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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, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Pan Asia Environmental Protection Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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泛亞環保集團有限公司
Pan Asia Environmental Protection Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 556)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of Pan Asia Environmental Protection Group Limited to be held at Strategic Financial Relations Limited, 24/F, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 17 May 2024 at 2:30 p.m. is set out on pages 14 to 18 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 websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.paep.com.cn>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:30 p.m. on Wednesday, 15 May 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

References to time and dates in this circular are to Hong Kong time and dates.

22 April 2024

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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 Strategic Financial Relations Limited, 24/F, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 17 May 2024 at 2:30 p.m. or any adjournment thereof
“Articles” or “Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	Pan Asia Environmental Protection Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“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
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting
“Latest Practicable Date”	17 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China which, for the purposes of this circular only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time

LETTER FROM THE BOARD



泛亞環保集團有限公司
Pan Asia Environmental Protection Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 556)

Executive Directors:

Mr. Guo Jiannan (*Chairman*)
Mr. Zhu Duke Li (*Chief Executive Officer*)
Ms. Pan Chang

Independent Non-executive Directors:

Mr. Chen Xuezheng
Mr. Hu Jianjun
Mr. Leung Shu Sun, Sunny

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Principal Place of Business
in the PRC:*

Baihe Industrial Park
Xinjie Street
Yixing City
Jiangsu Province
The PRC

*Principal Place of Business
in Hong Kong:*

Unit 1506, 15/F
Lippo Sun Plaza
No. 28 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

17 April 2024

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 17 May 2024.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 108 of the Articles of Association, Mr. Chen Xuezheng and Mr. Hu Jianjun shall retire from the office as Independent Non-executive Directors at the Annual General Meeting. In accordance with Article 112 of the Articles of Association, Mr. Zhu Duke Li and Ms. Pan Chang, who was appointed as an Executive Director on 12 April 2024 and 27 November 2023 respectively, shall hold office until the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy, the Company's corporate strategy, and the independence of all Independent Non-executive Directors. Each of Mr. Chen Xuezheng and Mr. Hu Jianjun, the retiring Independent Non-executive Director, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors including the aforesaid Executive Directors and Independent Non-executive Directors who are due to retire at the Annual General Meeting. The Company considers that Mr. Chen Xuezheng and Mr. Hu Jianjun are still independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 8 June 2023, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting (i.e. a total of 99,000,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to provide the Shareholders with the requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 8 June 2023, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting (i.e. a total of 198,000,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 18 of this circular.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.paep.com.cn>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:30 p.m. on Wednesday, 15 May 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Repurchase Mandate and the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

7. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation in case of any inconsistency.

Yours faithfully,
For and on behalf of the Board
Pan Asia Environmental Protection Group Limited
Guo Jiannan
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

Mr. Chen Xuezheng, aged 44, has been appointed as an Independent Non-executive Director since 1 August 2021. He is the chairman of the Nomination Committee and the Remuneration Committee and also a member of the Audit Committee. He is an associate professor in the School of Economics at Jiangxi University of Finance and Economics. He graduated from Xiamen University with a bachelor's degree of economics majoring in international economics and trade in July 2001, and obtained a master's degree in international economics from the University of Essex in September 2004, and a Master of Philosophy degree in economics and a Doctor of Philosophy degree in economics from the University of Warwick in September 2008 and April 2013 respectively. He was a distinguished associate researcher in the School of Economics at Sichuan University from 2013 to 2018. His main research areas include new political economy, institutional economics and behavioral and experimental economics. He published five journal papers and several working papers from 2015 to 2019. He has won many awards for research excellence in this research areas, including the Excellent Paper Award in the 15th China Young Economists Forum, Outstanding Paper Award in the 1st China Behavioral and Experimental Economics Forum, and the 18th Sichuan Province Excellent Achievement Award in Social Science.

Save as aforesaid, Mr. Chen did not hold any other position with the Company or other members of the Group, and Mr. Chen did not hold any other directorships in public listed companies in Hong Kong or overseas in the last three years.

Pursuant to a letter of appointment issued by the Company to Mr. Chen, Mr. Chen's term of office is terminable by either party with not less than three months' written notice. Mr. Chen is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. He is entitled to a director's fee of HK\$60,000 per annum which is determined by the Board with reference to his responsibilities and duties within the Company as well as the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chen does not have any interest in any Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed, Mr. Chen does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information which is discloseable nor is Mr. Chen involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Chen that need to be brought to the attention of the Shareholders.

