

**APPENDIX DATED 7 APRIL 2023**

**THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Zheneng Jinjiang Environment Holding Company Limited, you should immediately forward this Appendix, the Annual Report, the Notice of Annual General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained, in this Appendix.

Printed copies of this Appendix will not be sent to Shareholders. Instead, this Appendix will be sent to Shareholders by electronic means via publication on the Company's website at <http://en.znjhj.com/info.html> and the SGXNet.

**Shareholders will not be able to attend the Annual General Meeting ("AGM") in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the AGM by (a) observing and/or listening to the AGM proceedings via "live" audio-and-video webcast or "live" audio-only feed; (b) submitting questions to the Chairman of the AGM in advance of or "live" at the AGM; and/or (c) voting at the AGM "live" by the Shareholders themselves or their duly appointed proxy/proxies (other than the Chairman of the AGM) via electronic means or appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM.** Please refer to paragraph 7 of this Appendix for further information, including the steps to be taken by Shareholders to participate at the AGM.



**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)

**APPENDIX 2 TO THE NOTICE OF ANNUAL GENERAL MEETING**

**IN RELATION TO THE PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS**

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## DEFINITIONS

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In this Appendix, the following definitions shall apply throughout unless the context otherwise requires:

"FY2021 AGM"	:	The FY2021 annual general meeting of the Company held on 25 April 2022.
"AGM"	:	The FY2022 AGM of the Company which is to be held on 24 April 2023.
"Appendix"	:	This appendix 2 to the Notice of AGM dated 7 April 2023.
"Articles of Association"	:	The Memorandum and Articles of Association of the Company, as may be amended and/or restated from time to time.
"Audit and Risk Management Committee"	:	The audit and risk management committee of the Company currently comprising of Kan Yaw Kiong (Ernest), Ang Swee Tian and Ni Mingjiang.
"Cayman Islands Companies Law"	:	The Companies Law (as amended) of the Cayman Islands.
"CDP"	:	The Central Depository (Pte) Limited.
"Company"	:	Zheneng Jinjiang Environment Holding Company Limited 浙能锦江环境控股有限公司.
"Controlling Shareholder"	:	A person who (a) holds directly or indirectly 15% or more of the total voting rights in a company (the SGX-ST may determine that a person who satisfies the above is not a Controlling Shareholder); or (b) in fact exercises control over a company.
"Directors"	:	The directors of the Company for the time being (collectively, the "Board of Directors").
"EAR Group"	:	The Company, its subsidiaries and associated companies that are considered to be "entities at risk" within the meaning of Chapter 9 of the Listing Manual.
"Executive Directors"	:	The executive directors of the Company for the time being.
"FY"	:	Financial year ended or, as the case may be, ending 31 December.
"Group"	:	The Company and its subsidiaries.
"Hangzhou Yande"	:	Hangzhou Yande Industrial Co., Ltd. (杭州延德实业有限公司), a company incorporated under the laws of the PRC with limited liability, which is owned as to 90% by Ms. Dou Baibing, who is one of the Controlling Shareholders of the Company and the daughter of Mr. Dou Zhenggang, and as to 10% by Ms. Wei Xuefeng, who is one of the Controlling Shareholders of the Company and the spouse of Mr. Dou Zhenggang. Hangzhou Yande is one of the Controlling Shareholders of the Company.

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## DEFINITIONS

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- "Hangzhou Zhengcai"** : Hangzhou Zhengcai Holding Group Co., Ltd. (杭州正才控股集团有限公司) (formerly known as Zhejiang Zhengcai Trading Co., Ltd. (浙江正才贸易有限公司)), a company incorporated under the laws of the PRC with limited liability, which is a wholly-owned subsidiary of Jinjiang Group and is one of the Controlling Shareholders of the Company.
- "Interested Person"** : A director, chief executive officer or Controlling Shareholder of the Company or an associate of such director, chief executive officer or Controlling Shareholder. The SGX-ST may deem any person or entity to be an Interested Person if the person or entity has entered into, or proposes to enter into: (a) a transaction with an "entity at risk" (within the meaning of Chapter 9 of the Listing Manual); and (b) an agreement or arrangement with an Interested Person in connection with that transaction.
- "IPT General Mandate"** : The general mandate from Shareholders to enable the EAR Group to enter into certain recurrent interested person transactions which are of a revenue or trading nature or certain interested person transactions necessary for day-to-day operations such as the purchase and sale of supplies and materials, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.
- "Jinjiang Green Energy"** : Jinjiang Green Energy Limited, an exempted company incorporated on 5 May 2004 under the laws of the Cayman Islands.
- "Jinjiang Group"** : Hangzhou Jinjiang Group Co., Ltd. (杭州锦江集团有限公司), a company incorporated under the laws of the PRC with limited liability, which is owned as to 46.63% by Mr. Dou Zhenggang, 27.04% by Zhejiang Hengjia and 26.33% by Hangzhou Yande and is one of the Controlling Shareholders of the Company.
- "Latest Practicable Date"** : 31 March 2023, being the latest practicable date prior to the printing of this Appendix.
- "Listing Manual"** : The Listing Manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date.
- "MBT Project"** : The planned mechanical-biological waste treatment project in Singapore in respect of which JE Synergy Engineering Pte. Ltd., an associated company of the Company, has signed an agreement to provide engineering, procurement and construction services.
- "Non-Competition Agreement"** : The Non-Competition Agreement dated 23 June 2016 entered into between the Company and associates of Mr. Dou Zhenggang who were Controlling Shareholders at such time.

