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**CHINA ENVIRONMENTAL TECHNOLOGY
HOLDINGS LIMITED**

中國環保科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 646)

**COMPLETION OF
SUBSCRIPTION AND SETTLEMENT AGREEMENT
– ISSUE OF SHARES UNDER GENERAL MANDATE**

References are made to the announcements issued by the Company dated 21 May 2023 (the “**Announcement**”) in relation to the Subscription and Settlement Agreement and the transactions contemplated thereunder. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless defined otherwise.

The Board is pleased to announce that all of the conditions precedent to the Subscription and Settlement Agreements have been fulfilled and the completion of the Subscriptions took place on 1 June 2023. An aggregate of 42,000,000 Subscription Shares have been allotted and issued to the Subscriber at the Issue Price of HK\$0.6075 per Subscription Share pursuant to the terms and conditions of the Subscription and Settlement Agreement.

For more information of the Subscriber, please refer to the Announcement. To the best of the Directors’ knowledge, information and belief, having made all reasonable inquiries, the Subscriber is independent of the Company, its connected persons and their respective associates.

CHANGES TO THE SHAREHOLDING STRUCTURE

The shareholding structures of the Company immediately before and immediately after completion of the Subscription are set out as follows:

Shareholders	Capacity / Nature of Interest	Immediately before completion of the Subscription		Immediately after completion of the Subscription		Immediately after completion of the Subscription and full conversion of the Convertible Bond	
		No. of shares	% of shareholding (approximately)	No. of shares	% of shareholding (approximately)	No. of shares	% of shareholding (approximately)
Xu Zhongping (Note 1)	Interest held by a controlled corporation	50,725,000	23.16	50,725,000	22.72	50,725,000	15.26
	Beneficial owner	2,204,921	1.01	2,204,921	0.99	2,204,921	0.66
	Interest held by a wholly owned corporation	—	-	—	—	<u>35,880,000</u>	<u>10.80</u>
		52,929,921	24.17	52,929,921	23.71	88,809,921	26.72
Yang Baodong (Note 2)	Beneficial owner	39,600	0.02	39,600	0.02	39,600	0.01
Hu Yueyue (Note 3)	Beneficial owner	400,000	0.18	400,000	0.18	400,000	0.12
Zhang Zihong	Beneficial owner	33,980,000	15.51	33,980,000	15.22	88,580,000	26.65
The Subscriber	Beneficial owner	-	-	4,200,000	1.88	4,200,000	1.26
Public		<u>131,668,417</u>	<u>60.12</u>	<u>131,668,417</u>	<u>58.99</u>	<u>150,388,417</u>	<u>45.24</u>
		<u>219,017,938</u>	<u>100.00</u>	<u>223,217,938</u>	<u>100.00</u>	<u>332,417,938</u>	<u>100.00</u>

Notes:

1. These 50,725,000 Shares were held under the name of Gentle International Holdings Limited (“Gentle”). Classy Jade Limited owns 60% of the issued share capital of Gentle. Mr. Xu Zhongping, an executive Director, is the sole shareholder of Classy Jade Limited. Mr. Xu Zhongping was therefore deemed to be interested in the said 50,725,000 Shares held by Gentle under Part XV of the SFO.
2. Mr. Yang Baodong is an executive Director.
3. Ms. Hu Yueyue is a non-executive Director.
4. Certain figures may not add up due to rounding.

As of today, none of the Convertible Bonds were converted.

By order of the Board
China Environmental Technology Holdings Limited
Xu Jingping
Chairman

Hong Kong, 1 June 2023

As at the date of this announcement, the executive directors are Mr. Xu Jingping, Mr. Xu Zhongping and Mr. Yang Baodong; the non-executive directors are Mr. Ma Tianfu and Ms. Hu Yueyue; and the independent non-executive directors are Mr. Tse Chi Wai, Professor Zhu Nanwen and Professor Li Jun.