



ZHENENG JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED

浙能锦江环境控股有限公司

(Company Registration Number: 245144)

(Incorporated in the Cayman Islands on 8 September 2010)

PRE-CONDITIONAL MANDATORY CASH OFFER BY ZHEJIANG ZHENENG ELECTRIC POWER INVESTMENT (HONG KONG) LIMITED TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF ZHENENG JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED, OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY ZHEJIANG ZHENENG ELECTRIC POWER INVESTMENT (HONG KONG) LIMITED, ITS RELATED CORPORATIONS AND THEIR RESPECTIVE NOMINEES

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Zheneng Jinjiang Environment Holding Company Limited (the “**Company**”) refers the shareholders of the Company (“**Shareholders**”) to the announcement dated 12 October 2020 (the “**Pre-Conditional Offer Announcement**”) made by China International Capital Corporation (Singapore) Pte. Limited (“**CICC**”), for and on behalf of Zhejiang Zheneng Electric Power Investment (Hong Kong) Limited (the “**Offeror**”), relating to a pre-conditional mandatory cash offer for all the issued and paid-up ordinary shares of par value US\$0.00001 each in the capital of the Company (“**Shares**”) other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees (the “**Offer Shares**”).

As announced in the Pre-Conditional Offer Announcement, the Offeror had on 12 October 2020 entered into a conditional sale and purchase agreement (the “**SPA**”) with, among others, Jin Jiang Green Energy Limited (“**Jin Jiang Green Energy**”) and Win Charm Limited (“**Win Charm**”) for the purchase of an aggregate of 372,560,575 Shares (the “**Sale Shares**”) comprising 44,195,575 Sale Shares to be sold by Jin Jiang Green Energy and 328,365,000 Sale Shares to be sold by Win Charm, representing in aggregate approximately 25.62% of the total number of issued Shares¹, for an aggregate cash consideration of S\$289,889,383.40, at the price of S\$0.7781 for each Sale Share (the “**Acquisition**”).

Completion of the Acquisition is subject to the fulfilment (or waiver in accordance with the SPA) of the conditions precedent set out in Appendix 1 to the Pre-Conditional Offer Announcement (the “**Pre-Conditions**”). In the event that any of the Pre-Conditions are not fulfilled (or waived in accordance with the SPA) on or before the expiry of six months from the date of the SPA (or such later date as the parties to the SPA (the “**SPA Parties**”, and each such party, an “**SPA Party**”) may agree in writing) (the “**Long Stop Date**”), then any SPA Party shall have the right to terminate the SPA.

¹ All percentage shareholdings of Shares in this announcement are computed on the basis of 1,454,024,700 Shares in issue as at 12 October 2020. Figures are rounded to the nearest two decimal places.

2. THE OFFEROR

The Offeror is a wholly-owned subsidiary of Zhejiang Zheneng Electric Power Co., Ltd., which is listed on the Shanghai Stock Exchange and its direct controlling shareholder is Zhejiang Provincial Energy Group Co., Ltd. (“ZEG”). The Company’s current controlling shareholder Zhejiang Energy Hong Kong Holding Limited, which holds 430,000,000 Shares as at the date of this announcement (representing approximately 29.57% of the total number of Shares) is indirectly wholly-owned by ZEG and is therefore a related corporation of the Offeror.

3. PRE-CONDITIONAL OFFER

As the Acquisition will result in the Offeror and its concert party holding more than 30 per cent. of the total number of issued Shares, if and when all the Pre-Conditions are fulfilled (or waived in accordance with the SPA), CICC, for and on behalf of the Offeror, will announce a firm intention on the part of the Offeror to make a mandatory unconditional cash offer for the Offer Shares (the “Offer”) pursuant to Rule 14.1 of the Singapore Code on Take-overs and Mergers (the “Code”).

Further details on the principal terms of the Acquisition, the Pre-Conditions and the terms of the Offer are set out in the Pre-Conditional Offer Announcement. Shareholders are advised to refer to and review the full text of the Pre-Conditional Offer Announcement in its entirety and carefully for, *inter alia*, (a) the principal terms of the Acquisition, (b) the Pre-Conditions and (c) the terms of the Offer (if and when made).

A copy of the Pre-Conditional Offer Announcement is attached to this announcement and is also available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com. Shareholders are advised to review, in conjunction with this announcement, the Pre-Conditional Offer Announcement in its entirety and carefully and in particular, for details of the Offer, information on the Offeror, the rationale for the Offer and the Offeror’s intentions in relation to the Company.

Shareholders should note that, as stated in the Pre-Conditional Offer Announcement, the Offer will not be made unless and until all the Pre-Conditions are fulfilled (or waived in accordance with the SPA) by the Long Stop Date. Accordingly, all references to the Offer in the Pre-Conditional Offer Announcement refer to the possible Offer which will only be made if and when the Pre-Conditions are fulfilled (or waived in accordance with the terms of the SPA) by the Long Stop Date. Shareholders should note that there is no certainty that the Pre-Conditions will be satisfied and that the Offer will be made.

If the Pre-Conditions are not fulfilled (or waived in accordance with the SPA) on or before the Long Stop Date, the Offer will not be made and CICC, for and on behalf of the Offeror, will issue an announcement confirming that fact as soon as reasonably practicable.

4. INDEPENDENT FINANCIAL ADVISER

Subject to the Offer being made, the Board will, in due course, appoint an independent financial adviser (the “IFA”) to advise the directors of the Company (the “Directors”) who are regarded as independent for the purposes of the Offer under the Code (the “Independent Directors”).

5. OFFEREE CIRCULAR

If and when the Offer is made, a circular (the “**Offeree Circular**”) containing the advice of the IFA and the recommendation of the Independent Directors on the Offer will be sent to Shareholders within 14 days from the date of the despatch of the offer document to be issued by CICC, for and on behalf of the Offeror, in connection with the Offer (if and when made).

In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendation of the Independent Directors, as well as the advice of the IFA, which will be set out in the Offeree Circular to be issued (if and when the Offer is made) in due course.

The Company will release further announcements at the appropriate junctures.

6. RESPONSIBILITY STATEMENT

The Directors of the Company (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, the Pre-Conditional Offer Announcement), the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Wei Dongliang
Executive Chairman

13 October 2020