii) the unaudited financial information of the Group for each of the six months ended 30 June 2024 and 2023 as extracted from the respective interim report of the Company for the respective periods:

	For the six months ended 30 June		For the year ended 31 December	
	2024	2023	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Revenue	227,376	242,428	531,504	269,577
Profit/(loss) before income tax	(84,234)	8,199	(14,765)	(248,719)
Profit/(loss) after income tax	(87,940)	3,354	(24,286)	(252,404)
		As at	t .	
	30 June		31 December	
	2024	2023	2023	2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Net assets/(net liabilities)	(26,554)	(37,051)	(63,884)	(40,171)

Your attention is also drawn to Appendix II to this Composite Document for the summary of the consolidated statement of profit or loss and other comprehensive income of the Group.

INFORMATION OF THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT

The Offeror is wholly-owned by Mr. Wu. Mr. Wu, aged 67, has extensive management experience in construction and engineering industry. He is the founder and chairman of Zhejiang Zhongnan Construction Group Co., Ltd, a company established in 1984 principally engaged in construction and engineering services in the PRC. Mr. Wu is the ultimate beneficial owner of Hangzhou Zhongji Architectural Decoration Engineering Co., Ltd. (杭州中機建築裝飾工程有限公司), which holds 40% of Hangzhou Junheng Building Materials Limited (杭州峻衡建材有限公司), a subsidiary of the Company since 20 October 2022, as disclosed in the announcement of the Company dated 31 October 2022.

Mr. Wu has won many honors, including Hangzhou Model Worker, Hangzhou Outstanding Contribution to Literature and Art, Outstanding Township Entrepreneur of Zhejiang Province, Chinese Township Entrepreneur, and National Outstanding Entrepreneur of Architectural Decoration. Mr. Wu served as a member of the 10th Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議浙江省委員會) and a representative of the 12th and 13th Hangzhou Municipal People's Congress (浙江省人民代表大會). Mr. Wu is currently the Chairman of the Advisory Committee of the Zhejiang Federation of Industry and Commerce, the Chairman-in-office of the Zhejiang Entrepreneurs Association, Vice Chairman of the China Private Economy Research Association, a member of the National Standardization Working Committee of the All-China Federation of Industry and Commerce, the Executive Chairman of the China Cultural Chamber of Commerce for the Private Sector, the Vice Chairman of the China Building Decoration Association, and the Executive Chairman of the Zhejiang Development Association for the Private Sector.

Immediately prior to the entering into of the Sale and Purchase Agreements, none of the Offeror, its ultimate beneficial owner and their respective parties acting in concert owned any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Immediately following the Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owner and their respective parties acting in concert own 709,045,226 Shares, representing approximately 49.26% of the existing issued share capital of the Company as at the Latest Practicable Date.

THE OFFEROR'S FUTURE INTENTION ON THE GROUP

Mr. Wu is optimistic about the future prospects of the Company and the business of the supply of building materials and aluminum related products in the PRC. Accordingly, Mr. Wu considers the investment in the Company through the Offeror represents a good opportunity to gain a strong position in the domestic market of building materials and aluminum related products and achieve long-term value and strong returns.

The Offeror intends to continue the principal business of the Group. The Offeror has no intention to discontinue the employment of any employees of the Group nor introduce major changes in the business of the Group nor re-deploy the fixed assets of the Group other than in the ordinary course of business. As at the Latest Practicable Date, the Offeror has no intention, understanding, negotiation or arrangement (concluded or otherwise) to downsize, to dispose of or to cease the existing business of the Group.

The Offeror will, following the close of the Offer, review the operations of the Group from time to time in order to enhance a long-term growth potential for the Group and explore other business or investment opportunities for enhancing its future development and strengthening its revenue base. The Offeror may explore other business opportunities for the Company and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company. As at the Latest Practicable Date, the Offeror has not identified any such investment or business opportunities nor has entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Board currently comprises three executive Directors, namely Mr. Li Gang (Chairman), Mr. Pan Lihui and Mr. Cao Zhongshu; two non-executive Directors, namely Mr. Jiang Senlin and Ms. Wu Wenling; and three independent non-executive Directors, namely Mr. Zhong Jian, Mr. Pan Yongye and Mr. Liu Qin.

The Offeror intends to nominate new Director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror had not identified any candidate(s) for the new Director(s) to be appointed to the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new directors to be appointed to the Board of the Company (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

ACCEPTANCE AND SETTLEMENT

Your attention is drawn to the further details regarding further terms and conditions of the Offer, the procedures for acceptance and settlement and the acceptance period as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the Listing Rules and the information disclosed may not be the same as which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

Attention of the Overseas Shareholders is drawn to the paragraph headed "7. Overseas Shareholders" in Appendix I to this Composite Document. All communications, notices, Form of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. None of the Offeror, parties acting in concert with it, the Company, Nuada Limited, Beta Securities, Donvex Capital, the Share Registrar or (as the case may be) their respective ultimate beneficial owners, directors, officers, agents and associates nor any other person involved in the Offer will be responsible for any loss or delay in postage or any other liabilities that may arise as a result thereof or in connection therewith. Further details have been set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the "Letter from the Board", the "Letter from the Independent Board Committee", the "Letter from the Independent Financial Adviser" and other information about the Group, which are set out in this Composite Document and the accompanying Form of Acceptance before deciding whether or not to accept the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

Yours faithfully,
For and on behalf of

Beta International Securities Limited

Ip Fai Kit

Director



Enviro Energy International Holdings Limited

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1102)

Executive Directors:

Mr. Li Gang (Chairman)

Mr. Pan Lihui

Mr. Cao Zhongshu

Non-executive Directors:

Mr. Jiang Senlin

Ms. Wu Wenling

Independent Non-executive Directors:

Mr. Liu Oin

Mr. Pan Yongye

Mr. Zhong Jian

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Headquarters and principal place

of business in Hong Kong:

20/F., No.9 Des Voeux Road West,

Sheung Wan,

Hong Kong

3 March 2025

To the Shareholders

Dear Sir or Madam,

MANDATORY CONDITIONAL CASH OFFER BY
BETA SECURITIES FOR AND ON BEHALF OF
THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF
ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT)

1. INTRODUCTION

References are made to (i) the MGO Announcement jointly published by the Offeror and the Company dated 6 February 2025 in relation to, among other things, the Sale and Purchase Agreements and the Offer; and (ii) the SPA Completion Announcement jointly published by the Offeror and the Company dated 7 February 2025 in relation to the Completion.

Sale and Purchase Agreements

The Company was informed by the Vendors, that on 21 January 2025 (after trading hours), the Offeror and the Vendors entered into five Sale and Purchase Agreements in relation to the acquisition of the Sale Shares.

Pursuant to the terms of the five Sale and Purchase Agreements, the Offeror has conditionally agreed to acquire and each of the Vendors have conditionally agreed to sell the Sale Shares, being 709,045,226 Shares in aggregate beneficially owned by the Vendors, representing approximately 49.26% of the entire issued share capital of the Company as at the Latest Practicable Date. The aggregate consideration for the Sale Shares pursuant to the Sale and Purchase Agreements is HK\$35,452,262, equivalent to HK\$0.05 per Sale Share.

As disclosed in the MGO Announcement, the 1st Sale and Purchase Agreement and the 5th Sale and Purchase Agreement were completed on 21 January 2025. As disclosed in the SPA Completion Announcement, the 2nd Sale and Purchase Agreement, 3rd Sale and Purchase Agreement and 4th Sale and Purchase Agreement were completed on 7 February 2025.

Immediately prior to the entering into of the Sale and Purchase Agreements, none of the Offeror, its ultimate beneficial owner and their respective parties acting in concert owned any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Immediately following Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owner and their respective parties acting in concert own 709,045,226 Shares, representing approximately 49.26% of the existing issued share capital of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make the mandatory conditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it). Beta Securities is, on behalf of the Offeror, making the Offer in compliance with the Takeovers Code on the terms set out in this Composite Document.

Irrevocable Undertaking

Immediately after the entering into of the Sale and Purchase Agreements and as at the Latest Practicable Date, the WIFHL Concert Group holds 134,597,737 Remaining Shares, representing approximately 9.35% of the issued share capital of the Company.

On 21 January 2025, each of the member of the WIFHL Concert Group entered into the Irrevocable Undertaking pursuant to which they have had irrevocably undertaken to and covenanted with the Offeror that (i) they will not accept the Offer; and (ii) they will remain as the legal and beneficial owner of the 134,597,737 Remaining Shares during the period commencing on the date of the Irrevocable Undertaking and ending on the Completion up to and including the Closing Date. Such irrevocable undertaking will cease upon the close of the Offer.

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other matters, (i) information relating to the Group, the Offeror and the Offer; (ii) a letter from Beta Securities containing, among other things, details of the Offer; (iii) a letter of recommendation from the Independent Board Committee containing its recommendations to the Independent Shareholders in relation to the Offer; (iv) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee on the terms of the Offer and as to their acceptance; and (v) the Form of Acceptance.

Unless the context otherwise requires, terms defined in this Composite Document shall have the same meanings when used in this letter.

2. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Establishment of Independent Board Committee

Given (i) Mr. Jiang Senlin, a non-executive Director of the Company, is also a director of WIFL, one of the Vendors, who has indirect interest in the Offer; and (ii) Ms. Wu Wenling, a non-executive Director of the Company, is the daughter-in-law of Mr. Wu, the sole director of the Offeror, Mr. Jiang Senlin and Ms. Wu Wenling shall be excluded to comprise in the Independent Board Committee.

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising all the non-executive Directors who have no direct or indirect interest in the Offer, comprising three independent non-executive Directors, namely, Mr. Zhong Jian, Mr. Pan Yongye and Mr. Liu Qin, has been established to advise the Independent Shareholders as to whether the Offer are fair and reasonable and as to their acceptance.

However, due to the personal health reasons, Mr. Zhong Jian will be unable to fulfill his duties and take responsibilities as a Director and one of the members of the Independent Board Committee in respect of the Offer. On 27 February 2025, the Executive has granted its consent for exclusion of Mr. Zhong Jian from serving on the Independent Board Committee due to his medical condition. The letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer is set out in this Composite Document.

Appointment of Independent Financial Adviser

Grand Moore has been appointed pursuant to Rule 2.1 of the Takeovers Code and such appointment has been approved by the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. The letter of advice from the Independent Financial Adviser as to whether the Offer is fair and reasonable and as to the acceptance of the Offer is set out in this Composite Document.

3. MANDATORY CONDITIONAL CASH OFFER

Beta Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

The Offer Price of HK\$0.05 per Offer Share is equal to the purchase price per Sale Shares paid by the Offeror under the Sale and Purchase Agreements.

All the Offer Shares to be acquired under the Offer shall be (i) fully-paid; (ii) free from mortgage, charge, pledge, lien (otherwise than arising by statutes or operation of law), equities or other third party rights and interests of any nature; and (iii) with all rights attached to the Shares including all rights to any dividends and other distributions hereafter declared, paid or made, if any, on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

The Directors (excluding Mr. Zhong Jian) confirm that, as at the Latest Practicable Date, the Company has not declared any dividend that is unpaid and does not intend to declare or pay any dividend or make other distributions on or before the close or lapse of the Offer.

Further details of the terms of the Offer and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance

4. CONDITION TO THE OFFER

The Offer is conditional on the number of Shares in respect of valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide), together with the Shares already owned by the Offeror and parties acting in concert with it and acquired or agreed to be acquired before or during the Offer Period, resulting in the Offeror and parties acting in concert with it holding in aggregate more than 50% of the voting rights of the Company. This Condition cannot be waived.

If the Condition cannot be fulfilled by the Closing Date, the Offer will lapse, unless the Closing Date is extended. The Offeror will issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of the condition to the Offer in accordance with the Takeovers Code and the Listing Rules. As at the Latest Practicable Date, the Condition has not been fulfilled.

Further details of the Offer including the terms and conditions, the procedures for acceptance and settlement and the acceptance period are set out in the "Letter from Beta Securities" and Appendix I headed "Further Terms and Procedures of Acceptance of the Offer" to this Composite Document and the accompanying Form of Acceptance.

5. SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately prior to the entering into of the Sale and Purchase Agreements; (ii) immediately after the Completion; and (iii) as at the Latest Practicable Date is as follows:

Name of Shareholders	Immediately prior to the entering into of the Sale and Purchase Agreements		Immediately after the Completion and as at the Latest Practicable Date	
	Number of		Number of	
	Shares	Approximate %	Shares	Approximate % (Note 7)
WIFHL (Note 1)	404,266,480	28.09%	94,266,480	6.55%
Mr. Pan	281,384,626	19.55%	_	_
Ms. Lu (Note 5)	69,130,440	4.80%	_	_
WIFL (Note 6)	28,530,160	1.98%	_	_
Mr. Tang (Note 2)	26,054,491	1.81%	26,054,491	1.81%
Wonder International Financial (Note 6)	20,000,000	1.39%	_	_
WIIHL (Note 3)	14,276,766	0.99%	14,276,766	0.99%
WIFHL Concert Group and parties				
acting in concert with it (Note 4)	843,642,963	58.61%	134,597,737	9.35%
The Offeror and parties acting in				
concert with it (Note 4)	_	_	709,045,226	49.26%
Other Shareholders	595,742,780	41.39%	595,742,780	41.39%
Total	1,439,385,743	100.00%	1,439,385,743	100.00%

Notes:

- 1. The ultimate beneficial owner of WIFHL is Mr. Li Gang, who is the ultimate beneficial owner of WIIHL.
- 2. Mr. Tang is the son of Mr. Li Gang.
- 3. The ultimate beneficial owner of WIIHL is Mr. Li Gang.
- 4. Save for the acquisition of the Sales Shares pursuant to the Sale and Purchase Agreements, there is no other relationship between any members of the WIFHL Concert Group and the Offeror or Mr. Wu.

- 5. Given (i) the ultimate holding company of WIFHL is Hua Zhi Investment Limited, which is in turn owned as to 72.01% by Mr. Li Gang, 16.01% by Mr. Wang Shengkun and 11.98% by Ms. Lu Qing; (ii) the ultimate beneficial owner of WIIHL and WIFHL is Mr. Li Gang; (iii) WIFHL and WIFL were group companies in the past before 2023; (iv) both WIFL and Wonder International Financial are whollyowned subsidiaries of Wonderland Capital International Holdings Limited; and (v) Mr. Tang is the son of Mr. Li Gang, accordingly, WIFHL, WIIHL, WIFL, Wonder International Financial, Mr. Tang and Ms. Lu consider they are acting in concert.
- 6. Both WIFL and Wonder International Financial are wholly-owned subsidiaries of Wonderland Capital International Holdings Limited, which holds approximately 13.18% shareholding interest in WIIHL. The ultimate holding company of Wonderland Capital International Holdings Limited is Wonderland Group Investment Holdings Corporation, which is in turn owned as to 50% by Mr. Jiang Peixing and 50% by Mr. Liu Shao Kang.
- 7. The percentage figures are subject to rounding adjustments and, accordingly, figures shown in total in the above table may not be an arithmetic aggregation of the figures preceding them.

6. INFORMATION OF THE GROUP

The Group is principally engaged in the supply of construction essentials business in the PRC since 2017, which primarily consisted of two major businesses, namely (1) the supply of building materials business; and (2) the supply of aluminum related products business, which are part of the construction supply chain.

Financial and general information of the Group is set out in the Appendix II titled "Financial Information of the Group" and Appendix IV titled "General Information of the Group" to this Composite Document.

7. INFORMATION OF THE OFFEROR AND PARTY ACTING IN CONCERT WITH IT

Information of the Offeror is set out in the section headed "Information of the Offeror and parties acting in concert with it" in the "Letter from Beta Securities" in this Composite Document.

8. THE OFFEROR'S FUTURE INTENTION ON THE GROUP

Your attention is drawn to the paragraph headed "The Offeror's Future Intentions on the Group" in "Letter from Beta Securities" in this Composite Document.

The Offeror intends to continue the principal business of the Group. The Offeror has no intention to discontinue the employment of any employees of the Group nor introduce major changes in the business of the Group nor re-deploy the fixed assets of the Group other than in the ordinary course of business. As at the Latest Practicable Date, the Offeror stated that it has no intention, understanding, negotiation or arrangement (concluded or otherwise) to downsize, to dispose of or to cease the existing business of the Group.

The Offeror has also stated that it does not intend to change the position of the Board after the close of the Offers. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

In light of the above, the Board is of the view that the Offeror's intentions in relation to the Group and its employees are reasonable as it would ensure continuity and stability of the Group's business operations going forward. Such intentions of the Offeror are not expected to have material adverse impact on the existing businesses of the Group.

9. PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

The Board noted that the Offeror intended the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new directors to be appointed to the Board of the Company (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

10. RECOMMENDATION

Your attention is drawn to the sections headed "Letter from the Independent Board Committee" and "Letter from the Independent Financial Adviser" in this Composite Document, which contain, among other things, their advice in relation to the Offer and the principal factors considered by them in arriving at their recommendation. You are urged to read these letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.

11. ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully Appendix I headed "Further Terms and Procedures of Acceptance of the Offer" to this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.

Yours faithfully,
On behalf of the Board
Enviro Energy International Holdings Limited
Li Gang

Chairman and Executive Director



Enviro Energy International Holdings Limited

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1102)

3 March 2025

To the Independent Shareholders

Dear Sir or Madam,

MANDATORY CONDITIONAL CASH OFFER BY
BETA SECURITIES FOR AND ON BEHALF OF
THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF
ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT)

We refer to this Composite Document dated 3 March 2025 jointly issued by the Offeror and the Company of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as those defined in this Composite Document.

