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Enviro Energy International Holdings Limited

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1102)

INSIDE INFORMATION

LICENSING AGREEMENT IN RELATION TO THE INTELLECTUAL PROPERTY RIGHTS OF ANGEL ELEMENTS

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Hong Kong Listing Rules.

THE LICENSING AGREEMENT

The Board is pleased to announce that on 16 November 2020 (after trading hour of the Stock Exchange), the Company as the licensee has entered into the Licensing Agreement with the Licensor, pursuant to which the Licensor has allowed the Company (and any of its subsidiary nominated by the Company), as the exclusive licensee in the PRC, to use the Intellectual Property Rights of Angel Elements held by the Licensor during the License Period without incurring any licensing fees or any other expenses.

INFORMATION OF THE LICENSOR

The Licensor, Beijing Guorundongfang Biotech Limited[#] (北京國潤東方生物科技有限公司)

The Licensor was incorporated in the PRC with an issued capital of RMB30,000,000. It is a biotech company specialising in the research and development, production and sale of stock solution and organic fertiliser of Angel Elements.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Licensor and its ultimate beneficial owner(s) are Independent Third Parties (as defined in the Hong Kong Listing Rules).

REASONS FOR ENTERING INTO THE LICENSING AGREEMENT

Pursuant to the Framework Agreement as announced by the Company on 20 November 2019, the Company intends to acquire and the Licensor intends to sell the Intellectual Property Rights of Angel Elements held by the Licensor to the Company.

The Board considers that entering into the Licensing Agreement can better analyse the Potential Acquisition, including whether the Company should proceed with the Potential Acquisition and the consideration for acquiring the Intellectual Property Rights of Angel Elements.

The Board also believes that the Licensing Agreement could allow the Company to expand its trading business in soil and plant fertilisers by designing, producing and selling efficient organic fertilisers for different types of agricultural crops.

Upon expiry of the License Period, if the Company and the Licensor has not reached any formal agreement in the Potential Acquisition, the use of the Intellectual Property Rights by the Company during the License Period will be terminated.

In light of the above, the Board considers that entering into the Licensing Agreement is in the interests of the Company and its Shareholders as a whole.

GENERAL

The Potential Acquisition, if materialised, may constitute notifiable transaction for the Company under Chapter 14 of the Listing Rules and further announcement will be made by the Company in regard when appropriate in accordance with the Listing Rules. No binding agreement (save for the Licensing Agreement and those provisions in the Framework Agreement in relation to due diligence, valuation and assessment, exclusivity, confidentiality and termination) in relation to the Potential Acquisition has been entered into as at the date of this announcement.

As the Potential Acquisition may or may not materialise, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, the following words have the following meanings unless the context requires otherwise:

“Angel Elements”	an organic fertiliser for planting and soil improvement
“Board”	the board of Directors
“Company”	Enviro Energy International Holdings Limited (Stock Code: 1102), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company

“Framework Agreement”	the non-legally binding framework agreement dated 20 November 2019 entered into between the Company and the Licensor in relation to the Potential Acquisition
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Independent Third Parties”	the independent third parties who are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Intellectual Property Rights”	the technology and intellectual property rights of Angel Elements, including its non-patent exclusive right to use (非專利專有技術與知識產權使用權) and its registered trademark
“License Period”	one year commencing from the date of signing, i.e. from 16 November 2020 to 15 November 2021
“Licensing Agreement”	a licensing agreement entered into between the Company and the Licensor on 16 November 2020 in respect of the Intellectual Property Rights of Angel Elements
“Licensor”	Beijing Guorundongfang Biotech Limited [#] (北京國潤東方生物科技有限公司), a company incorporated in the PRC with limited liability, who engages in research and development, production, and sale of stock solution and organic fertilizer of Angel Elements
“Potential Acquisition”	the potential acquisition in relation to the Company’s intention to acquire the Intellectual Property Rights of Angel Elements held by the Licensor pursuant to the Framework Agreement
“PRC”	the People’s Republic of China

“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shareholders”	the holders of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

The English translation in this announcement is for reference only. The official name is in Chinese.

By order of the Board
Enviro Energy International Holdings Limited
Li Gang
Chairman and Executive Director

Hong Kong, 16 November 2020

As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Li Gang (Chairman), Mr. Pan Lihui and Mr. Jiang Senlin and four Independent Non-executive Directors, namely Mr. See Tak Wah, Mr. Li Jinyuan, Mr. Zhong Jian and Mr. Du Hongwei.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.