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China Boqi Environmental (Holding) Co., Ltd.

中國博奇環保(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2377)

**(1) CONDITIONAL VOLUNTARY CASH OFFER
BY CLSA LIMITED ON BEHALF OF
THE COMPANY TO BUY-BACK UP TO 150,858,120 SHARES
AT A PRICE OF HK\$1.20 PER SHARE**

(2) APPLICATION FOR WHITEWASH WAIVER

**POLL RESULTS OF THE EGM;
LEVELS OF ACCEPTANCE AS AT FIRST CLOSING DATE;
AND
THE OFFER BECOMING UNCONDITIONAL IN ALL RESPECTS**

Exclusive Financial Adviser to the Company



Independent Financial Adviser



The Board is pleased to announce that the ordinary resolution to approve the Offer and the special resolution to approve the Whitewash Waiver as set out in the Notice of EGM were duly passed by the Independent Shareholders by way of poll at the EGM held on Friday, 20 December 2024.

As all the Conditions have been fulfilled, the Offer has become unconditional in all respects on Friday, 20 December 2024 and will remain open for acceptance until 4:00 p.m. (Hong Kong time) on Friday, 3 January 2025.

Independent Shareholders are advised to read the Offer Document carefully, including the letter from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, before deciding whether or not to accept the Offer. Independent Shareholders should also note that their voting decisions on the ordinary resolution and special resolution proposed at the EGM approving the Offer and the Whitewash Waiver, respectively, shall not affect their decisions as to whether to accept the Offer or not. Shareholders are advised to consult their professional advisers when in doubt.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and should consult their professional advisers when in doubt.

INTRODUCTION

Reference is made to (i) the offer document (the “**Offer Document**”) of China Boqi Environmental (Holding) Co., Ltd. (the “**Company**”) dated 29 November 2024 in relation to, among other things, the Offer and the Whitewash Waiver; and (ii) the announcement of the Company dated 17 December 2024, in relation to, among other things, the Offer becoming unconditional as to acceptances. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Offer Document.

POLL RESULTS OF THE EGM

The Board is pleased to announce that the ordinary resolution to approve the Offer and the special resolution to approve the Whitewash Waiver as set out in the notice of EGM dated 29 November 2024 (the “**Notice of EGM**”) were duly passed by the Independent Shareholders by way of poll at the EGM held on Friday, 20 December 2024. Results of the poll are set out as follows:

ORDINARY RESOLUTION		Number of Votes (Approximate %)	
		For	Against
(a)	To approve the Offer ^{Note}	356,940,345 70.11%	152,170,529 29.89%
As more than 50% of the votes were cast in favour of the above resolution (a), the resolution (a) was duly passed as an ordinary resolution.			
SPECIAL RESOLUTION		Number of Votes (Approximate %)	
		For	Against
(b)	To approve the Whitewash Waiver ^{Note}	509,110,874 100.0%	0 0.00%
As at least 75% of the votes were cast in favour of the above resolution (b), the resolution (b) was duly passed as a special resolution.			

Note: The full text of the resolutions is set out in the Notice of EGM.

As at the date of the EGM, the Company has a total of 1,005,720,799 Shares in issue. In accordance with the Listing Rules and the Codes and as disclosed in the Offer Document, Mr. Zeng Concert Parties, including Best Dawn and Asia Environment, which was beneficially interested in 278,636,331 Shares, representing approximately 27.71% of the total issued Shares as at the date of the EGM, was required to, and did, abstain from voting on the above resolutions at the EGM. In addition, Trustee, which held 9,051,500 Shares, representing approximately 0.90% of the total issued Shares as at the date of the EGM, did not vote on the resolutions in respect of the Offer and the Whitewash Waiver at the EGM. Members of the CITICS Group who are exempt principal traders for the purposes of the Takeovers Code did not exercise the voting rights attached to the Shares held in their names in relation to the above resolutions. Therefore, the total number of Shares entitling the Independent Shareholders to attend and vote on all the above resolutions proposed at the EGM was 718,032,968 Shares.

