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**If you have sold or transferred** all your shares in Enviro Energy International Holdings Limited (“Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



**Enviro Energy International Holdings Limited**  
**環能國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.enviro-energy.com.hk>*

**(Stock Code: 1102)**

**PROPOSALS FOR**

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

**(2) RE-ELECTION OF DIRECTORS**

**(3) ADOPTION OF NEW SHARE OPTION SCHEME**

**AND**

**(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM (as defined herein) of the Company to be held at Unit 806, Level 8, Core D, Cyberport 3, 100 Cyberport Road, Hong Kong on Thursday, 12 May 2011 at 2:30 p.m. is set out on pages 23 to 27 of this circular. Whether or not shareholders are able to attend the AGM, they are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the AGM (or any adjournment thereof) should they so wish.

*Please note that the English text of this circular shall prevail over the Chinese text.*

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	means the annual general meeting of the Company to be convened and held at Unit 806, Level 8, Core D, Cyberport 3, 100 Cyberport Road, Hong Kong on Thursday, 12 May 2011 at 2:30 p.m.;
“Articles of Association”	means the articles of association of the Company as may be amended from time to time;
“Associates”	has the meaning ascribed thereto in the Listing Rules;
“Board”	means the board of Directors;
“Companies Law”	means the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	means Enviro Energy International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and listing of its shares has been transferred from GEM to the Main Board on 17 December 2010;
“Director(s)”	means directors of the Company or the Board, as the context may require;
“Employee”	means any employee of the Group, including any directors of any member of the Group (including executive, non-executive or independent non-executive directors), at the time when an Option is granted to such employee;
“Existing Participant”	means any employee of the Group, including any Directors and other consultants and/or advisers who, in the sole discretion of the Board, have contributed or may contribute to the Group;
“Existing Scheme”	means the post-IPO share option scheme adopted by the Company on 25 January 2003;
“GEM”	means the Growth Enterprise Market of the Stock Exchange;
“Grantee”	means any Participant who has been offered and accepted an Option in accordance with the terms of the New Scheme;
“Group”	means the Company, its subsidiaries and jointly-controlled entity;
“HK\$”	means Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;

## DEFINITIONS

“Individual Limit”	has the meaning ascribed to it in paragraph 6(e) of Appendix III to this circular;
“Latest Practicable Date”	means 1 April 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion therein;
“Listing Committee”	means the listing sub-committee of the board of the Stock Exchange;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Main Board as may be amended from time to time;
“Main Board”	means the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the option market) and which stock market continues to be operated by the Stock Exchange in parallel with GEM;
“New Scheme”	means the new share option scheme which is proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular;
“Notice”	means the notice convening the AGM;
“Option(s)”	means option(s) granted pursuant to the Existing Scheme or to be granted to subscribe for Share(s) pursuant to the New Scheme;
“Option Period”	has the meaning ascribed to it in paragraph 8(a) of Appendix III to this circular;
“Participant”	means any Employee and other consultants and/or advisers who, in the sole discretion of the Board, have contributed or may contribute to the development and growth of the Group;
“Repurchase Mandate”	means a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the terms set out in the Notice;
“Scheme Mandate Limit”	has the meaning ascribed to it in paragraph 6(b) of Appendix III to this circular;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	means the ordinary share(s) of par value of HK\$0.0025 each in the capital of the Company;
“Shareholder(s)”	means holder(s) of the Shares;

## DEFINITIONS

“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subsidiaries”	has the meaning ascribed thereto in the Listing Rules;
“Takeovers Code”	means the Codes on Takeovers and Mergers and Share Repurchases; and
“%”	means per cent.



**Enviro Energy International Holdings Limited**  
**環能國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.enviro-energy.com.hk>*

**(Stock Code: 1102)**

*Executive Directors:*

Mr. Chan Wing Him Kenny

*(Chairman and Chief Executive Officer)*

Dr. Arthur Ross Gorrell

*Independent Non-executive Directors:*

Mr. David Tsoi

Mr. Lo Chi Kit

Mr. Tam Hang Chuen

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*

Unit 806, Level 8

Core D, Cyberport 3

100 Cyberport Road

Hong Kong

7 April 2011

*To Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR**

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

**(2) RE-ELECTION OF DIRECTORS**

**(3) ADOPTION OF NEW SHARE OPTION SCHEME**

**AND**

**(4) NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM required to be held at Unit 806, Level 8, Core D, Cyberport 3, 100 Cyberport Road, Hong Kong on Thursday, 12 May 2011 at 2:30 p.m., for the approval of, among other things:

- (a) the proposed repurchase of Shares not exceeding 10% of the aggregate nominal value of the Shares in issue as at the date of passing of such resolution;

## **LETTER FROM THE BOARD**

- (b) the proposed issue of new Shares not exceeding 20% of the Shares in issue as at the date of passing of the relevant resolution and those Shares repurchased by the Company pursuant to the Repurchase Mandate set out in (a) above;
- (c) the proposed re-election of Directors;
- (d) the proposed adoption of the New Scheme; and
- (e) the giving of the authorisation to the Board to grant Options under the New Scheme up to 10% of the Shares in issue as at the date on which the New Scheme is adopted by a resolution of the Company.