We have been appointed by the Board to constitute the Independent Board Committee to consider the terms of the Offer and to make a recommendation to the Independent Shareholders as to whether, in our opinion, the Offer is, or is not, fair and reasonable and to make recommendation as to acceptance thereof. We have declared that we are independent and have no direct or indirect interests in the Offer, and therefore are able to consider the terms of the Offer and to make recommendations to the Independent Shareholders.

Grand Moore Capital Limited has been appointed as the Independent Financial Adviser with our approval to advise us in respect of whether the Offer is, or is not, fair and reasonable and to make recommendations in respect of the acceptance of the Offer. Details of its advice and recommendations, together with the principal factors and reasons which it has considered before arriving at such recommendations, are set out in the section headed "Letter from the Independent Financial Adviser" in this Composite Document. We also wish to draw your attention to the sections headed "Letter from Beta Securities" and the "Letter from the Board" in this Composite Document as well as the additional information set out in the appendices to this Composite Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATION

Having considered the terms of the Offer, taking into account the information contained in this Composite Document and the advice from the Independent Financial Adviser, in particular the factors, reasons and recommendations as set out in the section headed "Letter from the Independent Financial Adviser", we concur with the view of the Independent Financial Adviser and consider that the Offer is fair and reasonable as far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to accept the Offer.

Notwithstanding our recommendation, the Independent Shareholders are strongly advised that the decision to realise or to hold their investments is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for advice. Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the procedures for accepting the Offer as detailed in Appendix I to this Composite Document and the accompanying Form of Acceptance.

Yours faithfully,

Independent Board Committee of Enviro Energy International Holdings Limited

Mr. Pan Yongye

Mr. Liu Qin

Independent non-executive Director

Independent non-executive Director

The following is the full text of the letter of advice from Grand Moore Capital Limited, the Independent Financial Adviser in respect of the Offer, and is prepared for the purpose of incorporation into this Composite Document.



21/F., No.88 Lockhart Road, Wan Chai, Hong Kong

3 March 2025

To: The Independent Board Committee of Enviro Energy International Holdings Limited

Dear Sir/Madam,

MANDATORY CONDITIONAL CASH OFFER BY
BETA INTERNATIONAL SECURITIES LIMITED
FOR AND ON BEHALF OF
THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF
ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED
BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT)

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in the Composite Document dated 3 March 2025 jointly issued by the Company and the Offeror to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context requires otherwise.

References are made to (i) the MGO Announcement jointly published by the Offeror and the Company dated 6 February 2025 in relation to, among other things, the Sale and Purchase Agreements and the Offer; and (ii) the SPA Completion Announcement jointly published by the Offeror and the Company dated 7 February 2025 in relation to the Completion.

The Company was informed by the Vendors, that on 21 January 2025 (after trading hours), the Offeror and the Vendors entered into five Sale and Purchase Agreements in relation to the acquisition of the Sale Shares.

Pursuant to the terms of the five Sale and Purchase Agreements, the Offeror has conditionally agreed to acquire and each of the Vendors have conditionally agreed to sell the Sale Shares, being 709,045,226 Shares in aggregate beneficially owned by the Vendors, representing approximately 49.26% of the entire issued share capital of the Company as at the Latest Practicable Date. The aggregate consideration for the Sale Shares pursuant to the Sale and Purchase Agreements is HK\$35,452,262, equivalent to HK\$0.05 per Sale Share.

As disclosed in the MGO Announcement, the 1st Sale and Purchase Agreement and the 5th Sale and Purchase Agreement were completed on 21 January 2025. As disclosed in the SPA Completion Announcement, the 2nd Sale and Purchase Agreement, 3rd Sale and Purchase Agreement and 4th Sale and Purchase Agreement were completed on 7 February 2025.

Immediately prior to the entering into of the Sale and Purchase Agreements, none of the Offeror, its ultimate beneficial owner and their respective parties acting in concert owned any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Immediately following Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owner and their respective parties acting in concert own 709,045,226 Shares, representing approximately 49.26% of the existing issued share capital of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, upon the Completion, the Offeror is required to make the mandatory conditional cash offer to acquire all of the Shares in the issued share capital of the Company (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it). Beta Securities is, on behalf of the Offeror, making the Offer in compliance with the Takeovers Code on the terms set out in the Composite Document.

THE INDEPENDENT BOARD COMMITTEE

Due to the personal health reasons, Mr. Zhong Jian will be unable to fulfill his duties and take responsibilities as a Director and one of the members of the Independent Board Committee in respect of the Offer. On 27 February 2025, the Executive has granted its consent for exclusion of Mr. Zhong Jian from serving on the Independent Board Committee due to his medical condition.

The Independent Board Committee, comprising two non-executive Directors who have no direct or indirect interest in the Offer, namely, Mr. Pan Yongye and Mr. Liu Qin, has been established by the Company pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Shareholders as to whether the Offer are fair and reasonable and as to their acceptance. We have been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, and our opinion herein is solely for the

assistance of the Independent Board Committee in connection with its consideration of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Our appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

OUR INDEPENDENCE

As at the Latest Practicable Date, we were not connected with the Company, the Offeror or any of their respective substantial shareholders (as applicable), directors or chief executives (as applicable), or any of their respective associates and we were not in the same group as the financial or other professional adviser (including a stockbroker) to the Offeror and the Group, we do not and did not have, a significant connection, financial or otherwise with either the Offeror or the Group, or the controlling shareholder(s) of either of them (as applicable), of a kind reasonably likely to create, or to create the perception of, a conflict of interest or reasonably likely to affect the objectivity of our advice. Accordingly, we are considered suitable to give independent advice to the Independent Board Committee in respect of the Offer in compliance with Rule 2.6 of the Takeovers Code.

In the last two years, save for this appointment as the Independent Financial Adviser in respect of the Offer and the independent financial adviser to independent board committee and independent shareholders of the Company regarding the connected transaction in relation to issue of new Shares under specific mandate for debt capitalisation and application for whitewash waiver (the "Previous Appointment"), the details of which are set out in the circular of the Company dated 4 April 2024 the ("Debt Capitalisation Circular"), we have not acted as any financial adviser role to the Company and the Offeror.

Apart from the normal professional fees paid to us in relation to the current appointment as the Independent Financial Adviser and the Previous Appointment, no arrangements exist whereby we have received or will receive any fees or benefits from the Company, the Offeror or other parties that could reasonably be regarded as relevant to our independence. The aggregate professional fees paid to/to be paid to us do not make up a significant portion of our revenue during the relevant period which would affect our independence. Accordingly, we consider that we are independent to act as the Independent Financial Adviser in respect of the Offer.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee, we have relied on the statements, information, opinions and representations contained or referred to in the Composite Document and the information and representations as provided to us by the Directors, the management of the Company (the "Management") and the Offeror (where applicable). We have assumed that all information and representations that have been provided by the

Directors, the Management and the Offeror (where applicable), for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date, and should there be any material changes to our opinion after the Latest Practicable Date, Shareholders would be notified as soon as possible.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors and the Offeror (where applicable) in the Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, the Management and the Offeror (where applicable), which have been provided to us. Our opinion is based on the Directors', the Management's and the Offeror's representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Offer.

The Directors (excluding Mr. Zhong Jian) jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than that relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document the omission of which would make any statement in the Composite Document misleading.

The sole director of the Offeror accept full responsibility for the accuracy of the information contained in the Composite Document (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in the Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document the omission of which would make any statement in the Composite Document misleading.

We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Composite Document, save and except for this letter of advice. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information, opinions, or representations given or made by or on behalf of the Company or the Offeror, nor conducted any independent in-depth investigation into the business and affairs of the Company, the Offeror or their respective subsidiaries or associates (if applicable), nor have we considered the taxation implication on the Group or the Shareholders as a result of the Offer. The Company has been separately advised by its own professional advisers with respect to the Offer and the preparation of the Composite Document (other than this letter).

We have assumed that the Offer will be consummated in accordance with the terms and conditions set forth in the Composite Document without any waiver, amendment, addition or delay of any terms or conditions. We have assumed that no delay, limitation, condition or restriction will be imposed in connection with the Offer that would have a material adverse effect on the contemplated benefits expected to be derived from the Offer. In addition, our opinion is necessarily based on the financial, market, economic, industry-specific and other conditions as they existed on, and the information made available to us as at the Latest Practicable Date. The Offer Shareholders will be notified of any material changes (including changes to our opinions, advices and recommendations) as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

In the event of inconsistency, the English text of this letter shall prevail over the Chinese translation of this letter.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in relation to the Offer, we have taken into account the following principal factors and reasons:

1. Information of the Group

1.1 Background information of the Group

The Group is principally engaged in the supply of construction essentials business in the PRC since 2017, which primarily consisted of two major businesses, namely (i) the supply of building materials business; and (ii) the supply of aluminum related products business, which are part of the construction supply chain.

1.2 Financial information of the Group

Set out below is a summary of (i) the audited financial information of the Group for each of the two financial years ended 31 December 2023 and 2022 (the "FY2023" and "FY2022", respectively) as extracted from the annual report of the Company for FY2023 (the "2023 Annual Report"); and (ii) the unaudited financial information of the Group for each of the six months ended 30 June 2024 and 2023 (the "1H2024" and "1H2023",

respectively) as extracted from the interim report of the Company for 1H2024 (the "2024 Interim Report").

	1H2024 <i>HK</i> \$'000 (unaudited)	1H2023 <i>HK</i> \$'000 (unaudited)	FY2023 <i>HK</i> \$'000 (audited)	FY2022 <i>HK\$'000</i> (audited)
Revenue	227,376	242,428	531,504	269,577
(Loss)/profit before income tax	(84,234)	8,199	(14,765)	(248,719)
(Loss) for the period/year attributable to owners of the Company	(92,387)	(2,500)	(35,750)	(257,028)
Gross profit margin	6.8%	8.4%	7.8%	6.2%
		НК	As at D June 3 2024 (\$'000 idited)	As at 1 December 2023 HK\$'000 (audited)
Bank and cash balances			19,850	28,027
Current assets		24	47,660	210,465
Current liabilities		3:	52,498	364,539
Non-current assets		:	87,368	94,139
Non-current liabilities			9,084	3,949
Net deficit attributable to own	ners of the	(4	46,686)	(79,680)

The Group recorded an increase in consolidated revenue of approximately HK\$261.9 million, or approximately 97.1%, from approximately HK\$269.6 million in FY2022 to approximately HK\$531.5 million in FY2023. The increase was mainly attributable to the establishment of Hangzhou Junheng Building Materials Company Limited* (杭州峻衡建 材有限公司) ("Hangzhou Junheng") in October 2022, which (i) is principally engaged in the supply of building materials to construction and renovation projects in the PRC and

(ii) contributed significantly to the Group's FY2023 revenue (i.e. it started generated revenue shortly after its establishment in October 2022). The Group has the advantage of sourcing building materials at a competitive price and favourable credit terms, the Group's revenue generated from supply of building materials have substantially improved since the establishment of Hangzhou Junheng.

The consolidated loss for the year attributable to owners of the Company decreased by approximately HK\$221.2 million, or approximately 86.1%, from approximately HK\$257.0 million in FY2022 to approximately HK\$35.8 million in FY2023. As per the 2023 Annual Report, such decrease was mainly attributable to there was an impairment loss on loan and interest receivables of approximately HK\$215.3 million provided in FY2022 due to the Company considered that it was uncertain as to whether the Group may recover the relevant loan receivable and interest receivable since the court in Shenzhen, the PRC considered the Group, as the plaintiff, could not provide sufficient evidence to support Shenzhen Aquatic Products Co., Ltd* (深圳市水產有限公司) ("Shenzhen Aquatic") is liable for the repayment of the relevant loan receivable and interest receivable, and the Group has no right to claim the repayment of the loan receivable and interest receivable from Shenzhen Aquatic, details of which was set out in the 2023 Annual Report, while there was no such impairment loss provided in FY2023.

The Group recorded a slight decrease in consolidated revenue of approximately HK\$15.0 million, or approximately 6.2%, from approximately HK\$242.4 million in 1H2023 to approximately HK\$227.4 million in 1H2024. Such decrease was mainly attributable to the decrease in revenue generated from the supply of building materials business.

The consolidated loss for the period attributable to owners of the Company increased by approximately HK\$89.9 million, or approximately 36 times, from approximately HK\$2.5 million for 1H2023 to approximately HK\$92.4 million for 1H2024. As per the 2024 Interim Report, the increase was mainly attributable to (i) the one-off loss on debt capitalisation (details of which re set out in the Debt Capitalisation Circular) of approximately HK\$80.7 million during 1H2024 as a result of debt capitalisation of aggregate indebted amount of approximately HK\$44.9 million owed by the Company and allotment and issue of 896,993,536 capitalisation shares at the issue of price of HK\$0.05 per capitalization share in June 2024; (ii) the decrease in gross profit of approximately HK\$4.8 million which was mainly due to expansion of the Group's client portfolio leading to a lower gross profit margin for sales of building materials in 1H2024; and (iii) there was a fair value loss on investment properties of approximately HK\$4.6 million in 1H2024 while there was no such fair value loss in 1H2023.

The Group recorded increase in current assets by approximately HK\$37.2 million, or approximately 17.7%, from approximately HK\$210.5 million as at 31 December 2023 to approximately HK\$247.7 million as at 30 June 2024 which was mainly attributable to (i) the increase in trade receivables of approximately HK\$19.4 million; (ii) the increase in deposits, prepayments and other receivables of approximately HK\$16.7 million; and (iii) the increase in inventories of approximately HK\$9.2 million, and partially offset by the decrease in bank and cash balances of approximately HK\$8.2 million.

The Group recorded decrease in current liabilities by approximately HK\$12.0 million, or approximately 3.3%, from approximately HK\$364.5 million as at 31 December 2023 to approximately HK\$352.5 million as at 30 June 2024 which was mainly attributable to (i) the decrease in current-portion of shareholders' loans of approximately HK\$11.4 million; (ii) the decrease in current-portion of loans from fellow subsidiaries of approximately HK\$29.6 million; and (iii) the decrease in current-portion of loans from related parties of approximately HK\$3.9 million, and partially offset by (i) the increase in trade and other payables of approximately HK\$22.2 million; and (ii) the increase in contract liabilities of approximately HK\$13.8 million.

The Group's current ratio stood at approximately 0.7 as at 30 June 2024, indicating that current liabilities exceed current assets, which suggests potential liquidity issues; additionally, the Group experienced a net cash used in operating activities of approximately HK\$13.9 million in 1H2024, as compared with a net cash from the operating activities of approximately HK\$9.9 million in 1H2023, resulting in a 29.2% decrease in bank and cash balances as at 30 June 2024

The Group recorded decrease in non-current assets by approximately HK\$6.8 million, or approximately 7.2%, from approximately HK\$94.1 million as at 31 December 2023 to approximately HK\$87.4 million as at 30 June 2024 which was mainly attributable to the decrease in investment properties of approximately HK\$6.8 million.

The Group recorded increase in non-current liabilities by approximately HK\$5.2 million, or approximately 133.3%, from approximately HK\$3.9 million as at 31 December 2023 to approximately HK\$9.1 million as at 30 June 2024 which was mainly attributable to (i) the increase in non-current portion of shareholders' loans of approximately HK\$1.6 million; (ii) the increase in non-current portion of loans from fellow subsidiaries of approximately HK\$2.9 million; and (iii) the increase in non-current portion of loans from related parties of approximately HK\$0.5 million.

The net deficit attributable to owners of the Company decreased by approximately HK\$33.0 million, or approximately 41.1%, from approximately HK\$79.7 million as at 31 December 2023 to approximately HK\$46.7 million as at 30 June 2024 which was mainly attributable to the issuance of Shares upon completion of the debt capitalisation which took place on 3 June 2024 as per the Company's announcement on the same date.

Apart from the above, we also note from the past annual reports of the Company that its financial performance has been consistently poor over the years, as it has recorded losses attributable to the owners of the Company over the past ten years, being the financial year of 2014 to the financial year of 2023, ranging from approximately HK\$14.5 million recorded for the year ended 31 December 2018 to approximately HK\$357.8 million for the year ended 31 December 2021. This resulted in erosion of the net assets attributable to owners of the Company from approximately HK\$626.6 million as at 31 December 2014 to approximately 221.1 million as at 31 December 2021, and further erosion into net deficit attributable to owners of the Company of approximately 44.7 million as at 31 December 2022. The net deficit attributable to owners of the Company amounts to approximately HK\$79.7 million as at 31 December 2023.

