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泛亞環保集團有限公司
Pan Asia Environmental Protection Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 556)

**VOLUNTARY ANNOUNCEMENT
ACQUISITION OF 51% OF THE EQUITY INTERESTS
IN THE TARGET COMPANY**

The Board is pleased to announce that on 6 February 2026 (after trading hours), the Purchaser (as purchaser), the Vendor (as vendor) and Xilailu Brand Management (Guangzhou) Co., Ltd.* (喜來鹿品牌管理(廣州)有限公司) i.e. the Target Company entered into the Agreement pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, 51% of the equity interests in the Target Company at a consideration of RMB1.

As at the date of this announcement, the registered capital of the Target Company has not been fully paid up. Upon completion, the Purchaser will, in accordance with the PRC Company Law and the articles of association of the Target Company, be required to make capital contribution of RMB5.1 million, subject to the agreed capital contribution arrangements, which corresponds to its equity interest in the Target Company.

The Target Company is principally engaged in chain-operated catering and beverage retail business, operating beer-focused and related beverage consumption scenarios through directly-operated stores and centralized store management, supported by digital systems to enhance operational efficiency and customer experience. The Board believes the Acquisition would enable the enhancement and expansion of the Group's principal business.

THE AGREEMENT

The Board is pleased to announce that on 6 February 2026 (after trading hours), the Purchaser (as purchaser), the Vendor (as vendor) and Xilailu Brand Management (Guangzhou) Co., Ltd.* (喜來鹿品牌管理(廣州)有限公司) i.e. the Target Company entered into the Agreement pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, 51% of the equity interests in the Target Company at a consideration of RMB1. As at the date of this announcement, the registered capital of the Target Company has not been fully paid up. Upon completion, the Purchaser will,

in accordance with the PRC Company Law and the articles of association of the Target Company, be required to make capital contribution of RMB 5.1 million, subject to the agreed capital contribution arrangements, which corresponds to its equity interest in the Target Company.

Details of the major terms of the Agreement are as follows:

Date: 6 February 2026

Parties:

1. the Purchaser, as purchaser;
2. the Vendor, as vendor; and
3. the Target Company, as target company.

Subject matter

Pursuant to the Agreement, the Purchaser (as purchaser) has conditionally agreed to acquire, and the Vendor (as vendor) has conditionally agreed to sell, 51% of the equity interests in the Target Company at a consideration of RMB1. As at the date of this announcement and immediately prior to completion of the Acquisition, the Target Company was held by the Vendor as to 90% and Mr. Lin Xuezhao (林學灼), an Independent Third Party, as to 10%.

Consideration

The consideration for the Acquisition shall be RMB1, payable in cash within 10 business days after completion.

As the registered capital of the Target Company has not been fully paid up as at the date of this announcement, the capital contribution to be made by the Purchaser does not constitute part of the consideration for the Acquisition, but represents a capital commitment to the Target Company in accordance with the applicable laws and agreed arrangements.

The consideration for the Acquisition was determined after arm's length negotiations between the Purchaser and the Vendor, having regard to the subject matter of the Acquisition and the registered capital of the Target Company. Accordingly, the Board (including all the independent non-executive Directors) considered that the consideration for the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent and completion

Subject to the following conditions precedent being fulfilled (or waived, if applicable), completion shall take place on or before 30 March 2026, being the long stop date:

- (a) the Purchaser and the Vendor having obtained all necessary board and shareholders' approvals (if applicable) in accordance with the Listing Rules;

- (b) the due diligence, financial report, relevant legal opinions, and other professional reports pertaining to the Target Company and its subsidiaries (if applicable) having been completed to the satisfaction of the Purchaser; and
- (c) all governmental, regulatory, or third-party approvals or filings required to complete the Acquisition having been obtained.

Subsequent to completion of the Acquisition, the Target Company will be held as to 51% by the Purchaser, 39% by the Vendor and 10% by Mr. Lin Xuezhao.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group is principally engaged in the sale of environmental protection products and equipment, and the provision of environmental protection construction engineering solutions and services.

The Purchaser is an investment holding company.

INFORMATION ON THE VENDOR

The Vendor, Mr. Lai Hao, is an individual, whom is an Independent Third Party.

INFORMATION ON THE TARGET COMPANY AND REASONS FOR AND BENEFITS OF THE ACQUISITION

Reference is made to the Business Update Announcement. As disclosed in the Business Update Announcement, the Board had identified a potential business development direction involving businesses centered around, among others, products and retail terminals, and has also identified a potential acquisition target which has a certain degree of synergy with such business direction.

The Target Company is principally engaged in chain-operated catering and beverage retail business, operating beer-focused and related beverage consumption scenarios through directly-operated stores and centralized store management, supported by digital systems to enhance operational efficiency and customer experience. The Board believes the Acquisition would enable the enhancement and expansion of the Group's principal business.

In light of the reasons stated above, the Directors (including the independent non-executive Directors) are of the view that (i) the terms of the Agreement and the transaction contemplated thereunder are on normal commercial terms after arm's length negotiations; and (ii) the terms of the Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

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

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| “Acquisition” | the acquisition of 51% equity interests in the Target Company by the Purchaser from the Vendor |
| “Agreement” | the equity transfer agreement dated 6 February 2026 and entered into among the Purchaser (as purchaser), the Vendor (as vendor) and the Target Company in relation to the Acquisition |
| “Board” | the board of Directors |
| “Business Update Announcement” | the announcement of the Company dated 24 December 2025 in relation to, among others, the business development plan of the Company |
| “Company” | Pan Asia Environmental Protection Group Limited, 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 |
| “HK\$” | Hong Kong dollar, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administration Region of the PRC |
| “Independent Third Party(ies)” | a person, persons, company or companies which is or are independent of, and not connected with (within the meaning under the Listing Rules), any directors, chief executive or substantial shareholders of the Company, any of its subsidiaries or any of their respective associate(s) |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

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| “PRC” | the People’s Republic of China, which shall, for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Purchaser” | Fanzhicheng Digital Technology (Chengdu) Company Limited (泛之成數字科技(成都)有限責任公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Share(s)” | ordinary share(s) in the share capital of the Company of HK\$0.1 each |
| “Shareholder(s)” | the holder(s) of the issued Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Target Company” | Xilailu Brand Management (Guangzhou) Co., Ltd.* (喜來鹿品牌管理(廣州)有限公司), a company established in the PRC with limited liability |
| “Vendor” | Mr. Lai Hao (賴浩), an Independent Third Party |
| “%” | per cent. |

* For identification purposes only

By order of the Board
Pan Asia Environmental Protection Group Limited
Lin Jun
Chairman

Hong Kong, 6 February 2026

As at the date of this announcement, the Directors of the Company are:

Executive Directors:

Mr. LIN Jun (*Chairman*)

Mr. GUO Jiannan (*Vice Chairman*)

Ms. PAN Chang (*Chief Executive Officer*)

Independent non-executive Directors:

Mr. CHEN Xuezheng

Mr. HU Jianjun

Mr. LEUNG Shu Sun, Sunny