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## DEFINITIONS

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"NTA"	:	Net tangible assets.
"PRC"	:	People's Republic of China, excluding Hong Kong, Macau and Taiwan for the purposes of this Appendix and for geographical reference only.
"Register of Members"	:	The Register of Members of the Company.
"Securities Accounts"	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent.
"SFA"	:	The Securities and Futures Act 2001, as amended from time to time.
"SGX-ST"	:	Singapore Exchange Securities Trading Limited.
"Shareholders"	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term " <b>Shareholders</b> " shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP and whose Securities Accounts maintained with CDP are credited with those Shares.
"Shares"	:	Ordinary shares of a nominal or par value of US\$0.00001 each in the capital of the Company.
"Substantial Shareholder"	:	A person who has an interest directly or indirectly in 5% or more of the total number of voting Shares of the Company.
"Win Charm"	:	Win Charm Limited (勝美有限公司), an exempted company incorporated on 18 August 2005 under the laws of the Cayman Islands, which is a wholly-owned subsidiary of Jinjiang Group and is one of the Controlling Shareholders of the Company.
"Zhejiang Hengjia"	:	Zhejiang Hengjia Holding Co., Ltd. (浙江恒嘉控股有限公司), a limited liability company incorporated under the laws of the PRC, which is wholly owned by Ms. Wei Xuefeng, who is one of the Controlling Shareholders of the Company and the spouse of Mr. Dou Zhenggang. Zhejiang Hengjia is one of the Controlling Shareholders of the Company.
"Zheneng Group"	:	Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司), a company incorporated under the laws of the PRC with limited liability, which is the largest Controlling Shareholder of the Company.

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## DEFINITIONS

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### Glossary of Technical Terms

- "EMC" : energy management contracting; mainly includes services relating to equipment selection, construction planning, residual heat utilisation, and optimisation of operations and maintenance.
- "EPC" : engineering, procurement and construction.
- "municipal solid waste" : household waste, sanitary waste, commercial waste and other non-industrial waste generated from day-to-day activities in an urban centre, which primarily comprises food and other organic waste.
- "WTE" : waste-to-energy; mainly includes waste incineration and power generation in which municipal solid waste is burned at high temperature where the heat energy generated during burning is transformed to high temperature steam to initiate the rotation of turbines for power generation.

### Currencies and Others

- "RMB" and "RMB cents" : PRC Renminbi and Renminbi cents, respectively.
- "S\$", "\$" and "cents" : Singapore dollars and cents, respectively.
- "US\$" : United States dollars.
- "%" or "per cent." : Per centum or percentage.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act 1967.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively, in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Unless otherwise indicated, RMB amounts in this Appendix have been translated into Singapore dollars, based on the closing exchange rate of S\$1.00 : RMB5.1685 quoted by Bloomberg L.P. on the Latest Practicable Date.

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the SFA, the Listing Manual, or any relevant laws of the Republic of Singapore or any modification thereof and used in this Appendix shall, where applicable, have the meaning assigned to it under the SFA, the Listing Manual, or any relevant laws of the Republic of Singapore or any modification thereof, as the case may be, unless otherwise provided.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

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## DEFINITIONS

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Any reference to a time of day and date in this Appendix is a reference to Singapore time and date, respectively, unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Rajah & Tann Singapore LLP is the legal adviser to the Company as to Singapore law in relation to the proposed renewal of the IPT General Mandate.

# 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)

## Board of Directors:

Wei Dongliang (韦东良) (Executive Chairman)

Wang Ruihong (王瑞红) (Executive Director and Deputy General Manager)

Ang Swee Tian (Lead Independent Director)

Kan Yaw Kiong (Ernest) (Independent Director)

Ni Mingjiang (倪明江) (Independent Director)

## Registered Office:

Grand Pavilion, Hibiscus Way

802 West Bay Road

P.O. Box 31119

KY1-1205, Cayman Islands

7 April 2023

To: The Shareholders of Zheneng Jinjiang Environment Holding Company Limited  
浙能锦江环境控股有限公司

Dear Sir / Madam

## THE PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

### 1. INTRODUCTION

The Company will be holding its AGM at 1 Yinxiu Road, Level 19, Meeting Room 1930, Tower A, Hangyue Commercial Center, Gongshu District, Hangzhou City, Zhejiang Province, People's Republic of China 310011 (浙江省杭州市拱墅区隐秀路1号杭悦商业中心写字楼A座19楼1930会议室 (邮编: 310011)) on Monday, 24 April 2023 at 2.00 p.m. (the "**AGM**"). Notice of the AGM (the "**Notice of AGM**"), the Appendices to the Notice of AGM, the proxy forms and the Company's annual report have been published on the Company's website at <http://en.znjhj.com/info.html> and the SGXNet on 7 April 2023.

The purpose of this Appendix is to provide Shareholders with information relating to, and to seek their approval for, the proposed renewal of the general mandate for interested person transactions (the "**IPT General Mandate**") at the AGM.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The SGX-ST assumes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained, in this Appendix.

