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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)

**AMENDMENTS TO THE TERMS AND CONDITIONS OF CONVERTIBLE
BONDS DUE 2024 IN THE AGGREGATE PRINCIPAL AMOUNT OF
US\$1,200,000**

References are made to the announcements issued by China Environmental Technology Holdings Limited (the “**Company**”) dated (i) 29 December 2017 in relation to the proposed issue of convertible bonds due 2020 in the aggregate principal amount of US\$7,000,000 (the “**Convertible Bonds**”); (ii) 16 January 2018 in relation to the completion of the subscription of the Convertible Bonds; (iii) 29 March 2019 in relation to the sale and purchase agreement in respect of the Convertible Bonds; (iv) 16 March 2021 in relation to the amendments of the terms of the Convertible Bonds; (v) 19 July 2021 in relation to the completion of the transfer of the Convertible Bonds; (vi) 26 July 2021 in relation to proposed amendments of the terms of the Convertible Bonds; (vii) 8 September 2021 in relation to the circular to shareholders in relation to amendments of the terms of the Convertible Bonds; (viii) 27 September 2021 in relation to poll results of the amendments of the terms of the Convertible Bonds; (ix) 5 and 8 December 2021 in relation to the transfer of portion of the Convertible Bonds from Mr. Zhang Zihong (“**Mr. Zhang**”) to Mr. Shengbiao Zhang; (x) 8 July 2022 in relation to the purchase back of portion of the Convertible Bonds from Mr. Shengbiao Zhang by Mr. Zhang; (xi) 30 January 2023 in relation to the transfer of portions of the Convertible Bonds from Mr. Zhang to Classy Jade Limited (“**Classy Jade**”) and Mr. Hoshino Takayuki respectively; and (xii) 5 August 2024 in relation to the conversion of the Convertible Bonds with principal amount of US\$5,800,000 in aggregate (**collectively, the “Announcements”**). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless defined otherwise.

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE CONVERTIBLE BONDS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that on 30 July 2024, the Company and the holders of the unconverted Convertible Bonds with principal amount of US\$1,200,000 (the “**Unconverted Convertible Bonds**”) (the “**Bondholders**”) verbally agreed to amend the Terms and Conditions (as amended) of the Unconverted Convertible Bond (the “**Amendments**”) in order to extend the Maturity Date and the Conversion Period of the Unconverted Convertible Bonds (the “**Verbal Agreement**”).

Based on the Verbal Agreement, with each of the Bondholders the Company executed a deed of amendments on 29 November 2024 (after trading hours) to amend the Terms and Conditions of the Unconverted Convertible Bonds (each a “**Deed of Amendments**”, collectively the “**Deeds of Amendments**”). In each Deed of Amendments, the Company and the Bondholder agree that:

1. the Maturity Date shall be extended from 31 July 2024 (the “**Old Maturity Date**”) to 31 July 2027; and
2. the Conversion Period shall be the period commencing from the issue date of the Convertible Bonds, being 15 January 2018, up to 30 July 2027, the day immediately prior to the Maturity Date.

Save for the Amendments, all other Terms and Conditions (including but not limited to the Conversion Price) as disclosed in the Announcements are unchanged and remain in full force and effect.

Pursuant to the Deeds of Amendments, the Amendments are subject to the satisfaction of the following conditions:

- (i) approval from the Stock Exchange of the Amendments pursuant to the Listing Rules; and
- (ii) the Listing Committee granting listing of, and permission to deal in, the shares to be issued pursuant to the Unconverted Convertible Bonds as amended by the Deed of Amendments.

Under the Deeds of Amendments, all the Bondholders have agreed to grant the Company a waiver in respect of any failure of the Company to pay the principal or interest on the Unconverted Convertible Bonds when due under the Terms and Conditions to the extent necessary and solely to effect the Amendments.

The Amendments under the Deeds of Amendments are subject to the approval of the Stock Exchange pursuant to Rule 28.05 of the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company has applied for the approval of the Stock Exchange for the Amendments under the Deeds of Amendments pursuant to Rule 28.05 of the Listing Rules.

REASONS FOR AND BENEFITS OF THE AMENDMENTS

The extension of the Maturity Date under the Deed of Amendments provide the Group with flexibility in relation to the deployment of financial resources to fund its operations and development as well as planning of its working capital requirements. In the absence of such extension, the Company will have to deploy its cash reserves and/or other financial resources for the redemption of the Unconverted Convertible Bonds in the principal amount of US\$1,200,000 on the Old Maturity Date, being 31 July 2024. Therefore the Directors (including the independent non-executive Directors) consider that the terms of the Deed of Amendments are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

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

Hong Kong, 29 November 2024

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