1.3 Prospects and outlook of the PRC construction and construction material market

The Group does not sell any products outside the PRC and generates revenue solely within the PRC. According to data published by the National Bureau of Statistics (國家統計局) of the PRC:

- (i) The cumulative value of completed housing construction area in the PRC (in terms of square meters) has experienced a significant decline over the past few years, dropping by approximately 10.9% from approximately 385,587.90 million square meters recorded in the fourth quarter of 2023 to approximately 343,725.47 million square meters recorded in the fourth quarter of 2024. This downward trend is evident as the figures have decreased from approximately 405,477.25 million square meters recorded in the fourth quarter of 2022 and approximately 408,027.52 million square meters recorded in the fourth quarter of 2021 indicating a downward trajectory.
- (ii) The cumulative monetary value of real estate investment in the PRC has sharply declined over the past two years. By December 2024, cumulative investment reached approximately RMB100,280.21 million, down from approximately RMB110,912.88 million in December 2023 and approximately RMB132,895.41 million in December 2022. This marks a decrease of approximately 9.8% from 2023 to 2024 and a significant decrease of approximately 24.5% from 2022 to 2024. This downward trend signals significant challenges within the real estate sector, highlighting issues such as tightening policies. For example, the Three Arrows' policies introduced in November 2022 aimed to unblock financing channels, which includes three financing channels: credit, bond and equity, for China's domestic property development sector, for example (a) the People's Bank of China would provide interest-free relending loans to six commercial banks to guarantee the delivery of property projects; (b) expanding the central bank-backed debt financing tools to include private companies' bond financing and property developers; and (c) mergers, acquisitions, restructuring, support for financing, and refinancing would resume for eligible listed companies in the

property sector, and were designed to ease liquidity pressures on China's real estate sector. Despite these efforts, the market continued to face significant challenges. Furthermore, the continuous decrease in real estate investment may have negative implications for upstream sectors such as construction contractors and their suppliers of construction materials (i.e. the principal business of the Group), intensifying the economic challenges faced by these players in the PRC.

(iii) Fixed asset investment growth in the PRC has experienced a substantial decline, falling from approximately 5.1% in December 2022 to approximately 3.2% in December 2024. This decline highlights a troubling trend in the economy, as the cumulative growth rate has consistently weakened over the past year. Notably, investment growth has dropped from approximately 4.2% in February 2024 to approximately 3.2% by December 2024, reflecting diminishing confidence among investors and a slowdown in economic activity. Such decline in the growth rate, while still positive, raises concerns about the future viability of infrastructure and development projects, potentially stalling economic recovery efforts.

According to the announcement titled "2024年10月建築材料行業運行情況簡 報(Summary on the operation of the building materials industry in October 2024)" published by the中國建築材料聯合會(China Building Materials Federation) (which is under the leadership of the Social Work Department of the CPC Central Committee and currently has more than 1,500 members, composed of various enterprises and institutions engaged in building materials manufacturing, research and development, circulation, education, planning, standards, testing, certification, exhibition, trade, media, construction, and other fields) on 3 January 2025, the revenue of large-scale construction materials enterprises declined by approximately 12.9% from January to October 2024. This decline was consistent with the rate observed from January to September 2024. Additionally, total profits during this period fell by approximately 54.4%, though this decrease was approximately 1.9% less than in the previous period. Several sectors, including cement, concrete, cement products, gypsum, clay and sand mining, building stones, mineral fibers, and composite materials, experienced significant reductions in profit margins. The revenue decline rate for cement, concrete and cement products, and construction stone industries also narrowed compared to September 2024. In contrast, the mineral fiber and composite materials sectors saw revenue growth, while light building materials, stone processing, and mica products continued to report year-on-year profit increases as compared with the period between January and October 2023. In October 2024, the value added in the non-metallic mineral products sector experienced a year-onyear decline of approximately 2.6%, which was an improvement compared to an approximately 1.2% reduction in September 2024. However, from January to October 2024, the cumulative year-on-year value added in the non-metallic mineral products sector fell by approximately 1.4%.

Moreover, according to the announcement titled "2024年5月建築材料行業運行情況簡報" published by the中國建築材料聯合會(China Building Materials Federation) on 29 June 2024, the large-scale construction materials industry saw only a modest year-on-year growth of approximately 0.2% from January to May 2024. This represents an approximately 0.4% decline compared to the previous period and is approximately 6.0% lower than the national industrial growth rate. Since March 2024, the monthly growth rate of value added in the construction materials sector has declined for three consecutive months. Cement production alone reached approximately 690 million tons, down by approximately 9.8% year-on-year. From January to May 2024, factory prices in the construction materials industry fell by approximately 8.1% compared to the previous period. Of the 13 sub-sectors within the industry, 10 reported year-on-year declines in factory prices.

In conclusion, considering that (i) the cumulative value of completed housing construction area in the PRC has experienced a significant decline over the past few years; (ii) real estate investment in the PRC has fallen by approximately 24.5% from approximately RMB132,895.41 million recorded in December 2022 to approximately RMB100,280.21 million recorded in December 2024, according to the National Bureau of Statistics (國家統計局) of the PRC, indicating significant challenges from tightening policies and reduced market demand; and (iii) the construction materials sector is facing widespread revenue declines and production reductions, we are of the view that the outlook for the Group's existing principal business and the PRC's construction and construction material industries as a whole are uncertain and volatile.

2. Information of the Offeror

2.1 Background information of the Offeror and parties acting in concert with it

The Offeror is wholly-owned by Mr. Wu. Mr. Wu, aged 67, has extensive management experience in construction and engineering industry. He is the founder and chairman of Zhejiang Zhongnan Construction Group Co., Ltd, a company established in 1984 principally engaged in construction and engineering services in the PRC. Mr. Wu is the ultimate beneficial owner of Hangzhou Zhongji Architectural Decoration Engineering Co., Ltd. (杭州中機建築装飾工程有限公司), which holds 40% of Hangzhou Junheng Building Materials Limited (杭州峻衡建材有限公司), a subsidiary of the Company since 20 October 2022, as disclosed in the announcement of the Company dated 31 October 2022.

Mr. Wu has won many honors, including Hangzhou Model Worker, Hangzhou Outstanding Contribution to Literature and Art, Outstanding Township Entrepreneur of Zhejiang Province, Chinese Township Entrepreneur, and National Outstanding Entrepreneur of Architectural Decoration. Mr. Wu served as a member of the 10th Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議浙江省委員會) and a representative of the 12th and 13th

Hangzhou Municipal People's Congress (浙江省人民代表大會). Mr. Wu is currently the Chairman of the Advisory Committee of the Zhejiang Federation of Industry and Commerce, the Chairman-in-office of the Zhejiang Entrepreneurs Association, Vice Chairman of the China Private Economy Research Association, a member of the National Standardization Working Committee of the All-China Federation of Industry and Commerce, the Executive Chairman of the China Cultural Chamber of Commerce for the Private Sector, the Vice Chairman of the China Building Decoration Association, and the Executive Chairman of the Zhejiang Development Association for the Private Sector.

Immediately prior to the entering into of the Sale and Purchase Agreements, none of the Offeror, its ultimate beneficial owner and their respective parties acting in concert owned any Shares or any other convertible securities, options, warrants or derivatives in the Company.

Immediately following the Completion and as at the Latest Practicable Date, the Offeror, its ultimate beneficial owner and their respective parties acting in concert own 709,045,226 Shares, representing approximately 49.26% of the existing issued share capital of the Company as at the Latest Practicable Date.

Despite that Mr. Wu (i) has extensive management experience in construction and engineering industry, (ii) is a minority shareholder of a subsidiary of the Company since 2022, and (iii) is optimistic about the future prospects of the Company and the business of the supply of building materials and aluminum related products in the PRC, it appears that Mr. Wu has no business development plan on the Group as at the Latest Practicable Date.

2.2 Future intentions of the Offeror regarding the Group

Mr. Wu is optimistic about the future prospects of the Company and the business of the supply of building materials and aluminum related products in the PRC. Accordingly, Mr. Wu considers the investment in the Company through the Offeror represents a good opportunity to gain a strong position in the domestic market of building materials and aluminum related products and achieve long-term value and strong returns.

The Offeror intends to continue the principal business of the Group. The Offeror has no intention to discontinue the employment of any employees of the Group nor introduce major changes in the business of the Group nor re-deploy the fixed assets of the Group other than in the ordinary course of business. As at the Latest Practicable Date, the Offeror has no intention, understanding, negotiation or arrangement (concluded or otherwise) to downsize, to dispose of or to cease the existing business of the Group.

The Offeror will, following the close of the Offer, review the operations of the Group from time to time in order to enhance a long-term growth potential for the Group and explore other business or investment opportunities for enhancing its future development and strengthening its revenue base. The Offeror may explore other business

opportunities for the Company and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company. As at the Latest Practicable Date, the Offeror has not identified any such investment or business opportunities nor has entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Board currently comprises three executive Directors, namely Mr. Li Gang (Chairman), Mr. Pan Lihui and Mr. Cao Zhongshu; two non-executive Directors, namely Mr. Jiang Senlin and Ms. Wu Wenling; and three independent non-executive Directors, namely Mr. Zhong Jian, Mr. Pan Yongye and Mr. Liu Qin.

The Offeror intends to nominate new Director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror had not identified any candidate(s) for the new Director(s) to be appointed to the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

2.3 Public float and maintain the listing status of the Company

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) that there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new directors to be appointed to the Board of the Company (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

2.4 Our view

Having considered that (i) the Offeror had no intention to make material changes to the employment of the employees of the Group; (ii) the intention of the Offeror is that the Company's existing principal activities will be maintained, and at the same time, following the close of the Offer, the Offeror will review the operations of the Group from time to time in order to enhance a long-term growth potential for the Group and explore other business or investment opportunities for enhancing its future development and strengthening its revenue base, as at the Latest Practicable Date, no investment or business opportunity had been identified; and (iii) the Offeror had no intention to dispose or re-deploy the assets of the Group other than those in its ordinary and usual course of business, we expect that there would not be substantial change in the principal business activities of the Group as a direct result of the Offer.

3. Principal terms of the Offer

As disclosed in the "Letter from Beta Securities" in the Composite Document, Beta Securities, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following basis:

The Offer Price of HK\$0.05 per Offer Share is equal to the purchase price per Sale Shares paid by the Offeror under the Sale and Purchase Agreements.

All the Offer Shares to be acquired under the Offer shall be (i) fully-paid; (ii) free from mortgage, charge, pledge, lien (otherwise than arising by statutes or operation of law), equities or other third party rights and interests of any nature; and (iii) with all rights attached to the Shares including all rights to any dividends and other distributions hereafter declared, paid or made, if any, on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

The Directors (excluding Mr. Zhong Jian) confirm that, as at the Latest Practicable Date, the Company has not declared any dividend that is unpaid and does not intend to declare or pay any dividend or make other distributions on or before the close or lapse of the Offer.

Condition to the Offer

The Offer is conditional on the number of Shares in respect of valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide), together with the Shares already owned by the Offeror and parties acting in concert with it and acquired or agreed to be acquired before or during the Offer Period, resulting in the Offeror and parties acting in concert with it holding in aggregate more than 50% of the voting rights of the Company. This Condition cannot be waived.

If the Condition cannot be fulfilled by the Closing Date, the Offer will lapse unless the Closing Date is extended. The Offeror will issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of the condition to the Offer in accordance with the Takeovers Code and the Listing Rules. As at the Latest Practicable Date, the Condition has not been fulfilled.

Comparisons of value of the Offer Price

The Offer Price of HK\$0.05 per Offer Share represents:

- (i) a discount of approximately 13.79% to the closing price of HK\$0.058 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 24.24% to the closing price of HK\$0.066 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 18.03% to the average closing price of HK\$0.061 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 20.38% to the average closing price of HK\$0.0628 per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day;
- (v) a price difference of approximately HK\$0.094 as compared to the audited consolidated net liabilities of approximately HK\$0.044 per Shares as at 31 December 2023, which is calculated based on the Group's audited consolidated net liabilities of the Company of approximately HK\$63,884,000 as at 31 December 2023 and 1,439,385,743 Shares in issue as at the Latest Practicable Date; and
- (vi) a price difference of approximately HK\$0.068 as compared to the unaudited consolidated net liabilities of the Company of approximately HK\$0.018 per Share as at 30 June 2024, which is calculated based on the Group's unaudited consolidated net liabilities of the Company of approximately HK\$26,554,000 as at 30 June 2024 and 1,439,385,743 Shares in issue as at the Latest Practicable Date.

4. Value and total consideration of the Offer

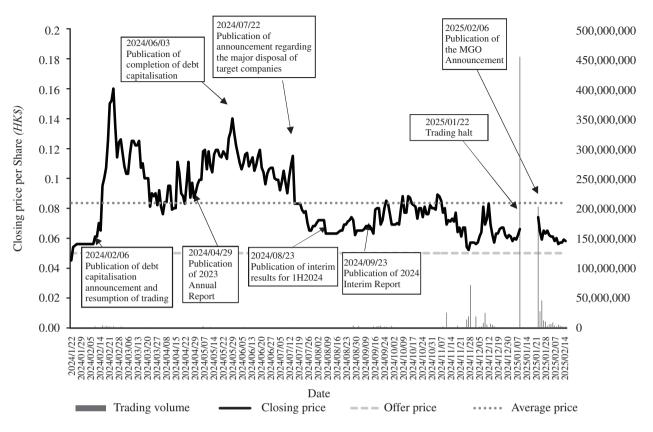
As at the Latest Practicable Date, the Company had 1,439,385,743 Shares in issue. On the basis of the Offer Price of HK\$0.05 per Share, the entire issued ordinary share capital of the Company would be valued at approximately HK\$71.97 million.

Immediately after the Completion and as at the Latest Practicable Date, save for (i) the 709,045,226 Shares held by the Offeror; and (ii) the 134,597,737 Shares held by the WIFHL Concert Group, of which the WIFHL Concert Group has irrevocably undertaken not to accept the Offer, and assuming the Offer is accepted in full and assuming that there is no change in the total issued share capital of the Company up to the close of the Offer, a total of 595,742,780 Shares (representing approximately 41.39% of the total issued share capital of the Company as at the Latest Practicable Date) will be subject to the Offer. The maximum cash consideration payable by the Offeror under the Offer would be HK\$29,787,139 based on the Offer Price of HK\$0.05 per Offer Share.

5. Historical price and trading volume of the Shares

Set out below is the historical price performance of the Shares as quoted on the Stock Exchange during (i) the one-year period prior to the Last Trading Day; and (ii) the period from the Last Trading Day up to the Latest Practicable Date (the "Review Period"). We consider that the Review Period is appropriate as (i) it reflects the general trend and recent market valuation of the Shares; (ii) a shorter period (e.g. 6 months) may not sufficiently illustrate a meaningful historical trend for a proper assessment; and (iii) a longer period (e.g. 2 years) may have been too distant in time making such historical trend less relevant within the context of the Offer and with reference to the dynamic financial markets.

5.1 Historical price performance of the Shares



Source: website of the Stock Exchange

Notes:

- 1. Trading in Shares was halted from 9:00 a.m. on 22 January 2025 and resumed at 9:00 a.m. on 7 February 2025.
- 2. The MGO Announcement was published on the 6 February 2025 (after trading hours).
- 3. The SPA Completion Announcement was published on 7 February 2025 (after trading hours).

Throughout the Review Period, the closing price of the Shares experienced notable fluctuations roughly between HK\$0.045 on 22 January 2024 and HK\$0.160 on 26 February 2024. Notably, the Offer Price of HK\$0.05 consistently remained below the observed trading prices during the Review Period. During the Review Period, the Offer Price of HK\$0.05 is higher than the closing prices of the Shares for one trading day out of the total of 271 trading days during the Review Period.

Following the announcement of debt capitalisation on 6 February 2024, the share prices rose significantly, increasing from HK\$0.056 on 7 February 2024, to HK\$0.160 on 26 February 2024, before gradually declining to HK\$0.076 by 8 April 2024.

After the release of the 2023 Annual Report on 29 April 2024, the share prices increased again, rising from HK\$0.097 on 30 April 2024, to HK\$0.140 on 3 June 2024. However, after the publication of completion announcement regarding the debt capitalisation, the share prices began to trend downward, reaching HK\$0.066 on 21 January 2025.

In light of (i) the historical price performance of the Shares during the Review Period; (ii) the discount of approximately 24.24%, 18.03%, and 20.38% represented by the Offer price of the Shares to the closing price of the Shares on the Last Trading Day, the average closing price for the last five (5) and thirty (30) consecutive trading days up to and including the Last Trading Day, respectively; and (iii) while the share price has exhibited volatility, it has consistently traded above the Offer Price, we are of the view that the Offer Price is unattractive and therefore, not fair and reasonable when compared to historical price performance.

5.2 Average daily trading volume for each month during the Review Period

The table below sets out the average daily trading volume of the Shares and the percentages of average daily trading volume to the total number of issued Shares and Shares held by public Shareholders, respectively, during the Review Period:

				Average daily
				trading
			Average daily	volume of the
			trading	Shares to the
		Average daily	volume of the	total number
		trading	Shares to the	of issued
	N 1 C	volume of the	total number	Shares held
D : 1/M /1	Number of	Shares per	of issued	by the public
Period/Month	trading day	month	Shares ²	Shareholders ³
		(approximate)	(approximate)	(approximate)
2024				
January (Starting from commencement of				
the Review Period)	8	128,935	0.009%	0.022%
February	19	1,056,297	0.073%	0.177%
March	20	339,640	0.024%	0.057%
April	20	132,705	0.009%	0.022%
May	21	477,805	0.033%	0.080%
June	19	193,297	0.013%	0.032%
July	22	130,270	0.009%	0.022%
August	22	47,748	0.003%	0.008%
September	19	909,637	0.063%	0.153%
October	21	419,470	0.029%	0.070%
November	21	1,712,345	0.119%	0.287%
December	20	9,032,452	0.628%	1.516%
2025				
January ¹	19	24,062,863	1.672%	4.039%
February (up to the Latest				
Practicable Date)	20	17,049,747	1.185%	2.862%

Source: website of the Stock Exchange

Notes:

- 1. Trading in the Share was halted on 22 January 2025 due to pending of publication of the MGO Announcement.
- 2. Based on 1,439,385,743 Shares in issue immediately as at the Latest Practicable Date.
- 3. Based on 595,742,780 Shares held by the public Shareholders as at the Latest Practicable Date.

