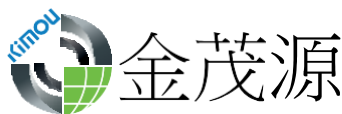


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**Kimou Environmental Holding Limited**  
**金茂源環保控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 6805)**

**DISCLOSEABLE TRANSACTION**

**(1) REPURCHASE OF FACTORY IN TIANJIN BINGANG PARK  
AND  
(2) CONSOLIDATED DISPOSAL OF FACTORY AND THE RESPECTIVE  
LAND USE RIGHTS**

**(1) REPURCHASE OF FACTORY 802 IN TIANJIN BINGANG PARK**

The Board is pleased to announce that on 28 May 2025, Tianjin Jinhuaadu, a non-wholly owned subsidiary of the Company, and Tianjin Hongyue entered into the Factory Repurchase Agreement. Pursuant to the Factory Repurchase Agreement, Tianjin Hongyue has agreed to dispose of and Tianjin Jinhuaadu has agreed to repurchase the permanent use rights of Factory 802 for a consideration of RMB49,068,000 (inclusive of taxes).

**(2) CONSOLIDATED DISPOSAL OF FACTORY 802 AND ITS RESPECTIVE LAND USE RIGHTS**

On 28 May 2025, Tianjin Jinhuaadu and Tianjin Hongyue entered into the Factory Disposal Agreement. Tianjin Jinhuaadu has agreed to dispose of the Factory 802 and the respective Land Use Rights for an aggregate consideration of RMB57,788,000.

**LISTING RULES IMPLICATION**

As all of the applicable percentage ratios in respect of each of the Repurchase of Factory and the Disposal of Factory on a standalone basis were less than 5%, each of the Repurchase of Factory and the Disposal of Factory and the transactions contemplated thereunder did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules at the relevant time.

As the Repurchase of Factory and the Disposal of Factory were conducted between Tianjin Jinhuaadu and Tianjin Hongyue within a 12-month period, the transactions shall be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As one of the applicable percentage ratios in respect of the Repurchase of Factory and the Disposal of Factory, on an aggregate basis, exceeds 5% but is below 25%, the Repurchase of Factory and the transactions contemplated thereunder, when aggregated with the Disposal of Factory, constitute a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **(1) THE FACTORY REPURCHASE AGREEMENT**

The major terms of the Factory Repurchase Agreement are as follows:

Date	:	28 May 2025
Parties	:	(i) Tianjin Jinhuaadu (as the purchaser) (ii) Tianjin Hongyue (as the vendor)
Subject matter	:	<p>Pursuant to the Factory Repurchase Agreement, both Tianjin Jinhuaadu and Tianjin Hongyue confirmed that the Factory 802 was invested in and constructed by Tianjin Hongyue on the land owned by Tianjin Jinhuaadu at its own expense. Tianjin Jinhuaadu holds the legal ownership of Factory, and Tianjin Hongyue has the right to use the Factory for the period from 1 July 2022 to 30 June 2041, as stipulated in “State-Owned Land Use Rights Lease Agreement” entered into by both parties. Tianjin Jinhuaadu has agreed to repurchase the permanent use rights of the Factory from Tianjin Hongyue.</p> <p>The Factory is situated at No. 1 Shuangying Road, Tianjin Binhai High-tech Casting Industrial Zone, Jinghai District, Tianjin, PRC. The Factory is a steel structure with a construction area of 29,372.78 square meters.</p> <p>As at the date of this announcement, the unaudited book value of the Factory is RMB53,380,000.</p>
Consideration	:	An aggregate sum of RMB49,068,000. The Consideration was determined with reference to the unaudited book value of the Factory and after arm’s length negotiations between the parties on normal commercial terms. The Directors consider that the Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.
Payment terms	:	Tianjin Hongyue shall issue a VAT invoice to Tianjin Jinhuaadu according to the agreed due date with the total payment to be made within 10 working days after the completion of the factory property certificate division.
Completion	:	Tianjin Hongyue shall deliver the Factory upon the effective date of the Factory Repurchase Agreement.

