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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Kimou Environmental Holding Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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Kimou Environmental Holding Limited

金茂源環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6805)

**PROPOSALS FOR GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Kimou Environmental Holding Limited to be held at Conference Room, Longhua Road, Longxi Street, Boluo County, Huizhou City, Guangdong Province, the People's Republic of China at 10:00 a.m. on Friday, 28 May 2021 is set out on pages AGM-1 to AGM-6 of this circular.

A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.platingbase.com). Whether or not you are able to attend the meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time of the Annual General Meeting (i.e. by 10:00 a.m. on Wednesday, 26 May 2021 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish.

26 April 2021

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I — DETAILS OF THE DIRECTORS PROPOSED FOR RE-ELECTION	8
APPENDIX II — EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE	12
NOTICE OF ANNUAL GENERAL MEETING	AGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at Conference Room, Longhua Road, Longxi Street, Boluo County, Huizhou City, Guangdong Province, the People’s Republic of China at 10:00 a.m. on Friday, 28 May 2021 or any adjournment thereof, the notice of which is set out on pages AGM-1 to AGM-6 of this circular
“Articles of Association”	the articles of association of the Company as amended from time to time
“associate”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act of the Cayman Islands
“Company”	Kimou Environmental Holding Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“General Mandate”	general and unconditional mandate proposed to be granted to the Directors to exercise the power to allot, issue or otherwise deal with new Shares up to a maximum of 20% of the total number of issued Shares of the Company as at the date of passing of the relevant resolution at the Annual General Meeting
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	16 April 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, the aggregate number of Shares of which shall not exceed 10% of the number of issued shares of the Company as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)” or “Member(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



Kimou Environmental Holding Limited

金茂源環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6805)

Executive Directors:

Mr. Zhang Lianghong (*Chairman of the Board*)
Mr. Zhu Heping (*Chief Executive Officer*)
Mr. Lee Yuk Kong
Mr. Huang Shaobo

Registered office:

Campbells Corporate Services Limited
Floor 4, Willow House
Cricket Square, Grand Cayman
KY1-9010, Cayman Islands

Independent Non-Executive Directors:

Mr. Li Xiaoyan
Mr. Li Yinquan
Mr. Kan Chung Nin, Tony *SBS, JP*

*Principal place of business and head office
in the PRC:*

Longhua Road, Longxi Street
Boluo County
Huizhou City
Guangdong Province, the PRC

Principal place of business in Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

26 April 2021

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with the notice of the Annual General Meeting and to provide you with information regarding the resolutions to be put forward at the Annual General Meeting. Resolutions to be put forward at the Annual General Meeting include, inter alia: (i) ordinary resolutions on the proposed grant to the Directors of each of the General Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) ordinary resolutions relating to the proposed re-election of the Directors.

LETTER FROM THE BOARD

GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the proposed General Mandate to issue Shares. An ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a General Mandate to exercise the powers of the Company to allot, issue and otherwise deal with new Shares up to a maximum of 20% of the total number of issued Shares of the Company as at the date of the passing of the resolution in relation to such General Mandate. As at the Latest Practicable Date, the Company had 1,120,000,000 Shares in issue. Subject to the passing of the relevant resolution and on the basis that there is no change to the number of issued Shares during the period between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 224,000,000 Shares. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to such general mandate, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the grant to the Directors of the Repurchase Mandate to exercise the powers of the Company to repurchase Shares, representing up to 10% of the total number of Shares in issue as at the date of the passing of the resolution in relation to the Repurchase Mandate.

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the grant to the Directors of the Extension Mandate to increase the total number of Shares which may be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

Each of the General Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; (b) the date by which the next annual general meeting is required by the Cayman Companies Act or the Articles of Association to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 16.18 of the Articles of Association, Mr. Zhang Lianghong, Mr. Zhu Heping and Mr. Lee Yuk Kong shall retire from their offices as Directors at the Annual General Meeting. Mr. Zhang Lianghong, Mr. Zhu Heping and Mr. Lee Yuk Kong, being eligible, will offer themselves for re-election at the Annual General Meeting. The details of Mr. Zhang Lianghong, Mr. Zhu Heping and Mr. Lee Yuk Kong are set out in Appendix I to this circular.

On 26 March 2021, the Board, having reviewed the Board's composition and noted that Mr. Zhang Lianghong, Mr. Zhu Heping and Mr. Lee Yuk Kong, being executive directors are eligible for nomination and re-election under the Articles of Association and the Company's policy for nomination of Directors, resolved to make recommendations on the re-election of the above Directors by the Shareholders at the Annual General Meeting.

