

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in **Kangda International Environmental Company Limited**, you should at once hand this circular and the accompanying 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 the transferee.

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**KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED**

**康達國際環保有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6136)**

**(1) RE-ELECTION OF DIRECTORS;  
(2) GENERAL MANDATES TO ISSUE NEW SHARES  
AND REPURCHASE SHARES OF THE COMPANY;  
AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Kangda International Environmental Company Limited to be held at Suite 6409, 64/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at 10:00 a.m. on Wednesday, 5 June 2024 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 website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).

Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjournment thereof if they so wish, and in such event, the instrument appointing a proxy will be deemed to be revoked.

26 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 Suite 6409, 64/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at 10:00 a.m. on Wednesday, 5 June 2024 or any adjournment thereof, the notice of which is set out on pages 14 to 18 of this circular
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“China Water”	China Water Affairs Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 855), and a substantial shareholder of the Company which is interested as to approximately 28.46% of the issued share capital of the Company as at the Latest Practicable Date
“Company”	Kangda International Environmental Company Limited (康達國際環保有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to the effect that the total number of Shares which may be allotted and issued under the General Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued Shares as at the date of the passing of the relevant resolution granting the General Mandate

## DEFINITIONS

“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 PRC
“Latest Practicable Date”	16 April 2024, being the latest practicable date for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the number of issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company
“Share Premium Account”	the share premium account of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong
“%”	per cent

LETTER FROM THE BOARD



**KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED**

**康達國際環保有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6136)**

*Executive Directors:*

Mr. ZHAO Juanxian (alias, ZHAO Junxian), *Co-chairman*  
Mr. LI Zhong, *Co-chairman*  
Ms. LIU Yujie  
Mr. DUAN, Jerry Linnan  
Mr. ZHOU Wei

*Registered Office:*

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

*Independent Non-executive Directors:*

Mr. CHAU Kam Wing  
Mr. CHANG Qing  
Mr. PENG Yongzhen

*Principal Place of Business in  
Hong Kong:*

Suite 6409  
64/F, Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong

26 April 2024

*To the Shareholders,*

Dear Sir or Madam,

**(1) RE-ELECTION OF DIRECTORS;  
(2) GENERAL MANDATES TO ISSUE NEW SHARES  
AND REPURCHASE SHARES OF THE COMPANY;  
AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide the Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the re-election of Directors; and (ii) the grant to the Directors of the General Mandate, the Repurchase Mandate and the Extension Mandate.

## LETTER FROM THE BOARD

### RE-ELECTION OF DIRECTORS

In accordance with the Articles of Association, Mr. Li Zhong, Ms. Liu Yujie and Mr. Chang Qing will retire at the Annual General Meeting and, being eligible, have offered themselves for re-election as Directors at the Annual General Meeting.

In accordance with the Articles of Association, any Director appointed as an addition to the existing Board shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Accordingly, Mr. Zhou Wei who was appointed as an executive Director with effect from 10 April 2024 as an addition to the Board will be eligible for re-election and has offered himself for re-election at the Annual General Meeting.

The Nomination Committee of the Company (the “**Nomination Committee**”), having regard the nomination policy and diversity policy of the Company and the objective criteria (including without limitation, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service), have reviewed the biographies and past performances of Mr. Li Zhong, Ms. Liu Yujie, Mr. Zhou Wei and Mr. Chang Qing, and considered that they have the required character, qualifications and experience to continue fulfilling the role of Directors.

Given the extensive knowledge and experience of each of Mr. Li Zhong, Ms. Liu Yujie, Mr. Zhou Wei and Mr. Chang Qing, the Nomination Committee and the Board believe that their re-election as Directors are in the best interests of the Company and the Shareholders as a whole, and therefore recommend the Shareholders to re-elect each of Mr. Li Zhong, Ms. Liu Yujie, Mr. Zhou Wei and Mr. Chang Qing as a Director. Each of Mr. Li Zhong, Ms. Liu Yujie, Mr. Zhou Wei and Mr. Chang Qing has abstained from the discussion and voting at the Nomination Committee (if applicable) and the Board meeting regarding his/her respective re-election. Separate resolutions will be proposed for their re-elections at the Annual General Meeting.

Details of the above named Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

### GENERAL MANDATE

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue new Shares. An ordinary resolution no. 4(A) will be proposed at the Annual General Meeting to grant to the Directors the General Mandate to exercise the powers of the Company to allot, issue or otherwise deal with new Shares up to 20% of the number of issued Shares as at the date of the passing of the resolution in relation to the General Mandate. As at the Latest Practicable Date, the issued share capital of the Company comprised of 2,139,735,000 Shares. Subject to the passing of the above ordinary resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 427,947,000 new Shares.