Mr. Hu Jianjun, aged 60, has been appointed as an Independent Non-executive Director since 1 April 2021. He is a member of the Audit Committee, the Nomination Committee and the Remuneration Committee. He obtained a master degree of business administration in public sector management by the University of South Australia in September 2003. He gained the accreditation as a senior economist from Industrial and Commercial Bank of China (“ICBC”) in September 1997 and the qualification as certified financial analyst in the PRC in September 2007. Mr. Hu has over 38 years of experience working in the field of financial industry. He started his career in Nanchang Branch of the People’s Bank of China in February 1979. From October 1984 to December 2001, he held various important positions in ICBC. He joined China Huarong Asset Management Co., Ltd. (“Huarong”) (stock code: 2799), the shares of which are listed on the Main Board of the Stock Exchange, previously known as China Huarong Asset Management Corporation, in December 2001. He served successively as deputy general manager of Nanchang Office, deputy general manager of Xi’an Office, general manager of Nanchang Office, general manager of Customer Marketing Department, director of the President Office, director of the Board Office and general manager of Beijing Branch. He was appointed as the company secretary of Huarong in January 2015 and resigned on 14 April 2017. He was also an executive director of International Business Settlement Holdings Limited (stock code: 147), the shares of which are listed on the Main Board of the Stock Exchange for the period from 22 August 2017 to 31 August 2020. He is a director of Shunho Cell Biology Technology (Tianjin) Co., Ltd. (stock code: 833686), the shares of which are listed on the National Equities Exchange and Quotations since 8 February 2021.

Save as aforesaid, Mr. Hu did not hold any other position with the Company or other members of the Group and Mr. Hu did not hold any other directorship in any other public listed company in Hong Kong or overseas in the last three years.

Pursuant to a letter of appointment issued by the Company to Mr. Hu, Mr. Hu’s term of office is terminable by either the Company or himself giving to the other party not less than 3 months’ prior notice in writing. Mr. Hu is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. He is entitled to a director’s fee of HK\$60,000 per annum which is determined by the Board with reference to his duties and responsibilities in the Company, as well as the prevailing market situation.

As at the Latest Practicable Date, Mr. Hu does not have any interest in any Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed, Mr. Hu does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

There is no information which is discloseable nor is Mr. Hu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Hu that need to be brought to the attention of the Shareholders.

Mr. Zhu Duke Li, aged 61, has been appointed as Executive Director and Chief Executive Officer since 12 April 2024. He entered the blockchain industry in 2017 and has built a number of Bitcoin, Filecoin and AI supercomputing centres in Oregon, USA. He is co-founder and chief executive officer of West Crypto International Corporation and Plentiful Data LLC. Prior to that, Mr. Zhu served as chairman of Jagex, the largest online game company in the United Kingdom, and worked for MacArthur Capital Holding USA LLC and MacArthur Fortune Holding LLC as partner and chief executive officer. Mr. Zhu has established a good cooperative relationship with major international investment banks. The Group believes that under the leadership of Mr. Zhu, in response to the call of the Hong Kong Government as a Web 3.0 financial centre, the Group will enter into a new era, emerging in the distributed storage and AI computing industries, and generating substantial returns for shareholders.

Save as aforesaid, Mr. Zhu did not hold any other position with the Company or other members of the Group, and Mr. Zhu did not hold any other directorships in public listed companies in Hong Kong or overseas in the last three years.

Pursuant to a letter of appointment issued by the Company to Mr. Zhu, Mr. Zhu's term of office is terminable by either party giving three months' written notice. Mr. Zhu is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Listing Rules and the Articles of Association. He is entitled to a director's fee of HK\$120,000 per annum which is subject to review by the Board or its delegated committee with reference to his responsibilities and duties as well as the prevailing market conditions.

As at the Latest Practicable Date, Mr. Zhu does not have any interest in any Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed, Mr. Zhu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information which is discloseable nor is Mr. Zhu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Zhu that need to be brought to the attention of the Shareholders.

Ms. Pan Chang, aged 41, has been appointed as an Executive Director of the Company since 27 November 2023. She obtained a bachelor's degree of business administration from Trent University in May 2014. She further obtained an executive master's degree of business administration from The Chinese University of Hong Kong in July 2022. She obtained Shenzhen Stock Exchange's Board Secretary Qualification Certificate, Independent Director Certificate and Fund Practitioner Qualification Certificate in July 2020, November 2020 and October 2020 respectively.