The recommendations on re-election were made in accordance with the Company's policy for nomination of Directors and took into account the diversity aspects (including, without limitation, the Company's specific business needs, gender, age, nationality, skills, language, cultural and educational background as well as industry and professional experience) under the board diversity policy of the Company.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 25 May 2021 to Friday, 28 May 2021, both days inclusive, during which period no share transfers can be registered.

In order to be eligible for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 24 May 2021.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages AGM-1 to AGM-6 of this circular is the Notice of the Annual General Meeting at which ordinary resolutions will be proposed to the Shareholders to consider and approve, inter alia, (i) the grant to the Directors of the General Mandate, Repurchase Mandate and Extension Mandate; and (ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.platingbase.com). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. 10:00 a.m. on Wednesday, 26 May 2021) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting or any adjournment if they so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 13.5 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each share registered in his/her/its name in the register. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way. As at the Latest Practicable Date, to the extent the Company is aware, having made all reasonable enquires, no Shareholder has to abstain from voting on any of the proposed resolutions. The results of the poll will be published on the websites of the Company and the Stock Exchange on the date of the Annual General Meeting.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the General Mandate, Repurchase Mandate and Extension Mandate and the re-election of the Directors to be proposed at the Annual General Meeting are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
Kimou Environmental Holding Limited
Zhang Lianghong
Chairman

The following are the biographical details of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

Executive Directors

Mr. Zhang Lianghong (張梁洪), aged 51, is the founder, executive Director, chairman of the Board, chairman of the nomination committee and member of the remuneration committee of the Group. Mr. Zhang is responsible for the strategic planning, major business decisions and overall management of the Group.

Mr. Zhang has over 19 years of experience in property construction and operation of electroplating industrial parks in the PRC. In July 2001, Mr. Zhang established Boluo Jinchang Trading Company Limited* (博羅縣金昌貿易有限公司) (“**Boluo Jinchang**”), which engaged in the sale of building materials, hardware and chemicals and Huizhou Infrastructure Construction Company Longxi Branch (“**HICC-Longxi**”) in July 2005, which principally engaged in contracting of building constructions. Mr. Zhang has served as a general manager of Boluo Jinchang and HICC-Longxi since their respective inception. Since the incorporation of the Group’s principal operating entity, Huizhou Kimou Industrial Investment Co., Ltd. (“**Huizhou Kimou**”) in June 2005, Mr. Zhang has been committing substantial time and efforts on the construction and operation of electroplating industrial parks. In November 2017, under the leadership of Mr. Zhang, Huizhou Kimou entered into cooperations with the Jingzhou ETDZ Administrative Committee in Hubei Province for the development of the Hubei Jingzhou Project.

Mr. Zhang obtained his high school diploma from Boluo County Longxi High School* (博羅縣龍溪中學) in July 1989. Mr. Zhang was awarded the Outstanding Entrepreneur of Guangdong Environmental Protection Industry (廣東省環境保護產業優秀企業家) by the Guangdong Association of Environmental Protection Industry (廣東省環境保護產業協會) in July 2016.

Mr. Zhang has not at any time during the three years preceding the Latest Practicable Date served nor is currently serving as a director of any other listed companies in Hong Kong or overseas.

Mr. Zhang has entered into a service contract with the Company for a term of three years commencing from 1 July 2019, subject to termination by either party giving not less than three months’ written notice. Mr. Zhang shall hold office until this Annual General Meeting and is subject to retirement from office and re-election at this Annual General Meeting and thereafter shall be subject to retirement by rotation and re-election at the Company’s Annual General Meetings in accordance with the Articles of Associations. Mr. Zhang is entitled to an annual remuneration of RMB720,000. The remuneration is determined by the remuneration committee of the Company with reference to the remuneration policy, his duties and the prevailing market level of remuneration for executives of similar position.

As at the Latest Practicable Date, Mr. Zhang was interested in 478,800,000 Shares which are registered in the name of Flourish Investment International Limited, the entire issued share capital of which was owned by Mr. Zhang. Save as disclosed herein, Mr. Zhang did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO, nor was he related to any other Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company as at the Latest Practicable Date.

Save as disclosed above, there is no other information related to Mr. Zhang that need to be disclosed pursuant to the requirements of Rules 13.51(2) of the Listing Rules nor other matters that need to be brought to the attention of the Shareholders and the Stock Exchange.