### 2. THE PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

#### 2.1 Background

On 20 July 2016, the Shareholders had originally adopted the IPT General Mandate. At the extraordinary general meeting of the Company held on 25 April 2017, the Shareholders had approved the renewal of the IPT General Mandate. At the extraordinary general meeting of the Company held on 30 April 2018, the Shareholders had approved certain modifications to, and the renewal of, the IPT General Mandate. At the extraordinary general meeting of the Company

held on 31 December 2018, the Shareholders had approved certain further modifications to the IPT General Mandate, the details and terms of which were set out in the circular from the Company to Shareholders dated 14 December 2018. At the annual general meeting of the Company held on 29 April 2019, the Shareholders had approved the renewal of the IPT General Mandate. At the extraordinary general meeting of the Company held on 25 November 2019, the Shareholders had approved certain further modifications to the IPT General Mandate, the details and terms of which were set out in the circular from the Company to Shareholders dated 1 November 2019. At the annual general meetings of the Company held on 24 June 2020, 26 April 2021 and 25 April 2022 (the "**FY2021 AGM**"), the Shareholders had approved the renewal of the IPT General Mandate, the details and terms of which were set out in the appendices to the notices of annual general meeting dated 9 June 2020, 9 April 2021 and 8 April 2022 respectively.

The IPT General Mandate enables the Company, its subsidiaries and associated companies that are considered to be "entities at risk" within the meaning of Chapter 9 of the Listing Manual (the "**EAR Group**"), to enter in the ordinary course of business into any of the mandated transactions with specified classes of Interested Persons, provided that such transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

## **2.2 Annual Renewal of the IPT General Mandate**

The IPT General Mandate approved at the FY2021 AGM will, unless renewed at the AGM, expire on the date of the AGM, being 24 April 2023. If the proposed resolution for the renewal of the IPT General Mandate is approved at the forthcoming AGM, the IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next annual general meeting of the Company is held or is required to be held, whichever is the earlier date. Accordingly, it is proposed that the IPT General Mandate be renewed at the AGM, to take effect until the conclusion of the next annual general meeting of the Company.

## **2.3 Particulars of the IPT General Mandate to be Renewed**

The nature of the interested person transactions, the classes of Interested Persons, and the review procedures for determining transaction prices in respect of which the IPT General Mandate is sought to be renewed remain unchanged. Particulars of the IPT General Mandate, including the rationale for the IPT General Mandate, the benefits to be derived by the Company, as well as the review procedures for determining transaction prices with the specified classes of Interested Persons, are set out in Section 2.6 of this Appendix.

## **2.4 Audit and Risk Management Committee's Confirmation**

Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit and Risk Management Committee confirms that:

- (a) the methods or procedures for determining the transaction prices have not changed since the IPT General Mandate was last approved by Shareholders at the FY2021 AGM; and
- (b) the methods or procedures referred to in sub-paragraph (a) above are sufficient to ensure that the mandated transactions carried out thereunder will be on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders.

## 2.5 Chapter 9 of the Listing Manual

Chapter 9 of the Listing Manual governs transactions between a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be "at risk", with the listed company's interested persons.

Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and hence are excluded from the ambit of Chapter 9, when Chapter 9 applies to a transaction with an interested person and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the listed company's latest audited consolidated net tangible assets ("**NTA**")), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for the transaction. In particular, shareholders' approval is required for an interested person transaction of a value equal to, or exceeding:

- (a) 5% of the listed company's latest audited consolidated NTA; or
- (b) 5% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the "same interested person" (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2022, the consolidated NTA of the Group was RMB2,165.8 million (equivalent to approximately S\$419.0 million). Accordingly, in relation to the Group, for the purposes of Chapter 9 of the Listing Manual, in the current financial year and until the audited consolidated financial statements of the Group for the financial year ending 31 December 2023 are published, 5% of the Group's latest audited consolidated NTA would be RMB108.3 million (equivalent to approximately S\$21.0 million).

Chapter 9 of the Listing Manual, however, allows the Company to seek a mandate from its Shareholders for recurrent interested person transactions which are of a revenue or trading nature or for those necessary for its day-to-day operations. These transactions may not include the purchase or sale of assets, undertakings or businesses which are not part of the Company's day-to-day operations.

For the purposes of Chapter 9 of the Listing Manual:

- (i) an "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles as Chapter 9;
- (ii) an "**associate**" in relation to an interested person who is a director, chief executive officer or controlling shareholder, includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its

subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;

- (iii) an "**associated company**" means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group;
- (iv) an "**entity at risk**" means:
  - (i) the listed company;
  - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
  - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company;
- (v) an "**interested person**" means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder. The SGX-ST may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into: (a) a transaction with an entity at risk; and (b) an agreement or arrangement with an interested person in connection with that transaction;
- (vi) a "**primary interested person**" means a director, chief executive officer or controlling shareholder of the listed company;
- (vii) an "**interested person transaction**" means a transaction between an entity at risk and an interested person;
- (viii) a "**transaction**" includes the provision or receipt of financial assistance; the acquisition, disposal or leasing of assets; the provision or receipt of goods or services; the issuance or subscription of securities; the granting of or being granted options; and the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly (for example, through one or more interposed entities); and
- (ix) in interpreting the term "**same interested person**" for the purpose of aggregation of the values of all transactions entered into with the same interested person during the same financial year under Rules 905, 906 and 907 of Chapter 9 of the Listing Manual, the following applies:
  - (i) transactions between (A) an entity at risk and a primary interested person; and (B) an entity at risk and an associate of that primary interested person, are deemed to be transactions between an entity at risk with the same interested person.

Transactions between (1) an entity at risk and a primary interested person; and (2) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person.

