



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 SHAREHOLDING IN 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 its wholly-owned subsidiary Hangzhou Jinhuan Investment Co., Ltd. (杭州锦环投资有限公司) (**"Jinhuan Investment"**) has acquired 12.0% of the equity interest in Kunming Xinxingze Environment Resources Industry Co., Ltd. (昆明鑫兴泽环境资源产业有限公司) (**"Kunming Jinjiang"**), a subsidiary of the Company, from Kunming Golden Success Investment and Development Co., Ltd. (昆明金之成投资开发有限公司) (the **"Vendor"**), which is an unrelated third party (the **"Acquisition"**).

Following the Acquisition, the Company's equity interest in Kunming Jinjiang has increased from 80.0% to 92.0%. The remaining 8.0% equity interest in Kunming Jinjiang is held by Kunming Wuhua Environmental Management Office (昆明市五华区环境卫生管理处), which is an unrelated third party.

Renminbi (**"RMB"**) amounts in this Announcement have been translated into Singapore dollars, based on the closing exchange rate of S\$1.00 : RMB4.7563 quoted by Bloomberg L.P. on the market day preceding the date of this Announcement.

The aggregate consideration for the Acquisition is RMB21,900,000 (equivalent to approximately S\$4,604,400) (the **"Consideration"**), and will be fully settled in cash from the Group's internal resources. The Consideration was arrived at after arm's length negotiations between the Group and the Vendor on a willing buyer willing seller basis, and as agreed by the parties, was determined with reference to the fair value of Kunming Jinjiang as at 31 December 2016 of RMB182,467,100 (equivalent to approximately S\$38,363,200) determined based on a valuation dated 30 May 2017 conducted by an independent third party valuer commissioned by Kunming Jinjiang.

Under the terms of the Acquisition, the Consideration is payable by the Group to the Vendor within 7 business days of the completion of the Acquisition.

Based on the unaudited financial statements of Kunming Jinjiang and the unaudited consolidated financial statements of the Group for the first quarter ended 31 March 2018:

- (a) as at 31 March 2018, Kunming Jinjiang had net assets of RMB182.1 million (equivalent to approximately S\$38.3 million), which represents approximately 3.6% of the Group's net assets of RMB4,993.9 million (equivalent to approximately S\$1,050.0 million) as at 31 March 2018; and
- (b) as at 31 March 2018, the net tangible assets ("NTA") of Kunming Jinjiang was RMB170.1 million (equivalent to approximately S\$35.8 million), which represents approximately 6.3% of the Group's NTA of RMB2,688.9 million (equivalent to approximately S\$565.3 million) as at 31 March 2018.

None of the Directors or controlling shareholders of the Company and their associates has any interests, direct or indirect, in the Acquisition, other than through their respective shareholding interests in the Company.

BY ORDER OF THE BOARD

Wang Yuanluo
Non-Executive, Non-Independent Chairman

15 May 2018

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