Mr. Zhu Heping (朱和平), aged 68, is the executive Director and chief executive officer of the Group. Mr. Zhu is primarily responsible for strategic planning and daily operational management of the Group.

Mr. Zhu has over 19 years of experience in the electroplating industry, including the implementation of business strategies for, and the construction and management of electroplating industrial parks in the PRC. Mr. Zhu established a trading company in Lanzhou, Gansu Province, in the PRC, which principally engaged in the trading of a variety of products, including fire fighting equipment, knitwear and leather goods from March 1998 to June 2001. Subsequently, Mr. Zhu served as general managers of Boluo Jinchang and Huizhou Jinchang Real Estate Development Company Limited* (惠州金昌房地產有限公司), from July 2001 to May 2007 and from May 2007 to December 2018, respectively. Mr. Zhu joined the Group in June 2013 when he was appointed as the general manager of the Guangdong Huizhou Park. Under his direction, Guangdong Huizhou Park was recognised by Electroplating Division of China Surface Engineering Association (中國表面工程協會電鍍分會) as a China Demonstration Area of Plating Industry (中國電鍍示範園區) in January 2015. In September 2015, Mr. Zhu was appointed as general manager of the Tianjin Bingang Park and subsequently, in December 2017, he was promoted as chief executive officer of the Group.

Mr. Zhu received his diploma in business management from Jincheng United University* (金城聯合大學) in Gansu Province, the PRC, in July 1986. In May 2018, Mr. Zhu was jointly recognised as one of the Chinese Entrepreneurs (全國優秀企業家) by the China Enterprise Confederation* (中國企業聯合會) and the China Enterprise Directors Association* (中國企業家協會).

Mr. Zhu has not at any time during the three years preceding the Latest Practicable Date served nor is currently serving as a director of any other listed companies in Hong Kong or overseas.

Mr. Zhu has entered into a service contract with the Company for a term of three years commencing from 1 July 2019, subject to termination by either party giving not less than three months' written notice. Mr. Zhu shall hold office until this Annual General Meeting and is subject to retirement from office and re-election at this Annual General Meeting and thereafter shall be subject to retirement by rotation and re-election at the Company's Annual General Meetings in accordance with the Articles of Associations. Mr. Zhu is entitled to an annual

remuneration of HK\$1,800,000. The remuneration is determined by the remuneration committee of the Company with reference to the remuneration policy, his duties and the prevailing market level of remuneration for executives of similar position.

As at the Latest Practicable Date, Mr. Zhu did not have any interest in the Shares of the Company within the meaning of Part XV of the SFO. Mr. Zhu was not related to any other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, there is no other information related to Mr. Zhu that need to be disclosed pursuant to the requirements of Rules 13.51(2) of the Listing Rules nor other matters that need to be brought to the attention of the Shareholders and the Stock Exchange.

Mr. Lee Yuk Kong (李旭江), aged 69, is an executive Director of the Company. Mr. Lee is responsible for the banking relationship and human resources planning of the Group.

Mr. Lee has over 42 years of experience in overall business management. Through his interest in Huizhou Yongjiasheng Industrial Co., Ltd.* (惠州永嘉盛實業有限公司), Mr. Lee became an ultimate shareholder of Huizhou Kimou in July 2016, where he supervised the overall financial management of Huizhou Kimou. Mr. Lee has been serving as chairman of Dongguan Yongjiasheng Knitwear Co., Ltd.* (東莞永嘉盛針織有限公司) since 1979, responsible for overall management including financial and human resources planning.

Mr. Lee has served as member of the Dongguan Spiritual Civilization Establishment Committee* (東莞市精神文明建設委員會), a representative of the 4th Congress of Dongguan Nancheng District Federation of Returned Overseas Chinese (東莞市南城區歸國華僑聯合會第四次代表大會), director of Guangdong Overseas Chinese Enterprises Association (廣東省僑商投資企業協會) chairman of Hong Kong Dongguan Nancheng Natives' Association (香港東莞南城同鄉會) and Guangdong Dongguan committee member of the 12th Chinese People Political Consultative Conference in China (中國人民政治協商會議) in December 2011. Mr. Lee also received the Top 100 Distinguished Character of Guangdong Dongguan award (中國廣東省東莞市百名傑出人物) from Dongguan Spiritual Civilisation Establishment Committee* (東莞市精神文明建設委員會) in 2007. Mr. Lee attended primary education.

