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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

**(1) 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**

**(5) SPECIAL DEAL IN RELATION TO AMENDMENTS TO
EXCHANGEABLE BONDS TERMS AND CONDITIONS**

**(6) PROPOSED WITHDRAWAL OF LISTING OF THE COMPANY
DESPATCH OF THE SCHEME DOCUMENT AND
THE OPTION OFFER LETTER**

Exclusive Financial Adviser to the Offeror



Exclusive Financial Adviser to the Company



INTRODUCTION

Reference is made to the announcements 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**”) on (a) 22 July 2024 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 (the “**3.5 Announcement**”); (b) 9 August 2024 in relation to the extension of time for despatch of the Scheme Document; (c) 17 March 2025 in relation to, further extension of time for despatch of the Scheme Document; and (d) 9 April 2025 in relation to the special deal relating to amendments to exchangeable bonds terms and conditions. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the 3.5 Announcement.

DESPATCH OF THE SCHEME DOCUMENT AND THE OPTION OFFER LETTER

The Scheme Document, together with the notices of the EGM and Court Meeting and the relevant proxy forms, have been made available to Shareholders on Thursday, 17 April 2025.

The Scheme Document, together with the notices of the EGM and the Court Meeting, the Option Offer Letter and the Form of Acceptance, have been made available to Optionholder on Thursday, 17 April 2025.

The Scheme Document contains, among others, further details of the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, the Office Building Disposal, the EB Amendments and the Option Offer, the expected timetable, an explanatory memorandum as required by the Companies Act and the rules of the Grand Court, information regarding the Company and the Offeror, the recommendation of the Independent Board Committee in respect of the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, the Office Building Disposal, the EB Amendments and the Option Offer, a letter of advice from the Independent Financial Adviser, a notice of the EGM and a notice of the Court Meeting as well as the particulars required by the Takeovers Code.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee, which comprises Mr. Feng Jun, being the non-executive Director who does not have any relationship with the Offeror or Best Approach, and Professor Sha Zhenquan, Mr. Chan Kam Kwan Jason, Mr. Chung Kwok Nam and Mr. Lee Tsung Wah Jonathan, being the independent non-executive Directors, has been established by the Board to make a recommendation (i) to the Independent Shareholders as to whether the terms of the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, and the Office Building Disposal and, to the EB Amendments Independent Shareholders only, as to whether the terms of the EB Amendments are, or are not, fair and reasonable and as to how to vote at the EGM and the Court Meeting; and (ii) to the Optionholder as to whether the terms of the Option Offer are, or are not, fair and reasonable and whether to accept the Option Offer.

The Board, with the approval of the Independent Board Committee, has appointed Somerley Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, the Office Building Disposal, the EB Amendments and the Option Offer.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the terms of the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, the Office Building Disposal and the EB Amendments are fair and reasonable, and the terms of the Option Offer are fair and reasonable, and accordingly, it advises the Independent Board Committee to recommend (i) the Independent Shareholders to vote in favour of (a) the resolutions necessary to implement the Proposal, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal and the Office Building Disposal at the EGM (b) the Scheme at the Court Meeting, (ii) the EB Amendments Independent Shareholders to vote in favour of the resolutions necessary to implement the EB Amendments, and (iii) the Optionholder to accept the Option Offer.

The Independent Board Committee, having considered the terms of the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, the Office Building Disposal, the EB Amendments and the Option Offer, and having taken into account the advice and recommendation of the Independent Financial Adviser (in particular the factors, reasons and recommendations as set out in the letter from Independent Financial Adviser), considers that the terms of the Proposal, the Scheme, the Rollover Arrangement, the Smart Parking Disposal, the Office Building Disposal, the Land Disposal, the EB Amendments and the Option Offer are fair and reasonable.

Accordingly, the Independent Board Committee recommends that:

- (1) at the EGM:
 - (a) the Independent Shareholders to vote in favour of:
 - (i) the special resolution to approve and give effect to any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares;
 - (ii) the ordinary resolution to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and applying the credit arising in the Company's books of accounts as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares for issuance to the Offeror;
 - (iii) the ordinary resolution to approve the Rollover Arrangement; and
 - (iv) the ordinary resolution to approve the Land Disposal, Smart Parking Disposal and Office Building Disposal;
 - (b) the EB Amendments Independent Shareholders to vote in favour of the ordinary resolution to approve the EB Amendments; and
- (2) at the Court Meeting, the Independent Shareholders to vote in favour of the resolution to approve the Scheme;
- (3) the Optionholder to accept the Option Offer.

Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in relation to the Proposal, the Scheme and the Rollover Arrangement as set out in the letter from the Independent Board Committee and the letter from the Independent Financial Adviser as contained in the Scheme Document.

EGM AND COURT MEETING

The Grand Court has directed that the Court Meeting be convened for the purpose of considering and, if thought fit, approving the Scheme (with or without modification). The EGM and the Court Meeting are scheduled to be held at 2:30 pm and 3:00 p.m. (or if later, as soon as practicable after the conclusion or adjournment of the EGM), respectively, on Monday, 12 May 2025 at 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong.

