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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)**

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF A POTENTIAL ACQUISITION**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO (Chapter 571, Laws of Hong Kong).

#### **THE MOU**

The Board is pleased to announce that on 24 December 2018 (after trading hour of the Stock Exchange), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into a non-legally binding MOU with the Vendor in relation to the Potential Acquisition.

The MOU is non-legally binding (save for those terms in relation to due diligence, exclusivity, confidentiality, termination and applicable law and jurisdiction) and is subject to, among others, the execution of the formal agreement. The terms of the formal agreement for the Potential Acquisition have yet to be determined.

**The Potential Acquisition, if materialize, may constitute notifiable transaction for the Company under Chapter 14 of the Listing Rules and further announcement will be made by the Company in this regard when appropriate in accordance with the Listing Rules. No binding agreement (save for those provisions in MOU in relation to due diligence, exclusivity, confidentiality, termination and applicable law and jurisdiction) 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 materialize, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

## **THE MOU**

Date: 24 December 2018

Parties:

Vendor: China Area International (HK) Limited (華奕國際(香港)有限公司)\*

Purchaser: Enviro Energy Minerals Limited (環能礦業有限公司), an indirect wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor is an Independent Third Party.

### **Assets to be acquired**

Pursuant to the MOU, the Purchaser intends to acquire and the Vendor intends to sell 100% equity interest in the Target Company.

As advised by the Vendor, the Target Company is a company established in the PRC which holds 100% equity interest in PRC Subsidiary.

As advised by the Vendor, PRC Subsidiary holds an exploration licence for the mining right of granite at a mining site located at Guojia Village, Gaojia Mountain Range Township, Xingchen City, Liaoning Province, the PRC (中國遼寧省興城市高家嶺鄉郭家村) of 0.1479 km<sup>2</sup>.

### **Consideration for transfer of equity interest**

Regarding the transfer of equity interest, the consideration will be settled by issuance of ordinary shares and/or convertible bond of the Company to the Vendor as arranged and procured by the Purchaser. The final consideration (if agreed) will be set out in the formal agreement.

### **Due diligence**

Upon signing of the MOU, the Purchaser shall have the right to commence a due diligence review and investigation of the assets, liabilities, financial condition, contracts, commitments and business of the Target Company and its subsidiaries, if any.

## **GENERAL**

The Potential Acquisition, if materialize, may constitute notifiable transaction for the Company under Chapter 14 of the Listing Rules and further announcement will be made by the Company in this regard when appropriate in accordance with the Listing Rules. No binding agreement (save for those provisions of MOU in relation to due diligence, exclusivity, confidentiality, termination and applicable law and jurisdiction) 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 materialize, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

## TERMS USED IN THIS ANNOUNCEMENT

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings given to them as below:

“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;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	the independent third party(ies) who is/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;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MOU”	the memorandum of understanding dated 24 December 2018 entered into between the Purchaser and the Vendor in relation to the Potential Acquisition;
“Potential Acquisition”	the potential acquisition in relation to the 100% equity interest in the Target Company pursuant to the MOU;
“Purchaser”	Enviro Energy Minerals Limited (環能礦業有限公司), a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company;
“PRC”	the People’s Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;

“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;
“Target Company”	華奕投資諮詢(深圳)有限公司 (Huayi Investment Consultation (Shenzhen) Company Limited <sup>#</sup> ), a company established in the PRC with limited liability, which is directly wholly owned by the Vendor;
“PRC Subsidiary”	遼寧興城市開元石材有限公司 (Liaoning Xingcheng Kaiyuan Store Material Company Limited <sup>#</sup> ), a company established in the PRC with limited liability, which is directly wholly owned by the Target Company;
“Vendor”	China Area International (HK) Limited (華奕國際(香港)有限公司), a company established in Hong Kong with limited liability;
“%”	per cent.

\* The English translation in this announcement is for reference only. The official names are in Chinese.

By Order of the Board  
**Enviro Energy International Holdings Limited**  
**Li Sen**  
*Chairman and Executive Director*

Hong Kong, 24 December 2018

*As at the date of this announcement, the Board comprises three Executive Directors, namely Mr. Li Sen (Chairman), Mr. Zhou Xuesheng (Chief Executive Officer) and Mr. Wei Junqing and three Independent Non-executive Directors, namely Mr. Wen Guangwei, Dr. Hou Chaohui and Mr. Jiang Maolin.*

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