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## **CAPITAL ENVIRONMENT HOLDINGS LIMITED**

**首創環境控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3989)**

### **POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 27 MAY 2015**

#### **POLL RESULTS OF THE EGM**

The Board is pleased to announce that all the resolutions as set out in the Notice were duly passed by the Independent Shareholders by way of poll at the EGM held on 27 May 2015.

The last day of dealings in Shares on a cum-rights basis will be 29 May 2015. Shares will be dealt in on an ex-rights basis from 1 June 2015. To qualify for the Rights Issue, all transfers of Shares must be lodged with the Company's branch share registrar, Tricor Investor Services Limited, for registration by 4: 30 p.m. on 2 June 2015. Subject to the registration of the Rights Issue Documents with the Registrar of Companies in Hong Kong, (i) the Rights Issue Documents are expected to be despatched to the Qualifying Shareholders on 9 June 2015, and (ii) the Prospectus is also expected to be despatched to the Excluded Shareholders, for their information only, on the same day.

Reference is made to the circular (the "**Circular**") issued by Capital Environment Holdings Limited (the "**Company**") dated 11 May 2015, the notice (the "**Notice**") of the extraordinary general meeting (the "**EGM**") of the Company dated 11 May 2015 and the announcement of the Company dated 14 May 2015 in relation to, among others, the proposed Rights Issue, the Whitewash Waiver and the proposed Increase in Authorised Share Capital. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

#### **POLL RESULTS OF THE EGM**

At the EGM held on 27 May 2015, all proposed resolutions were taken by poll. The Company's branch share registrar, Tricor Investor Services Limited, was appointed as the scrutineer at the EGM for the purpose of vote-taking. As at the date of the EGM, the total number of issued Shares was 4,731,504,664 Shares.

As disclosed in the Circular, Shareholders who are involved in, or interested in, the Rights Issue, the Whitewash Waiver and the transactions contemplated thereunder (including the Underwriter, Beijing Capital (HK), BC Water, parties acting in concert with them respectively and those who are involved in or interested in the Whitewash Waiver and their respective associates) were required to abstain from voting in respect of the resolutions proposed at the EGM.

As disclosed in the Circular, certain Directors, namely Mr. Yu Changjian, Mr. Liu Xiaoguang, Mr. Cao Guoxian and Mr. Shen Jianping, are directors and/or hold various senior management positions in the Beijing Capital Group have abstained from voting on the board resolutions approving the Rights Issue and the Whitewash Waiver.

As at the date of the EGM, the Underwriter, BC Water, Beijing Capital (HK), any of their associates and parties acting in concert with any of them were beneficially interested in a total of 2,342,128,286 Shares. Accordingly, a total of 2,389,376,378 Shares held by the Independent Shareholders were entitled to attend and vote for or against the proposed resolutions at the EGM. There was no Share entitling the holder to attend and vote only against any resolution at the EGM.

The Board is pleased to announce that all the proposed resolutions were duly passed by the Independent Shareholders by way of poll at the EGM. The poll results in respect of each of the resolutions proposed at the EGM were as follows:

Ordinary Resolutions	Number of Shares voted (%)	
	For	Against
1A.To amend resolution 1(a) as follows: (a) “the underwriting agreement dated 21 April 2015 (the “Underwriting Agreement”) made between the Company and Beijing Capital (Hong Kong) Limited as the underwriter” is replaced by “the underwriting agreement dated 21 April 2015 (the “Underwriting Agreement”) made between the Company and BCG Chinastar International Investment Limited as the underwriter”; and (b) “in the proportion of three Rights Shares for every two existing shares” is replaced by “in the proportion of one Rights Share for every one existing share”	7,000 (100%)	0 (0%)
1. To approve the Underwriting Agreement, the Rights Issue and the transactions contemplated thereunder and any director(s) of the Company be and is authorised to do all things to give effect to the same.	416,559,000 (100%)	0 (0%)
2. To approve the Whitewash Waiver and any director(s) of the Company be and is authorised to do all things to give effect to the same.	413,657,000 (99.30%)	2,902,000 (0.70%)
3. To approve the proposed Increase in Authorised Share Capital and is authorised to do all such things to give effect to the same.	416,559,000 (100%)	0 (0%)

*Note:* Please refer to the Notice for the full text of the resolutions.

Shareholders and potential investors of the Company should note that the Rights Issue is still subject to the fulfillment of other conditions precedent set out under the section headed “Conditions of the Rights Issue” in the Circular.