Notices of the Court Meeting and the EGM are contained in the Scheme Document. The Company and the Offeror will make an announcement in relation to the results of the EGM and the Court Meeting on Monday, 12 May 2025 by no later than 7:00 p.m.

The Company has confirmed that the vote counting of all the resolutions to be proposed at the EGM will not take place until the conclusion of the Court Meeting; and the poll results of all the resolutions to be proposed at the EGM will not be announced/notified to any Shareholder until the publication of the poll results announcement of the Company in relation to the EGM and the Court Meeting on the website of the Stock Exchange in accordance with the requirements under the Takeovers Code and the Listing Rules.

CLOSURE OF THE REGISTERS FOR DETERMINING THE ENTITLEMENT TO ATTEND AND VOTE AT THE EGM AND THE COURT MEETING AND MEETING RECORD DATE

For the purpose of determining the entitlements of the Shareholders to attend and vote at the EGM and the Scheme Shareholders to attend and vote at the Court Meeting, the register of members of the Company will be closed from Wednesday, 7 May 2025 to Monday, 12 May 2025 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to attend and vote at the EGM and/or the Court Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Tuesday, 6 May 2025. A subsequent purchaser of Shares will need to obtain a proxy form from the transferor if he/she wishes to attend or vote at the EGM or the Court Meeting.

The Meeting Record Date is Monday, 12 May 2025.

CLOSURE OF THE REGISTERS FOR DETERMINING THE ENTITLEMENT OF THE SCHEME SHAREHOLDERS UNDER THE SCHEME AND RECORD DATE

If the resolution to approve the Scheme and the resolutions necessary to implement the Proposal are approved at the Court Meeting and the EGM respectively, the register of members of the Company will be closed from Wednesday, 21 May 2025 onwards for the purpose of determining the entitlement of the Scheme Shareholders under the Scheme.

In order to qualify for entitlements under the Scheme, all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, for registration before 4:30 p.m. on Tuesday, 20 May 2025.

Subject to the Scheme being sanctioned by the Court at the Court Hearing, which is scheduled to be held on Tuesday, 20 May 2025 (Cayman Islands time), the Record Date for determining the entitlement of the Scheme Shareholders under the Scheme will be on Friday, 30 May 2025. Shareholders should note that if the resolution to approve the Scheme and the resolutions necessary to implement the Proposal are approved at the Court Meeting and the EGM respectively, the last day for trading in the Shares on the Stock Exchange is expected to be on Wednesday, 14 May 2025.

If the Scheme becomes effective on Friday, 30 May 2025 (Cayman Islands time), the listing of the Shares on the Stock Exchange is expected to be withdrawn from 4:00 p.m. on Monday, 2 June 2025.

CONDITIONS OF THE PROPOSAL AND THE SCHEME

Shareholders, Optionholders and potential investors of the Company should be aware that the implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the Conditions set out in the section headed “4. Conditions of the Proposal and the Scheme” in Part VII — Explanatory Memorandum of the Scheme Document.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. When all of the Conditions are fulfilled or waived (as applicable), the Scheme will become effective and binding on the Company and all Scheme Shareholders.

EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Any changes to the timetable will be jointly announced by the Offeror and the Company by way of announcement(s) as soon as possible. Unless otherwise expressly stated, all references to dates and times contained in this joint announcement refer to Hong Kong dates and times.

**Hong Kong time
(unless otherwise specified)**

Latest time for lodging transfers of Shares in order to
become entitled to attend and vote at the EGM
and/or the Court Meeting. 4:30 p.m. on
Tuesday, 6 May 2025

Register of members of the Company closed for determining entitlements of the Shareholders to attend and vote at the EGM and entitlements of the Scheme Shareholders to attend and vote at the Court Meeting (*Note 1*) Wednesday, 7 May 2025 to Monday, 12 May 2025 (both days inclusive)

Latest time for lodging **WHITE** forms of proxy in respect of EGM (*Note 2*) 2:30 p.m. on Saturday, 10 May 2025

Latest time for lodging **PINK** forms of proxy in respect of Court Meeting (*Note 2*) 3:00 p.m. on Saturday, 10 May 2025 (or alternatively be handed directly to the chairman of the Court Meeting at the Court Meeting)

Meeting Record Date Monday, 12 May 2025

EGM (*Notes 3 and 9*) 2:30 p.m. on Monday, 12 May 2025

Court Meeting (*Notes 3 and 9*) 3:00 p.m. on Monday, 12 May 2025 (or if later, as soon as practicable after the conclusion or adjournment of the EGM)

Announcement of the results of the EGM and the Court Meeting no later than 7:00 p.m. on Monday, 12 May 2025

Expected last time for trading in the Shares on the Stock Exchange Wednesday, 14 May 2025

Latest time for lodging transfers of Shares in order to qualify for entitlements under the Scheme 4:30 p.m. on Tuesday, 20 May 2025

