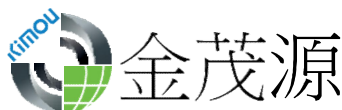


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Kimou Environmental Holding Limited

金茂源環保控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6805)

PROPOSED CHANGE OF AUDITOR

This announcement is made by Kimou Environmental Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that the Company intends to remove KPMG (“**KPMG**”) as the auditor of the Company (the “**Proposed Removal**”) subject to the passing of the relevant resolution at the extraordinary general meeting to be convened and held by the Company (the “**EGM**”). With the recommendation of the audit committee of the Company (the “**Audit Committee**”), the Board proposes to appoint BDO Limited (“**BDO**”) as the new auditor of the Company (the “**Proposed Appointment**”) to fill the casual vacancy following the Proposed Removal and hold office until the conclusion of the next annual general meeting of the Company. The Proposed Appointment is subject to, among other things, the passing of the relevant resolution at the EGM.

PROPOSED REMOVAL OF AUDITOR

At the last annual general meeting of the Company held on 24 May 2024, KPMG was re-appointed as the auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

However, the Company could not reach a consensus with KPMG in respect of the audit fee of the Company for the year ending 31 December 2024. After considering the facts and circumstances, the Audit Committee made a recommendation to the Board to seek the approval of the shareholders of the Company (the “**Shareholders**”) regarding the Proposed Removal. The Board is of the view that the Proposed Removal would enable the Company to carry out effective cost control and reduce operating expenses of the Company to better cope with the future business development of the Group and is in the best interest of the Company and its Shareholders as a whole, and therefore proposes to seek the approval of the Shareholders regarding the Proposed Removal. The Proposed Removal is subject to the passing of an ordinary resolution at the EGM pursuant to the articles of association of the Company (the “**Articles of Association**”). The Board would like to take this opportunity to thank KPMG for its professional services and support in the past years.

The Company is incorporated under the laws of the Cayman Islands and to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for the removed auditor to confirm whether or not there is any circumstance connected with their cessation to act as the Company's auditors which they consider should be brought to the attention of the Shareholders. KPMG has therefore not issued such confirmation. To the best of the Directors' knowledge, information and belief, save as disclosed above, there are no disagreements or unresolved matters between the Company and KPMG, and there are no other circumstances or matters that need to be brought to the attention of the Shareholders and the Stock Exchange in relation to the Proposed Removal.

PROPOSED APPOINTMENT OF AUDITOR

After reviewing the proposed scope of services, size, capacity, relevant industry experience and quotations from several other professional accounting firms, the Audit Committee has assessed and considered that BDO are qualified and suitable to carry out duties of the auditor of the Company. Based on the recommendation of the Audit Committee, the Board has resolved to propose that the Shareholders approve the appointment of BDO as the new auditor of the Company, to fill the casual vacancy following the removal of KPMG and to hold office until the conclusion of the next annual general meeting of the Company. The Proposed Appointment is subject to the Proposed Removal becoming effective and the passing of ordinary resolution in respect of the Proposed Appointment at the EGM, and the completion of the client acceptance process by BDO. Further announcement will be made after the Proposed Appointment takes effect.

IMPLICATIONS UNDER THE LISTING RULES AND THE ARTICLES OF ASSOCIATION

According to article 29.2 of the Articles of Association, the Shareholders may, at any general meeting convened and held in accordance with the Articles of Association, by ordinary resolution remove the auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another auditor in his stead for the remainder of his term.

Under Rule 13.88 of the Listing Rules, (a) the Company must not remove its auditor before the end of the auditor's term of office without first obtaining Shareholders' approval at a general meeting; (b) the Company must send a circular proposing the removal of the auditor to Shareholders with any written representations from the auditor, not less than 10 business days before the general meeting; and (c) the Company must allow the auditor to attend the general meeting and make written and/or verbal representations to Shareholders at the general meeting.

In compliance with the Articles of Association and the Listing Rules, the Proposed Removal and the Proposed Appointment will be proposed as ordinary resolutions at the EGM.

Accordingly, the Company will despatch a circular to the Shareholders who request printed copies, containing, among other things, the further information on the Proposed Removal and the Proposed Appointment together with the notice of EGM, and also despatch a copy of the same to KPMG to invite them to attend the EGM and make written or verbal representations (if any) to the Shareholders at the EGM.

THE EGM AND CLOSURE OF THE REGISTER OF MEMBERS

The EGM will be convened and held for the purposes of considering and, if thought fit, approving the Proposed Removal and the Proposed Appointment.

The register of members of the Company will be closed from Friday, 15 November 2024 to Wednesday, 20 November 2024, both days inclusive and during which period no transfer of shares will be registered, for the purpose of ascertaining Shareholders' entitlement to attend and vote at the EGM to be held on Wednesday, 20 November 2024. In order to be eligible to attend and vote at the EGM, all transfer shares accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 14 November 2024.

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

Hong Kong, 25 October 2024

As at the date of this announcement, the Board comprises Mr. Zhang Lianghong (Chairman), Mr. Huang Qiyang (Chief Executive Officer), Mr. Lee Kin Ming, Mr. Huang Shaobo and Mr. Cheung Ka Tsun as executive Directors, and Mr. Li Xiaoyan, Mr. Kan Chung Nin, Tony SBS, JP and Mr. Liu Da as independent non-executive Directors.