

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

FIRST TRANCHE COMPLETION
ISSUE OF NEW SHARES UNDER GENERAL MANDATE FOR
DEBT CAPITALISATION

Reference is made to the announcement (the “**Announcement**”) of the Company dated 1 December 2023 in relation to the subscription of Consideration Shares under general mandate for Debt Capitalisation. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

All conditions precedent to the Debt Capitalisation have been fulfilled and First Tranche Completion took place on 14 December 2023. A total of 88,679,245 Shares have been issued and allotted to the Subscriber at the Issue Price of HK\$0.212 per Consideration Share as first tranche of the Consideration Shares to capitalise HK\$18,800,000 of the Debt, in accordance with the terms and conditions of the Debt Capitalisation Agreement.

As disclosed in the Announcement, the Subscriber undertakes that, subject to First Tranche Completion, it shall subscribe for the second tranche of the Consideration Shares by giving not less than five Business Days written notice to the Company on or before 31 March 2024. Second Tranche Completion shall take place on the seventh Business Day after written notice was given by the Subscriber (or any other later date as the Parties may agree in writing) in accordance with the Debt Capitalisation Agreement. Second Tranche Completion is subject to the Company’s satisfaction of the minimum public float as required under the Listing Rules and that no allotment and issue of the second tranche of the Consideration Shares would result in the Company not meeting the minimum public float as required under the Listing Rules.

There will be no proceeds arising from the issue of the Consideration Shares as all the proceeds from the subscription will be set-off against the Debt owing by the Company to the Subscriber on a dollar-to-dollar basis.

EFFECT OF FIRST TRANCHE COMPLETION ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) immediately before First Tranche Completion; and (ii) immediately upon First Tranche Completion are as follows:

Name of Shareholder	Immediately before First Tranche Completion		Immediately upon First Tranche Completion	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Praise Fortune Limited (Note 1)	356,568,000	42.45	356,568,000	38.40
Mr. Jiang Xin (Note 1)	2,000,000	0.24	2,000,000	0.22
China Sky Global Investment Limited (Note 2)	250,000,000	29.76	250,000,000	26.92
Public shareholders				
The Subscriber	–	–	88,679,245	9.55
Other public Shareholders	231,432,000	27.55	231,432,000	24.92
Total	840,000,000	100.00%	928,679,245	100.00%

Notes:

1. Mr. Jiang Xin was a former executive Director and chairman of the Board who resigned on 27 November 2023. As at the date of this announcement, Mr. Jiang Xin held 77,615 shares in Praise Fortune Limited, representing approximately 60.07% in its issued share capital and Ms. Qian Yuanying (mother of Mr. Jiang Xin) held 51,600 shares in Praise Fortune Limited. Mr. Jiang Xin was also the beneficial owner of 2,000,000 Shares as at the date of this announcement.
2. As at the date of this announcement, 250,000,000 Shares were held by China Sky Global Investment Limited, which is in turn wholly owned by Mr. Liang Guanfei.

By order of the Board
Pan Asia Environmental Protection Group Limited
Guo Jiannan
Chairman

Hong Kong, 14 December 2023

As at the date of this announcement, the members of the Board are:

Executive Directors:

Mr. GUO Jiannan
Ms. PAN Chang

Independent non-executive Directors:

Mr. CHEN Xuezheng
Mr. HU Jianjun
Mr. LEUNG Shu Sun, Sunny