During the Review Period, the average daily trading volume ranged from approximately 47,748 Shares (in August 2024) to approximately 24,062,863 Shares (in January 2025), representing approximately 0.009% to 1.672% of the total number of issued Shares, and representing approximately 0.022% to 4.039% of the total number of issued Shares held by public Shareholders as at the end of the respective month/period. It is noted that the highest trading volume occurred on 21 January 2025, representing approximately 31.5% of the total number of issued Shares. We have discussed with Management and were informed that they were not aware of any particular reason that led to such higher trading volume on those dates as no particular news was announced by the Group immediately before the dates. Save and except for December 2024 and January 2025, the average daily trading volume of the Shares was below 0.287% of the total number of issued Shares held by public Shareholders from time to time during the entire Review Period indicating generally thin trading volume for the Shares.

In view of the above, while the Offer presents an opportunity for Independent Shareholders to dispose of a significant number of Shares without exerting downward pressure on the market price, it is important to note that the Offer Price of HK\$0.05 is lower than the recent market prices observed during the Review Period. As such, Shareholders may find the Offer less attractive in comparison to prevailing market levels if the Shareholders could be able to dispose of their Shares in the open market amid the thin trading volume of the Shares such that the net proceeds obtained from such disposal of the Shares (after deducting all transaction costs) would be higher than the net proceeds under the Offer.

6. Comparable analysis on the terms of the Offer

In assessing the fairness and reasonableness of the Offer, we have performed a comparable analysis on the terms of the Offer, we compared the price-to-earnings ratio ("PE Ratio"), the price-to-book ratio ("PB Ratio") and the price-to-sales ratio ("PS Ratio") of the Company implied by the Offer Price with other listed companies in Hong Kong with business similar to that of the Company. PE Ratio, PB Ratio and PS Ratio are the commonly used valuation benchmarks in assessing the valuation of a company since the data for calculating these ratios can be obtained directly from publicly available information and reflect the value of the company determined by the open market. However, given that (i) the Group recorded loss for the year attributable to the owners of the Company for FY2023, which is the latest full financial year prior to publication of the MGO Announcement; and (ii) the Group recorded a deficit as at 30 June 2024, PE Ratio and PB Ratio are not applicable and we can only rely on the remaining PS Ratio for our comparable analysis. The PS Ratio is a valuation metric that compares the stock price of a business to its revenue and is measure of how much the financial markets value each dollar of a company's sales or profits. The PS Ratio also indicates how much money investors are ready to pay for a stock per dollar of sales. Accordingly, despite the PE Ratio and the PB Ratio of the Group are both not available, we consider the only ratio, i.e. the PS Ratio is still a relevant indicator for assessing the Offer Price.

Given that (i) the Group is principally engaged in the supply of construction essentials business in PRC; and (ii) the market capitalisation of the Company was approximately HK\$95.0 million as at the Last Trading Day (based on the total issued shares of 1,439,385,743 Shares and the closing price of Share as at the Last Trading Day, HK\$0.066), for the purpose of our comparable analysis, we have identified comparable companies based on the following criteria: (i) the shares of which are listed on the Stock Exchange; (ii) engages in principal business similar to those of the Group and generated all of its revenue for the latest completed financial year from the PRC; and (iii) are of comparable size to the Company with closing market capitalisation as at the Last Trading Day of up to HK\$200 million. Based on the such criteria, we have identified, to the best of our knowledge, an exhaustive list of 4 comparable companies (the "Comparable Companies").

The Comparable Companies were selected exhaustively with a 100% coverage of all suitable Comparable Companies satisfying the above selection criteria under an unbiased selection process. Although there are differences in financial conditions, target customers and market capitalisation between the Company and the Comparable Companies, in light of that the Comparable Companies are engaged in similar principal activities and listed on the Stock Exchange, they are likely to be influenced by similar macro-economic factors as the Group including, but not limited to, economic outlook and demand for construction essentials. In light of the above, we are of the view that the Comparable Companies are a fair and representative sample and can serve as a reference to the fairness and reasonableness of the Offer Price.

The following table sets out our analysis on the Comparable Companies:

No.	Company name	Stock code	Principal Business	Market capitalisation as at Last Trading Day (HK\$'million) (note 1)	Revenue of the respective Comparable Company/ Company in the latest financial year (HK\$'million) (note 2)	PS Ratio (times) (note 3)
1	Sunway International Holdings Ltd.	00058.HK	Principally engaged in manufacturing and trading of pre-stressed high-strength concrete piles, ready-mixed concrete, autoclaved sand-lime bricks, aerated concrete products and eco-concrete products	78.7	246.5	0.32

YCIH Green O1847.HK Principally engaged in the High-Performance Concrete Co transportation and pumping of ready-mixed concrete as well as providing quality and technology management service in the PRC 3 Huaibei GreenGold Industry Investment Co Ltd 4 Tailam Tech Construction Construction O6193.HK Principally engaged in the manufacturing and sale Construction Frincipally engaged in the manufacturing and sale (note 2) (note 2) (note 3) (note 3) 1,518.2 0.03
High- Performance production, sales, Concrete Co Ltd pumping of ready-mixed concrete as well as providing quality and technology management service in the PRC 3 Huaibei O2450.HK Primarily engaged in the GreenGold Industry Construction material products 4 Tailam Tech Construction Construction Construction Construction Construction Construction Construction Mevelopment, production and sales, transportation and technology management service in the PRC 138.6 313.9 0.44 138.6 313.9 0.44 76.0 264.6 0.29 76.0 264.6 0.29
GreenGold production and sales of construction material Investment Co Ltd 4 Tailam Tech 06193.HK Principally engaged in the Construction manufacturing and sale
Construction manufacturing and sale
Holdings of PHC piles, Ltd commercial concrete and ceramsite concrete block in the PRC
Minimum 0.03
Maximum 0.44
Average 0.27
Median 0.30
The Offer/The 71.97 531.50 0.14
Company (note 4) (note 5)

Source: website of the Stock Exchange and the annual/interim reports of the Comparable Companies

Notes:

- 1. Based on the closing price of the share of the respective Comparable Company as quoted on the Stock Exchange as at the Last Trading Day and their respective issued shares (excluding treasury shares) as quoted on the latest published monthly return available on the website of the Stock Exchange.
- 2. Based on the figures from respective Comparable Companies' latest published annual reports.

- 3. The figures are calculated based on the market capitalisation of the respective Comparable Company (please refer to note 1 above) divided by the revenue of the respective Comparable Company in the latest financial year.
- 4. Being the market capitalisation of the Company implied by the Offer Price.
- 5. The figure is calculated by dividing the market capitalisation of the Company implied by the Offer Price and the revenue of the Company for FY2023 from the 2023 Annual Report.

As shown above, the PS Ratios of the Comparable Companies ranged from approximately 0.03 times to approximately 0.44 times (the "PS Ratio Range"), with an average of 0.27 times and a median of approximately 0.30 times. The PS Ratio of the Company implied by the Offer Price of approximately 0.14 times falls within the PS Ratio Range, but lower than both the average and median of PS Ratios of the Comparable Companies. Based on the results of the above comparable analysis, the Offer Price is not attractive in this regard.

7. Irrevocable Undertaking

Immediately after the entering into of the Sale and Purchase Agreements and as at the Latest Practicable Date, the WIFHL Concert Group holds 134,597,737 Remaining Shares, representing approximately 9.35% of the issued share capital of the Company.

On 21 January 2025, each of the member of the WIFHL Concert Group entered into the Irrevocable Undertaking pursuant to which they have had irrevocably undertaken to and covenanted with the Offeror that (i) they will not accept the Offer; and (ii) they will remain as the legal and beneficial owner of the 134,597,737 Remaining Shares, representing approximately 9.35% of the issued share capital of the Company as at the Latest Practicable Date, during the period commencing on the date of the Irrevocable Undertaking and ending on the Completion up to and including the Closing Date. Such irrevocable undertaking will cease upon the close of the Offer.

RECOMMENDATION

Notwithstanding that:

- (i) the Offer Price appeared to be unattractive when compared to historical price performance, as it represents a discount of 24.24%, 18.03%, and 20.38% to the closing price of the Shares on the Last Trading Day and, the average closing price of the Shares for the last five (5) and thirty (30) consecutive trading days up to and including the Last Trading Day, respectively; and
- (ii) the implied PS Ratio of the Offer Price is below both the average and median of those commanded by the Comparable Companies, and therefore appeared to be not attractive in this regard,

we have also considered all the below factors as a whole, in particular that:

- (i) the Offer Price represents a price difference of approximately HK\$0.068 as compared to the unaudited consolidated net liabilities of the Company of approximately HK\$0.018 per Share as at 30 June 2024;
- (ii) we consider the uncertainties in the future performance of the Group to be significant given that (a) there were net deficits attributable to owners of the Company of approximately HK\$79.7 million as at 31 December 2023 and approximately HK\$46.7 million as at 30 June 2024; (b) although the loss attributable to owners decreased from approximately HK\$257.0 million in FY2022 to approximately HK\$35.8 million in FY2023, this improvement was largely due to the absence of impairment losses in FY2023; (c) the revenue decreased by approximately HK\$15.0 million or 6.2%, from approximately HK\$242.4 million in 1H2023 to approximately HK\$227.4 million in 1H2024, while the loss attributable to owners surged to approximately HK\$92.4 million in 1H2024, a staggering increase of approximately 36 times compared to HK\$2.5 million in 1H2023, even when excluding the one-off loss on debt capitalisation of approximately HK\$80.7 million, the Group still recorded an adjusted loss attributable to owners of approximately HK\$11.7 million in 1H2024, more than triple the loss recorded in 1H2023, which was mainly driven by the decrease in gross profit of approximately HK\$4.8 million and a fair value loss on investment properties of approximately HK\$4.6 million; and (d) the Group's current ratio stood at approximately 0.7 as at 30 June 2024, indicating that current liabilities exceed current assets, which suggests potential liquidity issues; additionally, the Group experienced a net cash used in operating activities of approximately HK\$13.9 million in 1H2024, as compared with a net cash from the operating activities of approximately HK\$9.9 million in 1H2023, resulting in a 29.2% decrease in bank and cash balances as at 30 June 2024;
- (iii) the financial performance of the Group has been consistently poor over the years, as it has recorded losses attributable to the owners of the Company over the past ten years, being the financial year of 2014 to the financial year of 2023, ranging from approximately HK\$14.5 million recorded for the year ended 31 December 2018 to approximately HK\$357.8 million for the year ended 31 December 2021;
- (iv) despite that Mr. Wu (i) has extensive management experience in construction and engineering industry, (ii) is a minority shareholder of a subsidiary of the Company since 2022, and (iii) is optimistic about the future prospects of the Company and the business of the supply of building materials and aluminum related products in the PRC, it appears that Mr. Wu has no business development plan on the Group as at the Latest Practicable Date, leaving uncertainty as to the future prospect of the Group, whether the prolonged loss-making position could be turned around;
- (v) there were no dividends paid, declared or proposed by the Company since 2015;

- (vi) the outlook for the PRC's construction material market is uncertain and volatile given (a) the cumulative value of completed housing construction area in the PRC has experienced a significant decline of approximately 15.8% from approximately 408,027.52 million square meters recorded in the fourth quarter of 2021 to approximately 343,725.47 million square meters recorded in the fourth quarter of 2024; (b) the real estate investment has fallen by approximately 24.5% over the past two years, indicating significant challenges from tightening policies and reduced market demand; and (c) the construction materials sector is facing widespread revenue declines and production reductions, details of which was set out under the paragraph headed "1.3 Prospects and outlook of the PRC construction and construction material market" in this letter;
- (vii) even considering the recent surge in trading volume during January 2025 and February 2025, the Shares have exhibited generally low trading liquidity during the Review Period. Save and except for December 2024, January 2025 and February 2025, the average daily trading volume of the Shares was below 0.287% of the total number of issued Shares held by public Shareholders from time to time during the entire Review Period. This low liquidity indicates that Independent Shareholders with substantial holdings might face difficulties in realising their investments in the open market without exerting significant downward pressure on the market price; and
- (viii) despite that the implied PS Ratio of the Offer Price is below both the average and median of those commanded by the Comparable Companies, the implied PS Ratio of the Offer Price still falls within the PS Ratio Range and is considered fair and reasonable,

we are of the opinion that the Offer is, fair and reasonable so far as the Independent Shareholders are concerned, we would recommend the Independent Board Committee to advise the Shareholders to accept the Offer as a viable exit (especially those with substantial holdings of the Shares) given the above circumstances.

In view of the recent upsurge in the trading volume of the Shares since December 2024 and fluctuations in the trading price of the Shares, in particular the period after the publication of the MGO Announcement, the Shareholders, in particular, those with substantial holdings of the Shares, who would like to realise their investments in the Company are reminded to closely monitor the market trading price and liquidity of the Shares during the period prior to the latest time for acceptance of the Offer, currently being 4:00 p.m. on Monday, 24 March 2025, and should, having regard their own circumstances, consider disposing of their Shares in the open market, if the net proceeds obtained from such disposal of the Shares (after deducting all transaction costs) would be higher than the net proceeds under the Offer.

On the contrary, if Shareholders maintain an optimistic view on the business prospect and Share price performance of the Group, they may consider not to accept the Offer and maintain all or part of their Shares at their own discretion. The Shareholders, who wish to retain all or part of their investments in the Company, should carefully monitor the future plans in relation to the Company that may be implemented by the Offeror, and given the historically low liquidity of the Shares, take into consideration the potential difficulties in realising their investments in the Company at or higher than the Offer Price after the Closing Date.

As different Shareholders would have different investment criteria, objectives and/or circumstances, we would recommend any Shareholders who may require advice in relation to any aspect of the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, they would carefully read the procedures for accepting or not accepting the Offer as set out in the Composite Document, its appendices and the accompanying Form of Acceptance.

Yours faithfully,
For and on behalf of
Grand Moore Capital Limited
Philip Chau

Yours faithfully,
For and on behalf of
Grand Moore Capital Limited
Kevin So

Managing Director

Managing Director — Investment Banking Department

Note:

Mr. Philip Chau is a licensed person under the SFO to undertake types 1 and 6 regulated activities (dealing in securities and advising on corporate finance respectively) and is a responsible officer in respect of Grand Moore Capital Limited's type 6 regulated activity (advising on corporate finance). Mr. Chau has over 30 years of experience in banking and corporate finance in Hong Kong.

Mr. Kevin So is a licensed person under the SFO to undertake type 6 regulated activity (advising on corporate finance) and is a responsible officer in respect of Grand Moore Capital Limited's type 6 regulated activity (advising on corporate finance). Mr. So has over 20 years of experience in the corporate finance industry in Hong Kong.

1. PROCEDURES FOR ACCEPTANCE OF THE OFFER

- (a) To accept the Offer, you should complete and sign the Form of Acceptance in accordance with the instructions printed thereon, which forms part of the terms of the Offer. You should insert the total number of Shares for which the Offer is accepted. If no number is specified or if the total number of Shares specified in the Form of Acceptance is greater or smaller than that represented by the certificate of Shares tendered for acceptance of the Offer and you have signed the Form of Acceptance, your Form of Acceptance will be considered to be incomplete and accordingly, your acceptance of the Offer will be invalid. The Form of Acceptance will be returned to you for correction and re-submission. Any corrected Form of Acceptance must be re-submitted and received by the Share Registrar on or before the latest time of acceptance of the Offer.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Share Registrar, being Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in an envelope as soon as possible, and in any event no later than 4:00 p.m. on the First Closing Date or such later time(s) and/or date(s) as the Offeror may determine and the Offeror and the Company may jointly announce with the consent of the Executive in accordance with the Takeovers Code.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer (whether in full or in part), you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Share Registrar no later than 4:00 p.m. on the First Closing Date; or

- (ii) arrange for the Shares to be registered in your name through the Share Registrar, and deliver in an envelope the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Share Registrar no later than 4:00 p.m. on the First Closing Date; or
- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
- (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (d) If the share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed and signed and delivered in an envelope to the Share Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipts and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Share Registrar as soon as possible thereafter. If you have lost your share certificate(s), you should also write to the Share Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Share Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.

- (e) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope to the Share Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable instruction and authority to each of Beta Securities, the Offeror and/or any of their respective agent(s) to collect from the Company or the Share Registrar on your behalf the relevant share certificate(s) when issued and to deliver such certificate(s) to the Share Registrar and to authorise and instruct the Share Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Share Registrar with the Form of Acceptance.
- (f) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Share Registrar no later than 4:00 p.m. on the First Closing Date or such later time(s) and/or date(s) as the Offeror may determine and the Company and the Offeror may jointly announce with the consent of the Executive in accordance with the Takeovers Code and the Share Registrar has recorded that the Form of Acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
 - (i) accompanied by the relevant share certificate(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares and, if those share certificate(s) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in your favour executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Shareholder or his personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under the other subparagraph of this paragraph (f)); or
 - (iii) certified by the Share Registrar or the Stock Exchange.
- (g) If the Form of Acceptance is executed by a person other than the registered Shareholder, appropriate documentary evidence of authority (such as grant of probate or certified copy of power of attorney) to the satisfaction of the Share Registrar must be produced.