The last day of dealings in Shares on a cum-rights basis will be 29 May 2015. Shares will be dealt in on an ex-rights basis from 1 June 2015. To qualify for the Rights Issue, all transfers of Shares must be lodged with the Company’s branch share registrar, Tricor Investor Services Limited, for registration by 4: 30 p.m. on 2 June 2015. Subject to the registration of the Rights Issue Documents with the Registrar of Companies in Hong Kong, (i) the Rights Issue Documents are expected to be despatched to the Qualifying Shareholders on 9 June 2015, and (ii) the Prospectus is also expected to be despatched to the Excluded Shareholders, for their information only, on the same day.

## SHAREHOLDING IN THE COMPANY

The table below shows the changes in shareholding structure of the Company arising from the Rights Issue:

### (i) Assuming no exercise of Share Options and the Convertible Bonds on or before the Record Date

*Assuming no new shares (other than the Rights Shares) will be issued and no repurchase of Shares on or before the completion of the Rights Issue:*

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming full acceptance by Qualifying Shareholders		Immediately after completion of the Rights Issue assuming no acceptance by Qualifying Shareholders (other than Beijing Capital (HK) and BC Water)	
	No. of shares	Approximate percentage	No. of shares	Approximate percentage	No. of shares	Approximate percentage
<b>Shareholders</b>						
Beijing Capital (HK) <i>(Note 1, 2)</i>	2,318,918,286	49.01%	4,637,836,572	49.01%	4,661,046,572	49.26%
BC Water <i>(Note 2)</i>	23,210,000	0.49%	46,420,000	0.49%	23,210,000	0.25%
The Underwriter <i>(Note 1, 2)</i>	—	0.00%	—	0.00%	2,389,376,378	25.25%
Subtotal of the Underwriter and parties acting in concert with it <i>(Note 1)</i>	2,342,128,286	49.50%	4,684,256,572	49.50%	7,073,632,950	74.75%
Other Public Shareholders	2,389,376,378	50.50%	4,778,752,756	50.50%	2,389,376,378	25.25%
Total	4,731,504,664	100.00%	9,463,009,328	100.00%	9,463,009,328	100.00%

*Notes:*

- Beijing Capital (HK) holds 2,318,918,286 Shares and 268,965,517 Shares are issuable upon conversion of the Convertible Bonds. Beijing Capital (HK) has undertaken that it will not dispose of or transfer or exercise any of the convertible rights under the Convertible Bonds held by it on or before the Final Acceptance Date. Pursuant to the underwriting arrangement, Beijing Capital (HK) has undertaken to take up and accept its rights entitlements and to exercise its excess rights to at least cover the rights entitlements of BC Water.
- Beijing Capital (HK) and BC Water, both wholly-owned by Beijing Capital, together with the Underwriter, wholly-owned by Beijing Capital Group, the controlling shareholder of Beijing Capital, are parties acting in concert.

- (ii) Assuming new Shares have been issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options and the full exercise of all the conversion rights attaching to the Convertible Bonds on or prior to the latest date for lodging transfer of Shares, but otherwise no other Shares (other than the Rights Shares) are issued and no repurchase of Shares on or before the completion of the Rights Issue.

*Assuming new shares have been issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options and Convertible Bonds*

	As at the Latest Practicable Date		After the full exercise of all outstanding Share Options and Convertible Bonds on or before the Record Date		Immediately after completion of the Rights Issue assuming full acceptance by Qualifying Shareholders		Immediately after completion of the Rights Issue assuming no acceptance by Qualifying Shareholders (other than Beijing Capital (HK) and BC Water)	
	No. of shares	Approximate percentage	No. of shares	Approximate percentage	No. of shares	Approximate percentage	No. of shares	Approximate percentage
<b>Shareholders</b>								
Beijing Capital (HK) (Note 1, 2)	2,318,918,286	49.01%	2,318,918,286	46.35%	4,637,836,572	46.35%	4,658,634,296	46.56%
	—	0.00%	268,965,517	5.38%	537,931,034	5.38%	540,343,310	5.40%
BC Water (Note 2)	23,210,000	0.49%	23,210,000	0.46%	46,420,000	0.46%	23,210,000	0.23%
The Underwriter (Note 1, 2)	—	0.00%	—	0.00%	—	0.00%	2,392,079,666	23.91%
Subtotal of the Underwriter and parties acting in concert with it	2,342,128,286	49.50%	2,611,093,803	52.19%	5,222,187,606	52.19%	7,614,267,272	76.09%
Other Share Options holders (Note 3)	—	0.00%	2,703,288	0.05%	5,406,576	0.05%	2,703,288	0.03%
Other Public Shareholders	2,389,376,378	50.50%	2,389,376,378	47.76%	4,778,752,756	47.76%	2,389,376,378	23.88%
Sub-total of public float	2,389,376,378	50.50%	2,392,079,666	47.81%	4,784,159,332	47.81%	2,392,079,666	23.91%
Total	4,731,504,664	100.00%	5,003,173,469	100.00%	10,006,346,938	100.00%	10,006,346,938	100.00%