### **GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

On 12 April 2010 and 13 December 2010, general mandates were given to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the AGM.

At the AGM, it will be proposed, by way of ordinary resolutions, that the Directors be given a general mandate to (i) repurchase Shares, the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution; and (ii) allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the ordinary resolution and the nominal amount of any Shares repurchased by the Company (up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution). Any issue of new Shares is subject to approval from the Stock Exchange for the listing of, and permission to deal in, such new Shares.

As at the Latest Practicable Date, the Company had an aggregate of 2,777,458,800 Shares in issue. Subject to the passing of Resolution No. 2(i) set out in the Notice at the AGM and on the basis that no further Shares shall be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the above general mandate to allot and issue up to 555,491,760 Shares, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

An explanatory statement containing information relating to the Repurchase Mandate as required by Rule 10.06(1)(b) of the Listing Rules is set out in Appendix I to this circular. This explanatory statement provides the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

### **RE-ELECTION OF DIRECTORS**

In accordance with the provisions of the Articles of Association, Mr. David Tsoi and Mr. Lo Chi Kit, independent non-executive Directors, will retire by rotation pursuant to Article 108 and, being eligible, will offer themselves for re-election at the AGM. The Board is satisfied that both Mr. David Tsoi and Mr. Lo Chi Kit are persons of integrity and stature. In addition, they are independent in character and judgement. They are independent of the management and free from any business or other relationships which would materially interfere with their independent judgement. Consequently, the

## LETTER FROM THE BOARD

Board recommends the re-election of Mr. David Tsoi and Mr. Lo Chi Kit as independent non-executive Directors at the AGM. Information on such Directors as required to be disclosed under Rule 13.51(2) of the Listing Rules is set out in Appendix II to this circular.

### **PROPOSAL FOR ADOPTION OF THE NEW SCHEME**

As disclosed by the Company in its announcement dated 9 December 2010, the Company transferred the listing of its Shares from GEM to the Main Board on 17 December 2010. After such transfer of listing, the Board has reviewed and considered the Existing Scheme, which was adopted by the Company on 25 January 2003 and will expire on 24 January 2013, and has proposed to adopt the New Scheme at the AGM.

#### **The Existing Scheme**

Pursuant to a written resolution passed by the Shareholders on 25 January 2003, the Company adopted the Existing Scheme. Under the Existing Scheme, the Board may offer Options to the Existing Participants in its absolute discretion. As at the Latest Practicable Date, the Company had granted 354,761,000 Options under the Existing Scheme to subscribe for an aggregate of 354,761,000 Shares, of which 6,185,000 Options had lapsed and 89,468,800 Options had been exercised, and 259,107,200 Options remained outstanding. Under the Existing Scheme, such 259,107,200 outstanding Options shall continue to be valid and exercisable in accordance with the rules of the Existing Scheme. The Directors confirm that no further Options will be granted under the Existing Scheme prior to the date of the AGM and its expiry on 24 January 2013.

#### **New Scheme**

It is proposed by the Board that subject to the approval of the Shareholders at the AGM of the adoption of the New Scheme, the New Scheme will take effect, subject to the approval of the Stock Exchange granting approval for the listing of, and dealing in, the Shares falling to be allotted and issued upon the exercise of Options in accordance with the terms and conditions of the New Scheme.

The purpose of the New Scheme is to enable the Company to grant Options to the Participants who, in the absolute discretion of the Board, have made and will make contribution to the Group as well as to provide incentives and help the Group in retaining its existing Employees and recruiting additional Employees and/or to provide them with a direct economic interest in attaining the long term business objectives of the Group.

To the extent possible, the Board intends that the New Scheme shall contain similar terms to the Existing Scheme for easy governance, but with necessary adaption based on the requirements of Chapter 17 of the Listing Rules and market practice. The differences include the mechanism on termination of the New Scheme and cancellation and issuance of Options as set out in paragraphs 19 and 20 of Appendix III to this circular. Please refer to page 21 of this circular for details.

