



## 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)

### REFINANCING OF RMB540,000,000 LOAN FACILITY

#### 1. REPAYMENT OF PREVIOUS FACILITY AND PROVISION OF NEW FACILITY

The Board of Directors (the "**Board**") of Zheneng Jinjiang Environment Holding Company Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 24 May 2021 (the "**Announcement**") in relation to the loan facility of RMB540,000,000 with an annual rate of interest of 4.50% (the "**Previous Facility**") extended by Zhejiang Provincial Energy Group Finance Co., Ltd. (浙江省能源集团财务有限责任公司) ("**Zheneng Finance**"), a subsidiary of the single largest shareholder of the Company, Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) ("**Zheneng Group**"), as the lender to the Company's wholly-owned subsidiary Hangzhou Jinhuan Investment Co., Ltd. (杭州锦环投资有限公司) ("**Hangzhou Jinhuan**") as the borrower, to be used for the working capital purposes of the Group. Capitalised terms used herein and not otherwise defined shall have the same meanings given to them in the Announcement.

The Board wishes to announce that on 17 May 2022, the Group had repaid the final outstanding amount under the Previous Facility. Accordingly, as at the date of this announcement, all principal and accrued interest under the Previous Facility has been fully repaid by the Group to Zheneng Finance.

The Board is pleased to further announce that the Previous Facility has been fully refinanced, which will help bolster the working capital of the Group. Pursuant to the refinancing of the Previous Facility, Zheneng Finance and the Company's wholly-owned subsidiary Hangzhou Jinhuan had entered into a facility agreement dated 24 April 2022 (the "**New Facility Agreement**"), under which Zheneng Finance provided the Group with a new loan facility of RMB540,000,000 (the "**New Facility**"). On 17 May 2022, the Group fully completed the drawdown of the New Facility, concurrently with its full repayment of all outstanding amounts under the Previous Facility. The New Facility was drawn down from an existing credit line of RMB900 million obtained by the Group from Zheneng Finance.

#### 2. SALIENT TERMS OF THE NEW FACILITY

##### 2.1 Amount

The availability limit of the New Facility is RMB540,000,000.

##### 2.2 Term

As disclosed above, as at the date of this announcement, the entire amount of RMB540,000,000 under the New Facility has been drawn down. All outstanding amounts under the New Facility are to be repaid in full by the date falling 12 months from the respective dates of drawdown in accordance with the repayment schedule set out in paragraph 2.6 below.

##### 2.3 Interest Rate

The annual rate of interest under the New Facility is 4.20%.

## 2.4 Security

The New Facility is secured by:

- (a) a liquidity support undertaking by the Company;
- (b) a corporate guarantee by the Company's wholly-owned subsidiary Lin'an Jiasheng Environment Co., Ltd. (临安嘉盛环保有限公司); and
- (c) share charges over 28.61% of the equity interest in the Company's wholly-owned subsidiary Lin'an Jiasheng Environment Co., Ltd. (临安嘉盛环保有限公司) representing registered capital of RMB540,000,000,

each in favour of Zheneng Finance.

Save as aforesaid, no other security has been provided by the Group in connection with the New Facility.

## 2.5 Purpose

Under the terms of the New Facility, the Company shall apply all amounts borrowed by it under the New Facility for the working capital purposes of the Group.

## 2.6 Repayment

The outstanding amounts under the New Facility are to be repaid in instalments as follows:

- (a) RMB140,000,000 in principal and in addition thereto, all accrued interest in respect thereof, on or about 21 April 2023;
- (b) RMB200,000,000 in principal and in addition thereto, all accrued interest in respect thereof, on or about 24 April 2023; and
- (c) RMB200,000,000 in principal and in addition thereto, all accrued interest in respect thereof, on or about 16 May 2023.

## 2.7 Events of Default and Mandatory Prepayment

The New Facility Agreement contains certain customary events of default including, among others, non-payment of any amounts payable, cessation of business, and winding up.

## 3. INTERESTED PERSON TRANSACTION

In respect of the New Facility:

- (a) Hangzhou Jinhuan, being a subsidiary of the Company which is not listed on any stock exchange, is an entity at risk for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"); and
- (b) Zheneng Finance is a subsidiary of Zheneng Group, which is a controlling shareholder (as defined in the Listing Manual) of the Company. Accordingly, Zheneng Finance is an associate (as defined in the Listing Manual) of Zheneng Group and an interested person of the Company for the purposes of Chapter 9 of the Listing Manual.

Accordingly, the New Facility constitutes an interested person transaction under Chapter 9 of the Listing Manual. Under Rule 909(3) of the Listing Manual, in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. The aggregate interest payable by the Group to Zheneng Finance under the New Facility is

RMB22.7 million and, expressed as a percentage of the Group's latest audited consolidated net tangible assets as at 31 December 2021 of RMB2,256.0 million, is approximately 1.01%. For the avoidance of doubt, the New Facility was approved by the Audit and Risk Management Committee of the Company and the Board prior to the annual general meeting of the Company held on 25 April 2022 (the "**AGM**"), at which Mr. Hee Theng Fong and Mr. Tan Huay Lim were not re-elected as directors of the Company and retired at the conclusion of the AGM.

#### **4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Mr. Wei Dongliang was nominated by Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司) (which is a wholly-owned subsidiary of Zheneng Group) to be appointed on the Board. Save as disclosed in this announcement and save for their respective shareholding interests in the Company, none of the Directors or substantial shareholders or their respective associates have any interest, direct or indirect, in the New Facility.

#### **BY ORDER OF THE BOARD**

Wei Dongliang  
Executive Chairman

17 May 2022

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