- (ii) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

If an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested person and have audit committees whose members are completely different; and

- (x) while transactions below S\$100,000 are not normally aggregated under Rules 905 and 906 of the Listing Manual, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902.

## **2.6 Renewal of the IPT General Mandate**

### **2.6.1 Introduction**

The Company anticipates that the EAR Group would, in the ordinary course of business, continue to enter into certain transactions with its interested persons (as such term is defined in the Listing Manual and/or in accordance with the directions of the SGX-ST), including but not limited to those categories of transactions described below. In view of the time-sensitive nature of commercial transactions, it would be advantageous for the Company to obtain a Shareholders' mandate to enter into certain interested person transactions in the EAR Group's normal course of business, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Chapter 9 of the Listing Manual allows a listed company to obtain a mandate from its shareholders for recurrent interested person transactions which are of a revenue or trading nature or for those necessary for its day-to-day operations. These transactions may not include the purchase or sale of assets, undertakings or businesses which are not part of its day-to-day operations.

The IPT General Mandate will take effect from the passing of the Ordinary Resolution relating thereto, and will continue in force until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting). Approval from Shareholders will be sought for the renewal of the IPT General Mandate at the next annual general meeting (or extraordinary general meeting following such annual general meeting) and each subsequent annual general meeting (or extraordinary general meeting following such annual general meeting) of the Company, subject to satisfactory review by the Audit and Risk Management Committee of its continued application to the Mandated Transactions (as defined below).

### **2.6.2 Entities at Risk**

For the purposes of the IPT General Mandate, an "Entity at Risk" means:

- (a) the Company;

- (b) a subsidiary of the Company (excluding subsidiaries listed on the SGX-ST or an approved exchange); or
- (c) an associated company of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Group, or the Group and its interested person(s), has or have control.

### **2.6.3 Classes of Mandated Interested Persons**

The IPT General Mandate will apply to the transactions that are carried out between any Entity at Risk and (a) entities in which Mr. Dou Zhenggang and his immediate family (as defined in the Listing Manual) together (directly or indirectly) have an interest of 30% or more, or (b) Zheneng Group and entities which are a subsidiary or holding company of Zheneng Group or which are a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more, provided, however, that:

- (i) any provision of materials or services by any such entity to the EAR Group is in the normal course of business of such entity; and
- (ii) any acquisition of materials or services by any such entity from the EAR Group is in connection with or ancillary to the normal course of business of such entity,

(collectively, the "**Mandated Interested Persons**" and each a "**Mandated Interested Person**", all being "interested persons" as defined in the Listing Manual).

For the avoidance of doubt, such Mandated Interested Persons would include such persons who may, during such period while the IPT General Mandate is effect, become Mandated Interested Persons where previously they were not so.

### **2.6.4 Categories of Mandated Interested Person Transactions**

The types of transactions with the Mandated Interested Persons to which the IPT General Mandate will apply (the "**Mandated Transactions**"), and the benefits to be derived therefrom, are set out below.

#### **(a) Purchase of Raw Materials and Construction-Related Materials**

This category of transactions pertains to the purchase of coal and other raw materials, as well as construction-related materials by the EAR Group from Mandated Interested Persons in the normal course of business of the EAR Group. The transactions within this category include:

- (i) the purchase of coal and other raw materials by the EAR Group from the Mandated Interested Persons;
- (ii) the purchase of construction-related materials by the EAR Group from the Mandated Interested Persons; and
- (iii) the provision or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of products and services in sub-paragraphs (i) and (ii) above, including but not limited to transportation and logistics services.

**(b) Engineering, Procurement and Construction and Ancillary Services**

This category of transactions pertains to the provision of engineering, procurement and construction-related services and ancillary services (including design and consulting services) by the Mandated Interested Persons to the EAR Group, or by the EAR Group to Mandated Interested Persons, in relation to the design, engineering and construction of waste treatment and other facilities which are of a recurring nature and are in the ordinary course of business of the EAR Group. The transactions within this category include:

- (i) the tender by the Mandated Interested Persons or the EAR Group (as the case may be) for (whether by way of public tender, invitation or otherwise) and/or obtaining by the Mandated Interested Persons or the EAR Group (as the case may be) of the award of contracts from the EAR Group or the Mandated Interested Persons (as the case may be) as main contractors, sub-contractors, suppliers, managers and/or consultants for construction, building, procurement and installation of equipment and supplies, engineering, project management, architectural, retro-fitting, testing, commissioning and/or alteration and addition works for waste treatment and other facilities ("**EPC Services**");
- (ii) the provision of integrated design and consulting services by the Mandated Interested Persons to the EAR Group, or by the EAR Group to the Mandated Interested Persons (as the case may be), including keeping track of the latest technological developments in the waste treatment industry, inspecting the qualification and experience of service providers to be engaged for design-related services, organising public tenders for the design of waste treatment facilities and liaising with and supervising service providers engaged to provide design-related services ("**Design and Consulting Services**"); and
- (iii) the provision and/or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of products and services in sub-paragraphs (i) and (ii) above by the Mandated Interested Persons to the EAR Group, or by the EAR Group to the Mandated Interested Persons (as the case may be), including but not limited to the provision and/or obtaining of relevant construction materials and equipment.

