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**GRANDBLUE INVESTMENT
HONGKONG LIMITED**
(瀚藍(香港)環境投資有限公司)
(Incorporated in Hong Kong with limited liability)

**CANVEST ENVIRONMENTAL PROTECTION
GROUP COMPANY LIMITED**
粵豐環保電力有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1381)

JOINT ANNOUNCEMENT

IN RELATION TO THE

**(1) PRE-CONDITIONAL PROPOSAL FOR THE PRIVATISATION OF
CANVEST ENVIRONMENTAL PROTECTION GROUP COMPANY
LIMITED BY THE OFFEROR BY WAY OF A SCHEME OF
ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES ACT OF
THE CAYMAN ISLANDS)**

(2) OPTION OFFER

**(3) CONNECTED TRANSACTIONS AND SPECIAL DEALS IN
RELATION TO THE LAND DISPOSAL, SMART PARKING DISPOSAL
AND OFFICE BUILDING DISPOSAL**

**(4) SPECIAL DEAL IN RELATION TO THE ROLLOVER
ARRANGEMENT AND**

(5) PROPOSED WITHDRAWAL OF LISTING OF THE COMPANY

**ANNOUNCEMENT PUBLISHED ON THE SHANGHAI
STOCK EXCHANGE**

Exclusive Financial Adviser to the Offeror



Exclusive Financial Adviser to the Company



Reference is made to (i) the announcements dated 22 July 2024 (the “**3.5 Announcement**”) jointly published by Canvest Environmental Protection Group Company Limited (the “**Company**”) and GRANDBLUE INVESTMENT HONGKONG LIMITED (瀚藍(香港)環境投資有限公司) (the “**Offeror**”) in relation to, among other things, the pre-conditional proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 86 of the Companies Act; and (ii) the announcements dated 20 November 2024 and 10 December 2024 jointly published by the Company and the Offeror in connection with certain announcements relating to the material asset restructuring of Grandblue Environment published by Grandblue Environment on the Shanghai Stock Exchange pursuant to the MAR Measures (the “**MAR Announcements**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the 3.5 Announcement and the MAR Announcements.

As disclosed in the MAR Announcements, (i) on 20 November 2024, Grandblue Environment published on the Shanghai Stock Exchange, among other things, a material asset restructuring report (draft) (the “**MAR Report**”); and (ii) on 10 December 2024, Grandblue Environment published on the Shanghai Stock Exchange, among other things, a revised MAR report.

On 5 March 2025, Grandblue Environment published on the Shanghai Stock Exchange an announcement in relation to, among others, the progress of the fulfilment of Pre-Condition (iv) to the making of the Proposal (which is, the Group having signed written agreements and/or obtained written preliminary or in-principle confirmation from the relevant financial institutions, guarantors and other entities (if applicable) to resolve the following guarantee issues: (a) guarantee provided by Loyal Step Limited (步忠有限公司) (an indirect wholly-owned subsidiary of the Company) (“**Loyal Step**”), which exceeds the proportion of its shareholding in Huizhou Zhongzhou Environmental Protection Resources Co., Ltd.* (惠州市中洲環保資源有限公司) (“**Huizhou Zhongzhou Environmental Protection Resources**”) (an associate of the Group and is owned as to 40% by Loyal Step and 60% by Independent Third Parties); and (b) guarantee provided by any other member of the Group (if any) which exceeds the proportion of its shareholding as set out in the financial statements of the Company as at 30 June 2024 or any other financial statements to be agreed in writing between the Offeror and the Company, and such written agreements and/or written preliminary or in-principle confirmation having effectively confirmed that the Group will assume limited guarantee liability for the relevant non-consolidated subsidiaries within the proportion of their respective shareholding).

In relation to Pre-Condition (iv)(a), Loyal Step has recently entered into a supplemental written agreement with the relevant financial institution for Loyal Step to provide a guarantee up to its shareholding ratio in respect of the external borrowings of Huizhou Zhongzhou Environmental Protection Resources. Therefore, as at the date of this joint announcement, item (a) of Pre-Condition (iv) has been fulfilled (the “**Progress Announcement**”). Relevant work relating to the fulfilment of Pre-Condition (iv)(b) is still in progress.

Extracts of the relevant parts of the Progress Announcement containing material information with Takeovers Code implications are attached in the Appendix to this joint announcement. The full text of the Progress Announcement is published in Chinese on the website of the Shanghai Stock Exchange (www.sse.com.cn).

Shareholders and potential investors are advised to refer to the announcements and other documents published by the Offeror and/or the Company on the website of the Stock Exchange for information regarding the Proposal.