Ms. Pan is currently a partner of Guangzhou DSQ Capital Co. Ltd.. Ms. Pan has years of experience in equity investment. She has long been focused on the fields of new materials and semiconductors, big data artificial intelligence and super computing power. She has participated in investments in multiple IPOs, mergers and acquisitions of listed companies, and has rich investment management capabilities in equity investment, government guidance funds, S funds and cross-border investment and other aspects. Ms. Pan served as the budget and reconciliation manager of the Finance Department of Fleming College from April 2013 to May 2014. From June 2014 to April 2023, Ms. Pan served successively as the assistant to the president of Guangdong Yihang Group Co., Ltd. and the director of the president office of Guangdong Aerocity Holding Co., Ltd..

Save as aforesaid, Ms. Pan did not hold any other position with the Company or other members of the Group, and Ms. Pan did not hold any other directorships in public listed companies in Hong Kong or overseas in the last three years.

Pursuant to a letter of appointment issued by the Company to Ms. Pan, Ms. Pan's term of office is terminable by either party giving three months' written notice. Ms. Pan is also subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Listing Rules and the Articles of Association. She is entitled to a director's fee of HK\$120,000 per annum which is subject to review by the Board or its delegated committee with reference to her responsibilities and duties as well as the prevailing market conditions.

As at the Latest Practicable Date, Ms. Pan does not have any interest in any Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed, Ms. Pan does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information which is discloseable nor is Ms. Pan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Pan that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 990,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 990,000,000 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 99,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate 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.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	0.45	0.39
May	0.52	0.40
June	0.53	0.44
July	0.55	0.45
August	0.50	0.17
September	0.34	0.25
October	0.30	0.20
November	0.28	0.22
December	0.28	0.24
2024		
January	0.27	0.23
February	0.30	0.21
March	0.49	0.27
April (up to the Latest Practicable Date)	0.40	0.26

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

The Company has confirmed that neither the explanatory statement nor the proposed share repurchase has any unusual features.

7. TAKEOVERS CODE

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

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Jiang Xin and Ms. Qian Yuanying, both being controlling Shareholders (as defined in the Listing Rules), together were interested in 358,568,000 Shares representing approximately 36.22% of the total issued share capital of the Company. In addition, CHINA SKY GLOBAL INVESTMENT LIMITED, being substantial Shareholder (as defined in the Listing Rules, was interested in 250,000,000 Shares representing approximately 25.25% of the total issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate, the interests of Mr. Jiang Xin and Ms. Qian Yuanying together in the Company would be increased to approximately 40.24% while the interest of CHINA SKY GLOBAL INVESTMENT LIMITED in the Company would be increased to approximately 28.06% of the total issued share capital of the Company.

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code or would result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



泛亞環保集團有限公司 Pan Asia Environmental Protection Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 556)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Pan Asia Environmental Protection Group Limited (the “Company”) will be held at Strategic Financial Relations Limited, 24/F, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 17 May 2024 at 2:30 p.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the Directors and auditor for the year ended 31 December 2023.
2. To re-elect Mr. Chen Xuezheng as Independent Non-executive Director of the Company.
3. To re-elect Mr. Hu Jianjun as Independent Non-executive Director of the Company.
4. To re-elect Mr. Zhu Duke Li as Executive Director of the Company.
5. To re-elect Ms. Pan Chang as Executive Director of the Company.
6. To authorize the Board of Directors to fix the respective Directors’ remuneration.
7. To re-appoint Ascenda Cachet CPA Limited as auditor and to authorize the Board of Directors to fix their remuneration.
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

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10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 8 and 9 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
Pan Asia Environmental Protection Group Limited
Wan San Fai, Vincent
Company Secretary

Hong Kong, 22 April 2024

Notes:

1. All resolutions at the meeting will be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (the “Stock Exchange”) and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy or, if holding two or more shares, more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:30 p.m. on Wednesday, 15 May 2024) or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Monday, 13 May 2024 to Friday, 17 May 2024, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 10 May 2024.

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5.
 - (a) Subject to paragraph (b) below, if a tropical cyclone typhoon signal no. 8 or above is hoisted or a black rainstorm warning signal is expected to be in force at any time between 7:00 a.m. and 5:00 p.m. on the date of the Annual General Meeting, the Annual General Meeting will be postponed and the shareholders will be informed of the date, time and venue of the postponed Annual General Meeting by an announcement posted on the respective websites of the Company and the Stock Exchange.
 - (b) If a black rainstorm warning signal is cancelled at or before three hours before the time fixed for holding the Annual General Meeting and where conditions permit, the Annual General Meeting will be held as scheduled.
 - (c) The Annual General Meeting will be held as scheduled when an amber or red rainstorm warning signal is in force.
 - (d) After considering their own situations, the shareholders should decide on their own as to whether they will attend the Annual General Meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.
6. References to time and dates in this notice are to Hong Kong time and dates.