

Grandblue Investment Hongkong Limited
Unit C, 9/F Winning House
No. 72–76 Wing Lok Street
Sheung Wan, Hong Kong

17 April 2025

To the Optionholder

Dear Sir/Madam,

OPTION OFFER
IN RELATION TO THE PROPOSAL FOR THE PRIVATISATION OF
CANVEST ENVIRONMENTAL PROTECTION GROUP COMPANY
LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES ACT OF
THE CAYMAN ISLANDS)

A scheme document issued jointly by GRANDBLUE INVESTMENT HONGKONG LIMITED (the “**Offeror**”) and Canvest Environmental Protection Group Company Limited (the “**Company**”) dated the same date as this letter (the “**Scheme Document**”) is enclosed with this letter. Terms used but not defined in this letter shall have the same meanings and construction as in the Scheme Document. This letter should be read in conjunction with the Scheme Document.

The Offeror and the Company issued jointly the Announcement dated 22 July 2024 which stated, among others, that on 22 July 2024, the Offeror requested, subject to the satisfaction of the Pre-Conditions, the Board to put forward the Proposal to the holders of Scheme Shares for the privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act. As stated in the Announcement, as part of the Proposal, the Offeror will make (or procure to be made on its behalf) an appropriate offer to the Optionholder to cancel every outstanding Share Option, whether vested or unvested, in accordance with Rule 13 of the Takeovers Code. The Option Offer is conditional upon the Scheme becoming effective.

This letter sets out the terms of the Option Offer and explains the actions you may take in relation to your Share Option(s). You are advised to refer to the Scheme Document when considering them.

Your attention is also drawn to the terms and conditions of the Share Option Scheme.

TERMS OF THE OPTION OFFER

We are making the Option Offer, which is conditional on the Scheme becoming effective, with respect to the Share Option(s) held by you.

Any Share Options granted under the Share Option Scheme that are not exercised or (if applicable) cancelled pursuant to the acceptance of the Option Offer will, with agreement, lapse upon the Scheme becoming effective.

You may accept the Option Offer by lodging a completed Form of Acceptance in respect of the Option Offer by the prescribed deadline and, if the Option Offer becomes unconditional, you will be entitled to the Option Offer Price with respect to the Shares underlying your Share Option(s). Under the Option Offer, the Offeror is offering holders of the outstanding Share Options the Option Offer Price which represents the “see-through” price (being the Cancellation Price of HK\$4.90 minus the exercise price of HK\$4.39) for each outstanding Share Option they hold for the cancellation of every Share Option in accordance with Rule 13 of the Takeovers Code.

The Option Offer is conditional upon the Scheme becoming effective. The Conditions are set out in the section headed “4. Conditions of the Proposal and the Scheme” and “5. Conditions of the Option Offer” in Part VII — Explanatory Memorandum of the Scheme Document. In addition, the cheques for payments in respect of the Option Offer Price under the Option Offer will be despatched to the Optionholder no later than seven business days (as defined in the Takeovers Code) after the Effective Date.

You are further advised to refer to the sections headed “23. Registration and Payment” and “25. Taxation Advice” in Part VII — Explanatory Memorandum of the Scheme Document.

Your attention is drawn to the letter from the Independent Board Committee set out in Part V of the Scheme Document and the letter from the Independent Financial Adviser set out in Part VI of the Scheme Document, which contain the recommendation of the Independent Board Committee and of the Independent Financial Adviser,

respectively, in relation to the Proposal, the Scheme, the Rollover Arrangement, the Land Disposal, the Smart Parking Disposal, the Office Building Disposal, the EB Amendments and the Option Offer.

