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If you have sold or transferred all your shares in Kimou Environmental Holding Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)

**PROPOSED CHANGE OF AUDITOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of Kimou Environmental Holding Limited to be held at Conference Room, Longhua Road, Longxi Street, Boluo County, Huizhou City, Guangdong Province, the People's Republic of China on Wednesday, 20 November 2024 at 10 a.m. or any adjournment thereof is set out on pages 8 to 9 of this circular.

A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.kimou.com.cn). 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 Hong Kong branch share registrar, 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 of the EGM (i.e. by 10 a.m. on Monday, 18 November 2024 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish and in sure case, the form of proxy previously submitted shall be deemed to be revoked.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
NOTICE OF EXTRAORDINARY GENERAL MEETING	8

This circular is prepared in both English and Chinese. In the event of inconsistency, the English text of this circular will prevail.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Articles of Association”	the articles of association of the Company as amended from time to time
“Audit Committee”	the audit committee of the Board
“BDO”	BDO Limited, the new auditor of the Company proposed to be appointed at the EGM
“Board”	the Board of Directors
“Company”	Kimou Environmental Holding Limited, a company incorporated in 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
“EGM”	the extraordinary general meeting of the Company to be held at Conference Room, Longhua Road, Longxi Street, Boluo County, Huizhou City, Guangdong Province, the People’s Republic of China at 10 a.m. on Wednesday, 20 November 2024 or any adjournment thereof, the notice of which is set out on pages 8 to 9 of this circular
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“KPMG”	KPMG, the existing auditor of the Company proposed to be removed at the EGM
“Latest Practicable Date”	30 October 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region and Taiwan, China

DEFINITIONS

“Proposed Appointment”	the proposed appointment of BDO as the new auditor of the Company, subject to the approval of the Shareholders at the EGM
“Proposed Change of Auditor”	collectively, the Proposed Removal and the Proposed Appointment
“Proposed Removal”	the proposed removal of KPMG as the auditor of the Company, subject to the approval of the Shareholders at the EGM
“Share(s)”	ordinary share(s) of nominal value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)” or “Members”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

In this circular, the terms “close associate(s)”, “core connected person(s)”, “controlling shareholder(s)”, “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

LETTER FROM THE BOARD



金茂源

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)

Executive Directors:

Mr. Zhang Lianghong (*Chairman of the Board*)

Mr. Huang Qiyang (*Chief Executive Officer*)

Mr. Lee Kin Ming

Mr. Huang Shaobo

Mr. Cheung Ka Tsun

Registered office:

Campbells Corporate Services Limited

Floor 4, Willow House

Cricket Square, Grand Cayman

KY1-9010, Cayman Islands

Independent Non-Executive Directors:

Mr. Li Xiaoyan

Mr. Kan Chung Nin, Tony *SBS, JP*

Mr. Liu Da

Principal place of business in the PRC:

Longhua Road, Longxi Street

Boluo County

Huizhou City

Guangdong Province, the PRC

Principal place of business in Hong Kong:

Unit E&F, 5/F.

Hung Cheong Factory Building

3 Kwong Cheung Street

Cheung Sha Wan, Kowloon, Hong Kong

4 November 2024

To the Shareholders

Dear Sir or Madam

**PROPOSED CHANGE OF AUDITOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 25 October 2024 in relation to the Proposed Change of Auditor.

The purpose of this circular is to provide you with the notice of EGM and to provide you with information regarding the resolutions to be put forward at the EGM. Resolutions to be put forward at the EGM are the Proposed Change of Auditor.

LETTER FROM THE BOARD

PROPOSED REMOVAL

At the last annual general meeting of the Company held on 24 May 2024, KPMG was re-appointed as the auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

However, the Company could not reach a consensus with KPMG in respect of the audit fee of the Company for the year ending 31 December 2024. After considering the facts and circumstances, the Audit Committee made a recommendation to the Board to seek the approval of the Shareholders regarding the Proposed Removal. The Board is of the view that the Proposed Removal would enable the Company to carry out effective cost control and reduce operating expenses of the Company to better cope with the future business development of the Group and is in the best interest of the Company and its Shareholders as a whole, and therefore proposes to seek the approval of the Shareholders regarding the Proposed Removal. The Proposed Removal is subject to the passing of an ordinary resolution at the EGM pursuant to the Articles of Association. The Board would like to take this opportunity to thank KPMG for its professional services and support in the past years.

The Company is incorporated under the laws of the Cayman Islands and to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for the removed auditor to confirm whether or not there is any circumstance connected with their cessation to act as the Company's auditors which they consider should be brought to the attention of the Shareholders. KPMG has therefore not issued such confirmation. To the best of the Directors' knowledge, information and belief, save as disclosed above, there are no disagreements or unresolved matters between the Company and KPMG, and there are no other circumstances or matters that need to be brought to the attention of the Shareholders and the Stock Exchange in relation to the Proposed Removal.