Court Hearing Tuesday, 20 May 2025 (Cayman Islands time)

Register of members of the Company closed for determining entitlements of the Scheme Shareholders under the Scheme (*Note 4*) from Wednesday, 21 May 2025 onwards

Announcement of the result of the Court Hearing, the expected Effective Date, and the expected date of withdrawal of the listing of the Shares on the Stock Exchange no later than 8:30 a.m. on Wednesday, 21 May 2025

Latest time and date for lodging the Form of Acceptance in relation to the Option Offer (*Note 5*) 4:30 p.m. on Friday, 30 May 2025

Record Date Friday, 30 May 2025

Effective Date (*Note 6*) Friday, 30 May 2025 (Cayman Islands time)

Announcement of the Effective Date and the withdrawal of the listing of the Shares on the Stock Exchange no later than 8:30 a.m. on Monday, 2 June 2025

Withdrawal of the listing of the Shares on the Stock Exchange becomes effective (*Note 7*) 4:00 p.m. on Monday, 2 June 2025

Latest time for posting or remittances for the amounts due under the Scheme, and for acceptance under the Option Offer in respect of the Share Options that have not lapsed as at the Record Date but in respect of which the underlying Shares have not been registered in the name of the relevant holder (or its nominee) as at the Record Date (*Notes 8 and 10*) on or before Tuesday, 10 June 2025

Notes:

1. The register of members of the Company will be closed during such period for the purpose of determining the entitlements of the Shareholders to attend and vote at the EGM and the Scheme Shareholders to attend and vote at the Court Meeting. This book closure period is not for determining the entitlements under the Scheme.

2. Forms of proxy should be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event no later than the respective times and dates stated above. If the **WHITE** form of proxy is not lodged at least 48 hours before the time appointed for the EGM or any adjournment or postponement thereof, it will not be valid. In the case of the **PINK** form of proxy in respect of the Court Meeting, it may alternatively be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it). The completion and return of a form of proxy for the Court Meeting or the EGM will not preclude a Shareholder from attending and voting at the relevant Meeting or any adjournment or postponement thereof in person. In such event, the relevant form of proxy will be revoked by operation of law.
3. The EGM and the Court Meeting will be held at 24/F, Admiralty Center 1, 18 Harcourt Road, Hong Kong at the times and dates specified above.
4. The register of members of the Company will be closed as from such time and on such date for the purpose of determining the entitlements of the Scheme Shareholders under the Scheme.
5. Form of Acceptance, duly completed in accordance with the instructions on them, must be lodged with the Company at 28/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong, by no later than 4:30 p.m. on Friday, 30 May 2025 (or such later date and time as may be notified to you by the Offeror and the Company or by way of joint announcement by the Offeror and the Company on the website of the Stock Exchange).
6. The Scheme will become effective upon the fulfilment or waiver (as applicable) of all of the Conditions to the Proposal as set out in the section headed "4. Conditions of the Proposal and the Scheme" in Part VII — Explanatory Memorandum of the Scheme Document.
7. If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at 4:00 p.m. on Monday, 2 June 2025.
8. Cheques for payment of the Cancellation Price to the Scheme Shareholders will be despatched as soon as possible but in any event no later than seven business days (as defined in the Takeovers Code) of the Effective Date by ordinary post in postage pre-paid envelopes addressed to the person(s) entitled thereto at their respective addresses as appearing on the register of members of the Company as at the Record Date or, in the case of joint holders, at the address appearing on the register of members of the Company as at the Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding. Payments in respect of the Option Offer Price will be made to the Company as the agent of the Optionholder, by cheque(s), or at the election of the Offeror, by wire transfer within seven business days (as defined in the Takeovers Code) of the Effective Date. The Company will make payments in respect of the Option Offer Price to the Optionholder by wire transfer.
9. If any severe weather condition is in force in Hong Kong at any time after 9:00 a.m. on the date of the EGM and the Court Meeting, the EGM and the Court Meeting will be adjourned or postponed. The Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the Shareholders of the date, time and venue of the rescheduled meetings.

10. If any severe weather condition is in force in Hong Kong: (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date to despatch cheques for the payment of the Cancellation Price under the Scheme and/or the Option Offer Price under the Option Offer, the latest date to despatch cheques will remain on the same Business Day; or (b) at any time at or after 12:00 noon on the latest date to despatch cheques for the payment of the Cancellation Price under the Scheme and/or the Option Offer Price under the Option Offer, the latest date to despatch cheques will be rescheduled to the following Business Day which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another Business Day thereafter that does not have any severe weather condition at 12:00 noon or thereafter).

For the purpose of this joint announcement, “severe weather” refers to the scenario where a tropical cyclone warning signal number 8 or above is hoisted, a black rainstorm warning and/or the “Extreme Conditions” warning as announced by the Hong Kong Government is/are in force in Hong Kong. Further announcement(s) will be made if there is any change to the expected timetable as a result of any severe weather.

WARNING: 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, 17 April 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. 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 Best Approach) 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.