COURSES OF ACTION AVAILABLE TO THE OPTIONHOLDER

In summary, the choices available to you in respect of your Share Option(s) are:

- (a) if you will be a holder of the Share Option(s) as at the Record Date, you may accept the Option Offer in respect of all of your Share Option(s) in accordance with its terms, as set out in this letter and in the Scheme Document, **AND TICK THE “Accept” box on the Form of Acceptance** and return it by not later than 4 : 30 p.m. (Hong Kong time) on Friday, 30 May 2025 (or such later time and/or date as may be notified to you through announcement(s)), to receive the Option Offer Price for the relevant Shares under your Share Option(s) if the Scheme becomes effective;
- (b) you may reject the Option Offer in accordance with its terms, as set out in this letter and in the Scheme Document, and tick the “Reject” box on the Form of Acceptance and return it in accordance with the instructions therein. If you reject the Option Offer, you will not be entitled to receive the Option Offer Price in respect of any of your Share Options if the Scheme becomes effective. If you reject the Option Offer, and the Scheme becomes effective, your Share Options will lapse and you will receive neither the Option Offer Price nor the Cancellation Price; or
- (c) do nothing, in which case, subject to and conditional upon the Scheme becoming effective, your Share Options will lapse, and you will receive neither the Option Offer Price nor the Cancellation Price.

For further details, please refer to the remaining sections of this letter, the Scheme Document, the Form of Acceptance and the terms of the Share Option Scheme.

OUTSTANDING SHARE OPTIONS HELD AS AT THE LATEST PRACTICABLE DATE

Information on the Share Option(s) held by you as at the Latest Practicable Date is available from the Human Resources Department of the Company. If there is any exercise of your Share Option(s) after the Latest Practicable Date, you may accept the Option Offer only in respect of such Share Option(s) which remain unexercised or unvested as at the Record Date.

LAPSED SHARE OPTION

Please note that nothing in this letter or the Scheme Document serves to extend the life of a Share Option which lapses, will lapse, or has already lapsed, under the terms of the Share Option Scheme.

PROFESSIONAL ADVICE

The information provided in this letter is intended to give you factual details on which to base your decision as to the action you wish to take.

If you are in doubt as to any aspect of this letter, the Scheme Document, or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

DECLARATION

By signing and returning the completed Form of Acceptance, you thereby:

- (a) warrant and confirm that each Share Option in respect of which you accept the Option Offer is valid and subsisting, free from all liens, charges, mortgages and third party interests of any nature whatsoever and you acknowledge that any option certificate or documents in respect of such Share Option shall become void once that Share Option has been cancelled as a result of your acceptance of the Option Offer pursuant to the Form of Acceptance;

- (b) acknowledge and agree that you cease to have any rights and obligations, and waive all rights and claims against any party (including the Offeror and the Company), in respect of all the Share Option(s) held by you for which you accept the Option Offer, that all rights and obligations under all such Share Option(s) will be cancelled;
- (c) confirm that you have observed and is permitted under all applicable laws and requirements to receive and accept the Option Offer and any revision thereof, and that you have obtained all requisite governmental, exchange control or other consents and made all registrations or filings required in compliance with all necessary formalities and regulatory or legal requirements, and have paid all issue, transfer or other taxes, duties or other required payments due from you in connection with such acceptance in any jurisdiction, and that you have not taken or omitted to take any action which will or may result in the Company, the Offeror or their respective advisers, including the CITIC Securities, the Independent Financial Adviser and the share registrar, or any other person acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Option Offer or your acceptance thereof and such acceptance, surrender and/or cancellation shall be valid and binding in accordance with all applicable laws and regulations;
- (d) confirm that the decisions which you have made on the Form of Acceptance cannot be withdrawn or altered;
- (e) agree, in consideration for the Option Offer, to release and waive all present and future claims, demands, actions and/or proceedings (whether contractual, statutory or otherwise and whether such claims are known or could be known or are in your contemplation at the time of signing the Form of Acceptance and to the maximum extent not prohibited by law) against any party (including the Company, the Offeror and their officers and respective advisers) arising out of or in connection with the Share Options and/or the Option Offer;
- (f) authorise the Offeror, the Company, CITIC Securities and/or such person or persons as any of them may direct to do all acts and things and to complete, amend and execute any document on your behalf as may be necessary or desirable to give effect to or in connection with the acceptance you have made

on the Form of Acceptance, and you hereby undertake to execute any further assurance that may be required in respect of such acceptance;