## **LETTER FROM THE BOARD**

### **EXTENSION MANDATE**

In addition, subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares purchased by the Company under the ordinary resolution no. 4(B), if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20% limit of the General Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional amount shall not exceed 10% of the number of issued Shares as at the date of the passing of the General Mandate, the Repurchase Mandate and the Extension Mandate.

### **REPURCHASE MANDATE**

In addition, an ordinary resolution no. 4(B) will be proposed at the Annual General Meeting to approve the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of issued Shares as at the date of the passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

### **CLOSURE OF REGISTER OF MEMBERS**

The transfer books and register of members of the Company will be closed from Friday, 31 May 2024 to Wednesday, 5 June 2024, both days inclusive, during which period no transfer of Shares can be registered. The record date for entitlement to attend and vote at the Annual General Meeting is Wednesday, 5 June 2024. In order to be qualified for attending and voting at the Annual General Meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 30 May 2024.

### **NOTICE OF ANNUAL GENERAL MEETING**

Set out on pages 14 to 18 of this circular is the notice of Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to the Shareholders to consider and approve (i) the re-election of Directors; and (ii) the grant to the Directors of the General Mandate, the Repurchase Mandate and the Extension Mandate.

## **LETTER FROM THE BOARD**

### **FORM OF PROXY**

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof.

Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting or any adjournment thereof if they so wish, and in such event, the form of proxy shall be deemed to be revoked.

### **VOTING BY WAY OF POLL**

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of the Annual General Meeting will be taken by way of poll.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### **RECOMMENDATION**

The Directors consider that the resolutions to be proposed at the Annual General Meeting are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.



**LETTER FROM THE BOARD**

**GENERAL INFORMATION**

In the event of any inconsistencies as between the English version and the Chinese translation of this circular, the English version shall prevail.

Yours faithfully,

By order of the Board

**Kangda International Environmental Company Limited**

**LI Zhong**

*Co-chairman*

## APPENDIX I      DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

*The following are the particulars of Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.*

As at the Latest Practicable Date, each of the following Directors, save as disclosed herein, did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, none of the following Directors holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. In addition, save as disclosed herein, none of the following Directors has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

### **(1) Mr. Li Zhong (李中)**

**Mr. Li Zhong (李中)**, JP, aged 55, was graduated from Beijing University of Chemical Technology\* (北京化工大學) with a major in polymer materials, and obtained a master degree in business administration from Saint Mary's University of Canada in 1997. He has served in national state-owned enterprises and international well-known 500 enterprises in the Mainland China and Hong Kong for over 20 years. Since 2002, he has dedicated himself to urban public utilities with a focus on water affairs, as well as the investment, management and operation of infrastructure projects. Since 2004, he has been a director of Shenzhen Bus Group Co. Ltd. Mr. Li Zhong also serves as executive director of the China Overseas Friendship Association, a Hong Kong member of the Standing Committee of the Beijing Municipal Committee of the Chinese People Political Consultative Conference\* (中國人民政治協商會議北京市港區常務委員) and the honorary chairman of the Hong Kong Volunteers Association. Currently, he is also an executive director of China Water. He joined the Group in 2019. Mr. Li is currently the directors of certain subsidiaries of the Company and he is also a member of the nomination committee of the Company.

Mr. Li has entered into a service contract with the Company for an initial term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party to the other. Mr. Li is entitled to remuneration of HK\$1.84 million per annum (including director's fee), which is determined based on market rate and the time, effort and expertise to be exercised on the Group's affairs. As at the Latest Practicable Date, Mr. Li is interested in 10,000,000 Shares of the Company.

\* For identification purposes only

**(2) Ms. Liu Yujie (劉玉杰)**

**Ms. Liu Yujie (劉玉杰)**, aged 59, was graduated from University of International Business and Economic\* (對外經濟貿易大學) located in Beijing and obtained a master degree in business administration. Ms. Liu Yujie has been working in Hong Kong, Singapore and the PRC for over 20 years in total and is familiar with the business environment and regulatory system of the three places. She has comprehensive experience in capital market, business promotion and corporate management, participated in IPO and underwriting of over 30 companies on the Hong Kong Stock Exchange, led and completed merger and acquisition of three companies in Hong Kong and Singapore, assisted capital raising and management of large-scale industrial fund for investment in the PRC, and acted as executive directors of listed companies in Hong Kong and Singapore which engaged in utilities and infrastructure investment. Currently, she is also an executive director of New Universe Environmental Group Limited (stock code: 436), a non-executive director of China Water and an independent non-executive director of Zhongyu Gas Holdings Limited (stock code: 3633), which are listed on the main board of the Hong Kong Stock Exchange. She joined the Group in 2019.