**(c) Project Technical and Management Services and EMC Services**

This category of transactions pertains to the provision of project technical and management services and EMC services by the EAR Group to the Mandated Interested Persons, which are recurrent transactions of a revenue or trading nature. The transactions within this category include:

- (i) the provision of project technical and management services;
- (ii) the provision of energy-saving and residual heat utilisation solutions;
- (iii) the provision of consultancy services in relation to operations optimisation and equipment selection, and the procurement and provision of equipment in connection therewith;

- (iv) the provision of management and operational support services;
- (v) the provision of consultancy services in relation to energy-saving technology; and
- (vi) the provision and/or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of products and services in sub-paragraphs (i) to (v) above, including but not limited to the provision of energy-saving and residual heat utilisation equipment and facilities.

**(d) *Operations and Maintenance Services***

This category of transactions pertains to the provision of operations and maintenance services by the EAR Group to Mandated Interested Persons in relation to waste treatment and other facilities (including the MBT Project, and in each case, in compliance with the provisions of the Non-Competition Agreement), which are recurrent transactions of a revenue or trading nature. The transactions within this category include:

- (i) the provision of operations and maintenance services, including but not limited to technical, operation and maintenance services relating to operational processes and engineering, equipment operation, repair and maintenance services; and
- (ii) the provision and/or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of services in sub-paragraph (i) above, including but not limited to the provision of relevant operations and maintenance materials and equipment.

**2.6.5 *Rationale for and Benefits of the IPT General Mandate***

The IPT General Mandate and its subsequent renewal on an annual basis would eliminate the need to announce, or to announce and convene separate general meetings from time to time to seek Shareholders' prior approval as and when potential Mandated Transactions with Mandated Interested Persons arise, thereby saving substantial administrative time and costs expended in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the EAR Group.

The IPT General Mandate is intended to facilitate transactions in the normal course of business of the EAR Group which are transacted from time to time with the Mandated Interested Persons, provided that they are carried out at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders. The EAR Group will benefit from having access to competitive quotes from the Mandated Interested Persons in addition to obtaining quotes from, or transacting with, non-Mandated Interested Persons.

In accordance with the requirements of Chapter 9 of the Listing Manual, the Company will (i) disclose in its annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT General Mandate during the financial year (as well as in the annual reports for subsequent financial years that the IPT

General Mandate continues to be in force); and (ii) announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT General Mandate for the financial periods that the Company is required to report on pursuant to Rule 705 of the Listing Manual (which relates to announcements of financial statements by listed companies) within the time required for the announcement of such report.

#### **2.6.6 Review Procedures for Mandated Transactions with Mandated Interested Persons**

To ensure that Mandated Transactions with Mandated Interested Persons are undertaken at: (i) arm's length and on normal commercial terms consistent with the EAR Group's usual business practices and on terms which are generally not more favourable than those extended to unrelated third parties; or (ii) in any event on terms no less favourable to the EAR Group than prevailing open market rates, and will not be prejudicial to the interests of the Company and its minority Shareholders, the EAR Group will adopt the following procedures for the review and approval of Mandated Transactions under the IPT General Mandate:

- (a) The following procedures will be adopted in relation to (i) purchases of raw materials and construction-related materials from Mandated Interested Persons, (ii) the provision of EPC Services and ancillary services (including Design and Consulting Services) by or to Mandated Interested Persons, (iii) the provision of project technical and management services and EMC services to Mandated Interested Persons and (iv) the provision of operations and maintenance services to Mandated Interested Persons:

##### **Purchase of Raw Materials and Construction-Related Materials**

In relation to the purchase of coal and other raw materials as well as construction-related materials from Mandated Interested Persons, the price and commercial terms will be determined based on the prevailing market rates, which are determined by market forces, demand and supply, specifications and other relevant factors. The EAR Group will also take into account transportation costs involved. Prices from the Company's interested persons are generally aggregate of cost, freight costs and an administrative fee of 2-3%. Where the prevailing market rates or prices are not available for comparison, the purchasing department of the EAR Group will assess the pricing quoted by the Mandated Interested Person based on its usual business practices, taking into account factors, including but not limited to the budget allocated for the transaction as well as the capacity and reliability of the Mandated Interested Person.

In determining whether the price and commercial terms offered by the Mandated Interested Persons are fair and reasonable, factors such as, but not limited to, delivery schedules, compliance with specifications, track record and reliability, experience and expertise, capacity and payment terms will be taken into consideration. In addition, the purchasing department of the EAR Group will procure at least two quotations from unrelated third party vendors in respect of similar categories of products. The price and commercial terms offered by the Mandated Interested Persons shall be no less favourable to the EAR Group than what is available in the market, having regard to all relevant factors.

Where it is impracticable or not possible for quotations to be obtained from unrelated third party vendors, the price and commercial terms offered by the

Mandated Interested Person will be compared to those for the same or substantially the same types of transactions entered into between the Mandated Interested Person and third parties. The review procedures in such cases may include, where applicable, reviewing the standard price lists provided by the Mandated Interested Person to its customers for such products and be based on the commercial merits of the transaction. Where it is impractical or not possible to compare the price and commercial terms with those for the same or substantially the same types of transactions entered into between the Mandated Interested Person and third parties, the Relevant Authorised Persons (as defined in paragraph (b) below) will determine whether the terms of supply are fair and reasonable. This would include taking into account, where known, among other matters as may be necessary, the nature and duration of the transaction, the cost and margins of the Mandated Interested Person and the quality of the products to be purchased.

