

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)

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

References are made to (i) the announcement of the Company dated 1 December 2023 in relation to the subscription of Consideration Shares under general mandate for Debt Capitalisation; and (ii) the announcement of the Company dated 14 December 2023 in relation to the First Tranche Completion (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcements.

As disclosed in the Announcements, 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 took place on 22 February 2024 in accordance with the Debt Capitalisation Agreement. A total of 61,320,755 Shares have been issued and allotted to the Subscriber at the Issue Price of HK\$0.212 per Consideration Share as second tranche of the Consideration Shares to capitalise HK\$13,000,000 of the Debt.

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 SECOND TRANCHE COMPLETION ON SHAREHOLDING STRUCTURE

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

Name of Shareholder	Immediately before First Tranche Completion		Immediately upon First Tranche Completion		Immediately upon Second Tranche Completion	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Praise Fortune Limited (Note 1)	356,568,000	42.45	356,568,000	38.40	356,568,000	36.02
Mr. Jiang Xin (Note 1)	2,000,000	0.24	2,000,000	0.22	2,000,000	0.20
China Sky Global Investment Limited (Note 2)	250,000,000	29.76	250,000,000	26.92	250,000,000	25.25
Public shareholders						
The Subscriber (Note 3)	–	–	88,679,245	9.55	80,000,000	8.08
Other public Shareholders	231,432,000	27.55	231,432,000	24.92	301,432,000	30.45
Total	840,000,000	100.00	928,679,245	100.00	990,000,000	100.00

Notes:

- 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.
- 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.
- Immediately upon First Tranche Completion, the Subscriber held 88,679,245 Shares. According to the corporate substantial shareholder notice filed by the Subscriber on 19 February 2024, the Subscriber disposed of 70,000,000 Shares after the First Tranche Completion. Immediately upon Second Tranche Completion, the Subscriber held 80,000,000 Shares.

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

Hong Kong, 22 February 2024

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