

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 this announcement.



China Boqi Environmental (Holding) Co., Ltd.

中國博奇環保（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2377)

CONNECTED TRANSACTION IN RELATION TO FORMATION OF JOINT VENTURE COMPANY

FORMATION OF JOINT VENTURE

On 6 February 2024, Beijing Boqi, a wholly-owned subsidiary of the Company and Richinfo Company entered into the JV Agreement in relation to the proposed formation of the Joint Venture Company in the PRC for development of new energy business.

Pursuant to the JV Agreement, Beijing Boqi shall make a capital contribution of RMB4 million in cash, representing 40% of the total registered capital of the Joint Venture Company and Richinfo Company shall make a capital contribution of RMB6 million in cash, representing 60% of the total registered capital of the Joint Venture Company.

LISTING RULES IMPLICATIONS

Richinfo Company is a connected person of the Company as defined under Chapter 14A of the Listing Rules as Mr. Zeng, the chairman of the Board, executive Director, chief executive officer and substantial shareholder of the Company, controls more than 30.0% of shares of Richinfo Company under an acting in concert party arrangement as at the date of this announcement. Accordingly, the entering into of the JV Agreement constitutes a connected transaction of the Company under the Listing Rules.

As one or more of the percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) applicable to the formation of the Joint Venture Company exceeds 0.1% but all of them are less than 5%, the formation of the Joint Venture Company is subject to the reporting and announcement requirements, but is exempt from the circular, independent financial advice and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

On 6 February 2024, Beijing Boqi, a wholly-owned subsidiary of the Company and Richinfo Company entered into the JV Agreement in relation to the proposed formation of the Joint Venture Company in the PRC for development of new energy business.

The formation of the Joint Venture Company is beneficial to fully leveraging the advantages of resources of the parties, accelerating the expansion of new energy business market of the Company and achieving mutual benefit and win-win results, so as to build a standardized and lightweight investment operation and management platform based on advanced technology practices and projects.

JV AGREEMENT

Date

6 February 2024

Parties

- (1) Beijing Boqi
- (2) Richinfo Company

Subject Matter

The Joint Venture Company will be a limited liability company to be established in accordance with the laws of the PRC and the provisions of the JV Agreement.

The proposed name of the Joint Venture Company is Beijing Caiqi New Energy Technology Co., Ltd* (北京彩奇新能源科技有限公司), which is subject to final industrial and commercial registration.

Business Scope of the Joint Venture Company

The business scope of the Joint Venture Company is proposed to be “General items: solar photovoltaic grid-connected power generation, electricity sales; the development, construction, operation, management and maintenance of solar photovoltaic power stations; engaging in technology development, technology transfer in the field of solar cells; solar power generation technology services; power generation technology services; energy conservation management services; energy storage technology services; engineering management services; foreign contracted projects; engineering and technical services; import and export of goods and technology (For projects that require approval according to law, operating activities can only be conducted after being approved by relevant departments. The business scope of the Joint Venture Company is subject to the approval results.)”.

Capital Contribution

The total registered capital of the Joint Venture Company is RMB10 million. Beijing Boqi shall make a capital contribution of RMB4 million in cash, representing 40% of the total registered capital of the Joint Venture Company and Richinfo Company shall make a capital contribution of RMB6 million in cash, representing 60% of the total registered capital of the Joint Venture Company.

Each of the parties shall fulfill their obligations of capital contribution in accordance with the business needs of the Joint Venture Company based on the aforesaid proportion, but in any event the obligations shall be fulfilled within five years. When one party fails to fulfill its obligations of capital contribution, the parties shall enjoy relevant rights and interests in the Joint Venture Company based on the actual amount of capital contribution.

The amount of capital contribution was determined after arm's length negotiations between the parties with reference to the initial capital requirement of the Joint Venture Company.

The parties intend to finance its investment in the Joint Venture Company from their own funds.

Governance Structure of the Joint Venture Company

The board of directors of the Joint Venture Company shall comprise three directors. Beijing Boqi shall nominate one director and Richinfo Company shall nominate two directors. The Joint Venture Company shall have one chairman of the board of the directors who shall be elected by the board of directors.

The supervisory committee of the Joint Venture Company shall comprise three supervisors, which are elected by the shareholders' meeting. Each of Beijing Boqi and Richinfo Company shall nominate one supervisor and the remaining one shall be an employee representative supervisor.

The senior management of the operation and management organization of the Joint Venture Company are appointed by the board of directors. The Joint Venture Company shall have one general manager, who is responsible to the board of directors.

INFORMATION ON THE GROUP, BEIJING BOQI AND RICHINFO COMPANY

The Group and Beijing Boqi

The Group is mainly engaged in providing comprehensive and professional environmental management services in Mainland China to large industrial and energy customers, including flue gas treatment, hazardous solid waste treatment and disposal, industrial water treatment, and dual carbon new energy⁺, etc.

Beijing Boqi, a limited liability company established in the PRC, is an indirect wholly-owned subsidiary of the Company. Its main business includes providing services such as flue gas treatment, water treatment, hazardous solid waste treatment and disposal, as well as dual carbon new energy⁺ to large industrial and energy customers.