The other rules of the New Scheme provide that the Company may specify the Participants to whom Options shall be granted, the number of Shares subject to each Option and the date on which the Options shall be granted. The basis for determining the subscription price is also specified precisely in the rules of the New Scheme. There is no performance target specified in the New Scheme, unless the Directors otherwise determined and stated in the offer of the grant of Options to the Grantee. The

## LETTER FROM THE BOARD

Directors are of the view that, based on the discretion and flexibility given to them under the provisions of the New Scheme, the terms of the New Scheme, in particular, the provisions described in Rules 17.03(6), (7) and (9) of the Listing Rules have served the purpose of the New Scheme because it is specifically set out in paragraphs 8 and 22 of Appendix III to this circular that the Directors could otherwise determine and state in the offer of the grant of Options to Grantee the performance target and minimum holding period required. In fact, as disclosed by the Company in its annual, interim and quarterly reports, all options granted in 2008, 2009 and 2010 under the Existing Scheme required minimum holding periods of two and three years before any Options could be vested in Grantees.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the New Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but not limited to the exercise price, exercise period and lock-up period (if any). The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to Shareholders.

With respect to the operation of the New Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

### **Conditions Precedent of the New Scheme**

The New Scheme will take effect upon satisfaction of the following conditions:

- (i) the approval by the Shareholders at the AGM; and
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Scheme.

Application will be made to the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of any Options granted under the New Scheme up to 10% of the Shares in issue as at the date on which the New Scheme is adopted by a resolution of the Company.

On the basis of 2,777,458,800 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased by the Company prior to the AGM, the maximum number of Shares to be issued upon the exercise of Options that may be granted under the New Scheme and any other schemes of the Company will be 277,745,880 Shares, being 10% of the Shares in issue as at the Latest Practicable Date, should the New Scheme be adopted.

Under Rule 17.03(3) of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Existing Scheme, the New Scheme and any other schemes must not exceed 30% of the Shares in issue from time to time. A summary of the principal terms of the New Scheme is set out in Appendix III hereto.

## **LETTER FROM THE BOARD**

### **THE AGM**

Details of the AGM are set out below:

Date: 12 May 2011

Time: 2:30 p.m.

Venue: Unit 806, Level 8, Core D, Cyberport 3, 100 Cyberport Road, Hong Kong

The Notice is set out on pages 23 to 27 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not the Shareholders intend to attend the AGM, they are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event so as to arrive not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM (or any adjournment thereof) should they so desire.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Shareholders have a material interest in the proposed re-election of Directors and the proposed adoption of the New Scheme and therefore are required to abstain from voting at the AGM approving, among others, the re-election of Mr. David Tsoi and Mr. Lo Chi Kit as Directors and the adoption of the New Scheme.

### **Listing Rules Requirement**

Under Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the AGM must be taken by poll. Details of the poll procedures under the Articles of Association are set out in the Notice.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### **DOCUMENT AVAILABLE FOR INSPECTION**

A copy of the rules of the New Scheme will be available for inspection at the principal place of business of the Company in Hong Kong during normal business hours from the date of this circular up to and including the date of the AGM and at the venue of the AGM during the AGM.

## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors consider that the above proposals in respect of the granting of general mandates to issue and repurchase Shares, the re-election of Directors and the adoption of the New Scheme are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,

For and on behalf of

**Enviro Energy International Holdings Limited**

**Chan Wing Him Kenny**

*Chairman and Chief Executive Officer*

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM authorising the Repurchase Mandate.

This explanatory statement contains information required by Rule 10.06(1)(b) of the Listing Rules which is set out as follows:

### **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 2,777,458,800 Shares.

Subject to the passing of Resolution No. 2(ii) set out in the Notice at the AGM and on the basis that no further Shares shall be issued or repurchased prior to the AGM nor outstanding Options, if any, granted under the Existing Scheme being exercised, the authority conferred by Resolution No. 2(ii) will continue in force and the Company shall be allowed under the Repurchase Mandate to repurchase a maximum of 277,745,880 Shares during the period from the date of passing Resolution No. 2(ii) and ending on the earliest of the conclusion of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or applicable laws of the Cayman Islands and the date upon which Resolution No. 2(ii) is revoked or varied by Shareholders in general meeting.

### **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

### **3. FUNDING OF REPURCHASES**

Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with the Company's memorandum of association and Articles of Association and the applicable laws of the Cayman Islands. A listed company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Under Cayman Islands law, repurchases by the Company may only be made out of profits of the Company or out of proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by its Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by its Articles of Association and subject to the provisions of the Companies Law, out of capital.

#### **4. STATUS OF REPURCHASED SHARES**

The Listing Rules provide that the listing of all repurchased shares shall be automatically cancelled and that the certificates for those shares must be cancelled and destroyed. Under the law of the Cayman Islands, a company's repurchased shares shall be treated as cancelled and its issued share capital (but not the authorised share capital) will be reduced accordingly.