WARNING: The making of the Proposal is subject to the satisfaction of the Pre-Conditions. Shareholders, Optionholders and potential investors of the Company should be aware that the implementation of the Proposal and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By order of the board of directors of
Grandblue Investment Hongkong Limited

Wu Zhiyong
Director

Tang Yuyun
Director

By order of the Board of
**Canvest Environmental Protection Group
Company Limited**
Lee Wing Yee Loretta
Chairlady

Hong Kong, 5 March 2025

As at the date of this joint announcement, the directors of Grandblue are Mr. Wu Zhiyong and Ms. Tang Yuyun.

As at the date of this joint announcement, the directors of Grandblue Environment are Mr. Zhang Houxiang, Ms. Jin Duo, Mr. Li Zhibin, Mr. Wang Weirong, Mr. Zhou Shaojie, Mr. Chen Yihua; and the independent directors of Grandblue Environment are Mr. Zhang Jun, Mr. Liang Jinqi and Ms. Li Kantong.

The directors of Grandblue and Grandblue Environment jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (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 this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises Ms. Lee Wing Yee Loretta, Mr. Lai Kin Man, Mr. Yuan Guozhen and Mr. Lai Chun Tung, as executive Directors; Mr. Feng Jun, as non-executive Director; Professor Sha Zhenquan, Mr. Chan Kam Kwan Jason, Mr. Chung Kwok Nam and Mr. Lee Tsung Wah Jonathan, as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

APPENDIX
EXTRACTS OF THE RELEVANT PARTS OF THE PROGRESS
ANNOUNCEMENT CONTAINING MATERIAL INFORMATION
WITH TAKEOVERS CODE IMPLICATIONS

(English translation for reference only. If there is any conflict or inconsistency between the Chinese version and the English version, the Chinese version shall prevail.)

Details of the Pre-Condition of this transaction are as follows:

...

(iv) the target group having signed written agreements and/or obtained written preliminary or in-principle confirmation from the relevant financial institutions, guarantors and other entities (if applicable) to resolve the following guarantee issues:

(a) guarantee provided by Loyal Step Limited (步忠有限公司) (an indirect wholly-owned subsidiary of the target) (“**Loyal Step**”), which exceeds the proportion of its shareholding in Huizhou Zhongzhou Environmental Protection Resources Co., Ltd.* (惠州市中洲環保資源有限公司) (an associate of the target group and is owned as to 40% by Loyal Step and 60% by Independent Third Parties); and (b) guarantee provided by any other member of the target group (if any) which exceeds the proportion of its shareholding as set out in the financial statements of the Company as at 30 June 2024 or any other financial statements to be agreed in writing between the Offeror and the Company, and such written agreements and/or written preliminary or in-principle confirmation having effectively confirmed that the target group will assume limited guarantee liability for the relevant non-consolidated subsidiaries within the proportion of their respective shareholding).”

In relation to item (a) of Pre-Condition (iv) above, Loyal Step has recently entered into a supplemental written agreement with the relevant financial institution for Loyal Step to provide a guarantee up to its shareholding ratio in respect of the external borrowings of Huizhou Zhongzhou Environmental Protection Resources Co., Ltd.* (惠州市中洲環保資源有限公司). Therefore, item (a) of Pre-Condition (iv) has been fulfilled. Relevant work relating to the fulfilment of Pre-Condition (iv)(b) is still in progress.

Among the Pre-Conditions for this transaction, apart from item (b) of Pre-Condition (iv) which has not yet been fulfilled, the other Pre-Conditions have been fulfilled.

(Chinese version as published on the website of the Shanghai Stock Exchange)

本次交易須達成的先決條件的具體內容如下：

「...

(iv)標的公司集團已與相關金融機構、擔保人及其他實體(如適用)簽訂書面協議及／或取得彼等的初步或基本書面確認，以解決以下擔保事宜：

(a)步忠有限公司(標的公司的間接全資附屬公司，以下簡稱「步忠」)提供的擔保超過其於惠州市中洲環保資源有限公司(標的公司集團的聯營公司，由步忠與獨立第三方分別擁有40%及60%)的持股比例；及(b)標的公司集團任何其他成員公司(如有)提供的擔保超過其於標的公司日期為2024年6月30日的財務報表或要約人與標的公司書面協定的任何其他財務報表所載的持股比例，且該等書面協議及／或書面初步或基本確認已經有效確認標的公司集團將就相關非合併附屬公司承擔各自持股比例範圍內的有限擔保責任」。

就上述先決條件(iv)的第(a)項，步忠已於近日與相關金融機構補充簽訂書面協議，由步忠為惠州市中洲環保資源有限公司的對外借款提供不超過其持股比例的擔保。因此，先決條件(iv)的第(a)項已達成。先決條件(iv)的第(b)項涉及的相關工作仍在推進中。

綜上，本次交易的先決條件中，尚餘先決條件(iv)的第(b)項未達成，其他先決條件已達成。」