- (h) In Hong Kong, seller's *ad valorem* stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is the higher, will be deducted from the amount payable by the Offeror to the relevant Shareholders on the acceptance of the Offer. The Offeror will arrange for payment of the seller's *ad valorem* stamp duty on behalf of the Independent Shareholders who accept the Offer and will pay the buyer's *ad valorem* stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).
- (i) If the Offer is lapsed, the Offeror must, as soon as possible but in any event no later than seven (7) Business Days after the Offer is lapsed, return by ordinary post at the risk of the Shareholders the Share certificate(s) and/or transfer receipt(s) and or any other document(s) of title (and or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares tendered for acceptance together with the duly cancelled Form of Acceptance to the relevant Shareholder(s).
- (j) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares will be given.

2. SETTLEMENT OF THE OFFER

(a) Provided that a valid Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order in all respects and have been received by the Share Registrar by 4:00 p.m. on the First Closing Date, a cheque for the amount due to each of the Independent Shareholders who accepts the Offer less seller's stamp duty in respect of the Shares tendered by him/her/it under the Offer will be despatched to such Independent Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the later of (i) the date on which the duly completed and signed Form of Acceptance and the relevant documents of title in respect of such acceptances are received by the Share Registrar to render each such acceptance complete and valid; or (ii) the date when the Offer becomes or is declared unconditional.

- (b) Settlement of the consideration to which any Shareholder is entitled under the Offer will implemented in full in accordance with its terms (save in respect of the payment of the seller's stamp duty in respect of the Offer) without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Shareholder.
- (c) No fraction of a cent will be payable and the amount of cash consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

3. ACCEPTANCE PERIOD AND REVISIONS

- (a) The Offer is made on Monday, 3 March 2025, being the date of despatch of this Composite Document, and are open for acceptance on and from this date.
- (b) Unless the Offer has previously been revised or extended, with the consent of the Executive, in accordance with the Takeovers Code, the Form of Acceptance must be received by the Share Registrar by 4:00 p.m. on the First Closing Date in accordance with the instructions printed on the Form of Acceptance. The Offer is conditional upon the Offeror having received valid acceptances (and where permitted, such acceptances not having been withdrawn) in respect of the Offer which will result in the Offeror and the parties acting in concert with it holding more than 50% of the voting rights of the Company.
- (c) If the Offer is extended or revised, an announcement of such extension or revision will state the next Closing Date or, if the Offer has become unconditional (whether as to acceptances or in all respects), at least 14 days' notice in writing must be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer. If, in the course of the Offer, the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to the revised terms. The revised Offer will be kept open for at least 14 days thereafter.
- (d) Any acceptance of the relevant revised Offer shall be irrevocable unless and until the Independent Shareholders who accept the Offer become entitled to withdraw their acceptance under the section headed "Right of Withdrawal" of this Appendix below and duly do so.
- (e) If the Closing Date is extended, any reference in this Composite Document and the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the closing date of the Offer as so extended.

4. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold Shares as nominees on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

5. ANNOUNCEMENTS

- (a) By 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement in accordance with the Takeovers Code on the Stock Exchange's website no later than 7:00 p.m. on the Closing Date stating whether the Offer has been revised or extended or have expired. The announcement must state the following: (i) the total number of the Shares for which acceptances for the Offer have been received; (ii) the total number of Shares and rights over Shares held, controlled or directed by the Offeror and the parties acting in concert with it before the Offer Period; and (iii) the total number of Shares and rights over Shares acquired or agreed to be acquired by the Offeror and the parties acting in concert with it during the Offer Period.
- (b) The announcement must also include details of any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or the parties acting in concert with it has borrowed or lent (save for any borrowed Shares which have been either on-lent or sold) and specify the percentages of the issued share capital of the Company and the percentages of voting rights of the Company represented by these numbers.
- (c) In computing the total number or principal amount of Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfil the acceptance conditions set out in section 1 of this Appendix, and which have been received by the Share Registrar (in respect of the Share Offer) respectively no later than 4:00 p.m. on the Closing Date shall be included.

6. RIGHT OF WITHDRAWAL

(a) Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in the subparagraph (b) below.

(b) If the Offeror is unable to comply with the requirements set out in the paragraph headed "5. Announcements" in this appendix, the Executive may require, pursuant to Rule 19.2 of the Takeovers Code, that the Independent Shareholders who have tendered acceptances of the Offer, be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements of Rule 19 of the Takeovers Code are met. Pursuant to Rule 17 of the Takeovers Code, an acceptor of the Offer shall be entitled to withdraw his/her/its acceptance after 21 days from the First Closing Date if the Offer has not by then become unconditional as to acceptances. An acceptor of the Offer may withdraw his/her/its acceptance by lodging a notice in writing signed by the acceptor (or his/her/its agent duly appointed in writing and evidence of those appointment is produced together with the notice) to the Share Registrar. In such case, when the Independent Shareholders withdraw their acceptances, the Offeror shall, as soon as possible but in any event no later than seven (7) Business Days thereof, return by ordinary post the Share certificate(s) and/ or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form of Acceptance to the relevant Independent Shareholders at their own risk.

7. OVERSEAS SHAREHOLDERS

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders. As the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, the Overseas Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer, including but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities, legal and/or regulatory requirements and the payment of any issue, transfer, cancellation or other taxes and duties due by such Overseas Shareholders in respect of the acceptance of the Offer in such jurisdictions.

The Offeror and the parties acting in concert with it, the Company, Beta Securities, Nuada Limited, Donvex Capital Limited, the Share Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by the Overseas Shareholders for any taxes or duties as such persons may be required to pay.

Acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the all applicable laws and requirements have been complied with and such Overseas Shareholder is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. The Overseas Shareholders should consult their professional advisers if in doubt.

8. TAXATION ADVICE

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and the parties acting in concert with it, the Company, Beta Securities, Nuada Limited, Donvex Capital Limited and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accept responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

9. GENERAL

- (a) All communications, notices, Form(s) of Acceptance, share certificate(s), transfer receipt(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Company, the Offeror and the parties acting in concert with it, Beta Securities, Nuada Limited, Donvex Capital Limited and any of their respective directors nor the Share Registrar or other parties involved in the Offer or any of their respective agents accept any liability for any loss in postage, delay in transmission or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.
- (c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.
- (d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.

- (e) Due execution of the Form of Acceptance will constitute an authority to the Offeror, Beta Securities, Nuada Limited and/or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as they may direct, the Shares in respect of which such person or persons has/have accepted the Offer.
- (f) Acceptance of the Offer by any person or persons will be deemed to constitute a representation and warranty by such person or persons to the Offeror and the Company that the Offer Shares are sold to the Offeror free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of this Composite Document. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.
- (g) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.
- (h) Any Independent Shareholders accepting the Offer will be responsible for payment of any other transfer or cancellation or other taxes or duties payable in respect of the relevant jurisdiction due by such persons.
- (i) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Offeror and the accepting Independent Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (j) Reference to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (k) All acceptance, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.

- (1) In making their decisions, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror and parties acting in concert with it, the Company, Beta Securities, Nuada Limited, Donvex Capital Limited and the Share Registrar or any of their respective ultimate beneficial owners, directors, officers, agents or associates or any other persons involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.
- (m) The Offer is made in accordance with the Takeovers Code.
- (n) All acceptances, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- (o) Unless otherwise expressly stated in this Composite Document and/or the Form of Acceptance, no person other than the Offeror and the accepting Independent Shareholders may enforce any terms of the Offer that will arise out of complete and valid acceptances under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong).
- (p) The English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese text for the purpose of interpretation in case of inconsistency.

1. FINANCIAL SUMMARY OF THE GROUP

Set out below is a summary of (i) the audited consolidated financial information of the Group for each of the years ended 31 December 2021, 31 December 2022 and 31 December 2023 (as extracted from the Company's annual reports for the years ended 31 December 2021, 31 December 2022 and 31 December 2023); and (ii) the unaudited consolidated financial information of the Group for the six months ended 30 June 2024 (as extracted from the Company's interim report for the six months ended 30 June 2024):

Summary of the Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the six months ended 30 June		For the year ended 31 December		ł	
	2024	2023	2023	2022	2021	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)	
Revenue	227,376	242,428	531,504	269,577	321,844	
Cost of sales	(211,869)	(222,158)	(490,259)	(252,835)	(305,926)	
Gross profit	15,507	20,270	41,245	16,742	15,918	
Other gains, net	104	15	1,603	164	11,002	
Selling and distribution expenses	_	_	_	_	(7,560)	
Administrative and operating expenses	(7,169)	(7,102)	(16,804)	(10,007)	(14,912)	
Interest income	194	57	268	2	7	
Impairment loss on intangible assets	_	_	_	(330)	(450)	
Impairment losses on trade and other						
receivables and prepayments, net	_	_	(133)	(517)	(340,323)	
Impairment loss on loan and interest						
receivables	_	_	_	(215,290)	_	
Gain on disposal of subsidiaries	_	_	_	7,229	_	
Fair value change on investment						
properties	(4,596)	_	(28,943)	(35,795)	(13,870)	
Loss on deregistration of subsidiaries				(208)		
Profit/(loss) from operations	4,040	13,240	(2,764)	(238,010)	(350,188)	
Loss on debt capitalisation	(80,730)	_	_	_	_	
Finance costs	(7,544)	(5,041)	(12,001)	(10,709)	(6,667)	
(Loss)/profit before tax	(84,234)	8,199	(14,765)	(248,719)	(356,855)	
Income tax expenses	(3,706)	(4,845)	(9,521)	(3,685)	(918)	

	For the six m			the year ende 31 December	ed
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2023 HK\$'000 (audited)	2022 HK\$'000 (audited)	2021 HK\$'000 (audited)
(Loss)/profit for the year/period	(87,940)	3,354	(24,286)	(252,404)	(357,773)
(Loss)/profit for the year/period attributable to:					
Owners of the CompanyNon-controlling interests	(92,387) 4,447	(2,500) 5,854	(35,750) 11,464	(257,028) 4,624	(357,773)
	(87,940)	3,354	(24,286)	(252,404)	(357,773)
Loss per share (in HK cent) Basic and diluted	(13.58)	(0.46)	(6.59)	(47.39)	(65.96)
(Loss)/profit for the year/period	(87,940)	3,354	(24,286)	(252,404)	(357,773)
Other comprehensive (loss)/income, after tax: Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations Exchange differences reclassified to profit or loss upon disposal of	(309)	(234)	573	(12,566)	9,179
subsidiaries				3,681	=
Other comprehensive income/(loss) for the year/period, net of tax			573	(8,885)	9,179
Total comprehensive (loss)/income for the year/period	(88,249)	3,120	(23,713)	(261,289)	(348,594)
Total comprehensive (loss)/income for the year/period attributable to:					
 Owners of the Company Non-controlling interests 	(92,585) 4,336	(2,419) 5,539	(35,001) 11,288	(265,797) 4,508	(348,594)
	(88,249)	3,120	(23,713)	(261,289)	(348,594)

No dividend was paid or proposed for the years ended 31 December 2021, 2022 and 2023 and for the six months ended 30 June 2024.

Save as disclosed above, the Group did not have any item of income or expense which was material for each of the three years ended 31 December 2021, 2022 and 2023 and six months ended 30 June 2024.

There was no change in the Group's accounting policy during the three years ended 31 December 2021, 2022 and 2023 which would result in the figures in its consolidated financial statements being not comparable to a material extent.

Qualified opinion

The qualified opinions issued by the Company's auditor, ZHONGHUI ANDA CPA Limited, as contained in the Company's auditor's report for each of the three financial years ended 31 December 2021, 2022 and 2023, are extracted as follows:

For the year ended 31 December 2023

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

1. Consideration receivables and impairment loss of loan receivables and interest receivables

We have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of consideration receivables of approximately HK\$130,383,000 and HK\$134,099,000 as at 31 December 2023 and 31 December 2022 respectively; in addition, we have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the appropriate timing for recognition of (i) the impairment loss of loan receivables of approximately HK\$176,040,000 and (ii) the impairment loss of interest receivables of approximately HK\$39,250,000 for the year ended 31 December 2022.

There are no other satisfactory audit procedures that we could adopt to determine whether the above amounts are fairly stated in the consolidated financial statements.

In respect of the consideration receivables, the management is still in the progress of taking various actions, including but not limited to legal actions, against the respective debtors. No result from actions is available up to the date of this announcement for justifying the extent of the recoverability of consideration receivables. In the absence of information in relation to the financial status of the debtors on assessing the respective abilities for settlement, the management considered that there is uncertainty on recovering the consideration receivables.

In respect of the loan receivables and interest receivables, the management, after receiving the court order with a result unfavourable to the Group in respect of recovering the loan and interest receivables, provided for an impairment loss of loan receivables of approximately HK\$176,040,000 and an impairment loss of the relevant interest receivables of approximately HK\$39,250,000 for the year ended 31 December 2022. The management could not provide us with sufficient appropriate audit evidence to justify whether the impairment loss of loan receivables and impairment loss of interest receivables should be made in the year ended 31 December 2022 or in the prior years.

2. Provision for repayment obligations

Due to the uncertainties in relation to the civil judgement as disclosed in note 26(ii) to the consolidated financial statements, we have been unable to obtain sufficient appropriate audit evidence for us to assess whether no additional provision has been provided concerning the repayment obligations under the civil judgement as at 31 December 2023 and 31 December 2022 are fairly stated and the profit or loss effect on the additional provision of repayment obligations for the year ended 31 December 2023 and 31 December 2022 are properly reflected.

3. Limited accounting books and records of certain subsidiaries of the Group and the relevant gain on disposal of subsidiaries

Due to the insufficiency of supporting documentation and explanations for accounting books and records in respect of certain subsidiaries of the Group, namely Qianhai Shitong Supply Chain (Shenzhen) Company Limited and Qianhai Guoxing Finance Lease (Shenzhen) Company Limited ("Certain Subsidiaries") for the period from 1 January 2022 to 30 December 2022 (being the date of disposal of Certain Subsidiaries) (the "Period Ended 2022"), we were unable to carry out audit procedures to satisfy ourselves as to whether the following income and expenses for the Period Ended 2022 and the segment information and other related disclosure notes in relation to certain subsidiaries of the Group, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements:

(a) Income and expenses:

	For the Period Ended 2022
	HK\$'000
Impairment losses on loan and interest receivables	(215,290)
Gain on disposal of subsidiaries	7,229
Loss for the year	(208,061)

(b) Related party transactions and disclosures:

No sufficient evidence has been provided to satisfy ourselves as to the existence, accuracy and completeness of the disclosures of the related party transactions for the Period Ended 2022 in relation to Certain Subsidiaries and their operations as required by Hong Kong Accounting Standard 24 (Revised) "Related Party Disclosures".

Any adjustments to the figures as described above points 1 to 3 might have a consequential effect on the Group's financial performance and cash flows for the years ended 31 December 2023 and 2022 and the financial positions of the Group as at 31 December 2023 and 2022, and the related disclosures thereof in the consolidated financial statements.

For the year ended 31 December 2022

We have audited the consolidated financial statements of Enviro Energy International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 86 to 171, which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

1. Loan receivables, interest receivables, consideration receivables and impairment loss of trade receivables, impairment loss of prepayment for purchase of building materials, impairment loss of loan receivables and interest receivables

We have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of consideration receivables of approximately HK\$134,099,000 as at 31 December 2022; as well as loan receivables of approximately HK\$183,540,000, interest receivables of approximately HK\$40,922,000 and consideration receivables of approximately HK\$143,404,000 as at 31 December 2021. In addition, we have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the appropriate timing for recognition of (i) the impairment loss of loan receivables of approximately HK\$176,040,000 and (ii) the impairment loss of interest receivables of approximately HK\$39,250,000 for the year ended 31 December 2022; and (i) the impairment loss of trade receivables of approximately HK\$19,665,000 and (ii) impairment loss of prepayment for purchase of building materials of approximately HK\$316,614,000 for the year ended 31 December 2021.

There are no other satisfactory audit procedures that we could adopt to determine whether the above amounts are fairly stated in the consolidated financial statements.

In respect of the consideration receivables, the management is still in the progress of taking various actions, including but not limited to legal actions, against the respective debtors. No result from actions is available up to the date of this report for justifying the extent of the recoverability of consideration receivables. In the absence of information in relation to the financial status of the debtors on assessing the respective abilities for settlement, the management considered that there is uncertainty on recovering the consideration receivables.

In respect of the loan receivables and interest receivables, the management, after receiving the court order with a result unfavourable to the Group in respect of recovering the loan and interest receivables, provided for an impairment loss of loan receivables of approximately HK\$176,040,000 and an impairment loss of the relevant interest receivables of approximately HK\$39,250,000 for the year ended 31 December 2022. The management could not provide us with sufficient appropriate audit evidence to justify whether the impairment loss of loan receivables and impairment loss of interest receivables should be made in the current year or in the prior years.