#### **5. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts of the Company for the year ended 31 December 2010) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### **6. DISCLOSURE OF INTERESTS**

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective Associates, have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders and neither has any of the connected persons undertaken not to sell his Shares to the Company in the event the Repurchase Mandate is approved by the Shareholders.

#### **7. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

#### **8. TAKEOVERS CODE CONSEQUENCES**

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The Directors are not aware of any consequences which could arise under the Takeovers Code as a consequence of any repurchases of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, Colpo Mercantile Inc. ("Colpo") held 1,185,680,000 Shares, representing approximately 42.69% of the existing issued share capital of the Company. Should the power to repurchase Shares pursuant to the Repurchase Mandate be exercised in full and assuming there is no change in the issued share capital of the Company and the present shareholding of Colpo in the Company, Colpo would then be beneficially interested in approximately 47.43% of the issued ordinary

share capital of the Company. Apart from Colpo (including its connected persons and associates within the meaning of the Listing Rules), the Directors are not aware of any single Shareholder who holds 10% or more of the issued Shares.

On the basis of the shareholding held by the controlling shareholder named above, and based solely on the result of the exercise of the Repurchase Mandate in full, Colpo would not be obliged to make a mandatory offer under Rule 26 of the Takeovers Code. As at the Latest Practicable Date, so far as is known to the Directors, no other Shareholder may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power in full to repurchase the Shares pursuant to the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in any mandatory offer to be made under the Takeovers Code.

## 9. SHARE PURCHASE MADE BY THE COMPANY

No repurchases of securities have been made by the Company in the previous six months before the Latest Practicable Date, whether on the Stock Exchange or otherwise.

The Company will not repurchase any Shares if that repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the issued share capital of the Company.

## 10. SHARE PRICES

The highest and lowest prices of the Shares as traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date were as follows:

Month	Shares Price	
	Highest HK\$	Lowest HK\$
<b>2010</b>		
April	1.000	0.650
May	0.730	0.440
June	0.590	0.495
July	0.650	0.500
August	0.620	0.490
September	0.580	0.420
October	0.510	0.425
November	0.465	0.300
December	0.425	0.330
<b>2011</b>		
January	0.400	0.335
February	0.350	0.315
March	0.345	0.295
1 April (being the Latest Practicable Date)	0.315	0.305

Details of the Directors who are required to retire at the AGM according to the Articles of Association and who, being eligible, offer themselves for re-election at the AGM are as follows:

**(1) Mr. David TSOI (“Mr. Tsoi”), Independent non-executive Director**

**Mr. Tsoi**, aged 63, has joined the Company as an independent non-executive Director since 8 July 2008. Mr. Tsoi is also the chairman and a member of the audit committee of the Company. In addition, he is the managing director of Allriott, Tsoi CPA Limited and an independent non-executive director of MelcoLot Limited (which shares are listed on GEM) and CSR Corporation Limited (which shares are listed on the Main Board). Save as disclosed above, Mr. Tsoi has not held any directorship in any other listed public companies in the past three years.

Mr. Tsoi obtained a master’s degree in business administration from the University of East Asia, Macau (currently known as University of Macau) in 1986. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Taxation Institute of Hong Kong. He is also a member of the Institute of Chartered Accountants of England and Wales, the Society of Chinese Accountants and Auditors, the Certified General Accountants Association of Canada and Macau Society of Certified Practising Accountants.

Pursuant to the service contract between Mr. Tsoi and the Company, the length of service of Mr. Tsoi with the Company is for a term of two years and is subject to retirement by rotation and re-election in accordance with the Articles of Association. The remuneration of Mr. Tsoi is approximately HK\$150,000 per annum which was determined on the basis of the prevailing market conditions and his respective roles and responsibilities.

As at the Latest Practicable Date, other than holding 1,000,000 Options, representing approximately 0.04% of the issued share capital of the Company, Mr. Tsoi was not interested in the Shares within the meaning of Part XV of the SFO and was not connected with any of the Directors, senior management, substantial Shareholders or controlling Shareholders of the Company and their respective Associates.

**(2) Mr. LO Chi Kit (“Mr. Lo”), Independent non-executive Director**

**Mr. Lo**, aged 50, has joined the Company as an independent non-executive Director since 20 December 2006. Mr. Lo is also a member of the audit committee and remuneration committee, respectively, of the Company. He is a businessman who has extensive experience in senior management and business operations, in particular, in the waste chemical treatment and the import and export of fruits and vegetables business. He has extensive connection throughout the Pacific Rim and Asian region. Mr. Lo has not held any directorship in any other listed public companies in the past three years.

