



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)

INCORPORATION OF SUBSIDIARY 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 18 March 2019 (the “**Announcement**”) in relation to, *inter alia*, the Group securing a concession to construct, own and operate a resource recycling project in Gaobeidian City, Baoding, Hebei Province (the “**Gaobeidian Project**”).

The Board wishes to announce that the wholly-owned subsidiary of the Company, Lin’an Jiasheng Environment Co., Ltd. (临安嘉盛环保有限公司) (“**Lin’an Jiasheng**”) has incorporated a company, Baoding Jiasheng New Energy Co., Ltd. (保定嘉盛新能源有限公司) (“**Baoding New Energy**”), as a project company in respect of the Gaobeidian Project. Baoding New Energy has a registered capital of RMB28.0 million. The equity interest in Baoding New Energy is held as to 80.0% by Lin’an Jiasheng and as to 20.0% by Shijiazhuang Jinhua Environmental Protection Technology Co., Ltd. (石家庄锦华环保科技有限公司), an unrelated third party which is the Group’s local partner. The principal business activities of Baoding New Energy will be the ownership and operation of the Gaobeidian Project, research and development of new energy technologies, biomass power generation, waste water treatment and recycling, and construction waste management.

The investment in Baoding New Energy will be funded by a combination of bank borrowings and internal resources and the Gaobeidian 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.

Save for their respective shareholding interests in the Company, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the incorporation of Baoding New Energy.

BY ORDER OF THE BOARD

Zhang Chao
Executive Director and Chief Executive Officer

8 May 2019

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