2. Limited accounting books and records of certain subsidiaries of the Group and the relevant gain on disposal of subsidiaries

In addition to the qualified items stated above, due to the insufficiency of supporting documentation and explanations for accounting books and records in respect of certain subsidiaries of the Group, namely Qianhai Shitong Supply Chain (Shenzhen) Company Limited and Qianhai Guoxing Finance Lease (Shenzhen) Company Limited ("Certain Subsidiaries") for the period from 1 January 2022 to 30 December 2022 (being the date of disposal of Certain Subsidiaries) (the "Period Ended 2022") and for the year ended 31 December 2021, we were unable to carry out audit procedures to satisfy ourselves as to whether the following income and expenses for the Period Ended 2022 and the year ended 31 December 2021, and the assets and liabilities as at 31 December 2021, and the segment information and other related disclosure notes in relation to Certain Subsidiaries as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements:

(a) Income and expenses:

	For the Period Ended 2022 HK\$'000	For the year ended 31 December 2021 HK\$'000
Impairment losses on trade receivables and prepayment for purchase of		
building materials	_	(330,908)*
Impairment losses on loan and interest		
receivables	(215,290)*	
Gain on disposal of subsidiaries	7,229	<u> </u>
Loss for the year	(208,061)	(330,908)

^{*} Included in point (1) of the basis for qualified opinion above

(b) Assets and liabilities:

	As at 31 December	
	2021	
	HK\$'000	
Property, plant and equipment	34	
Bank and cash balances	30	
Trade and other payables	9,453	
Income tax payables	2,562	

(c) Commitments and contingent liabilities:

No sufficient evidence has been provided to satisfy ourselves as to the existence and completeness of the disclosures of commitments and contingent liabilities in relation to Certain Subsidiaries of the Group and their operations as at 31 December 2021.

(d) Related party transactions and disclosures:

No sufficient evidence has been provided to satisfy ourselves as to the existence, accuracy and completeness of the disclosures of the related party transactions for the Period Ended 2022 and the year ended 31 December 2021 as well as balances as at 31 December 2021 in relation to Certain Subsidiaries and their operations as required by Hong Kong Accounting Standard 24 (Revised) "Related Party Disclosures".

3. Provision for repayment obligations

Due to the uncertainties in relation to the civil judgement as disclosed in note 25 to the consolidated financial statements, we have been unable to obtain sufficient appropriate evidence for us to assess whether no additional provision has been provided concerning the repayment obligations under the civil judgement as at 31 December 2022 are fairly stated and the profit or loss effect on the additional provision of repayment obligations for the year ended 31 December 2022 are properly reflected.

Any adjustments to the figures as described above points 1 to 3 might have a consequential effect on the Group's financial performance and cash flows for the years ended 31 December 2022 and 2021 and the financial positions of the Group as at 31 December 2022 and 2021, and the related disclosures thereof in the consolidated financial statements.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

For the year ended 31 December 2021

We have audited the consolidated financial statements of Enviro Energy International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 65 to 147, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

1. Trade receivables, loan receivables, interest receivables, prepayments, consideration receivables and impairment loss of trade receivables, impairment loss of prepayment for purchase of building materials and interest income from loan receivables

We have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of loan receivables of approximately HK\$183,540,000, interest receivables of approximately HK\$40,922,000 and consideration receivables of approximately HK\$143,404,000 as at 31 December 2021; as well as trade receivables of approximately HK\$19,365,000, loan receivables of approximately HK\$178,200,000, interest receivables of approximately HK\$39,731,000, prepayments for purchase of building materials of approximately HK\$311,862,000 and consideration receivables of approximately HK\$139,232,000 as at 31 December 2020. In addition, we have been unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the appropriate timing for recognition of (i) the impairment loss of trade receivables of

approximately HK\$19,665,000 and (ii) impairment loss of prepayment for purchase of building materials of approximately HK\$316,614,000 for the year ended 31 December 2021; and interest income from loan receivables of approximately HK\$15,258,000 for the year ended 31 December 2020.

There are no other satisfactory audit procedures that we could adopt to determine whether the above amounts are fairly stated in the consolidated financial statements.

In respect of the loan receivables, interest receivables and consideration receivables, the management is still in the progress of taking various actions, including but not limited to legal actions, against the respective debtors and borrowers. No result from actions is available up to the date of this report for justifying the extent of the recoverabilities of loan receivables, interest receivables and consideration receivables. In the absence of the information in relation to the financial status of the debtors and borrowers on assessing the respective abilities for settlement, the management considered that there is uncertainty on recovering the loan receivables, interest receivables and consideration receivables.

In respect of the trade receivables and prepayments for purchase of building materials, the management, after seeking legal advice in respect of the extent of its respective recoverabilities, provided for an impairment loss of trade receivables of approximately HK\$19,665,000 and impairment loss of prepayment for purchase of building materials of approximately HK\$316,614,000 for the year ended 31 December 2021. The management could not provide to us sufficient appropriate audit evidence to justify whether the impairment loss of trade receivables and impairment loss of prepayment for purchase of building materials should be made in the current year or in the prior years.

2. Limited accounting books and records of certain subsidiaries of the Group

In addition to the qualified items stated above, due to the insufficiency of supporting documentation and explanations for accounting books and records in respect of certain subsidiaries of the Group for the year ended 31 December 2021 and 31 December 2020, we were unable to carry out audit procedures to satisfy ourselves as to whether the following income and expenses for the year ended 31 December 2021 and 31 December 2020, and the assets and liabilities as at 31 December 2021 and 31 December 2020, and the segment information and other related disclosure notes in relation to certain subsidiaries of the Group, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements:

(a) Income and expenses:

	For the year ended 31 December		
	2021	2020	
	HK\$'000	HK\$'000	
Revenue	_	5,951	
Cost of sales	_	(5,899)	
Other gains, net	_	2	
Interest income	_	15,258*	
Impairment losses of trade receivables and prepayment for purchase of			
building materials	(330,908)*	_	
Administrative and operating expenses	_	(1,105)	
Finance costs	_	(7)	
Income tax expense	_	_	
(Loss)/profit for the year	(330,908)	14,200	

(b) Assets and liabilities:

	As at 31 December	
	2021	2020
	HK\$'000	HK\$'000
Property, plant and equipment	34	33
Bank and cash balances	30	29
Trade and other payables	9,453	9,279
Income tax payables	2,562	2,487

(c) Commitments and contingent liabilities:

No sufficient evidence has been provided to satisfy ourselves as to the existence and completeness of the disclosures of commitments and contingent liabilities in relation to certain subsidiaries of the Group and their operations as at 31 December 2021 and 31 December 2020.

(d) Related party transaction and disclosures:

No sufficient evidence has been provided to satisfy ourselves as to the existence, accuracy and completeness of the disclosures of the related party transactions for the year ended 31 December 2021 and 31 December 2020 and balances as at 31 December 2021 and 31 December 2020 in relation to certain subsidiaries of the Group and their operations as required by Hong Kong Accounting Standard 24 (Revised) "Related Party Disclosures".

Any adjustments to the figures as described above points 1 to 2 might have a consequential effect on the Group's financial performance and cash flows for the years ended 31 December 2021 and 2020 and the financial positions of the Group as at 31 December 2021 and 2020, and the related disclosures thereof in the consolidated financial statements.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter

In addition to the qualified opinions above, an emphasis of matter of material uncertainty related to going concern was contained in the Company's auditor's report for the three financial years ended 31 December 2021, 2022 and 2023, which are extracted as follows:

For the year ended 31 December 2023

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to the owners of the Company of approximately HK\$35.8 million for the year ended 31 December 2023, and as at 31 December 2023, the Group had net current liabilities and net liabilities of approximately HK\$154.1 million and HK\$63.9 million, respectively. In addition, as at 31 December 2023, the Group's bank and cash balances of approximately HK\$28.0 million is insufficient to cover the current liabilities of approximately HK\$364.5 million. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

For the year ended 31 December 2022

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to owners of the Company of approximately HK\$257.0 million for the year ended 31 December 2022 and as at 31 December 2022, the Group had net current liabilities and net liabilities of approximately HK\$166.6 million and HK\$40.2 million, respectively. In addition, as at 31 December 2022, the Group's bank

and cash balances of approximately HK\$8.1 million is insufficient to cover the current liabilities of approximately HK\$434.3 million. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

For the year ended 31 December 2021

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to owners of the Company of approximately HK\$357,773,000 for the year ended 31 December 2021. In addition, as at 31 December 2021, the Group's bank and cash balances of approximately HK\$8,898,000 is insufficient to cover the current liabilities of approximately HK\$117,375,000. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

2. CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

Details of the consolidated financial statements of the Group for each of the three years ended 31 December 2021, 2022 and 2023 and for the six months ended 30 June 2024 are disclosed in the following documents; which have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (http://www.enviro-energy.com.hk).

The audited financial information of the Group for the year ended 31 December 2023 is disclosed in the annual report of the Company for the year ended 31 December 2023 published on 29 April 2024, from pages 80 to 168:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042902756.pdf

The audited financial information of the Group for the year ended 31 December 2022 is disclosed in the annual report of the Company for the year ended 31 December 2022 published on 27 April 2023, from pages 86 to 172:

https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042701503.pdf

The audited financial information of the Group for the year ended 31 December 2021 is disclosed in the annual report of the Company for the year ended 31 December 2021 published on 28 April 2022, from pages 65 to 148:

https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042801252.pdf

The unaudited financial information of the Group for the six months ended 30 June 2024 is disclosed in the interim report of the Company for the six months ended 30 June 2024 published on 23 September 2024, from pages 18 to 60:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0923/2024092300624.pdf

3. INDEBTEDNESS

As at the close of business on 31 January 2025, being the latest practicable date for the purpose of ascertaining the information contained in this indebtedness statement, the Group had the following indebtedness:

	Unguaranteed and
	unsecured HK\$'000
	m_{ψ} 000
Other borrowings	4,364
Loans from fellow subsidiaries	2,851
Shareholders' loans	1,600
Loans from related parties	549
Amount due to a director	4,612
	13,976

Save as disclosed above and normal trade payables during the ordinary course of business, the Group did not, at the close of business on 31 January 2025, have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, charges or debentures, mortgages, borrowings or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptance, acceptance credits, or any guarantees or other material contingent liabilities.

4. MATERIAL CHANGE

The Directors (excluding Mr. Zhong Jian) confirm that there was no material change in the financial or trading position or outlook of the Group subsequent to 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Group) and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this Composite Document (other than opinions expressed by the directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the Offeror and parties acting in concert with it are interested in 709,045,226 Shares directly held by the Offeror, representing approximately 49.26% of the voting rights of the Company.

3. DEALINGS OF SECURITIES AND ARRANGEMENTS IN RELATION TO DEALINGS

During the Relevant Period, save for the Sale Shares under the Sale and Purchase Agreements at a total consideration of HK\$35,452,262 (representing HK\$0.05 per Sale Share), none of the Offeror, the sole director of the Offeror or any parties acting in concert with any of them had dealt for value in any Share or convertible securities, options, warrants or derivatives of the Company.

4. CONNECTION WITH THE OFFERS INTERESTS IN THE COMPANY AND THE OFFEROR AND ARRANGEMENTS IN

The Offeror confirms that as at the Latest Practicable Date:

- (i) save as the acquisition of the 709,045,226 Sale Shares by the Offeror from the Vendors, none of the Offeror and parties acting in concert with it has dealt in or owned any Shares, warrants, options, derivatives or other securities convertible into Shares during the Relevant Period;
- (ii) save for the 709,045,226 Shares already owned by the Offeror and parties acting in concert with it, the Offeror and the parties acting in concert with it do not own, hold, control or have direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (iii) none of the Offeror and parties acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;

- (iv) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares which might be material to the Offer;
- (v) there is no agreement or arrangement to which the Offeror or parties acting in concert with it is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or condition to the Offer;
- (vi) save for the Irrevocable Undertaking, neither the Offeror nor parties acting in concert with it has received any irrevocable commitment to accept the Offer or to reject the Offer;
- (vii) save for the consideration for the Sale Shares pursuant to the Sale and Purchase Agreements paid by the Offeror to the Vendors, there is no other consideration, compensation or benefits paid by or to be paid by the Offeror or parties acting in concert with it to the Vendors or parties acting in concert with any of them;
- (viii)save for the Sale and Purchase Agreements, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror or any parties acting in concert with it on the one hand, and the Vendors or any parties acting in concert with any of them on the other hand;
- (ix) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2)(a) the Offeror and any party acting in concert with it, or (b) the Company, its subsidiaries or associated companies;
- (x) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the Offers would be transferred, charged or pledged to any other persons;
- (xi) there was no agreement, arrangement or understanding (including any compensation arrangement) existing between any of the Offeror or parties acting in concert with it and any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence of the Offer; and
- (xii) there was no any undertaking, arrangement or agreement between the Offeror and any member of WIFHL Concert Group or Vendors over the Remaining Shares held by the Vendors.

5. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the experts who have given their opinion and advice which are contained in this Composite Document:

Name	Qualification
Nuada Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
Beta International Securities Limited	a corporation licensed to carry out Type 1 (dealing in securities) regulated activity under the SFO

Each of the above experts has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of the text of its letter, advice and/or references to its name, in the form and context in which they appear herein.

As at the Latest Practicable Date, the above experts did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

6. MISCELLANEOUS

- (i) The Offeror is wholly-owned by Mr. Wu, who is the sole director of the Offeror.
- (ii) The registered office of the Offeror is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.
- (iii) Beta Securities is the offer agent making the Offers for and on behalf of the Offeror and its registered office is at Room 26, 33/F, China Merchants Building, Shun Tak Centre, 168 Connaught Road Central, Sheung Wan, Hong Kong.
- (iv) Nuada Limited is the financial adviser to the Offeror and its registered office is at Unit 1606, 16/F, OfficePlus@Sheung Wan, 93–103 Wing Lok Street, Sheung Wan, Hong Kong.
- (v) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection on the website of the Company at http://www.enviro-energy.com.hk and the website of the SFC at http://www.sfc.hk from the date of this Composite Document up to and including the Closing Date:

- (i) the memorandum and articles of association of the Offeror;
- (ii) the letter from Beta Securities, the text of which is set out in this Composite Document;
- (iii) the written consent referred to in the section headed "Qualification and Consent of Expert" in this Appendix III to this Composite Document; and
- (iv) this Composite Document and the accompanying Form of Acceptances.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of providing information to the Independent Shareholders with regard to the Offers, the Offeror and the Group.

As at the Latest Practicable Date, the Board comprises three executive Directors, namely Mr. Li Gang, Mr. Pan Lihui, and Mr. Cao Zhongshu; two non-executive Directors, namely Mr. Jiang Senlin and Ms. Wu Wenling; and three independent non-executive Directors, namely Mr. Zhong Jian, Mr. Pan Yongye and Mr. Liu Qin.

Due to the personal health reasons, Mr. Zhong Jian will be unable to fulfill his duties and take responsibilities as a Director and one of the members of the Independent Board Committee in respect of the Offer. An application has been made to the Executive pursuant to Rule 9.4 of the Takeovers Code for exclusion of Mr. Zhong Jian from the responsibility statement given in this Composite Document and all subsequent documents in relation to the Offer due to his medical condition. The Executive has granted its consent on 27 February 2025.

The Directors (excluding Mr. Zhong Jian) jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement contained in this Composite Document misleading.

2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

Authorised:

10,000,000,000 Shares with par value of HK\$0.05 each

HK\$500,000,000

Issued and fully paid:

1,439,385,743 Shares with par value of HK\$0.05 each

HK\$71,969,287

All the Shares in issue rank *pari passu* in all respects with each other, including the rights in respect of capital and dividends and voting.

As at the Latest Practicable Date, save for the aforementioned issued Shares, the Company had no other outstanding shares, options, derivatives, warrants or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such shares, options, derivatives, warrants or securities of the Company as at the Latest Practicable Date.

The Shares are listed and traded on the Stock Exchange. No part of the Shares is listed or dealt in, nor is any listing of or permission to deal in the Shares being or proposed to be sought on any other stock exchange.

3. MARKET PRICES

The table below shows the closing prices of the Shares quoted on the Stock Exchange on (a) the last business day of each of the calendar months during the Relevant Period; (b) the Last Trading Day; and (c) the Latest Practicable Date:

Date	Closing price per Share
	(HK\$)
30 August 2024	0.069
30 September 2024	0.069
31 October 2024	0.080
29 November 2024	0.064
31 December 2024	0.057
21 January 2025 (Last Trading Day)	0.066
28 January 2025	0.066
28 February 2025 (Latest Practicable Date)	0.058

During the Relevant Period:

- a. the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.089 per Share on 14 November 2024; and
- b. the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.052 per Share on 9 December 2024.