### **EPC Services and Ancillary Services**

In relation to the provision of EPC Services and ancillary services (including Design and Consulting Services) by Mandated Interested Persons to the EAR Group, or by the EAR Group to Mandated Interested Persons (as the case may be), the price and commercial terms offered by or to the Mandated Interested Persons will be assessed based on the comparable third party contracts approach. At least two recent contracts, for the same or substantially the same nature of EPC Services and Design and Consulting Services (as the case may be), entered into by the EAR Group with third parties will be used as a basis of comparing the price and commercial terms offered by or to the Mandated Interested Person, after taking into account, *inter alia*, if applicable, factors including but not limited to, the complexity of the services rendered, the EAR Group's or the Mandated Interested Person's project specifications, the project schedule, the payment terms, the sufficiency and availability of resources, the creditworthiness of the Mandated Interested Person, the technical expertise required and prevailing estimated project costs. For example, in relation to EPC Services, as the main drivers affecting construction costs are floor area and installations required, the contracts of a similar nature will be analysed on a cost per square feet or cost per installation basis. After analysing the costs in specific detail, the EAR Group will then derive a meaningful contract sum to be paid to or by the Mandated Interested Person.

Where it is impracticable or not possible for such contracts to be obtained, the price and commercial terms offered by or to the Mandated Interested Person will be compared to those for the same or substantially the same types of transactions entered into between the Mandated Interested Person and third parties. The review procedures in such cases may include, where applicable, reviewing the standard price lists provided by the Mandated Interested Person to its customers, or to the Mandated Interested Person by its suppliers (as the case may be), for such services and be based on the commercial merits of the transaction.

Where it is impractical or not possible to compare the price and commercial terms with those for the same or substantially the same types of transactions entered into between the Mandated Interested Person and third parties, the Relevant Authorised Persons (as defined in paragraph (b) below) will determine whether the terms of supply are fair and reasonable. This would include taking into account, where known, among other matters as may be

necessary, the nature and duration of the transaction, the cost and margins of the relevant project (if any) and the quality of the services to be provided.

### **Provision of Project Technical and Management Services and EMC Services**

In relation to the provision of project technical and management services and EMC services by the EAR Group to Mandated Interested Persons, the price and commercial terms offered to the Mandated Interested Persons will be determined based on the comparable third party contracts approach. At least two recent contracts, for the same or substantially the same nature of project technical and management services or EMC services (as the case may be), entered into by the EAR Group with third parties will be used as a basis of comparing and determining the price and commercial terms to be offered to the Mandated Interested Person, after taking into account, *inter alia*, if applicable, factors including but not limited to, the complexity of the services rendered, the Mandated Interested Person's project specifications, the project schedule, the payment and revenue-sharing terms (where applicable), the cost of investment required, the sufficiency and availability of resources, the creditworthiness of the Mandated Interested Person, the technical expertise required and the prevailing estimated project costs determined by a project director and/or quantity surveyor(s).

Where it is impracticable or not possible for such contracts to be obtained, the price and commercial terms offered to the Mandated Interested Person will be determined in accordance with the EAR Group's usual business practice and be consistent with the margins obtained by the EAR Group in its business operations.

### **Operations and Maintenance Services**

In relation to the provision of operations and maintenance services by the EAR Group to Mandated Interested Persons, the price and commercial terms offered to the Mandated Interested Persons will be assessed based on the comparable third party contracts approach. At least two recent contracts, for the same or substantially the same nature of operations and maintenance services (as the case may be), entered into by the EAR Group with third parties will be used as a basis of comparing the price and commercial terms offered to the Mandated Interested Person, after taking into account, *inter alia*, if applicable, factors including but not limited to, the complexity of the services rendered or goods and services procured, the Mandated Interested Person's project specifications, the project schedule, the payment terms, the sufficiency and availability of resources, the creditworthiness of the Mandated Interested Person, the technical expertise required and prevailing estimated project costs. The price and commercial terms offered to the Mandated Interested Persons shall be no less favourable to the EAR Group than what is offered by the EAR Group to third parties, having regard to all relevant factors.

Where it is impracticable or not possible for such contracts to be obtained, the price and commercial terms offered to the Mandated Interested Person will be determined in accordance with the EAR Group's usual business practice and be consistent with the margins obtained by the EAR Group in its business operations.

- (b) The following review and approval procedures will apply to the Mandated Transactions:
- (i) Transactions equal to or exceeding S\$100,000 each in value but below the Financial Limit (as defined below) each in value, will be reviewed and approved by either the Chairman of the Board of Directors or an Executive Director, together with the Audit and Risk Management Committee or such other senior executive(s) of the Company designated by the Audit and Risk Management Committee from time to time for such purpose (collectively, the "**Relevant Authorised Persons**"), and tabled for review by the Audit and Risk Management Committee on a quarterly basis.
  - (ii) Transactions equal to or exceeding the Financial Limit each in value will be reviewed and approved by the Audit and Risk Management Committee.
  - (iii) Any of the Relevant Authorised Persons, and the Audit and Risk Management Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including requesting for an independent financial adviser's opinion and/or the obtaining of valuations from independent professional valuers.

For the purposes of sub-paragraphs (i) and (ii) above, the Financial Limit shall be the amount equivalent to 5.0% of the Group's audited consolidated NTA for the time being, as determined by reference to the Group's latest announced audited consolidated financial statements.