- (g) undertake to confirm and ratify any action properly or lawfully taken on your behalf by any person authorised or appointed by or pursuant to this letter and the Form of Acceptance;
- (h) authorise the Company to transfer any personal data which may identify you (including, but not limited to your name, your date of birth, contact details, nationality, identity or passport number, tax residency, social security number (or equivalent), bank account details and details of your Share Options) to the Offeror and to authorise the Offeror to collect, use and process such personal data for all matters directly or indirectly connected with the implementation of the Option Offer. You agree to execute any further documents as may be required by the Company or the Offeror to give effect to such authorization; and
- (i) confirm that you have read, understood and agreed to the terms and conditions of the Option Offer (including, without limitation, those set out in the Scheme Document, this letter and the Form of Acceptance), and that you have received and read the Scheme Document and this letter.

GENERAL

- (a) All communications, notices, Forms of Acceptance, cheques, certificates and other documents of any nature to be delivered by or sent to or from the Optionholder will be delivered by or sent to or from them, or their designated agents, at their risk, and none of the Offeror, the Company or CITIC Securities accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.
- (b) The provisions set out in the Form of Acceptance form part of the terms of the Option Offer.
- (c) The Option Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.

- (d) Due execution of the Form of Acceptance in respect of the Option Offer will constitute an authority to the Offeror and the Company or such person(s) as any of them may direct to complete and execute on behalf of the accepting Optionholder, the Form of Acceptance and any document and to do any other act that may be necessary or expedient for the purpose of cancelling, or vesting in the Offeror or such person(s) as the Offeror shall direct, all rights of the Optionholder in respect of the Share Option(s) which are the subject of such acceptance.
- (e) The delivery of the Form of Acceptance, duly signed, may, if the Offeror determines it appropriate, be as effective as if it were duly completed, executed and received notwithstanding that it is not completed, executed or received strictly in accordance with the Forms of Acceptance and this letter, including the date specified for receipt or the absence of any witness attesting to the execution of any Form of Acceptance.
- (f) By completing the Form of Acceptance in respect of a particular Share Option, you irrevocably and at your own risk elect to authorise the Offeror, the Company and/or their respective agent(s) to send to you, or procure the sending to you of, the payment to which you are entitled.
- (g) Any acceptance of the Option Offer and the receipt of cash consideration may trigger taxes subject to withholding obligations of the Offeror and/or the Company. Cash consideration under the Option Offer may be paid to you net of such applicable taxes, if any. The Optionholder is recommended to consult their professional advisers if in any doubt as to the taxation implications of the Option Offer.

ACTIONS TO BE TAKEN FOR ACCEPTING THE OPTION OFFER

In order to accept the Option Offer, you must complete and return the duly completed and executed Form of Acceptance together with relevant certificate(s) (if any) or any other document(s) evidencing the grant of the Share Option(s) to you or other document(s) of title or entitlement (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Company at 28/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong and marked “Canvest Environmental Protection Group Company Limited — Option Offer” by no later than 4:30 p.m. (Hong Kong time) on Friday, 30 May 2025 (or such later time and/or date as may be notified to you

through announcement(s)). If you do not complete a Form of Acceptance and the Scheme becomes effective, your Share Option(s) will lapse.

Before forwarding the Form of Acceptance to the Company, please ensure that you have duly executed the Form of Acceptance and that your signature has been witnessed.

Assuming the Option Offer will close on Friday, 30 May 2025, payment for the Option Offer Price is expected to be made no later than seven business days (as defined in the Takeovers Code) of the Effective Date (i.e. Tuesday, 10 June 2025).

No acknowledgement of receipt of any Form of Acceptance, the relevant certificate(s) (if any) or any other document(s) evidencing the grant of the Share Option(s) or other document(s) of title or entitlement (and/or any satisfactory indemnity of indemnities required in respect thereof) will be given.

RESPONSIBILITY STATEMENT

The directors of Grandblue and Grandblue Environment jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this letter (other than that relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this letter (other than those expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.

Yours faithfully,
For and on behalf of

Grandblue Investment Hongkong Limited



Wu Zhiyong
Director



Tang Yuyun
Director