Pursuant to the service contract between Mr. Lo and the Company, the length of service of Mr. Lo with the Company is for a term of two years and is subject to retirement by rotation and re-election in accordance with the Articles of Association. The remuneration of Mr. Lo is approximately HK\$150,000 per annum which was determined on the basis of prevailing market conditions and his respective roles and responsibilities.

As at the Latest Practicable Date, other than holding 700,000 Options, representing approximately 0.03% of the issued share capital of the Company, Mr. Lo was not interested in the Shares within the meaning of Part XV of the SFO and was not connected with any of the Directors, senior management, substantial Shareholders or controlling Shareholders of the Company and their respective Associates.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief having made reasonable enquiry, there were no other matters in relation to the re-election of Mr. Tsoi and Mr. Lo as Directors that needed to be brought to the attention of the Shareholders or were required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules.

The following is a summary of the principal terms of the New Scheme but does not form part of, nor was it intended to be, part of the New Scheme nor should it be taken as affecting the interpretation of the rules of the New Scheme:

#### **1. CONDITIONS**

The New Scheme shall take effect subject to the passing of the necessary resolution to adopt the New Scheme by Shareholders in general meeting and is conditional upon the Stock Exchange granting approval for the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of any Options under the New Scheme.

#### **2. PURPOSES OF THE NEW SCHEME**

The purpose of the New Scheme is to enable the Company to recognise the contributions of the Participants to the Group and to motivate the Participants to continuously work to the benefit of the Group by offering to the Participants an opportunity to have personal interest in the share capital of the Company.

#### **3. WHO MAY JOIN**

The Board may, at its discretion, offer any Participant Options to subscribe for such number of new Shares at any exercise price determined in accordance with paragraph 4 below.

#### **4. PRICE OF SHARES**

The subscription price for Share(s) under the New Scheme will be a price as the Board in its absolute discretion shall determine and notify to each Participant and will be the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Option (which must be a business day); (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the Option; and (iii) the nominal value of a Share on the date of grant of the Option. The date of grant is the date on which the Option is offered.

#### **5. ACCEPTANCE AND PAYMENT OF OPTION OFFER**

An offer of the grant of an Option made in accordance with the New Scheme shall remain open for acceptance by the Participant concerned for a period of 21 days from the offer date, provided that no such offer shall be open for acceptance after the expiry of the New Scheme (subject to early termination thereof). Upon acceptance of the Option, the Participant shall pay HK\$1.00 to the Company by way of consideration for the grant.

#### **6. MAXIMUM NUMBER OF SHARES**

- (a) Subject to sub-paragraphs (b), (c) and (d) below, the overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Scheme and other share option schemes of the Group must not exceed 30% of the Shares in issue from time to time.

- (b) The Shares which are the subject of Options that may be granted must not exceed 10% of all the Shares in issue as at the date of approval of the New Scheme (“Scheme Mandate Limit”), unless approval of the Shareholders has been obtained pursuant to sub-paragraphs (c) and (d) below. Options lapsed in accordance with the terms of the New Scheme and any other share option schemes of the Group will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (c) Subject to sub-paragraph (a) above, the Company may renew the Scheme Mandate Limit at any time subject to prior Shareholders’ approval. However, the Scheme Mandate Limit as renewed must not exceed 10% of the Shares in issue as of the date of the aforesaid Shareholders’ approval. Options previously granted under the New Scheme and other share option schemes of the Group (including those outstanding, cancelled, lapsed in accordance with the schemes or exercised Options) will not be counted for the purpose of calculating the limit as renewed. A circular containing such information required under the Listing Rules must be sent to Shareholders in connection with the meeting at which their approval will be sought.
- (d) Subject to sub-paragraph (a) above, the Company may also seek separate Shareholders’ approval for granting Options beyond the Scheme Mandate Limit to Participants specifically identified by the Company before the aforesaid Shareholders’ meeting where such approval is sought. A circular must be sent to Shareholders containing a generic description of the identified Participants, the number and terms of the Options to be granted, the purpose of granting Options to the identified Participants with explanation as to how these Options serve such purpose and such other information required under the Listing Rules.
- (e) The total number of Shares issued and to be issued upon exercise of the Options granted and to be granted to each Participant or Grantee (as the case may be) (including both exercised and outstanding Options) in any 12-month period up to and including the date of grant must not exceed 1% of the Shares in issue at the date of grant (“Individual Limit”). Any further grant of Options in excess of the Individual Limit must be subject to Shareholders’ approval with such Participant or Grantee (as the case may be) and his Associates abstaining from voting. A circular must be sent to Shareholders disclosing the identity of the Participant or Grantee (as the case may be), the number and terms of the Options granted and to be granted and such other information required under the Listing Rules. The number and terms of Options to be granted to such Participants or Grantee, as the case may be, must be fixed before Shareholders’ approval is sought and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