- (c) The following will apply to the review and approval process for all categories of Mandated Transactions:
- (i) If any of the Relevant Authorised Persons has an interest in the transaction or is a nominee for the time being of the Mandated Interested Person, or if any associate (as defined in the Listing Manual) of the Relevant Authorised Persons is involved in the decision making process on the part of the Mandated Interested Person, the review and approval process shall be undertaken by the remaining Relevant Authorised Persons who do not have an interest in the transaction or are a nominee for the time being of the Mandated Interested Person, and who are not subject to such conflicts of interest, save that if all of the Executive Directors have an interest in the transaction, are nominees for the time being of the Mandated Interested Person or are subject to such conflicts of interest, the review and approval process shall be undertaken by the Audit and Risk Management Committee or such other senior executive(s) of the Company designated by the Audit and Risk Management Committee from time to time for such purpose.
  - (ii) If all of the Relevant Authorised Persons have an interest in the transaction, are nominees for the time being of the Mandated Interested Person or have associates (as defined in the Listing Manual) involved in the decision making process on the part of the Mandated Interested Person, the review and approval process shall be undertaken by the Chairman of the Audit and Risk Management

Committee or another member of the Audit and Risk Management Committee (who is not a nominee of the Mandated Interested Person, has no interest in the transaction and is not subject to such conflicts of interest) designated by the Chairman of the Audit and Risk Management Committee from time to time for such purpose.

- (iii) If a member of the Audit and Risk Management Committee has an interest in a transaction or is a nominee for the time being of the Mandated Interested Person, or if any associate (as defined in the Listing Manual) of a member of the Audit and Risk Management Committee is involved in the decision making process on the part of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit and Risk Management Committee in relation to that transaction.
- (iv) If a member of the Audit and Risk Management Committee (who is not a nominee of the Mandated Interested Person, has no interest in the transaction and is not subject to such conflicts of interest) also serves as an independent non-executive director on the board of directors or (as the case may be) an audit or other board committee of the Mandated Interested Person, and he participates in the review and approval process of the Audit and Risk Management Committee in relation to a transaction with that Mandated Interested Person, he will abstain from participating on any decision before the board or committee of that Mandated Interested Person with respect to such transaction.
- (d) The Company will maintain a register of Mandated Transactions carried out with Mandated Interested Persons (recording the basis, including the quotations obtained to support such basis, on which they are entered into), and the Company's annual internal audit plan will incorporate a review of all Mandated Transactions entered into in the relevant financial year pursuant to the IPT General Mandate.

The Audit and Risk Management Committee will review the internal audit reports on Mandated Transactions to ascertain that the internal control procedures and review procedures for Mandated Transactions have been complied with.

- (e) If during any of the reviews by the Audit and Risk Management Committee, the Audit and Risk Management Committee is of the view that the internal control procedures and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Group or the Mandated Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new internal control procedures and review procedures so that Mandated Transactions will be carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

### 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

#### 3.1 Directors' Interests

The interests of the Directors in the Shares, as recorded in the Register of Directors' Shareholdings of the Company, as at the Latest Practicable Date are set out below:

Directors	Direct Interest		Deemed Interest <sup>(2)</sup>		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Wei Dongliang	–	–	–	–	–	–
Wang Ruihong	2,100,000	0.14	–	–	2,100,000	0.14
Ang Swee Tian	171,000	0.012	–	–	171,000	0.012
Kan Yaw Kiong (Ernest)	–	–	–	–	–	–
Ni Mingjiang	–	–	–	–	–	–

**Notes:**

(1) Based on 1,454,024,700 Shares in issue as at the Latest Practicable Date.

(2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

#### 3.2 Substantial Shareholders' Interests

The interests of the Substantial Shareholders in the Shares, as recorded from the Register of Substantial Shareholders of the Company, as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest <sup>(2)</sup>		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司) <sup>(3)</sup>	–	–	430,000,000	29.57	430,000,000	29.57
Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) <sup>(4)</sup>	–	–	430,000,000	29.57	430,000,000	29.57
Zhejiang Energy International Limited (浙江能源国际有限公司) <sup>(4)</sup>	–	–	430,000,000	29.57	430,000,000	29.57
Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) <sup>(4)</sup>	–	–	430,000,000	29.57	430,000,000	29.57
Win Charm <sup>(5)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Hangzhou Zhengcai <sup>(6)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Jinjiang Group <sup>(7)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Dou Zhenggang <sup>(8)</sup>	–	–	372,560,575	25.62	372,560,575	25.62

Substantial Shareholders	Direct Interest		Deemed Interest <sup>(2)</sup>		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Wei Xuefeng <sup>(9)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Zhejiang Hengjia <sup>(10)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Dou Baibing <sup>(11)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Hangzhou Yande <sup>(12)</sup>	–	–	372,560,575	25.62	372,560,575	25.62
Harvest Global Dynamic Fund SPC acting on behalf of and for the account of Harvest Environmental Investment Fund SP <sup>(13)</sup>	214,000,000	14.72	–	–	214,000,000	14.72
Kung Chak Ming <sup>(13)</sup>	2,487,300	0.17	214,000,000	14.72	216,487,300	14.89
Jee Up Enterprises Limited <sup>(13)</sup>	–	–	214,000,000	14.72	214,000,000	14.72
Huang Bohao <sup>(13)</sup>	–	–	214,000,000	14.72	214,000,000	14.72
Whitel Management Company Limited <sup>(14)</sup>	180,620,574	12.42	–	–	180,620,574	12.42
Whitel International Management Holding Limited <sup>(14)</sup>	–	–	180,620,574	12.42	180,620,574	12.42
HOPU USD Master Fund III, L.P. <sup>(14)</sup>	–	–	180,620,574	12.42	180,620,574	12.42
HOPU Investments Co. III Ltd <sup>(14)</sup>	–	–	180,620,574	12.42	180,620,574	12.42
Fang Fenglei <sup>(14)</sup>	–	–	180,620,574	12.42	180,620,574	12.42
Lau Teck Sien <sup>(14)</sup>	–	–	180,620,574	12.42	180,620,574	12.42
AEP Investments (Mauritius) Limited <sup>(15)</sup>	81,478,351	5.60	–	–	81,478,351	5.60
Beijing Yuhua Enterprise Management Centre (L.P.) <sup>(16)</sup>	–	–	81,478,351	5.60	81,478,351	5.60