4. DISCLOSURE OF INTERESTS

(a) Interest of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares or underlying shares or, as the case may be, the percentage in the equity interest and debentures of the Company or its associated corporations (within the meaning of the Securities and Futures Ordinance (Chapter 571)), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

		Number of ordinary	Percentage of shareholding in
Name of Director	Nature	Shares held	the Company (Note 2)
Mr. Li Gang	Interest of controlled corporation	108,543,246 (Note 1)	7.54%

Notes:

- 1. (i) WIIHL is owned by Hua Zhi Investment Limited as to approximately 58.44%, which is owned by Mr. Li Gang as to approximately 72.01%; and (ii) WIFHL is wholly owned by WIFHC, WIFHC is owned by Hua Zhi Investment Limited as to approximately 55.95%, which is owned by Mr. Li Gang as to approximately 72.01%. Mr. Li Gang was therefore deemed to be interested in the 108,543,246 shares of the Company held by WIIHL and WIFHL by reason of interest of controlled corporation within the meaning of Part XV of the SFO.
- 2. As at the Latest Practicable Date, the number of issued shares of the Company was 1,439,385,743.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as is known to the Directors, the persons or companies (other than the Directors and the Chief Executive of the Company) who/which had an interest or short position in the shares or underlying shares of the Company, which would fall to be disclosed under the provision of Divisions 2 and 3 of Part XV of the SFO, or which would be required, to be entered in the register required to be kept by the Company pursuant to section 336 of the SFO, are set out below:

Name of shareholder	Nature	Number of ordinary Shares held	Percentage of shareholding in the Company (Note 4)
Name of Shareholder	Nature	Shares held	(11016 4)
The Offeror	Beneficial Owner	709,045,226 (Note 1)	49.26%
Mr. Wu	Interest of controlled corporation	709,045,226 (Note 1)	49.26%
WIFHL	Beneficial Owner	94,266,480 (Note 2)	6.55%
WIFHC	Interest of Controlled Corporation	94,266,480 (Note 2)	6.55%
Hua Zhi Investment Limited	Interest of Controlled Corporation	108,543,246 (Note 2 & Note 3)	7.54%
Pu Shi International Investment Limited	Interest of Controlled Corporation	108,543,246 (Note 2 & Note 3)	7.54%
Pu Shi Investment Limited	Interest of Controlled Corporation	108,543,246 (Note 2 & Note 3)	7.54%
Mr. Li Gang	Interest of Controlled Corporation	108,543,246 (Note 2 & Note 3)	7.54%

Notes:

- 1. The Offeror is wholly-owned by Mr. Wu. Accordingly, Mr. Wu is deemed to be interested in the Shares held by Offeror by virtue of the SFO.
- 2. WIFHL is wholly owned by WIFHC, WIFHC is owned as to Hua Zhi Investment Limited and Pu Shi International Investment Limited by approximately 55.95% and 41.79% respectively. Hua Zhi Investment Limited is owned by Mr. Li Gang as to approximately 72.01%. Pu Shi International Investment Limited is wholly owned by Pu Shi Investment Limited. Accordingly, each of WIFHC, Hua Zhi Investment Limited, Pu Shi International Investment Limited, Pu Shi Investment Limited and Mr. Li Gang is deemed to be interested in the Shares held by WIFHL by virtue of the SFO.
- 3. WIIHL is owned by Hua Zhi Investment Limited and Pu Shi International Investment Limited as to approximately 58.44% and 18.38% respectively. Hua Zhi Investment Limited is owned by Mr. Li Gang as to approximately 72.01%. Pu Shi International Investment Limited is wholly owned by Pu Shi Investment Limited. Accordingly, each of Hua Zhi Investment Limited, Pu Shi International Investment Limited, Pu Shi Investment Limited and Mr. Li Gang is deemed to be interested in the Shares held by WIIHL by virtue of the SFO.
- 4. As at the Latest Practicable Date, the number of issued shares of the Company was 1,439,385,743.

5. DIRECTORS' OTHER INTERESTS

As at the Latest Practicable Date, no Director was interested in any business (other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or any member of the Group) which were considered to compete or were likely to compete, whether directly or indirectly, with the businesses of the Group.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by, or leased to, any member of the Group or were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

As at the Latest Practicable Date, there is no contract or arrangement entered into by any member of the Group subsisting in which any Director is materially interested and significant to the business of the Group.

6. DEALINGS IN SHARES

As at the Latest Practicable Date:

- (i) save for the sale of 281,384,626 Shares by Mr. Pan under the 2nd Sale and Purchase Agreement, none of the Directors have any dealing in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares during the Relevant Period;
- (ii) none of the Company nor the Directors had any dealings in the shares, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of the Offeror during the Relevant Period;
- (iii) none of the subsidiaries of the Company or the pension funds of the Company or any member of the Group or any persons who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of "associate" under the Takeovers Code (excluding exempt principal traders and exempt fund managers) had owned or controlled, or had dealt for value in any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company during the Relevant Period;
- (iv) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of "associate" under the Takeovers Code and no person who had such an arrangement had any dealings in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares during the Relevant Period;
- (v) during the Offer Period and up to the Latest Practicable Date, no fund managers connected with the Company had any dealings in any Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into Shares;
- (vi) none of the Company or the Directors had borrowed or lent any Shares, convertible securities, warrants, options or derivatives in respect of any Shares;
- (vii) none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offers; and
- (viii)there is no understanding, arrangement or agreement or special deal between any Shareholders, the Offeror and any parties acting in concert with it on the one hand, and the Company, its subsidiaries or associated companies on the other hand.

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into a service contract with any member of the Group or the associated companies of the Company which: (a) had been entered into or amended (including both continuous and fixed term contracts) within 6 months prior to the commencement of the Offer Period; (b) is a continuous contract with a notice period of 12 months or more; or (c) is a fixed term contract with more than 12 months to run irrespective of the notice period.

8. ARRANGEMENTS AFFECTING DIRECTORS

As at the Latest Practicable Date:

- (a) no arrangement was in place for any benefit (other than statutory compensation) to be given to any Directors as compensation for loss of office or otherwise in connection with the Offer:
- (b) there was no agreement or arrangement between any Directors and any other person which was conditional on or dependent upon the outcome of the Offer or is otherwise connected with the Offer; and
- (c) there was no material contract entered into by the Offeror in which any Director had a material personal interest.

9. MATERIAL CONTRACTS

During the two years immediately preceding the date on which the Offer Period commenced and up to the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business carried on or intended to carried on by the Group) were entered into by the Company and/or members of the Group and is or may be material to the Group:

(i) a sale and purchase agreement dated 31 October 2022 entered into between the Company as the vendor and Hong Kong Headline Big Data Company Limited as the purchaser in relation to the disposal of the entire issued shares of Sincere Venture Limited at a consideration of HK\$1, details of which were disclosed in the Company's announcement dated 31 October 2022 and Company's circular dated 9 December 2022;

- (ii) a sale and purchase agreement dated 31 October 2022 entered into between Enviro Energy Financial Group Holdings Limited, an indirect wholly-owned subsidiary of the Company, as the vendor and Hong Kong Headline Big Data Company Limited as the purchaser in relation to the disposal of the entire issued shares of Heryd International Trade Co., Limited at a consideration of HK\$1, details of which were disclosed in the Company's announcement dated 31 October 2022 and Company's circular dated 9 December 2022;
- (iii) a settlement agreement dated 25 January 2024 entered into among the Company and Wonderland International Financial Holdings Limited, Wonderland International Finance Limited, Mr. Pan Lihui, Able Plus International Limited, Longma International Family Services Group Limited, Mr. Tang Zhengbang and Mr. Zhou Lixin (collectively, the "Creditors") in relation to the capitalisation of the indebtedness owed by the Company to the Creditors, details of which were disclosed in the Company's announcement dated 7 February 2024, 28 February 2024, 30 April 2024 and 3 June 2024 and the Company's circular dated 8 April 2024;
- (iv) a sale and purchase agreement dated 22 July 2024 entered into between Heng Tong Global Business Travel Holding (HK) Limited as the purchaser, and Peak Business Worldwide Limited, an indirect wholly-owned subsidiary of the Company, as the vendor in relation to the disposal of the entire issued shares of Enviro Energy Minerals Limited at a consideration of HK\$1, details of which were disclosed in the Company's announcement dated 22 July 2024 and Company's circular dated 23 August 2024;
- (v) a sale and purchase agreement dated 22 July 2024 entered into between Heng Tong Global Business Travel Holding (HK) Limited as the purchaser, and Enviro Energy Capital Investment (BVI) Limited, an indirect wholly-owned subsidiary of the Company, as the vendor in relation to the disposal of the entire issued shares of Enviro Energy Capital Investment (Hong Kong) Limited at a consideration of HK\$1, details of which were disclosed in the Company's announcement dated 22 July 2024 and Company's circular dated 23 August 2024; and
- (vi) the Sale and Purchase Agreements.

10. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, no litigation or claims of material importance is pending or threatened by or against the Company and any of its subsidiaries.

11. QUALIFICATION AND CONSENT OF EXPERT

In addition to those listed in paragraph 9 of Appendix III "General Information of the Offeror" to this Composite Document, the following is the qualification of the expert who has given their opinion and advice which are contained in this Composite Document:

Name	Qualification					
Grand Moore Capital	a corporation licensed by the SFC to carry out type 1 (dealing					
Limited	in securities) and Type 6 (advising on corporate finance)					
	regulated activity under the SFO					

Grand Moore Capital Limited has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of the text of its letter, report, recommendation, opinion, and/or references to its name in the form and context in which it appears.

12. GENERAL

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The secretary of the Company is Mr. Ng Yu Ho.
- (c) The head office and principal place of business of the Company in Hong Kong is situated at 20/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong.
- (d) The Company's principal share registrar and transfer office in Cayman Islands is SMP Partners (Cayman) Limited at 3rd Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands.
- (e) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (f) In the event of inconsistency, the English text of this Composite Document shall prevail over the Chinese text.

13. DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection (i) on the website of the SFC (www.sfc.hk); and (ii) on the website of the Company (http://www.enviro-energy.com.hk) during the period from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the three financial years ended 31 December 2021, 2022 and 2023;
- (c) the interim report of the Company for the six months ended 30 June 2024;
- (d) the letter from the Board, the text of which is set out in this Composite Document;
- (e) the material contracts referred to under the paragraph headed "9. Material Contracts" in this appendix;
- (f) the "Letter from the Independent Board Committee", the text of which is set out in this Composite Document;
- (g) the "Letter from the Independent Financial Adviser", the text of which is set out in this Composite Document;
- (h) the written consent referred to in the paragraph headed "11. Qualification and Consent of Expert" in this appendix; and
- (i) this Composite Document and the accompanying Form of Acceptance.

The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this form, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this form.

香港聯合交易所有限公司及香港中央結算有限公司對本表格內容概不負責,對其準確性或完整性亦不發表任何聲明,並明確表示概不就因本表格全部或任何部份內容而產生或因依賴該等內容而引致之任 何損失承擔任何責任。

Unless the context otherwise requires, terms used in this Form of Acceptance shall bear the same meanings as those defined in the composite offer and response document dated 3 March 2025 ("Composite Document") issued jointly by Enviro Energy International Holdings Limited and Amethyst Asia Limited. 除文義另有所指外,本接納表格所用詞彙與環能國際控股有限公司及Amethyst Asia Limited於二零二五年三月三日聯合刊發之綜合要約及回應文件(「綜合文件」)所界定之詞彙具有相同涵義。

FORM OF ACCEPTANCE FOR USE IF YOU WANT TO ACCEPT THE OFFER.

本接納表格在 閣下欲接納要約時適用。



Enviro Energy International Holdings Limited

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立之有限公司)

> (Stock Code: 1102) (股份代號:1102)

FORM OF ACCEPTANCE AND TRANSFER OF SHARES OF HK\$0.05 EACH IN THE ISSUED SHARE CAPITAL OF

ENVIRO ENERGY INTERNATIONAL HOLDINGS LIMITED

環能國際控股有限公司 已發行股本中

每股面值0.05港元之股份之接納及過戶表格

All parts should be completed in full (except the section marked "Do not complete") 全部欄位均需填妥(除註明「請勿填寫本欄」一節外)

數目

FOR THE CONSIDERATION stated below the Transferor(s) named below hereby accept(s) the Offer and transfer(s) to the Transfere named below the Share(s) held by the Transferor(s) specified below subject to the terms and conditions contained herein and in the Composite Document.

下列轉讓人謹此根據本表格及綜合文件所載條款及條件,按下列代價接納要約並將以下註明之轉讓人所持股份轉讓予下列承讓人。

大寫

Share Registrar: Tricor Investor Services Limited 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong 股份禍戶登記處:卓佳證券登記有限公司 香港夏慤道16號遠東金融中心17樓

> You must insert Share(s) for which the Offer is accepted

閣下必須填上接納

要約之股份總數。

Number of Share(s) to be transferred

(Note) 將予轉讓之股份數目(附註)

		股票號碼					
		TRANSFEROR(S) name(s) and address in full	Family name(s) or company name(s): 姓氏或公司名稱:		Forename(s): 名字:		
		轉讓人	Registered Address: 登記地址:		Telephone number: 電話號碼:		
		CONSIDERATION 代價	HK\$0.05 in cash for each Share 每股股份現金0.05港元		<u> </u>		
		TRANSFEREE 承議人	Name 名稱: Correspondence Address 通訊地址: Occupation 職業:	Amethyst Asia Limit Vistra Corporate Ser Tortola, VG1110, Br Corporation 企業	vices Centre, Wickhams Ca	ay II, Road Town,	
Signed by or on behalf of 轉讓人或其代表在下列 Signature of witness 見證		resence of:				<⊨ ног	ALL JOINT DERS MUST SIGN HERE 所有聯名 持有人均須 於本欄簽署
Name of witness 見證人姓名			Signature(s) of Transferor(s)/Company chop (if applicable) 轉讓人簽署/公司印章 (倘適用)				
Address of witness 見證	人地址						
Occupation of witness 見證人職業			Date of submission of this Form of Acceptance 提交本接納表格之日期				
			Do not complete 請勿填寫本欄				
Signed by or on behalf of the Transferee in the presence of: 承讓人或其代表在下列見證人見證下簽署: Signature of witness 見證人簽署			For and on behalf of 代表 Amethyst Asia Limit Authorised Signatory(
Name of witness 見證人	姓名						
Address of witness 見證	人地址						
Occupation of witness 見證人職業				Signature of Transferee or its duly authorised agent(s) 承讓人或其正式授權代理簽署			
- dot- John 1-1	Ha.						

Note: Insert the total number of Shares for which the Offer is accepted. If no number is inserted or a number inserted is greater or smaller than your registered holding of Share(s) or those physical Share(s) tendered for acceptance of the Offer and you have signed this form, this form will be returned to you for correction and resubmission. Any corrected form must be resubmitted and received by the Share Registrar on or before the latest time of acceptance of the Offer.

Phä: 請項上接納要約之股份總數。者無項上數日 或所項上數日超過或低於 關下登記持有之股份數目或 關下簽署本表格並就接納要約所提交實體股份數目。本表格將予退回 関下更正及再次寄出。任何經更正表格必須在要約最後接納時限或之前所依常出並由股份總戶登記線收取。

THIS FORM OF ACCEPTANCE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any aspect of this Form of Acceptance or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Enviro Energy International Holdings Limited, you should at once hand this Form of Acceptance and the Composite Document to the purchaser(s) or the transferee(s) or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the nurchaser(s) or transferee(s).

The making of the Offer to persons resident in jurisdictions outside Hong Kong may be affected by the laws of the relevant jurisdictions. If you are a citizen or resident or national of a jurisdiction outside Hong Kong, you should inform yourself about or obtain appropriate legal advice regarding the implications of the Offer in the relevant jurisdictions and observe any applicable regulatory or legal requirements. It is your responsibility if you wish to accept the Offer to satisfy yourself as to the full observance of the applicable legal and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required or the compliance with other necessary formalities, regulatory or legal requirements and the payment of any transfer or cancellation or other taxes due in respect of such jurisdiction.

HOW TO COMPLETE THIS FORM OF ACCEPTANCE

This Form of Acceptance should be read in conjunction with the Composite Document. The provisions of Appendix I to the Composite Document are incorporated into and form part of this Form of Acceptance.

To accept the Offer made by Beta Securities on behalf of the Offeror, you should complete and sign this Form of Acceptance overleaf and forward this Form of Acceptance, together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title in respect of the Shares (and/or any satisfactory indemnity or indemnities required in respect thereof) ("Title Documents") for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable, but in any event so as to reach the Share Registrar no later than 4:00 p.m. on Monday, 24 March 2025 (or such later time and/or date as the Offeror may announce with the permission of the Executive).

FORM OF ACCEPTANCE IN RESPECT OF THE OFFER

To: The Offeror and Beta Securities

1. My/Our execution of this Form of Acceptance (whether or not this Form of Acceptance is dated) shall be binding on my/our successors and assignees and shall constitute:

(Insert name and address of the person to whom the cheque is to be sent if different from the registered Shareholder or the first-named of joint registered Shareholders.)

- (a) my/our irrevocable acceptance of the Offer made by Beta Securities on behalf of the Offeror, as contained in the Composite Document, for the consideration and on and subject to the terms and conditions therein and herein mentioned, in respect of the number of Shares specified in this Form of Acceptance.
- (b) my/our irrevocable instruction and authority to the Offeror, Beta Securities or their respective agent(s) to send a cheque crossed "Not negotiable account payee only" drawn in my/our favour for the cash consideration to which I/we shall have become entitled under the terms of the Offer after deducting all sellers' ad valorem stamp duty payable by me/us in connection with my/our acceptance of the Offer, by ordinary post at my/our risk to the person and the address stated below or, if no name and address is stated below, to me or the first-named of us (in the case of joint registered Shareholders) at the registered address shown in the register of members of the Company within seven Business Days after the later of (i) the date on which the duly completed an signed Form of Acceptance and the relevant documents of title in respect of such acceptances are received by the Share Registrar to render each such acceptance complete and valid; or (ii) the date when the Offer becomes or is declared unconditional:

Name: (in block capitals).

Address: (in block capitals).....