Ms. Liu has entered into a service contract with the Company for an initial term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party to the other. Ms. Liu is entitled to remuneration of HK\$840,000 per annum (including director's fee), which is determined based on market rate and the time, effort and expertise to be exercised on the Group's affairs. As at the Latest Practicable Date, Ms. Liu is interested in 10,000,000 Shares of the Company.

**(3) Mr. Zhou Wei (周偉)**

**Mr. Zhou Wei (周偉)**, aged 44, was appointed as the chief financial officer of the Group on 9 April 2019 and as an executive Director of the Company on 10 April 2024. Mr. Zhou Wei graduated from Nanjing Audit University\* (南京審計學院) located in Nanjing and obtained a bachelor degree in auditing. Mr. Zhou Wei is currently a certified tax agent of the People's Republic of China. From 2002 to 2007, he worked in several domestic and international accounting firms. In August 2007, Mr. Zhou Wei joined China Water and successively served as the chief financial officer of Huizhou Zhongshui Water Development Co., Ltd.\* (惠州中水水務發展有限公司), a subsidiary of China Water), the vice general manager of the investment department of China Water, the general manager of Huizhou Dayawan Yiyuan Jingshui Co., Ltd.\* (惠州大亞灣溢源淨水有限公司), a subsidiary of China Water), and the chief financial officers of Shenzhen Jinda Environment Holding Co. Ltd.\* (深圳金達環境控股有限公司), a subsidiary of China Water) and Guangdong Xinsheng Environmental Protection Group Co., Ltd.\* (廣東新晟環保集團有限公司), a subsidiary of China Water). Mr. Zhou Wei is experienced in financial management and investment and financing area. Mr. Zhou is currently the directors of certain subsidiaries of the Company.

\* For identification purposes only

Mr. Zhou has entered into a service contract with the Company for an initial term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party to the other. Mr. Zhou is entitled to remuneration of HK\$1.37 million per annum (including director's fee), which is determined based on market rate and the time, effort and expertise to be exercised on the Group's affairs. As at the Latest Practicable Date, Mr. Zhou is not interested in any Share of the Company.

**(4) Mr. Chang Qing (常清)**

**Mr. Chang Qing (常清)**, aged 66, was graduated from the Chinese Academy of Social Sciences\* (中國社會科學院) with a doctorate degree in agricultural economics and management in 2001, graduated from Jilin University (吉林大學) with a bachelor's degree in economics in 1982 and a master's degree in national economics in 1985. Mr. Chang had successively served as a research assistant, a deputy research fellow and a research fellow of Development Research Center of the State Council (國務院發展研究中心) from 1985 to 2005 and the vice chairman of China Futures Association (中國期貨業協會) from 1999 to 2006. Mr. Chang has worked in the College of Economics and Management of China Agriculture University (中國農業大學經濟管理學院) since 2005. He has also served as the chairman of the board of Jinpeng International Futures Co., Ltd (金鵬期貨經紀有限公司) since 1993. Mr. Chang is currently an independent non-executive director of China Chengtong Development Group Limited (stock code: 217) and Honghua Group Limited (stock code 196), which are both listed on the main board of the Hong Kong Stock Exchange. He joined the Group in 2016. He is also a member of the audit committee and nomination committee of the Company.

Mr. Chang has entered into a service contract with the Company for an initial term of one year and will continue thereafter until terminated by not less than one month's notice in writing served by either party to the other. Mr. Chang is entitled to a fee of HK\$360,000 per annum, which is determined based on market rate and the time, effort and expertise to be exercised on the Group's affairs. As at the Latest Practicable Date, Mr. Chang is interested in 2,000,000 Shares of the Company.

\* *For identification purposes only*

*The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate. Neither this explanatory statement nor the proposed share repurchase in connection with the Repurchase Mandate has any unusual features.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,139,735,000 Shares of nominal value of HK\$0.01 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 213,937,500 Shares which represent 10% of the number of issued Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Cayman Companies Act or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting prior to the next annual general meeting of the Company.

## **REASONS FOR AND FUNDING OF REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Cayman Companies Act and the Listing Rules. The Cayman Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the Share Premium Account before or at the time the Shares are repurchased in the manner provided for in the Cayman Companies Act.

The Directors would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and/or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the 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.