Mr. Lee has not at any time during the three years preceding the Latest Practicable Date served nor is currently serving as a director of any other listed companies in Hong Kong or overseas.

Mr. Lee has entered into a service contract with the Company for a term of three years commencing from 1 July 2019, subject to termination by either party giving not less than three months' written notice. Mr. Lee shall hold office until this Annual General Meeting and is subject to retirement from office and re-election at this Annual General Meeting and thereafter shall be subject to retirement by rotation and re-election at the Company's Annual General Meetings in accordance with the Articles of Associations. Mr. Lee is entitled to an annual remuneration of HK\$500,000. The remuneration is determined by the remuneration committee of the Company with reference to the remuneration policy, his duties and the prevailing market level of remuneration for executives of similar position.

As at the Latest Practicable Date, Mr. Lee was interested in 239,400,000 Shares which are registered in the name of Premier Investment Worldwide Company Limited, the entire issued share capital of which was owned by Mr. Lee. Save as disclosed herein, Mr. Lee did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO, nor was he related to any other Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company as at the Latest Practicable Date.

Save as disclosed above, there is no other information related to Mr. Lee that need to be disclosed pursuant to the requirements of Rules 13.51(2) of the Listing Rules nor other matters that need to be brought to the attention of the Shareholders and the Stock Exchange.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 1,120,000,000 Shares in issue. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that there is no change to the number of issued Shares before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 112,000,000 Shares which represent 10% of the total number of Shares in issue as at the date of the passing of the resolution.

REASONS OF THE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF THE REPURCHASE

The Company is empowered by its memorandum and articles of association to repurchase its Shares. In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and laws of the Cayman Islands and the Listing Rules. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. The laws of the Cayman Islands and the Articles of Association provide that payment for a share repurchase may only be made out of profits or the proceeds of a new issue of Shares made for such purpose or subject to the Cayman Companies Act, out of capital of the Company. The amount of premium payable on the repurchase of Shares may only be paid out of either the profits or out of the share premium of the Company or subject to the Cayman Companies Act, out of capital of the Company. In addition, under the laws of the Cayman Islands, payment out of capital by a company for the

purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the Company shall be able to pay its debts as they fall due in the ordinary course of business.

IMPACT OF REPURCHASES

The Directors propose that any of such repurchase of Shares would be appropriately financed by the Company's internal resources and/or available banking facilities. The Directors consider that if the Repurchase Mandate is to be exercised in full at the current prevailing market value, it may have a material adverse impact on the working capital and the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up. However, the Directors do not propose to exercise the Repurchase Mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate, if the same is approved by the Shareholders.

No connected person, as defined in the Listing Rules, of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company, or has any such connected person undertaken not to do so, in the event that the grant of Repurchase Mandate to the Directors is approved by the Shareholders.

UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles of Association.

EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As of the Latest Practicable Date, the largest Shareholder, Flourish Investment International Limited directly held 478,800,000 Shares, representing approximately 42.75% of the total number of Shares in issue. To the best knowledge of our Company, Flourish Investment International Limited is a company incorporated in the British Virgin Islands with limited liability. The issued share capital of Flourish Investment International Limited is wholly-owned by Mr. Zhang Lianghong. For the purpose of the SFO, Mr. Zhang Lianghong is deemed to have an interest in the Shares held by Flourish Investment International Limited. In the event that the Directors exercise in full the power of the Company to repurchase Shares pursuant to the Repurchase Mandate, the shareholding interests of Mr. Zhang Lianghong and Flourish Investment International Limited would increase from approximately 42.75% to approximately 47.50%. Flourish Investment International Limited and Mr. Zhang Lianghong may be obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent so as to give rise to such obligation. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

In addition, the Directors do not have any intention to exercise the Repurchase Mandate to the effect that it will result in the public float to fall below the percentage as required under the Listing Rules or such other minimum percentage agreed by the Stock Exchange from time to time.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the previous 12 months up to the Latest Practicable Date were as follows:

Month	Highest traded price HK\$	Lowest traded price HK\$
2020		
April	0.66	0.50
May	0.60	0.50
June	0.65	0.52
July	0.70	0.59
August	0.69	0.55
September	0.64	0.55
October	0.60	0.53
November	0.80	0.60
December	0.98	0.70
2021		
January	0.94	0.80
February	0.94	0.83
March	0.93	0.80
April (up to the Latest Practicable Date)	0.90	0.83