Save as disclosed above, there were no Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the above resolutions at the EGM pursuant to Rule 13.40 of the Listing Rules, and no Shareholders were required to abstain from voting at the EGM under the Listing Rules and the Codes nor did any person state any intention in the Offer Document to vote against or to abstain from voting on the resolutions at the EGM.

Ms. Qian Xiaoning, the executive Director, attended and chaired the EGM in person. Mr. Zeng Zhijun and Mr. Liu Genyu, the executive Directors, and Dr. Xie Guozhong, Mr. Li Tao, Prof. Yu Wayne W. and Ms. Zhang Fan, the independent non-executive Directors, attended the EGM by means of telecommunication.

The Company's Hong Kong share registrar, Tricor Investor Services Limited, was appointed as the scrutineer at the EGM for the purpose of vote-taking at the EGM.

GRANT OF THE WHITEWASH WAIVER

On 18 December 2024, the Executive has granted the Whitewash Waiver, subject to:

- (i) the Whitewash Waiver and the Offer being separately approved by at least 75% and more than 50% respectively of the votes cast by the Independent Shareholders either in person or by proxy at the EGM, to be taken on a poll; and
- (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights being made by any member of Mr. Zeng Concert Parties between the date of the announcement of the Offer, being 23 October 2024, and the completion of the Offer.

As at the date of this announcement, the aforementioned condition (i) has been fulfilled. Accordingly, subject to fulfilment of condition (ii) as mentioned above, Mr. Zeng will not be obliged to make a mandatory general offer for all of the Shares not already owned by Mr. Zeng Concert Parties as a result of the completion of the Offer.

LEVELS OF ACCEPTANCE

As at 4:00 p.m. on the date of this announcement, the Company had received valid acceptances in respect of a total of 300,715,983 Shares exceeding the Minimum Number (i.e. 100,572,079 Shares) under the Offer, representing approximately 29.90% of the entire issued share capital of the Company as at the date of this announcement.

THE OFFER BECOMING UNCONDITIONAL IN ALL RESPECTS

As disclosed in the Offer Document, the Offer is subject to the Conditions being fulfilled in full. As disclosed in the announcement of the Company dated 17 December 2024, the Offer has become unconditional as to acceptances. As all the Conditions have been fulfilled, the Offer has become unconditional in all respects on Friday, 20 December 2024 and will remain open for acceptance until 4:00 p.m. (Hong Kong time) on Friday, 3 January 2025.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the Company's shareholding structure (i) as at the date of this announcement; and (ii) immediately after completion of the Offer, (a) assuming the Minimum Number is tendered for acceptance by the Shareholders and no Options will be exercised from the date of this announcement up to and including the Final Closing Date; (b) assuming the Maximum Number is tendered for acceptance by the Shareholders and no Options will be exercised from the date of this announcement up to and including the Final Closing Date; (c) assuming the Minimum Number is tendered for acceptance by the Shareholders and all Options will be exercised from the date of this announcement up to and including the Final Closing Date; and (d) assuming the Maximum Number is tendered for acceptance by the Shareholders and all Options will be exercised from the date of this announcement up to and including the Final Closing Date, and in each case, assuming there are no other changes of the shareholding structure and issued share capital of the Company from the date of this announcement up to the Final Closing Date and assuming all Shares bought back are cancelled:

Shareholders	As at the date of this announcement	Immediately after completion of the Offer (assuming the Minimum Number is tendered for acceptance by the Shareholders and assuming no Options will be exercised from the date of this announcement up to and including the Final Closing Date)	Immediately after completion of the Offer (assuming the Maximum Number is tendered for acceptance by the Shareholders and assuming no Options will be exercised from the date of this announcement up to and including the Final Closing Date)	Immediately after completion of the Offer (assuming the Minimum Number is tendered for acceptance by the Shareholders and all Options will be exercised before the Final Closing Date)	Immediately after completion of the Offer (assuming the Maximum Number is tendered for acceptance by the Shareholders and all Options will be exercised before the Final Closing Date)
	<i>Number of Shares</i>	<i>of Approximate% of shareholding⁽¹⁾</i>	<i>Number of Shares</i>	<i>Number of Shares</i>	<i>Number of Shares</i>
Mr. Zeng Concert Parties ⁽²⁾					
• Best Dawn Limited	255,695,143	25.42	255,695,143	255,695,143	255,695,143
• Asia Environment	22,941,188	2.28	22,941,188	22,941,188	22,941,188
Subtotal	278,636,331	27.71	278,636,331	278,636,331	278,636,331
			32.59	30.56	32.35