## **GENERAL**

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

No core connected person has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Sharp Profit Investments Limited held 608,990,000 Shares representing approximately 28.46% of the issued share capital of the Company. In the event that the Directors should exercise the Repurchase Mandate in full, the shareholding of Sharp Profit Investments Limited will be increased to approximately 31.62% of the issued share capital of the Company and an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code will arise for Sharp Profit Investments Limited as a result of an exercise of the Repurchase Mandate in full. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in such takeover obligation arising for Sharp Profit Investments Limited.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

## **SHARE REPURCHASE MADE BY THE COMPANY**

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

**SHARE PRICES**

The highest and lowest traded prices for Shares recorded on the Stock Exchange in each of the following months immediately preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest traded prices <i>HK\$</i></b>	<b>Lowest traded prices <i>HK\$</i></b>
<b>2023</b>		
April	0.540	0.455
May	0.530	0.475
June	0.510	0.390
July	0.450	0.380
August	0.430	0.330
September	0.360	0.200
October	0.280	0.223
November	0.295	0.230
December	0.290	0.222
<b>2024</b>		
January	0.280	0.216
February	0.290	0.218
March	0.300	0.242
April (up to the Latest Practicable Date)	0.285	0.249

## NOTICE OF ANNUAL GENERAL MEETING



### KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED

### 康達國際環保有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6136)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**Annual General Meeting**”) of Kangda International Environmental Company Limited (the “**Company**”) will be held at Suite 6409, 64/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at 10:00 a.m. on Wednesday, 5 June 2024 for the purpose of considering and, if thought fit, passing the following resolutions:

#### ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditors of the Company for the year ended 31 December 2023.
2. a. To re-elect the following directors of the Company:
  - i. Mr. Li Zhong as an executive director of the Company;
  - ii. Ms. Liu Yujie as an executive director of the Company;
  - iii. Mr. Zhou Wei as an executive director of the Company; and
  - iv. Mr. Chang Qing as an independent non-executive director of the Company.
- b. To authorise the board of directors of the Company to fix the remuneration of the respective directors of the Company.
3. To re-appoint Ernst & Young as auditors of the Company and authorise the board of directors of the Company to fix its remuneration.
4. To consider and, if thought fit, to pass (with or without amendments) the following resolutions as ordinary resolutions of the Company:
  - (A) “**THAT:**
    - (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with new shares in the capital of the Company or securities convertible into shares, or options,



## NOTICE OF ANNUAL GENERAL MEETING

warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period (as hereafter defined);
- (iii) the number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment and issue 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 in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20% of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;
- (iv) for the purpose of this resolution:
  - (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
    - (1) the conclusion of the next annual general meeting of the Company;
    - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
    - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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(b) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**THAT:**

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the number of shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the number of issued shares of the Company at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or

## NOTICE OF ANNUAL GENERAL MEETING

(c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**THAT** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue or otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the number of shares of the Company which may be allotted by the directors of the Company pursuant to such general mandate an amount representing the number of shares of the Company repurchased by the Company under the authority granted pursuant to the ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the number of issued shares of the Company at the date of passing of the said resolutions.”

By order of the Board of the Directors  
**Kangda International Environmental Company Limited**  
**LI Zhong**  
*Co-chairman*

Hong Kong, 26 April 2024

*Registered Office:*

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

*Principal Place of Business  
in Hong Kong:*

Suite 6409  
64/F, Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong

*Notes:*

- (i) Resolution numbered 4(C) will be proposed to the shareholders of the Company for approval provided that ordinary resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.
- (ii) A shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies (if he/she/it is a holder of two or more shares of the Company) to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

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- (iv) In order to be valid, a form of proxy must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members of the Company will be closed from Friday, 31 May 2024 to Wednesday, 5 June 2024, both days inclusive, to determine the entitlement of the shareholders to attend the above meeting, during which period no share transfers can be registered. All transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 30 May 2024.
- (vi) In respect of ordinary resolutions numbered 2 above, Mr. Li Zhong, Ms. Liu Yujie, Mr. Zhou Wei and Mr. Chang Qing shall offer themselves for re-election at the above meeting. Details of the above directors are set out in Appendix I to the Company's circular dated 26 April 2024.
- (vii) In respect of ordinary resolution numbered 4(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances where they consider that the repurchase would be in the best interest of the Company. The explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the general mandate to repurchase shares of the Company, as required by the Listing Rules, is set out in Appendix II to the Company's circular dated 26 April 2024.
- (viii) Any voting at the above meeting shall be taken by poll.
- (ix) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the Annual General Meeting, the Annual General Meeting will be postponed. The Company will publish an announcement on the website of the Company at [www.kangdaep.com](http://www.kangdaep.com) and on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify the members of the Company of the date, time and venue of the rescheduled meeting.

*As at the date of this notice, the board of directors of the Company comprises seven directors, namely Mr. ZHAO Juanxian (alias, ZHAO Junxian), Mr. LI Zhong, Ms. LIU Yujie, Mr. DUAN, Jerry Linnan and Mr. ZHOU Wei as executive directors; and Mr. CHAU Kam Wing, Mr. CHANG Qing and Mr. PENG Yongzhen as independent non-executive directors.*