## **(2) THE FACTORY DISPOSAL AGREEMENT**

The major terms of the Factory Disposal Agreement are as follows:

Date	:	28 May 2025
Parties	:	(i) Tianjin Jinhuaadu (as the vendor) (ii) Tianjin Hongyue (as the purchaser)
Subject matter	:	As negotiated between Tianjin Jinhuaadu and Tianjin Hongyue, Tianjin Jinhuaadu intends to transfer the legal ownership of repurchased Factory 802 and the corresponding land to Tianjin Hongyue.  The Factory is situated at No. 1 Shuangying Road, Tianjin Binhai High-tech Casting Industrial Zone, Jinghai District, Tianjin, PRC. The construction area is 29,372.78 square meters, and the land area is 39,317.70 square meters.  The aggregate unaudited book value of the Factory and the Land is RMB55,781,000.  As effective from 28 May 2025, Tianjin Jinhuaadu ceased to pay for the Land rental payment of RMB163,678 per month to Tianjin Jinhuaadu and its affiliates.  Tianjin Jinhuaadu shall commence the property certificate division process upon receipt of the deposit from Tianjin Hongyue. If the division process cannot be completed due to governmental reasons, Tianjin Jinhuaadu shall refund the deposit to Tianjin Hongyue without interest.
Consideration	:	An aggregate sum of RMB57,788,000 being the price of the Factory and the Land. The Consideration was determined with reference to the unaudited book value of the Factory and the Land, the market conditions surrounding the location of the Factory and after arm's length negotiations between the parties on normal commercial terms. The Directors consider that the Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.
Payment terms	:	Tianjin Hongyue shall pay Tianjin Jinhuaadu a deposit of RMB872,000 on the date of Factory Disposal Agreement, the deposit shall be offset as part of the consideration payment. The remaining amount shall be paid within 10 business days after completion of the factory property certificate division.

## **INFORMATION OF THE PARTIES**

### **The Group**

The Group is principally engaged in the business of providing wastewater treatment and other ancillary services for the development and operation of surface treatment recycling eco-industrial parks.

### **Tianjin Jinhuadu**

Tianjin Jinhuadu is a wholly-owned subsidiary of Tianjin Bingang, a subsidiary of the Company owned as to 89.72% indirectly by the Company, together with its subsidiaries, is principally engaged in the operation of Tianjin Bingang Park, one of the Group's electroplating industrial parks located in Tianjin, the PRC.

### **Tianjin Hongyue**

Tianjin Hongyue is a company established in the PRC with limited liability and principally engaged in metal surface treatment, heat treatment processing and electroplating processing, etc. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Tianjin Hongyue and its ultimate beneficial owners are independent of the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE REPURCHASE OF FACTORY 802 AND CONSOLIDATED DISPOSAL OF FACTORY 802 AND THE RESPECTIVE LAND USE RIGHTS**

The Group is principally engaged in the business of providing wastewater treatment and other ancillary services for the development and operation of surface treatment recycling eco-industrial parks. The Group currently operates one of its surface treatment recycling eco-industrial parks in Tianjin, the PRC.

Pursuant to the "State-Owned Land Use Rights Lease Agreement" entered into by Tianjin Jinhuadu and Tianjin Hongyue, the Factory was invested in and constructed by Tianjin Hongyue on the land owned by Tianjin Jinhuadu at its own expense. Tianjin Jinhuadu holds the legal ownership of Factory, and Tianjin Hongyue has the right to use the Factory during the lease period. Due to business development needs of Tianjin Hongyue, it seeks to transit from leasing the property to self-owned the property and has requested Tianjin Jinhuadu to dispose the Land to Tianjin Hongyue. Based on the long-term cooperative and mutually beneficial relationship among Tianjin Hongyue, Tianjin Jinhuadu and Tianjin Bingang, upon the transfer of the Land from Tianjin Jinhuadu to Tianjin Hongyue, it shall enable a longer-term and closer partnership with Tianjin Hongyue by providing extended wastewater treatment and utility services, thereby allowing Tianjin Bingang to secure long-term and stable income. Meanwhile, the Repurchase of Factory and the Disposal of the Factory and related transactions have recovered working capital for our business's continued development and optimized the Group's asset structure.

