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CAPITAL ENVIRONMENT HOLDINGS LIMITED

首創環境控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03989)

(1) RESIGNATION OF CHAIRMAN AND EXECUTIVE DIRECTOR;

(2) APPOINTMENT OF CHAIRMAN;

**(3) CHANGE IN COMPOSITION OF THE NOMINATION COMMITTEE
AND REMUNERATION COMMITTEE;**

AND

(4) CHANGE OF AUTHORISED REPRESENTATIVE AND PROCESS AGENT

RESIGNATION OF CHAIRMAN AND EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Director(s)**”) of Capital Environment Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. Li Fujing has tendered his resignation as an executive Director and the chairman of the Board with effect from 25 July 2025 due to other work arrangements. Following his resignation, Mr. Li Fujing would cease to act as (i) an authorised representative of the Company (the “**Authorised Representative**”) for the purpose of Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”); and (ii) an authorised representative of the Company for the acceptance of service of process and notices on behalf of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Process Agent**”).

Mr. Li Fujing confirmed that he has no disagreement with the Board and there is no other matter in relation to his resignation that should be brought to the attention of the shareholders of the Company.

The Board wishes to express its appreciation to Mr. Li Fujing for his valuable contributions to the Company during his tenure of office.

APPOINTMENT OF CHAIRMAN

The Board is pleased to announce that with effect from 25 July 2025, Mr. Li Qingsong, an executive Director and the chief executive officer of the Company, will be appointed as the chairman of the Board.

Set out below are the biographical details of Mr. Li Qingsong:

Mr. Li Qingsong, aged 54, has extensive experience in investment and financing management. He is a senior engineer and economist. He was appointed as an executive Director and executive general manager of the Company in August 2021, and was redesignated as the chief executive officer from executive general manager on 20 December 2023. Mr. Li Qingsong holds a bachelor's degree in port and waterway engineering from the Department of Geography of Zhejiang University, a master's degree in hydraulics and river dynamics from the Department of Water Conservancy of Tsinghua University and a master's degree in business administration from the School of Business Administration of the Chinese University of Hong Kong. Mr. Li Qingsong had successively acted as an engineer at the Institute of Environmental and Sanitary Engineering Technology (環衛工程技術研究所) of the Urban Construction Design and Research Institute (城市建設研究院) of the Ministry of Construction, the investment manager of the investment and development department, the deputy general manager of Nanjing branch, the general manager of Nanjing branch and the general manager of the investment and development department of southern region of Beijing Capital Eco-Environment Protection Group Co., Ltd., the general manager of Hunan Capital Investment Co., Ltd. (湖南首創投資有限責任公司) and assistant to general manager of Beijing Capital Eco-Environment Protection Group Co., Ltd..

Mr. Li Qingsong has entered into a service contract with the Company, for a term of three years commencing from 26 August 2021, and will continue thereafter until terminated by either party thereto giving to the other not less than three months' prior notice in writing. Mr. Li Qingsong is entitled to a fixed monthly salary of HK\$30,000 for 13 months per year and a year-end bonus at the discretion of the Board with reference to his duties and responsibilities and performance of the Company. Mr. Li Qingsong has taken the initiative to waive his remuneration for services rendered by him as executive Director, chief executive officer of the Company and chairman of the Board.

As at the date of this announcement, save as disclosed above, Mr. Li Qingsong (i) does not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company; and (iii) does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Hong Kong Laws).

Save as disclosed above, there is no other matter in relation to the redesignation of Mr. Li Qingsong that needs to be brought to the attention of the shareholders of the Company and there is no other information relating to Mr. Li Qingsong which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Pursuant to code provision C.2.1 of the Corporate Governance Code (the “**CG Code**”) in Appendix C1 to the Listing Rules, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Following the appointment of Mr. Li Qingsong as the chairman of the Board, Mr. Li Qingsong will assume dual roles of the chairman of the Board and the chief executive officer of the Company. After evaluation of the current situation of the Company and taking into account of the experience and past performance of Mr. Li Qingsong, the Board is of the opinion that it is appropriate at the present stage for Mr. Li Qingsong to hold both positions as the chairman of the Board and the chief executive officer of the Company as it ensures the stability of the operations of the Company with consistent leadership and policy formulation, which is conducive to the efficiency of the Company’s overall strategic planning and business decision-making and implementation. In addition, under the supervision by the current Board which consists of one non-executive Director and four independent non-executive Directors, the interests of the Shareholders will be adequately and fairly represented. Also, as all major decisions are made in consultation with and approved by the members of the Board, the Board believes that this arrangement will not have negative influence on the balance of power and authorisation between the Board and the management of the Company. Therefore, the Board considers the deviation from code provision C.2.1 of the CG Code is appropriate under such circumstances. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

CHANGE IN COMPOSITION OF THE NOMINATION COMMITTEE AND REMUNERATION COMMITTEE

The Board announces that with effect from 25 July 2025, (i) Mr. Li Fujing will cease to be the chairman and member of the nomination committee of the Company (the “**Nomination Committee**”) and Mr. Li Qingsong will be appointed as the chairman and member of the Nomination Committee; and (ii) Mr. Li Fujing will cease to be a member of the remuneration committee of the Company (the “**Remuneration Committee**”) and Mr. Li Qingsong will be appointed as a member of the Remuneration Committee.

CHANGE OF AUTHORISED REPRESENTATIVE AND PROCESS AGENT

The Board announces that with effect from 25 July 2025, Mr. Li Qingsong, being an executive Director of the Company, has been appointed as an Authorised Representative and the Process Agent to fill the vacancy of Mr. Li Fujing.

By order of the Board
Capital Environment Holdings Limited
Li Qingsong
Chairman

Hong Kong, 25 July 2025

As of the date of this announcement, the Board comprises one executive Director, namely Mr. Li Qingsong; one non-executive Director, namely Ms. Hao Chunmei; and four independent non-executive Directors, namely Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen, Dr. Chan Yee Wah and Dr. Cao Fuguo.