Shareholders	As at the date of this announcement	Immediately after completion of the Offer (assuming the Minimum Number is tendered for acceptance by the Shareholders and assuming no Options will be exercised from the date of this announcement up to and including the Final Closing Date)	Immediately after completion of the Offer (assuming the Maximum Number is tendered for acceptance by the Shareholders and assuming no Options will be exercised from the date of this announcement up to and including the Final Closing Date)	Immediately after completion of the Offer (assuming the Minimum Number is tendered for acceptance by the Shareholders and all Options will be exercised before the Final Closing Date)	Immediately after completion of the Offer (assuming the Maximum Number is tendered for acceptance by the Shareholders and all Options will be exercised before the Final Closing Date)
	<i>Number of Shares</i>	<i>Approximate% of shareholding⁽¹⁾</i>	<i>Number of Shares</i>	<i>Approximate% of shareholding⁽¹⁾</i>	<i>Number of Shares</i>
Other core connected persons					
• Qian Xiaoning ⁽³⁾	-	-	-	0.36	3,270,000 ⁽⁸⁾
• Cheng Liqun Richard ⁽⁴⁾	168,534,580	16.76	133,125,607	15.57	144,928,598
• Zhu Weihang ⁽⁵⁾	152,170,529	15.13	120,199,629	14.06	130,856,596
• Sinopec Overseas Investment Holding Limited ("Sinopec") ⁽⁶⁾	110,294,118	10.97	87,121,417	10.19	94,845,651
Other Shareholders					
• Trustee ⁽⁷⁾	9,051,500	0.90	9,051,500	1.06	9,051,500
• Public Shareholders	287,033,741	28.54	226,728,195	26.52	250,098,544 ⁽⁸⁾
Total	1,005,720,799	100.00	854,862,679	100.00	911,687,220
					861,401,179
					100.00
					229,996,695 ⁽⁸⁾
					26.70
					10.11
					15.45
					13.95
					0.38

Notes:

1. All percentages rounded to two decimal places. The percentage figures included in this table have been subject to rounding adjustments.
2. Mr. Zeng, the chairman of the Board, an executive Director and the chief executive officer, holds the entire issued share capital of Best Dawn and 47.2% of interests in Asia Environment. Therefore, Mr. Zeng is deemed to be interested in the Shares held by Best Dawn and Asia Environment under the SFO. The remaining 52.8% of interest in Asia Environment is held by Mr. Wang Rui, a longtime acquaintance of Mr. Zeng. Mr. Wang Rui is therefore deemed to be interested in the Shares held by Asia Environment under the SFO. Save for the Shares held by Asia Environment, Mr. Wang Rui does not hold or is not deemed to be interested in any other Shares as at the date of this announcement.
3. Ms. Qian, an executive Director is entitled to receive up to (i) 1,576,000 Shares pursuant to the Pre-IPO Share Award Scheme, which are fully vested but not yet exercised and held by Trustee as at the date of this announcement; and (ii) 3,270,000 Shares pursuant to the share option scheme adopted by the Company on 29 December 2020.
4. World Hero directly holds 168,134,580 Shares. Mr. Cheng, a non-executive Director, holds the entire issued share capital of World Hero. Therefore, Mr. Cheng is deemed to be interested in the Shares held by World Hero under the SFO. Mr. Cheng directly holds 400,000 Shares.
5. New Asia Limited (“**New Asia**”) directly holds 152,170,529 Shares. The entire issued share capital of New Asia is held by Great Origin Ventures Limited (“**Great Origin**”), whose entire issued share capital is in turn held by Mr. Zhu, a non-executive Director. Therefore, Mr. Zhu is deemed to be interested in the Shares held by New Asia under the SFO.
6. China Petroleum & Chemical Corporation holds the entire issued share capital of Sinopec. Therefore, China Petroleum & Chemical Corporation is deemed to be interested in the Shares held by Sinopec under the SFO. China Petroleum & Chemical Corporation is a PRC state-owned company, whose H shares are listed on the Main Board (stock code: 386).
7. Trustee, the trustee of the Pre-IPO Share Award Scheme, held 9,051,500 Shares, representing approximately 0.90% of the total issued share capital of the Company as at the date of this announcement, amongst which 1,576,000 Shares are to be used to satisfy the share awards granted to Ms. Qian, 4,204,250 Shares are to be used to satisfy the share awards granted to employees of the Group and the remaining 3,271,250 Shares are to be used to satisfy future grants of share awards under the Pre-IPO Share Award Scheme. Under the scheme rules of the Pre-IPO Share Award Scheme and relevant trust deed, Trustee shall not exercise the voting rights in respect of any Shares held under the Pre-IPO Share Award Scheme. Accordingly, such 9,051,500 Shares shall not be voted at the EGM. In accordance with the scheme rules of the Pre-IPO Share Award Scheme, the Board has instructed the Trustee not to accept the Offer. There has been no dealings in the securities of the Company by Trustee in the six months immediately prior to the date of this announcement.
8. Based on the assumptions that (i) all Options have been exercised before completion of the Offer; and (ii) no Shares will be tendered for acceptance under the Offer.
9. CITICS HK is the financial adviser to the Company in respect of the Offer. Accordingly, the CITICS Group (except entities of the CITICS Group that are exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with the Company in relation to the Offer in accordance with Class (5) of the definition of “acting in concert” under the Takeovers Code.

As at the date of this announcement, members of the CITICS Group (other than members of the CITICS Group acting in the capacity of exempt principal traders, exempt fund managers or Shares held on behalf of non-discretionary investment clients) did not hold any Shares.
10. As at the date of this announcement, save as disclosed above, no other Director holds any Shares.
11. The percentage holding figures are subject to rounding adjustments and may or may not add up to 100%.

ODD LOTS ARRANGEMENT

Prudential Brokerage Limited, whose address is at Room 901-904, World-wide House, 19 Des Voeux Road C, Central, Hong Kong (telephone number: (852) 21433808 during office hours (i.e. 9:30 a.m. to 4:00 p.m.)) has been appointed by the Company as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a reasonable period after the completion of the Offer in order to enable such Accepting Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Shareholders are recommended to make an appointment in advance by dialing the telephone number of (852) 21433808 as indicated above to purchase/sell the odd lot Shares. Such Shareholders should note that the matching of odd lots is not guaranteed.

Independent Shareholders are advised to read the Offer Document carefully, including the letter from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, before deciding whether or not to accept the Offer. Independent Shareholders should also note that their voting decisions on the ordinary resolution and special resolution proposed at the EGM approving the Offer and the Whitewash Waiver, respectively, shall not affect their decisions as to whether to accept the Offer or not. Shareholders are advised to consult their professional advisers when in doubt.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and should consult their professional advisers when in doubt.

By order of the Board
China Boqi Environmental (Holding) Co., Ltd.
Zeng Zhijun
Chairman, Executive Director and Chief Executive Officer

Beijing, PRC, 20 December 2024

As at the date of this announcement, the executive Directors are Mr. Zeng Zhijun, Mr. Liu Genyu and Ms. Qian Xiaoning; the non-executive Directors are Mr. Cheng Liquan Richard, Mr. Zheng Tony Tuo, Mr. Zhu Weihang and Mr. Chen Xue; and the independent non-executive Directors are Dr. Xie Guozhong, Mr. Li Tao, Prof. Yu Wayne W. and Ms. Zhang Fan.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, 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 statement in this announcement misleading.