PROPOSED APPOINTMENT

After reviewing the proposed scope of services, size, capacity, relevant industry experience and quotations from several other professional accounting firms, the Audit Committee has assessed and considered that BDO is qualified and suitable to carry out duties of the auditor of the Company. Based on the recommendation of the Audit Committee, the Board has resolved to propose that the Shareholders approve the appointment of BDO as the new auditor of the Company, to fill the casual vacancy following the removal of KPMG and to hold office until the conclusion of the next annual general meeting of the Company. The Proposed Appointment is subject to the Proposed Removal becoming effective and the passing of ordinary resolution in respect of the Proposed Appointment at the EGM, and the completion of the client acceptance procedures by BDO. Further announcement will be made by the Company after the Proposed Appointment takes effect.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES AND THE ARTICLES OF ASSOCIATION

According to article 29.2 of the Articles of Association, the Shareholders may, at any general meeting convened and held in accordance with the Articles of Association, remove the auditor by ordinary resolution at any time before the expiration of his term of office and shall appoint another auditor in his stead for the remainder of his term by ordinary resolution at that meeting.

Under Rule 13.88 of the Listing Rules, (a) the Company must not remove its auditor before the end of the auditor's term of office without first obtaining shareholders' approval at a general meeting; (b) the Company must send a circular proposing the removal of the auditor to shareholders with any written representations from the auditor, not less than 10 business days before the general meeting; and (c) the Company must allow the auditor to attend the general meeting and make written and/or verbal representations to shareholders at the general meeting.

In compliance with the Articles of Association and the Listing Rules, the Proposed Change of Auditor will be proposed as ordinary resolutions at the EGM.

Accordingly, the Company will despatch a copy of this circular together with the notice of EGM to the Shareholders who request printed copies, and also despatch a copy of the same to KPMG to invite them to attend the EGM and make written or verbal representations (if any) to the Shareholders at the EGM. In addition, the Company has requested KPMG to provide their written representations for inclusion in this circular. However, up to and until the Latest Practicable Date, the Company has not received such written representation from KPMG.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the eligibility of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 15 November 2024 to Wednesday, 20 November 2024, both days inclusive, during which period no share transfers can be registered. In order to be eligible for attending and voting at the EGM, all transfers 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, 14 November 2024.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Set out on pages 8 to 9 of this circular is the notice of the EGM at which ordinary resolutions will be proposed to the Shareholders to consider and approve, the Proposed Change of Auditor.

LETTER FROM THE BOARD

FORM OF PROXY

A form of proxy is enclosed for use at the EGM. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.kimou.com.cn). Whether or not you intend to be present at the EGM, you are requested to complete the form of proxy and return it to the Company's Hong Kong branch share registrar and transfer office, 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 EGM (i.e. by 10 a.m. on Monday, 18 November 2024 (Hong Kong time)) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the EGM or any adjournment if they so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 13.5 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share registered in his/her/its name in the register. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way. As at the Latest Practicable Date, to the extent the Directors are aware, having made all reasonable enquires, no Shareholder has to abstain from voting on any of the proposed resolutions. The results of the poll will be published on the websites of the Company and the Stock Exchange on the date of the EGM.

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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the resolutions for the Proposed Change of Auditor to be proposed at the EGM 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 EGM.

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

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**EGM**”) of Kimou Environmental Holding Limited (the “**Company**”) will be held at Conference Room, Longhua Road, Longxi Street, Boluo County, Huizhou City, Guangdong Province, the People’s Republic of China on Wednesday, 20 November 2024 at 10 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To consider the removal of KPMG as the auditor of the Company pursuant to article 29.2 of the articles of association of the Company with immediate effect after the conclusion of the EGM (the “**Removal**”), and the board of directors of the Company (the “**Board**”) and any of them be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they may consider necessary, desirable or expedient or in the interest of the Company to give effect to the Removal.
2. To consider, conditional upon the passing of the ordinary resolution numbered 1 above, (i) BDO Limited be and is hereby appointed as the auditor of the Company pursuant to article 29.2 of the articles of association of the Company in place of KPMG immediately following the Removal after the conclusion of the EGM, and to hold office until the conclusion of the forthcoming annual general meeting of the Company (the “**Appointment**”); (ii) the Board and any of them be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they may consider necessary, desirable or expedient or in the interest of the Company to give effect to the Appointment; and (iii) the Board be and is hereby authorised to fix the remuneration of BDO Limited.

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

Hong Kong, 4 November 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company.
- (ii) 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.
- (iii) In order to be valid, a form of proxy must be deposited the Company's Hong Kong branch share registrar and transfer office, 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, and in such case, the form of proxy previously submitted shall be deemed to be revoked.
- (iv) For determining the entitlement to attend and vote at the above meeting, the transfer books and register of members will be closed from Friday, 15 November 2024 to Wednesday, 20 November 2024, both days inclusive, during which period no share transfers can be registered. In order to be eligible to attend and vote at the above meeting, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 14 November 2024.

As at the date of this notice, 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 Mr. Kan Chung Nin, Tony SBS, JP as independent non-executive Directors.