*Notes:*

- Beijing Capital (HK) holds 2,318,918,286 Shares and 268,965,517 Shares are issuable upon conversion of the Convertible Bonds. This table is for illustration purpose only as Beijing Capital (HK) has undertaken that it will not dispose of or transfer or exercise any of the convertible rights under the Convertible Bonds held by it on or before the Final Acceptance Date. Pursuant to the underwriting arrangement, Beijing Capital (HK) has undertaken to take up and accept its rights entitlements and to exercise its excess rights to at least cover the rights entitlements of BC Water.
- Beijing Capital (HK) and BC Water, both wholly-owned by Beijing Capital, together with the Underwriter, wholly-owned by Beijing Capital Group, the controlling shareholder of Beijing Capital, are parties acting in concert.
- Other Share Options holders are independent third parties.

(iii) Assuming new Shares have been issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options (but not the Convertible Bonds) on or prior to the latest date for lodging transfer of Shares, but otherwise no other Shares (other than the Rights Shares) are issued and no repurchase of Shares on or before the completion of the Rights Issue.

*Assuming new shares have been issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options (but not the Convertible Bonds)*

	As at the Latest Practicable Date		After the full exercise of all outstanding Share Options on or before the Record Date		Immediately after completion of the Rights Issue assuming full acceptance by Qualifying Shareholders		Immediately after completion of the Rights Issue assuming no acceptance by Qualifying Shareholders (other than Beijing Capital (HK) and BC Water)	
	No. of shares	Approximate percentage	No. of shares	Approximate percentage	No. of shares	Approximate percentage	No. of shares	Approximate percentage
<b>Shareholders</b>								
Beijing Capital (HK) (Note 1, 2)	2,318,918,286	49.01%	2,318,918,286	48.98%	4,637,836,572	48.98%	4,661,046,572	49.23%
BC Water (Note 2)	23,210,000	0.49%	23,210,000	0.49%	46,420,000	0.49%	23,210,000	0.25%
The Underwriter (Note 1, 2)	—	0.00%	—	0.00%	—	0.00%	2,392,079,666	25.26%
Subtotal of the Underwriters and parties acting in concert with it (note 1)	2,342,128,286	49.50%	2,342,128,286	49.47%	4,684,256,572	49.47%	7,076,336,238	74.74%
Other Share Options holders (Note 3)	—	0.00%	2,703,288	0.06%	5,406,576	0.06%	2,703,288	0.03%
Other Public Shareholders	2,389,376,378	50.50%	2,389,376,378	50.47%	4,778,752,756	50.47%	2,389,376,378	25.24%
Subtotal of public float	2,389,376,378	50.50%	2,392,079,666	50.53%	4,784,159,332	50.53%	2,392,079,666	25.26%
Total	4,731,504,664	100.00%	4,734,207,952	100.00%	9,468,415,904	100.00%	9,468,415,904	100.00%

Notes:

- Beijing Capital (HK) holds 2,318,918,286 Shares and 268,965,517 Shares are issuable upon conversion of the Convertible Bonds. Beijing Capital (HK) has undertaken that it will not dispose of or transfer or exercise any of the convertible rights under the Convertible Bonds held by it on or before the Final Acceptance Date. Pursuant to the underwriting arrangement, Beijing Capital (HK) has undertaken to take up and accept its rights entitlements and to exercise its excess rights to at least cover the rights entitlements of BC Water.
- Beijing Capital (HK) and BC Water, both wholly-owned by Beijing Capital, together with the Underwriter, wholly-owned by Beijing Capital Group, the controlling shareholder of Beijing Capital, are parties acting in concert.
- Other Share Options holders are independent third parties.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES**

**The Shares will be dealt in on an ex-rights basis from Monday, 1 June 2015. Dealings in the Rights Shares in the nil-paid form will take place from Thursday, 11 June 2015 to Friday, 19 June 2015 (both days inclusive). If the conditions of the Rights Issue are not fulfilled on or before 4:00 p.m. on Wednesday, 1 July 2015 (or such later time and/or dates as the Company and the Underwriter may determine), or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed. Any persons contemplating buying or selling Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any dealings in the Rights Shares in their nil-paid form between Thursday, 11 June 2015 and Friday, 19 June 2015 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.**

By order of the Board  
**Capital Environment Holdings Limited**  
**Yu Changjian**  
*Chairman*

Hong Kong, 27 May 2015

*As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Yu Changjian, Mr. Cao Guoxian, Mr. Liu Xiaoguang and Mr. Shen Jianping; and three independent non-executive Directors, namely Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen and Ms. Chan Yee Wah, Eva.*

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