**7. RESTRICTIONS ON GRANT OF OPTION**

- (a) An offer may not be made after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published in accordance with Rule 2.07C of the Listing Rules. In particular, during the period of one month immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with Rule 13.43 of the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish announcement of its results for any year or half-year under Paragraphs 45 or 46 of Appendix 16 to the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), no Option should be granted until such results has been announced in accordance with Rule 2.07C of the Listing Rules.
- (b) any grant of Options to a connected person of the Company or its Associates (as such terms are defined in the Listing Rules) requires the approval of independent non-executive Directors (excluding an independent non-executive Director who is a proposed Grantee of the Options).

Where any grant of Options to a substantial Shareholder or an independent non-executive Director or their respective Associates will result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to the date of grant to such person exceed of 0.1% of the Shares in issue and an aggregate value, based on the closing price of the Shares at the date of each grant, of HK\$5 million, such proposed grant of Options must be subject to Shareholders' prior approval at a general meeting taken on a poll. All connected persons must abstain from voting, except that any connected person may vote against the resolution provided that its intention to do so has been stated in the circular dispatched to the Shareholders for convening such general meeting seeking their approval.

- (c) Shareholder's approval as described above is also required for any change in the terms of Options granted to a Participant who is a substantial Shareholder, an independent non-executive Director or their respective Associates.
- (d) the above-mentioned circular must contain the particulars as required by the Listing Rules from time to time, including:
- (i) details of the number and terms of the Options (including the subscription price) to be granted to each such connected person or its Associates (which must be fixed before the date of Shareholders' approval) and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price;

- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a proposed Participant) as to voting; and
- (iii) information relating to any Directors who are trustees of the New Scheme or have a direct or indirect interest in the trustees.

The requirements for the granting of Options to any of the Directors or chief executive set out above shall not apply where the Participant is only a proposed director or chief executive of the Company.

#### **8. TIME OF EXERCISE OF OPTION**

- (a) An Option may be exercised in accordance with the terms of the New Scheme at any time during the period (“Option Period”) to be determined and notified by the Board to each Grantee which period of time shall commence on the date of grant of the Option and expire on such date as determined by the Board provided that the Option may not be exercised after the expiration of 10 years from the date of grant of the Option.
- (b) The New Scheme does not require a minimum period for which an Option must be held nor a performance target which must be achieved before an Option can be exercised, unless the Board otherwise determined and stated in the offer of the grant of Options to the Grantee.

#### **9. RIGHTS ARE PERSONAL TO GRANTEE**

An Option shall not be transferable or assignable and is personal to the Grantee.

#### **10. RIGHTS ON CESSATION OF EMPLOYMENT BY DEATH**

If the Grantee who is an Employee ceases to be an Employee of the Group by reason of death and none of the events referred to in paragraph 11 below as a ground for termination of his or her employment by the Group arises, his or her personal representative(s) may exercise the Option in full (to the extent not already exercised) within a period of 12 months from the date of death, failing which the Option will lapse.

#### **11. RIGHTS ON CESSATION OF EMPLOYMENT BY DISMISSAL**

If the Grantee who is an Employee ceases to be an Employee of the Group on the grounds of summary dismissal or that he has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, his Option will lapse and not be exercisable on the date of termination of his employment.

**12. RIGHTS ON CESSATION OF EMPLOYMENT FOR OTHER REASONS**

If the Grantee who is an Employee leaves the services or ceases to be a director of any member of the Group for any reason other than an event referred to in paragraphs 10 and 11 above as a ground for termination, his or her Option may be exercised (to the extent not already exercised) at any time within three months following the date of cessation which date shall be the last actual working date with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which the Option will lapse.

**13. EFFECTS OF ALTERATIONS TO SHARE CAPITAL**

In the event of any alteration in the capital structure of the Company whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision, or reduction of the share capital of the Company or otherwise whilst any Option remains exercisable such corresponding alterations (if any) shall be made in the aggregate number of Shares in respect of which Options may be granted subject to outstanding Options so far as unexercised and/or the subscription price per Share of each outstanding Option or the method of exercise of the Option as the independent financial adviser or auditors of the Company shall certify in writing to the Board to be in their opinion as fair and reasonable (except in the case of a capitalisation issue where no such certification is required). Any such alterations will be made on the basis that the aggregate subscription price payable on the full exercise of any Option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value or which would increase the proportion of the issued share capital of the Company for which any grantee of an Option is entitled to subscribe pursuant to the Options held by him before such alteration. The issue of securities as consideration in a transaction is not to be regarded as circumstances requiring any such alteration.

