



CHINA JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED

中国锦江环境控股有限公司

(Company Registration Number: 245144)

(Incorporated in the Cayman Islands on 8 September 2010)

China International Capital Corporation (Singapore) Pte. Limited was the sole issue manager, global coordinator, bookrunner and underwriter (the “**Sole Issue Manager, Global Coordinator, Bookrunner and Underwriter**”) for the initial public offering of shares in, and listing of, China Jinjiang Environment Holding Company Limited on the Mainboard of the Singapore Exchange Securities Trading Limited. The Sole Issue Manager, Global Coordinator, Bookrunner and Underwriter assumes no responsibility for the contents of this announcement.

INCREASE IN REGISTERED CAPITAL OF SUBSIDIARY

The Board of Directors (the “**Board**”) of China Jinjiang Environment Holding Company Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that as part of the preparatory process for the waste-to-energy (“**WTE**”) project to be owned and operated by Yulin Green New Energy Co., Ltd. (榆林绿能新能源有限公司) (“**Yulin Green Energy**”) and in consultation with the relevant local authorities, three strategic partners (the “**Strategic Investors**”), which have participated in the preparatory process and which are familiar with the local WTE industry conditions, have agreed to invest in the project to expedite completion of the project and enhance its value.

The three strategic partners are as follows:

- (i) Shaanxi National Energy Environmental Protection Development Co., Ltd. (陕西国源环保发展有限责任公司) (“**Shaanxi Environment**”), which is a wholly-owned subsidiary of Shaanxi Environmental Protection Industry Group Co., Ltd. (陕西环保产业集团有限责任公司), a state-owned enterprise which specialises in the incineration of municipal solid waste, industrial waste and sludge, and the recycling of waste materials, in the People’s Republic of China (“**PRC**”);
- (ii) Yulin Energy Chemical Engineering Investment Co., Ltd. (榆林能源化工投资有限公司) (“**Yulin Energy**”), a state-owned enterprise which invests in energy and environmental projects in the PRC; and
- (iii) Yulin Yuheng Industry Group Co., Ltd. (榆林榆横实业集团有限责任公司) (“**Yulin Yuheng**”), a state-owned enterprise which specialises in the management of, among others, renewable energy projects in the PRC.

Under the terms of the aforesaid agreement, the following cash contributions will be made by the parties to increase the registered capital of Yulin Green Energy from RMB 10.0 million to RMB 110.0 million (the “**Capital Increase**”):

- (a) RMB 27.4 million by the Company’s wholly-owned subsidiary, Lin’an Jiasheng Environment Co., Ltd. (临安嘉盛环保有限公司) (“**Lin’an Jiasheng**”);

- (b) RMB 39.6 million by Shaanxi Environment;
- (c) RMB 16.5 million by Yulin Energy; and
- (d) RMB 16.5 million by Yulin Yuheng.

Under the terms of the Capital Increase, the parties are required to pay 20% of their respective cash contribution amounts initially, with the balance to be paid at a later time in accordance with the capital requirements of the WTE project to be owned and operated by Yulin Green Energy.

Prior to the Capital Increase, Yulin Green Energy was a wholly-owned subsidiary of the Company. Following the Capital Increase, Shanxi Energy, Yulin Energy and Yulin Yuheng would respectively hold 36.0%, 15.0% and 15.0% of the equity interest in Yulin Green Energy, with the remaining 34.0% being held by the Group. Accordingly, Yulin Green Energy has ceased to be a subsidiary, and is now an associated company of the Company.

The Capital Increase will be funded through internal resources and is not expected to have any material impact on the net tangible assets or earnings of the Group for the financial year ending 31 December 2017.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Capital Increase, other than through their respective shareholding interests in the Company.

BY ORDER OF THE BOARD

Wang Yuanluo
Executive Chairman and Chief Executive Officer

3 April 2017

For further information, please contact:

Wang Ruihong
Executive Director and
Deputy General Manager
Tel: (86) 153 5618 3219
Email: wrh@hzjj.cn

Choo Beng Lor
Company Secretary and
Financial Controller
Tel: (65) 9745 3502
Email: zhuminglu@hzjj.cn