NOTICE OF ANNUAL GENERAL MEETING



Kimou Environmental Holding Limited

金茂源環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6805)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Kimou Environmental Holding Limited (the “**Company**”) will be held at Conference Room, Longhua Road, Longxi Street, Boluo County, Huizhou City, Guangdong Province, the People’s Republic of China at 10:00 a.m. on Friday, 28 May 2021 for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and auditors for the year ended 31 December 2020.
2. To re-elect the following persons as Directors:
 - (a) To re-elect Mr. Zhang Lianghong as executive Director;
 - (b) To re-elect Mr. Zhu Heping as executive Director;
 - (c) To re-elect Mr. Lee Yuk Kong as executive Director;
3. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
4. To consider the re-appointment of KPMG as auditors of the Company and authorise the Board to fix their remuneration; and

ORDINARY RESOLUTIONS

5. To consider and, if thought fit, pass the following resolution:

“**That:**

- (i) subject to paragraph (iii) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with the unissued shares (the “**Shares**”) in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities

NOTICE OF ANNUAL GENERAL MEETING

of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to:
 - (1) a Rights Issue (as hereinafter defined below); or
 - (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
 - (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or
 - (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares,

shall not exceed the aggregate of: (aa) 20% of the total number of Shares in issue on the date of the passing of this resolution; and (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the total number of Shares in issue purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the total number of Shares in issue on the date of the passing of this resolution), and the authority pursuant to paragraph (i) above shall be limited accordingly;

- (iv) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (iii) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (iii) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

- (v) for the purpose of this resolution:
- (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
 - (3) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members on a fixed record date in proportion to their holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

6. To consider and, if thought fit, pass the following resolution:

“**That:**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange and, subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Act of the Cayman Islands and all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time in this regard, be and is hereby generally and unconditionally approved;
- (ii) the total number of Shares, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the total number of Shares in issue at the date of passing of this resolution, and the said approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors and which are still in effect be and are hereby revoked;
- (iv) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (ii) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (ii) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and
- (v) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
- (c) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. To consider and, if thought fit, pass the following resolution:

“**That** conditional upon the resolutions numbered 5 and 6 above being passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares pursuant to resolution numbered 5 above and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 5 above be and is hereby extended by the addition to the total number of Shares of the Company which may be allotted by the Directors pursuant to the number of Shares repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 6 above.”

By order of the Board
Kimou Environmental Holding Limited
Zhang Lianghong
Chairman

Hong Kong, 26 April 2021

NOTICE OF ANNUAL GENERAL MEETING

Registered office:
Campbells Corporate Services Limited
Floor 4, Willow House
Cricket Square, Grand Cayman
KY1-9010, Cayman Islands

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

*Principal place of business and head office
in the PRC:*

Longhua Road, Longxi Street
Boluo County
Huizhou City
Guangdong Province, the PRC

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/ its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company.
- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be deposited the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.
- (iv) For determining the entitlement to attend and vote at the above meeting, the transfer books and register of members will be closed from Tuesday, 25 May 2021 to Friday, 28 May 2021, both days inclusive, during which period no share transfers can be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 24 May 2021.
- (v) In respect of ordinary resolution numbered 2 above, Mr. Zhang Lianghong, Mr. Zhu Heping and Mr. Lee Yuk Kong being executive Directors shall retire and being eligible, will offer themselves for re-election at the above meeting. The biographical details of the above Directors are set out in Appendix I to the circular dated 26 April 2021.
- (vi) In respect of the ordinary resolution numbered 5 above, the directors wish to state that they have no immediate plans to issue any new Shares. Approval is being sought from the shareholders as a general mandate for the purposes of the Listing Rules.
- (vii) In respect of ordinary resolution numbered 7 above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase Shares in circumstances which they deem appropriate for the benefits of shareholders. The explanatory statement containing the information necessary to enable

NOTICE OF ANNUAL GENERAL MEETING

shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the circular dated 26 April 2021.

As at the date of this notice, the Board comprises Mr. Zhang Lianghong (Chairman), Mr. Zhu Heping (Chief Executive Officer), Mr. Lee Yuk Kong and Mr. Huang Shaobo as executive Directors, and Mr. Li Xiaoyan, Mr. Li Yinquan and Mr. Kan Chung Nin, Tony SBS, JP as independent non-executive Directors.