**14. RIGHTS ON A GENERAL OFFER**

In the event of a general offer being made to all holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Grantee (or his or her legal personal representative(s)) shall be entitled to exercise the Option (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional to its full extent or to the extent specified in such notice.

**15. RIGHTS ON WINDING UP**

In the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, we shall forthwith give notice thereof to the Grantee and the Grantee (or his or her legal personal representative(s)) may by notice in writing to the Company (such notice to be received by the Company not later than four business days prior to the proposed Shareholders' meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and the Company shall as soon as possible and in any event no later than the day immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise.

**16. RIGHT ON COMPROMISE OR ARRANGEMENT**

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with the scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same date as the Company gives notice of the meeting to its members or creditors to consider such a scheme or arrangement and the Grantee (or his or her personal representative(s)) may by notice in writing to the Company accompanied by the remittance for the exercise price in respect of the relevant Option (such notice to be received by the Company not later than two business days prior to the proposed meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice, and the Company shall as soon as possible and in any event no later than the date immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise credited as fully paid and register the Grantee as holder thereof.

**17. RANKING OF SHARE**

Shares allotted and issued on the exercise of Options will rank *pari passu* with the other fully-paid Shares in issue on the date of issue, save that they will not be entitled to participate in any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of issue. The Shares issued on exercise of the Options will on issue be identical to the then existing issued Shares of the Company.

**18. ALTERATIONS TO THE NEW SCHEME**

The New Scheme may be altered in any respect by the Board except that the provisions of the New Scheme relating to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of the Grantees except with the prior approval of the Shareholders in general meeting with Participants and their respective Associates abstaining from voting. Any alteration to the terms and conditions of the New Scheme or any change to the terms of Options granted under the New Scheme which are of a material nature must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Scheme. Any change to the authority of the Board or the scheme administrators in relation to any alteration of the terms of the New Scheme shall be approved by

the Shareholders in general meeting. The amended terms of the New Scheme or the Options to be granted thereunder must still comply with the relevant requirements of Chapter 17 of the Listing Rules from time to time.

#### **19. TERMINATION OF THE NEW SCHEME**

The Company, by ordinary resolution in general meeting, or the Board, may at any time terminate the operation of the New Scheme and in such event no further Options will be offered or granted but in all other respects the provisions of the New Scheme shall remain in full force and effect. Options which are granted during the life of the New Scheme and remain unexpired immediately prior to the termination of the operation of the New Scheme shall continue to be valid and exercisable in accordance with their terms of issue and the rules of the New Scheme. Upon such termination, details of the Options granted (including Options exercised or outstanding) under the New Scheme are required under the Listing Rules to be disclosed in the circular to Shareholders seeking approval of the first new scheme established thereafter.

#### **20. CANCELLATION OF OPTIONS GRANTED**

Subject to the consent from the relevant Grantee, the Board may in its discretion cancel Options previously granted to, and yet to be exercised by, such Grantee. If there are sufficient available unissued Options (excluding such cancelled Options) for issuance under the Scheme Mandate Limit from time to time, new Options may be issued to the same Grantee provided that such issuance shall only be made in compliance with the terms of the New Scheme.

#### **21. PERIOD OF THE NEW SCHEME**

The New Scheme will remain valid for a period of ten years commencing on 12 May 2011 after which no further Options will be granted but the provisions of the New Scheme shall in all other respects remain in full force and effect and Options which are granted during the life of the New Scheme may continue to be exercisable in accordance with their terms of issue.

#### **22. PERFORMANCE TARGET**

Unless the Directors otherwise determined and stated in the offer of the grant of Options, a Grantee is not required to achieve any performance target before any Option granted under the New Scheme can be exercised.

#### **23. LAPSE OF OPTION**

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of the periods referred to in paragraphs 10, 12, 14 or 15 respectively;
- (c) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph 16;

- (d) the date on which a Grantee (being an Employee) ceases to be an Employee by reason of the termination of his or her employment on grounds of summary dismissal or that he or she has been guilty of serious misconduct or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty;
- (e) the date which is three months after the date on which the Grantee ceases to be an Employee of the Group in the case of resignation, retirement, expiry of employment contract or on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or its relevant subsidiary;
- (f) the date of the commencement of the winding-up of the Company; or
- (g) the date on which the Grantee sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option or enter into any agreement so to do in breach of the New Scheme.



