



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)

SIGNING OF PPP AGREEMENT FOR WTE PROJECT IN THE PEOPLE'S REPUBLIC OF CHINA

The Board of Directors (the “**Board**”) of China Jinjiang Environment Holding Company Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the Company's announcement dated 26 May 2017 (the “**Announcement**”) in relation to the Group's investment in a 49.0% equity interest in Yan'an Guojin Environmental Protection Energy Co., Ltd. (延安国锦环保能源有限责任公司) (“**Yan'an Guojin**”). Capitalised terms used herein and not otherwise defined shall bear the same meanings ascribed to them in the Announcement.

The equity interest in Yan'an Guojin is held as to 49% on trust by the Company's controlling shareholder, Jinjiang Group, for the benefit of the Group and as to 51% by the Group's local partner Shaanxi Environment. As disclosed in the Announcement, during the initial tender for the Yan'an Project, Shaanxi Environment had named Jinjiang Group as its joint venture partner in the tender bid. However, as Jinjiang Group intended to involve the Group in the Yan'an Project in the event the tender was successful, the Group had entered into the Entrustment Agreement with Jinjiang Group, under which all the rights, interests and obligations relating to Jinjiang Group's 49.0% equity interest in Yan'an Guojin would be held on trust by Jinjiang Group for the benefit of the Group and no consideration would be payable by the Group to Jinjiang Group in connection therewith. As further disclosed in the Announcement, the Entrustment Agreement constituted an interested person transaction pursuant to Chapter 9 of the Listing Manual.

The Board wishes to announce that Yan'an Guojin has successfully tendered for and secured a concession recently to construct and operate the Yan'an Project located in Yan'an, Shaanxi Province, and has entered into a public-private partnership agreement (the “**PPP Agreement**”) with the relevant local government in connection therewith.

Under the terms of the concession, Yan'an Guojin will construct and operate the Yan'an Project under the build-operate-transfer model for a total concession period of 30 years from the date of the PPP Agreement, which includes a construction period of two years and an operation period of 28 years. The Yan'an Project has a total designed waste treatment capacity of 1,300 tons/day and a sludge treatment capacity of 100 tons/day (with the first phase to feature a waste treatment capacity of 650 tons/day and a sludge treatment capacity of 100 tons/day). The first phase of the Yan'an Project has an estimated total investment cost of approximately RMB325.1 million (equivalent to approximately S\$64.8 million), and construction is expected to be completed by end-2020.

The investment in the Yan'an Project will be funded through a combination of bank borrowings and internal resources and the Yan'an Project is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 31 December 2019.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Yan'an Project, save as disclosed in this announcement and other than through their respective shareholding interests in the Company.

BY ORDER OF THE BOARD

Zhang Chao
Executive Director and Chief Executive Officer

27 May 2019

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