- (c) my/our irrevocable instruction and authority to the Offeror, Beta Securities, the Share Registrar or such person or persons as either of them may direct for the purpose, on my/our behalf, to make and execute the contract note as required by Section 19(1) of the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) to be made and executed by me/us as the seller(s) of the Share(s) to be sold by me/us under the Offer and to cause the same to be stamped and to cause an endorsement to be made on this Form of Acceptance in accordance with the provisions of that Ordinance;
- (d) my/our irrevocable instruction and authority to the Offeror, Beta Securities or such person or persons as they may direct to complete, amend and execute any document on my/our behalf including without limitation to insert a date in this Form of Acceptance or, if I/we or any other person shall have inserted a date, to delete such date and insert another date and to do any other act that may be necessary or expedient for the purpose of vesting in the Offeror or such person or persons as it may direct my/our Share(s) tendered for acceptance of the Offer;
- (e) my/our undertaking to execute such further documents and to do such acts and things by way of further assurance as may be necessary or desirable to transfer my/our Share(s) tendered for acceptance under the Offer to the Offeror or such person or persons as it may direct free from all encumbrances and together with all rights attaching thereto, including the right to receive all future dividends or distributions declared, paid or made in respect thereof as at the Closing Date or subsequently becoming attached to them, including the right to receive or retain all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date;
- (f) my/our agreement to ratify each and every act or thing which may be done or effected by the Offeror, Beta Securities or their respective agents or such person or persons as it/they may direct on the exercise of any of the authorities contained herein; and
- (g) my/our irrevocable instruction and authority to the Offeror, Beta Securities or their respective agent(s) to collect from the Share Registrar on my/our behalf the share certificate(s) in respect of the Shares due to be issued to me/us in accordance with, and against surrender of, the enclosed transfer receipt(s), which has/have been duly signed by me/us, and to deliver the same to the Share Registrar and to authorise and instruct the Share Registrar to hold such share certificate(s) subject to the terms and conditions of the Offer as if it/they were share certificate(s) delivered to the Share Registrar together with this Form of Acceptance.
- 2. I/We understand that acceptance of the Offer by me/us will be deemed to constitute a warranty to the Offeror and the Company that the Share(s) specified in this Form of Acceptance acquired under the Offer will be free from all third party rights and Encumbrances whatsoever and together with all rights accruing or attaching thereto including the right to receive in full all dividends and distributions hereafter declared, paid or made in respect thereof as at the Closing Date or subsequently becoming attached to them, including the right to receive or retain all dividends and other distributions, if any, the record date in respect of which falls on or after the Closing Date.
- 3. In the event that my/our acceptance is not valid, or is treated as invalid, in accordance with the terms of the Offer, all instructions, authorisations and undertakings contained in paragraph 1 above shall cease and in which event, I/we authorise and request you to return to me/us my/our Title Documents, together with this Form of Acceptance duly cancelled, by ordinary post at my/our risk to the person and address stated in paragraph 1(b) above or, if no name and address is stated, to me or the first-named of us (in the case of joint registered Shareholders) at the registered address shown in the register of members of the Company.
 - Note: Where you have sent one or more transfer receipt(s) and in the meantime the relevant share certificate(s) has/have been collected by the Offeror, Beta Securities or their respective agent(s) from the Share Registrar on your behalf, you will be sent such share certificate(s) in lieu of the transfer receipt(s).
- 4. I/We enclose the Title Documents for the whole or part of my/our holding of Share(s) which are to be held by you on the terms and conditions of the Offer. I/We understand that no acknowledgement of receipt of any Form of Acceptance or Title Documents will be given. I/we further understand that all documents will be sent at by ordinary post my/our own risk.
- 5. I/We warrant that I/we have the full right, power and authority to sell and pass the title and ownership of my/our Shares to the Offeror by way of acceptance of the Offer.
- 6. I/We warrant to the Offeror and Beta Securities that I/we have satisfied the laws of the jurisdiction where my/our address is stated in the register of members of the Company in connection with my/our acceptance of the Offer, including the obtaining of any governmental, exchange control or other consent which may be required and the compliance with necessary formalities or legal or regulatory requirements that I/we have not taken or omitted to take any action which will or may result in the Company, the Offeror or Beta Securities or any other person acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Offer or my/our acceptance thereof, and am/are permitted under all applicable laws to receive and accept the Offer, and any revision thereof, and that such acceptance is valid and binding in accordance with all applicable laws.
- 7. I/We warrant to the Offeror and Beta Securities that I/we shall be fully responsible for payment of any transfer or other taxes or duties payable in respect of the relevant jurisdiction where my/our address is stated in the register of members of the Company.
- I/We acknowledge that, save as expressly provided in the Composite Document and this Form of Acceptance, all acceptance, instructions, authorities and undertakings hereby given shall be irrevocable and unconditional.
- 9. I/We acknowledge that my/our Shares sold to the Offeror by way of acceptance of the Offer will be registered under the name of the Offeror or her nominee.

本接納表格乃重要文件,請即處理。 閣下如對本接納表格之任何方面或應採取之行動有任何疑問,應諮詢 閣下之持牌證券交易商或註冊證券機構、銀行經理、律師、專業會計師或其他專業顧問。

閣下如已將名下之環能國際控股有限公司股份全部售出或轉讓,應立即將本接納表格及綜合文件送交買主或承讓人,或經手買賣或轉讓之持牌證券交易商、註冊證券機構或 其他代理商,以便轉交買主或承讓人。

向香港境外司法權區之居民提呈要約可能會受有關司法權區之法例影響。倘 閣下為香港境外司法權區之市民、居民或擁有當地國籍之人士,應就要約於有關司法權區之限制自行尋求適當之法律意見,並遵守任何適用監管或法律規定。 閣下如欲接納要約,須自行負責就此全面遵守有關司法權區之適用法律及監管規定,包括取得任何所需之政府、外匯管制或其他同意,以及遵守其他必要手續或監管或法律規定,以及支付所有有關司法權區任何應付之轉讓或註銷或其他税款。

本接納表格填寫方法

本接納表格應與綜合文件一併閱讀。綜合文件附錄一之條文已經收錄在本接納表格內,並構成其中一部份。

要約之接納表格

致:要約人及貝塔證券

- 1. 本人/吾等一經簽署本接納表格(不論本接納表格是否已註明日期),即表示本人/吾等之承繼人及受讓人將受此約束,並表示:
 - (a) 本人/吾等按綜合文件及本接納表格所述代價,願意不可撤回地按照並遵守當中所述條款及條件,就本接納表格所註明之股份數目接納綜合文件所載由貝塔證券 代表要約人提出之要約。
 - (b) 本人/吾等不可撤回地指示及授權要約人、貝塔證券或彼等各自之代理,各自就本人/吾等根據要約之條款應得之現金代價(扣除本人/吾等就本人/吾等接納要 約應付之所有賣方從價印花稅),以「不得轉讓— 只准入抬頭人賬戶」方式向本人/吾等開出劃線支票,然後於(i)股份過戶登記處接獲妥為填寫及簽署的接納表格 及相關所有權文件致使該項接納申請成為完整及有效當日;或(ii)要約成為無條件或宣佈為無條件當日(以較遲者為準)後計七個營業日內按以下地址以平郵方式寄 予以下人士,或如無於下欄填上姓名及地址,則按本公司股東名冊所示登記地址以平郵方式寄予本人或吾等當中名列首位者(如屬聯名登記股東),郵誤風險概由 本人/吾等承擔:

(倘收取支票之人士並非登記股東或名列首位之聯名登記股東,則請在本欄填上該名人士之姓名及地址。)

- (c) 本人/吾等不可撤回地指示及授權要約人、貝塔證券、股份過戶登記處或彼等任何一方可能就此指定之有關人士,各自代表本人/吾等製備及簽立香港法例第117 章印花稅條例第19(1)條規定本人/吾等作為根據要約出售股份之賣方須製備及簽立之成交單據,並按該條例之規定安排該單據加蓋印花及安排在本接納表格背書證明;
- (d) 本人/吾等不可撤回地指示及授權要約人、貝塔證券或彼等任何一方可能指定之有關人士,各自代表本人/吾等填妥、修改及簽署任何文件,包括但不限於在本接納表格填上日期,或如本人/吾等或任何其他人士已填上日期,則有關人士可刪去該日期,然後填上另一日期,以及辦理任何其他必需或權宜之手續,將本人/吾等提就接納要約所交回之股份轉歸要約人或其可能指定之有關人士所有;
- (e) 本人/吾等承諾於必需或合宜時簽署有關其他文件及辦理有關其他手續及事項,以將本人/吾等就接納要約所交回之股份轉讓予要約人或其可能指定之有關人士, 該等股份並不附帶任何產權負擔,並連同附帶的一切權利,包括全數收取於截止日期就股份今後宣派、派付或作出的全部股息及分派之權利,或其後將附帶於股份 之權利,包括收取或保留有關記錄日期為截止日期或之後之所有股息及其他分派(如有)之權利;
- (f) 本人/吾等同意追認由要約人、貝塔證券或彼等各自之代理或彼等任何一方可能指定之有關人士於行使本表格所載任何權利時可能作出或進行之各種行動或事宜; 及
- (g) 本人/吾等不可撤回地指示及授權要約人、貝塔證券或彼等各自之代理,代表本人/吾等交回隨附經本人/吾等正式簽署之過戶收據,並憑此向股份過戶登記處 領取本人/吾等就股份應獲發之股票,並將有關股票送交股份過戶登記處,且授權及指示股份過戶登記處根據要約之條款及條件持有有關股票,猶如有關股票已 連同本接納表格一併送交股份過戶登記處無異。
- 2. 本人/吾等明白本人/吾等接納要約,將被視為構成向要約人及本公司保證要約項下購入本接納表格列明的股份不附帶任何第三方權利及產權負擔,並連同其應計附帶的一切權利,包括全數收取於截止日期就股份今後宣派、派付或作出的全部股息及分派之權利,或其後將附帶於股份之權利,包括收取或保留有關記錄日期為截止日期或之後之所有股息及其他分派(如有)之權利。
- 3. 倘本人/吾等之接納根據要約之條款而言乃屬無效或被視為無效,則上文第1段所載之所有指示、授權及承諾均會失效。在此情況下,本人/吾等授權並懇請 閣下將本人/吾等之所有權文件連同已正式註銷之本接納表格以平郵方式一併寄予上文1(b)段所列之人士及地址,或如未有列明姓名及地址,則按本公司股東名冊所示登記地址寄予本人或吾等當中名列首位者(如為聯名登記股東),郵談風險概由本人/吾等承擔。

附註:倘 阁下交出一份或以上遍户收據,而要約人、貝塔證券或彼等各自之代理已代表 阁下徙股份遍户登記處領取有關股票,則發還予 阁下者将為有關股票而非過戶收據。

- 4. 本人/吾等茲附上本人/吾等持有之股份之全部或部分相關所有權文件,由 閣下按要約之條款及條件予以保存。本人/吾等明白任何交回之接納表格或所有權文件概不獲發收據。本人/吾等亦了解以平郵方式寄發之所有文件之一切郵談風險概由本人/吾等自行承擔。
- 5. 本人/吾等保證,本人/吾等有十足權利、權力及授權以接納要約之方式,向要約人出售及移交本人/吾等之股份之所有權及擁有權。
- 6. 本人/吾等向要約人及貝塔證券保證,本人/吾等已遵守在本公司股東名冊上列示本人/吾等地址所在司法權區關於本人/吾等接納要約方面之法例,包括取得任何 所需之政府、外匯管制或其他同意,及辦理一切必須之手續或遵守法律或監管規定,而本人/吾等並無採取或遺漏採取任何行動,導致(或可能導致)本公司、要約人或 貝塔證券或任何其他人士就進行要約或本人/吾等接納要約時違反任何司法權區之法例或監管規定,且本人/吾等現根據所有適用法例乃有權接受及接納要約及其任 何修訂本,而根據所有適用法例,有關的接納均為有效及具有約束力。
- 7. 本人/吾等向要約人及貝塔證券保證,本人/吾等將會全權負責支付在本公司股東名冊上所示本人/吾等地址所在相關司法權區應付之任何轉讓稅或其他稅項或徵稅。
- 8. 本人/ 吾等知悉,除在綜合文件及本接納表格清楚列明者外,所有就此作出之接納、指示、授權及承諾均為不可撤回及無條件。
- 9. 本人/吾等確認以接納要約之方式售予要約人之本人/吾等之股份將以要約人或其代理人名義登記。

PERSONAL DATA

Personal Information Collection Statements

This personal information collection statement informs you of the policies and practices of the Offeror, Beta Securities and the Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) (the "Ordinance").

1. Reasons for the collection of your personal data

To accept the Offer for your Shares, you must provide the personal data requested. Failure to supply the requested data may result in the processing of your acceptance being rejected or delayed. It is important that you should inform the Offeror, Beta Securities and/or the Share Registrar immediately of any inaccuracies in the data supplied.

2. Purposes

The personal data which you provide on this Form of Acceptance may be used, held and/ or stored (by whatever means) for the following purposes:

- processing your acceptance and verification of your compliance with the terms and application procedures set out in this Form of Acceptance and the Composite Document:
- registering transfers of the Share(s) out of your name(s);
- · maintaining or updating the relevant register of Shareholders;
- conducting or assisting to conduct signature verifications, and any other verification
 or exchange of information;
- distributing communications from the Offeror and/or its agents such as Beta Securities and the Share Registrar:
- · compiling statistical information and Shareholder profiles;
- making disclosures as required by laws, rules or regulations (whether statutory or otherwise);
- establishing your entitlements under the Offer;
- any other purpose in connection with the business of the Offeror, the Company or the Share Registrar; and
- any other incidental or associated purposes relating to the above and other purposes to which the Shareholders may from time to time agree to or be informed of.

3. Transfer of personal data

The personal data provided in this Form of Acceptance will be kept confidential but the Offeror and Beta Securities and/or the Share Registrar may, to the extent necessary for achieving the purposes above or any of them, make such enquiries as they consider necessary to confirm the accuracy of the personal data and, in particular, they may disclose, obtain, transfer (whether within or outside Hong Kong) such personal data to, from or with any and all of the following persons and entities:

- the Offeror and/or its agent(s), such as Beta Securities and the Share Registrar;
- any agents, contractors or third party service providers who offer administrative, telecommunications, computer, payment or other services to the Offeror, Beta Securities and/or the Share Registrar, in connection with the operation of its business;
- · any regulatory or governmental bodies;
- any other persons or institutions with which you have or propose to have dealings, such as your bankers, solicitors, accountants or licensed securities dealers or registered institution in securities; and
- any other persons or institutions whom the Offeror, Beta Securities and/or the Share Registrar considers to be necessary or desirable in the circumstances.

4. Retention of Personal Data

The Offeror, Beta Securities and the Share Registrar will keep the personal data provided in this Form of Acceptance for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Ordinance.

5. Access and correction of personal data

The Ordinance provides you with rights to ascertain whether the Offeror, Beta Securities and/or the Share Registrar holds your personal data, to obtain a copy of that data, and to correct any data that is incorrect. In accordance with the Ordinance, the Offeror, Beta Securities and/or the Share Registrar have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and the kinds of data held should be addressed to the Offeror, Beta Securities and/or the Share Registrar (as the case may be).

BY SIGNING THIS FORM OF ACCEPTANCE YOU AGREE TO ALL OF THE ABOVE.

個人資料

收集個人資料聲明

本收集個人資料聲明旨在知會 閣下有關要約人、貝塔證券及股份過戶登記處有關個人資料及香港法例第486章個人資料(私隱)條例(「**該條例**」)的政策及慣例。

1. 收集 閣下個人資料的原因

如 閣下就本身之股份接納要約,閣下須提供所需之個人資料。 倘 閣下未能提供所需資料,則可能導致 閣下之接納申請被拒或受 到延誤。如所提供的資料不準確, 閣下須即時知會要約人、貝塔證 券及/或股份過戶登記處。

2. 用途

閣下於本接納表格提供之個人資料可能會用作、持有及/或保存(以任何方式)作下列用途:

- 處理 閣下之接納申請及核實 閣下是否已遵循本接納表格及綜合文件載列的條款及申請手續;
- 登記以 閣下名義作出之股份轉讓;
- 保存或更新有關股東名冊;
- 核實或協助核實簽名,以及進行任何其他資料核實或交換;
- 編製統計資料及股東概況;
- 按法例、規則或規例(無論法定或其他規定)作出披露;
- 確立 閣下於要約項下之權益;
- 有關要約人、本公司或股份過戶登記處業務之任何其他用途;及
- 有關上文所述任何其他附帶或關連用途及股東可能不時同意或 知悉的其他用途。

3. 轉交個人資料

於本接納表格所提供之個人資料將作為機密資料保存,惟要約人、 貝塔證券及/或股份過戶登記處為達致上述或有關任何上述之用途, 可能作出彼等認為必須之查詢,以確認個人資料之準確性,尤其可 向或自下列任何及所有個人及實體披露、獲取、轉交(無論在香港或 香港以外的地區)該等個人資料:

- 要約人及/或其代理,如貝塔證券及股份過戶登記處;
- 為要約人、貝塔證券及/或股份過戶登記處之業務經營提供行政、 電訊、電腦、付款或其他服務之任何代理、承包商或第三方服務 供應商;
- 任何監管或政府機構;
- 與 閣下進行交易或建議進行交易的任何其他人士或機構,如 閣下的銀行、律師、會計師或持牌證券交易商或註冊證券機構;及
- 要約人、貝塔證券及/或股份過戶登記處認為必須或適當情況下 之任何其他人士或機構。

4. 保留個人資料

要約人、貝塔證券及股份過戶登記處將按收集個人資料所需用途保留本接納表格所收集之個人資料。毋需保留之個人資料將會根據該條例銷毀或處理。

5. 獲取及更正個人資料

根據該條例規定, 閣下有權確認要約人、貝塔證券及/或股份過戶登記處是否持有 閣下之個人資料,並獲取該資料副本,以及更正任何錯誤資料。依據該條例之規定,要約人、貝塔證券及/或股份過戶登記處有權就處理獲取任何資料之請求收取合理之手續費。獲取資料或更正資料或獲取有關政策及慣例及所持資料類型之資料之所有請求,須提交予要約人、貝塔證券及/或股份過戶登記處(視情況而定)。

閣下一經簽署本接納表格即表示同意上述所有條款。