**Enviro Energy International Holdings Limited**  
**環能國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

*Website: <http://www.enviro-energy.com.hk>*

**(Stock Code: 1102)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Annual General Meeting (“AGM”) of Enviro Energy International Holdings Limited (“Company”) will be held at Unit 806, Level 8, Core D, Cyberport 3, 100 Cyberport Road, Hong Kong on Thursday, 12 May 2011 at 2:30 p.m. for the following purposes:

1. As ordinary business, to consider and if thought fit, pass the following resolutions as ordinary resolutions of the Company:

**ORDINARY RESOLUTIONS**

- (i) to receive and consider the audited consolidated financial statements and reports of the directors and the independent auditor for the year ended 31 December 2010 of the Company;
- (ii) to re-elect Mr. David Tsoi as an independent non-executive director of the Company;
- (iii) to re-elect Mr. Lo Chi Kit as an independent non-executive director of the Company;
- (iv) to authorise the board of directors to fix the remuneration of the directors and any committee of directors of the Company; and
- (v) to re-appoint PricewaterhouseCoopers as an independent auditor of the Company for the ensuing year and authorise the board of directors of the Company to fix its remuneration.

## NOTICE OF AGM

2. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

### ORDINARY RESOLUTIONS

- (i) **“THAT:**
- (a) subject to paragraph (c) below, the exercise by the board of directors (“Directors”) of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under any share option scheme of the Company or any other option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees and other consultants and/or advisers of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire shares in the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company (“Articles of Association”) in force from time to time; or (iv) any issue of shares in the Company upon exercise of rights of subscription or convertible into shares in the Company, unissued shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
  - (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and
  - (d) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or

## NOTICE OF AGM

- (iii) the passing of an ordinary resolution by the shareholders of the Company (“Shareholders”) in general meeting revoking or varying the authority given to the Directors by this resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

- (ii) **“THAT:**
  - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on which the shares in the Company may be listed and recognised by the Securities and Futures Commission (“SFC”) and the Stock Exchange for such purpose, subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of shares in the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and
  - (c) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or
    - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.”

## NOTICE OF AGM

(iii) “**THAT:**

conditional upon resolution nos. 2(i) and 2(ii) above being passed, the general mandate granted to the Directors to allot, issue and deal with additional shares in the Company pursuant to the said resolution no. 2(i) be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors pursuant to the said resolution no. 2(ii), provided that the amount of shares so repurchased by the Company shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of this resolution.”

(iv) “**THAT:**

subject to and conditional upon the approval of the listing of, and permission to deal in, the shares of HK\$0.0025 each in the share capital of the Company (“Shares”) to be allotted and issued by the Company pursuant to the exercise of any options granted under the new share option scheme of the Company (“New Scheme”, the rules of which are set out in a document submitted to the meeting marked “A” and signed for the purpose of identification by the chairman of the meeting) by the Listing Division of the Stock Exchange, the New Scheme be and is hereby approved and adopted and the Directors be and is hereby authorised to take all such steps as it may deem necessary, desirable or expedient to carry into effect, vary or amend the New Scheme subject to the terms of the New Scheme and Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time).”

(v) “**THAT:**

the Directors be and is hereby authorised to grant options to subscribe for Shares in accordance with the rules of the New Scheme, to allot and issue Shares pursuant to the exercise of the options so granted, to administer the New Scheme in accordance with its terms and to take all necessary actions incidental thereto as the Directors deem fit.”

By Order of the Board  
**Enviro Energy International Holdings Limited**  
**Chan Wing Him Kenny**  
*Chairman and Chief Executive Officer*

Hong Kong, 7 April 2011

## NOTICE OF AGM

*Registered Office:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*  
Unit 806, Level 8  
Core D, Cyberport 3  
100 Cyberport Road  
Hong Kong

As at the date of this notice, the Directors are:

*Executive Directors:*  
Mr. Chan Wing Him Kenny  
Dr. Arthur Ross Gorrell

*Independent Non-executive Directors:*  
Mr. David Tsoi  
Mr. Lo Chi Kit  
Mr. Tam Hang Chuen

*Notes:*

1. Any Shareholder entitled to attend and vote at the AGM is entitled to appoint one or more than one proxy to attend and vote in his stead in accordance with the Articles of Association. A proxy need not be a Shareholder.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders shall be present at the meeting personally or by proxy, that one of the holders so present whose name stands first on the register of Shareholders in respect of such share shall alone be entitled to vote in respect thereof.
3. The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM, and in default the form of proxy shall not be treated as valid. The completion and return of the form of proxy shall not preclude Shareholders from attending and voting in person at the AGM (or any adjourned meeting thereof) should they so wish.
4. Pursuant to Article 72 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:
  - (a) by the chairman of such meeting; or
  - (b) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
  - (c) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
  - (d) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
  - (e) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five % or more of the total voting rights at such meeting.