

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.

This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of China Environmental Technology and Bioenergy Holdings Limited.



**CHINA ENVIRONMENTAL TECHNOLOGY AND
BIOENERGY HOLDINGS LIMITED**

中科生物控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1237)

**SUPPLEMENTAL ANNOUNCEMENT
ADOPTION OF SHARE AWARD SCHEME
AND
GRANT OF AWARD SHARES PURSUANT TO THE
SHARE AWARD SCHEME UNDER GENERAL
MANDATE**

Reference is made to the announcement (the “Announcement”) of China Environmental Technology and Bioenergy Holdings Limited (the “Company”) dated 14 December 2020 in relation to the adoption of the Share Award Scheme and the grant of the Award Shares. Unless the context otherwise requires, the terms used in this announcement shall have the same meanings as those defined in the Announcement. The Company would like to provide further information to its shareholders in relation to the Share Award Scheme and the award of the Award Shares.

THE SHARE AWARD SCHEME

Issue of Award Shares

Pursuant to the Announcement, the Company intends to use the general mandate available at the time of granting the Award Shares in accordance with the terms of the Share Award Scheme, subject to the compliance of the additional requirements under Chapter 14A of the Listing Rules for any grant of Shares to connected persons of the Company. The Board would seek specific mandate from the Shareholders for the issue and allotment of Award Shares for each batch of grant of Award Shares (i) where any grant of the Award Shares would cause the Company to issue and allot Award Shares in excess of the permitted amount in the general mandate available at the time of granting the Award Shares or (ii) where any grant of Award Shares is made to connected persons of the Company.

Maximum number of Award Shares to be issued

There is no restriction on the maximum number of Award Shares which may be awarded by the Board in any financial year under the Share Award Scheme. The Company will make an announcement for each future grant of Award Shares and will provide relevant information in its future annual reports for Shareholders to assess the impact of the Share Award Scheme.

Restrictions on grant of Award Shares

The Board and its delegate(s) may not grant any Award Shares to any Selected Participant in any of the following circumstances:

- (i) where any applicable approval from any applicable regulatory authorities has not been granted;
- (ii) where any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such grant of Award Shares or the Share Award Scheme, unless the Board determines otherwise;
- (iii) where such Award Shares would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- (iv) where such grant of Award Shares would result in a breach of the maximum number of Award Shares which may be awarded under to the Share Award Scheme in aggregate or to a Selected Participant;
- (v) where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws, rules or regulations, from time to time;

- (vi) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (vii) during the period of 30 days immediately preceding the publication date of the half-year results or, if shorter, the period from the end of the relevant half-year period up to the publication date of the results.

Listing Rules implications

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme within the meaning under Chapter 17 of the Listing Rules. No Shareholders' approval is required for the adoption of the Share Award Scheme.

GRANT OF THE AWARD SHARES

As disclosed in the Announcement, on 14 December 2020, the Board has resolved to award an aggregate of 42,550,000 Award Shares to 12 Selected Participants under the Share Award Scheme. Each of the Selected Participants are the Group's employees who are third parties independent of the Company and its connected persons.

The Board would like to clarify that the Selected Participants do not include consultants and advisors of the Group and are only mainly (i) senior and middle management of the Group; and (ii) staff who served the Group for a long period of time. The Board selected the Selected Participants based on their length of service with the Group and their past performance.

This supplemental announcement is supplemental to and should be read in conjunction with the Announcement. The above additional information does not affect other information and content set out in the Announcement. Save as disclosed herein, the contents of the Announcement remain unchanged and shall continue to be valid for all purposes.

By order of the Board
**China Environmental Technology and
Bioenergy Holdings Limited**
Xie Qingmei
Chairlady

Hong Kong, 18 December 2020

As at the date of this announcement, the executive Directors are Ms. Xie Qingmei and Mr. Wu Zheyang, and the independent non-executive Directors are Mr. Lam Hin Chi, Prof. Jin Zhongwei and Prof. Su Wenqiang.