The Directors are of the view that the Repurchase of the Factory and the Disposal of the Factory are in the interest of the Company, and the terms of transactions are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECT OF THE REPURCHASE OF FACTORY AND THE DISPOSAL OF FACTORY**

It is expected that the Group will record an unaudited net disposal gain of approximately RMB2,000,000 as a result of the Disposal of Factory. The proceeds to be received by the Group will be applied towards continuous development of our normal and ordinary business and as a general working capital.

## **LISTING RULES IMPLICATION**

As all of the applicable percentage ratios in respect of each of the Repurchase of Factory and the Disposal of Factory on a standalone basis were less than 5%, each of the Repurchase of Factory and the Disposal of Factory and the transactions contemplated thereunder did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules at the relevant time.

As the Repurchase of Factory and the Disposal of Factory were conducted between Tianjin Jinhuaadu and Tianjin Hongyue within a 12-month period, the transactions shall be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As one of the applicable percentage ratios in respect of the Repurchase of Factory and the Disposal of Factory, on an aggregate basis, exceeds 5% but is below 25%, the Repurchase of Factory and the transactions contemplated thereunder, when aggregated with the Disposal of Factory, constitute a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Kimou Environmental Holding Limited (金茂源環保控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Disposal of Factory”	the consolidated disposal of Factory 802 and the respective Land Use Rights pursuant to the Factory Disposal Agreement
“Factory” or “Factory 802”	the target factory situated at Kimou (Tianjin) Surface Treatment Recycling Eco-industrial Park* (金茂源(天津)表面處理循環經濟產業園), our electroplating industrial park located in Zhongwang Town, Jinghai District, Tianjin, the PRC
“Factory Disposal Agreement”	the transfer agreement dated 28 May 2025 entered into by Tianjin Jinhuaadu and Tianjin Hongyue in respect of the Disposal of Factory

“Factory Repurchase Agreement”	the repurchase agreement dated 28 May 2025 entered into by Tianjin Jinhuaadu and Tianjin Hongyue in respect of the Repurchase of Factory
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Land”	the land associated with Factory 802 situated at Kimou (Tianjin) Surface Treatment Recycling Eco-industrial Park with an aggregate site area of approximately 39,000 square metres
“Land Use Rights”	right of use of the Land
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Administrative Region of the People’s Republic of China and Taiwan, China
“Repurchase of Factory”	the repurchase of Factory 802 pursuant to the Factory Repurchase Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of the ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Hongyue”	Tianjin Hongyue Environmental Technology Co., Ltd.* (天津洪躍環保科技有限公司), a company established in the PRC with limited liability and an Independent Third Party
“Tianjin Bingang”	Tianjin Bingang Electroplating Enterprises Management Co., Ltd.* (天津濱港電鍍企業管理有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company as at the date of this announcement as to 89.72% indirectly by the Company

“Tianjin Bingang Park”	A surface treatment recycling eco-industrial park operated by the Group and is in Tianjin
“Tianjin Jinhuaadu”	Tianjin Jinhuaadu Waste Products Acquisition Co., Ltd.* (天津金華都廢品收購有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Tianjin Bingang
“%”	per cent.

By order of the Board  
**Kimou Environmental Holding Limited**  
**Zhang Lianghong**  
*Chairman*

Hong Kong, 28 May 2025

*As at the date of this announcement, the Board comprises Mr. Zhang Lianghong (Chairman), Mr. Huang Qiyang (Chief Executive Officer), Mr. Lee Kin Ming, Mr. Huang Shaobo and Mr. Cheung Ka Tsun as executive Directors, and Mr. Li Xiaoyan, Mr. Liu Da and Ms. Pong Scarlett Oi Lan BBS, JP as independent non-executive Directors.*

*\* For identification purposes only*