Richinfo Company

Richinfo Company is a listed company on the Shenzhen Stock Exchange since 23 March 2018 (stock code: 300634. SZ). Richinfo Company has been focusing on digital transformation of enterprises and is mainly engaged in provision of products in collaborative office, intelligent channels, cloud and big data in the PRC, so as to provide customers with solutions for product sales, software customization and development and technical services. As of the date of this announcement, the actual controllers of Richinfo Company are Mr. Yang Liangzhi, an Independent Third Party, and Mr. Zeng, who jointly controls more than 30.0% of shares of Richinfo Company under an acting in concert party arrangement.

REASONS FOR AND BENEFITS OF THE FORMATION OF JOINT VENTURE COMPANY

The establishment of the Joint Venture Company aims to fully leverage the resource advantages of both parties and jointly develop the market for new energy business, which is in line with the development direction in acceleration of the strategic deployment of the new energy business of the Company.

Having reviewed the terms of the JV Agreement, the Directors (excluding Mr. Zeng but including the independent non-executive Directors) are of the view that:

- (i) the terms of the JV Agreement are fair and reasonable;
- (ii) the entering into of the JV Agreement is on normal commercial terms, notwithstanding that it is not conducted in the ordinary and usual course of business of the Company; and
- (iii) the entering into of the JV Agreement is in the interest of the Company and its Shareholders as a whole.

Mr. Zeng, being the Director of the Company and one of the actual controllers of Richinfo Company, has material interests in the JV Agreement. He has abstained from voting on the resolution of the Board for the approval of the JV Agreement. Save as mentioned above, there are no other Directors of the Company who have any material interests in the JV Agreement.

LISTING RULES IMPLICATIONS

Richinfo Company is a connected person of the Company as defined under Chapter 14A of the Listing Rules as Mr. Zeng, the chairman of the Board, executive Director, chief executive officer and substantial shareholder of the Company, controls more than 30.0% of shares of Richinfo Company under an acting in concert party arrangement as at the date of this announcement. Accordingly, the entering into of the JV Agreement constitutes a connected transaction of the Company under the Listing Rules.

As one or more of the percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) applicable to the formation of the Joint Venture Company exceeds 0.1% but all of them are less than 5%, the formation of the Joint Venture Company is subject to the reporting and announcement requirements, but is exempt from the circular, independent financial advice and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, the following terms shall have the meanings set out below in this announcement:

| | |
|--------------------------------|--|
| “Beijing Boqi” | Beijing Boqi Electric Power SCI-TECH Co., Ltd.* (北京博奇電力科技有限公司), a wholly-owned subsidiary of the Company |
| “Board” | the board of Directors |
| “Company” | China Boqi Environmental (Holding) Co., Ltd., a company incorporated in Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange |
| “connected person” | has the meaning as described under Rule 14A.06(7) of the Listing Rules |
| “connected transaction” | has the meaning as described under the Listing Rule |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party(ies)” | person(s) or company(ies) who/which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are independent of and not connected with the Company and its connected persons |
| “Joint Venture Company” | a company to be established under the law of the PRC pursuant to the JV Agreement |
| “JV Agreement” | the joint venture agreement dated 6 February 2024 entered into between Beijing Boqi and Richinfo Company, in relation to the formation of the Joint Venture Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time |
| “Main Board” | the Main Board of the Stock Exchange |
| “Mr. Zeng” | Mr. Zeng Zhijun (曾之俊), chairman of the Board, executive Director, chief executive officer and substantial shareholder of the Company |
| “PRC” | the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan) |
| “RMB” | Renminbi, the lawful currency of the PRC |

| | |
|---------------------------|---|
| “Richinfo Company” | Richinfo Technology Co., Ltd. (彩訊科技股份有限公司), (formerly known as Shenzhen Richinfo Technology Co., Ltd.* (深圳市彩訊科技有限公司)), a listed company on the Shenzhen Stock Exchange since 23 March 2018 (stock code: 300634. SZ) |
| “Shareholder(s)” | holders of the Share(s) |
| “Shares” | ordinary shares of the Company |
| “Stock Exchange” | the Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning ascribed to it under the Listing Rules |
| “substantial Shareholder” | shall have the meaning as ascribed to it under the Listing Rules |
| “%” | percentage |

By Order of the Board
China Boqi Environmental (Holding) Co., Ltd.
Zeng Zhijun
Chairman, Executive Director and Chief Executive Officer

Beijing, PRC, 6 February 2024

As at the date of this announcement, the executive Directors are Mr. Zeng Zhijun, Mr. Liu Genyu and Ms. Qian Xiaoning; the non-executive Directors are Mr. Cheng Liquan Richard, Mr. Zheng Tony Tuo, Mr. Zhu Weihang and Mr. Chen Xue; and the independent non-executive Directors are Dr. Xie Guozhong, Mr. Lu Zhifang, Prof. Yu Wayne W. and Ms. Zhang Fan.

* *For identification purpose only*