

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.



CAPITAL ENVIRONMENT HOLDINGS LIMITED

首創環境控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3989)

CLARIFICATION ANNOUNCEMENT

Reference is made to the circular (the “**Circular**”) and the notice of EGM (the “**Notice of EGM**”) issued by Capital Environment Holdings Limited (the “**Company**”) dated 11 May 2015 in relation to, among other things, the proposed Rights Issue, the Whitewash Waiver and the proposed Increase in Authorised Share Capital. Unless the context otherwise required, capitalised terms used herein shall have the same meanings used in the Circular and the Notice of EGM.

The Board would like to clarify the information set out in the Circular and the Notice of EGM as follows:

- (1) that on the last paragraph of the front page of the Chinese and English versions of the Circular, the last day of the dealings in the Rights Shares in their nil-paid form should be 19 June 2015 instead of 16 June 2015 and on the second paragraph of p. 29 of the Chinese and English versions of the Circular, the register of members of the Company will be closed on 27 May 2015 to determine the identity of the Shareholders entitled to attend and vote at the EGM instead of from 20 May 2015 to 21 May 2015;
- (2) that the address of Tricor Investor Services Limited in Chinese appear in the paragraph headed “THE EGM” on p. 31 of the Chinese version of the Circular and note 2 of the Chinese version of the Notice of EGM should be “香港皇后大道東183號合和中心22樓” instead of “香港皇后大道東28號金鐘匯中心26樓” and the address of Tricor Investor Services Limited in English appear in the paragraph headed “THE EGM” on p. 31 of the English version of the Circular should be “Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong” instead of “26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong”;

- (3) that the increase in Authorised Share Capital and the transactions contemplated therein in the paragraph headed “THE EGM” on p. 31 of the Chinese and English versions of the Circular and resolution 3 of the Chinese and English versions of the Notice of EGM should be approved by ordinary resolution instead of special resolution and therefore, the following resolution will be proposed as an ordinary resolution at the EGM:

“THAT the authorised share capital of the Company be and is hereby increased from HK\$600,000,000 divided into 6,000,000,000 Shares of a par value of HK\$0.1 each to HK\$1,500,000,000 divided into 15,000,000,000 Shares, by the creation of an additional 9,000,000,000 unissued Shares (“Increase in Authorised Share Capital”) any one or more of the Directors be and is/are hereby authorised for and on behalf of the Company to sign, execute, perfect and deliver all such documents, instruments and agreements and do all such things deemed by him/them to be incidental to, ancillary to or in connection with the matters contemplated in and for the completion of the Increase in Authorised Share Capital.”; and

- (4) that in resolution 1 of the Chinese and English versions of the Notice of EGM, it was stated that (i) the underwriting agreement dated 21 April 2015 made between the Company and Beijing Capital (Hong Kong) Limited as the underwriter and (ii) the Rights Issue is in the proportion of three Rights Shares for every two existing shares. It should be (i) the underwriting agreement dated 21 April 2015 made between the Company and BCG Chinastar International Investment Limited as the underwriter and (ii) one Rights Share for every one existing share as described in the Circular. The chairman of the EGM will propose a resolution at the EGM to amend resolution 1 accordingly; and
- (5) that in note 4 of the Chinese version of the Notice of EGM, it was stated that “首創(香港)有限公司、Waste Resources G.P. Limited及其任何一致行動人士以及彼等各自之聯繫人士” shall abstain from voting. It should be “首創華星國際投資有限公司及其任何一致行動人士以及彼等各自之聯繫人士” who shall abstain from voting.

Save as disclosed above, the Board confirms that all the information in the Circular and the Notice of EGM remains correct.

By order of the Board
Capital Environment Holdings Limited
Yu Changjian
Chairman

Hong Kong, 14 May 2015

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Yu Changjian, Mr. Cao Guoxian, Mr. Liu Xiaoguang and Mr. Shen Jianping; and three independent non-executive Directors, namely Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen and Ms. Chan Yee Wah, Eva.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any such statement contained in this announcement misleading.