**Notes:**

- (1) Based on 1,454,024,700 Shares in issue as at the Latest Practicable Date.
- (2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (3) Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司) is deemed to have an interest in 430,000,000 Shares held by Raffles Nominees (Pte.) Limited.
- (4) Zhejiang Energy International Limited (浙江能源国际有限公司) owns the entire issued and paid-up share capital of Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司). Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) and Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) own 60% and 40% of the equity interests in Zhejiang Energy International Limited (浙江能源国际有限公司), respectively. Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) is 100% controlled by Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司). Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有

限公司) is 100% controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Zhejiang Province (浙江省人民政府国有资产监督管理委员会). Accordingly, each of Zhejiang Energy International Limited (浙江能源国际有限公司), Zheneng Capital Holdings Co., Ltd. (浙能资本控股有限公司) and Zhejiang Provincial Energy Group Co., Ltd. (浙江省能源集团有限公司) are deemed to have an interest in the Shares in which Zhejiang Energy Hong Kong Holding Limited (浙江能源香港控股有限公司) has an interest by virtue of Section 4 of the SFA.

- (5) Win Charm is deemed to have an interest in 328,365,000 Shares held by UOB Kay Hian Private Limited. Win Charm holds approximately 50.0% of the voting shares in the issued and paid-up share capital of Jinjiang Green Energy, which in turn is deemed to have an interest in 44,195,575 Shares held by UOB Kay Hian Private Limited. Accordingly, Win Charm is also deemed to have an interest in the Shares in which Jinjiang Green Energy has an interest by virtue of Section 4 of the SFA.
- (6) Hangzhou Zhengcai holds 45.0% of the issued and paid-up share capital of Win Charm. Win Charm is deemed to have an interest in the Shares held by Jinjiang Green Energy by virtue of Section 4 of the SFA – please refer to Note (5) above. Accordingly, Hangzhou Zhengcai is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (7) Jinjiang Group directly and indirectly (through its wholly-owned subsidiary Hangzhou Zhengcai) holds the entire issued and paid-up share capital of Win Charm. Win Charm is deemed to have an interest in the Shares held by Jinjiang Green Energy by virtue of Section 4 of the SFA – please refer to Note (5) above. Accordingly, Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (8) Dou Zhenggang holds approximately 46.63% of the registered capital of Jinjiang Group. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Dou Zhenggang is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (9) Wei Xuefeng, who is Dou Zhenggang's spouse, holds the entire registered capital of Zhejiang Hengjia. Zhejiang Hengjia holds approximately 27.04% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Wei Xuefeng is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (10) Zhejiang Hengjia holds approximately 27.04% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Zhejiang Hengjia is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (11) Dou Baibing, who is Dou Zhenggang's daughter, holds 90% of the registered capital of Hangzhou Yande. Hangzhou Yande holds approximately 26.33% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Dou Baibing is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.
- (12) Hangzhou Yande holds approximately 26.33% of Jinjiang Group's registered capital. Jinjiang Group is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA – please refer to Note (7) above. Accordingly, Hangzhou Yande is deemed to have an interest in the Shares in which Jinjiang Green Energy and Win Charm have an interest by virtue of Section 4 of the SFA.

- (13) While Harvest Global Capital Investments (Cayman) Limited is the manager of the relevant fund, the investment committee of the fund comprises a representative from the fund manager, and a representative from each of its two investors, being Kung Chak Ming and Jee Up Enterprises Limited. Accordingly, each of Kung Chak Ming and Jee Up Enterprises Limited has control over the business and affairs of Harvest Global Dynamic Fund SPC acting on behalf of and for the account of Harvest Environmental Investment Fund SP (the "**SPC**"), including making investment and divestment decisions and voting the securities and interests held by the SPC, including those in the Company. Pursuant to Section 4 of the SFA, each of Kung Chak Ming and Jee Up Enterprises Limited is deemed to have an interest in the Shares held by the SPC. Huang Bohao is the sole shareholder of Jee Up Enterprises Limited. Accordingly, each of Kung Chak Ming, Jee Up Enterprises Limited and Huang Bohao is deemed to have an interest in the Shares held by the SPC by virtue of Section 4 of the SFA.
- (14) Whitel Management Company Limited is 100% owned by Whitel International Management Holding Limited. Whitel International Management Holding Limited is in turn 100% owned by HOPU USD Master Fund III, L.P. HOPU Investments Co. III Ltd is the general partner of HOPU USD Master Fund III, L.P., and each of Fang Fenglei and Lau Teck Sien is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares of HOPU Investments Co. III Ltd. Accordingly, each of Whitel International Management, HOPU USD Master Fund III, L.P., HOPU Investments Co. III Ltd, Fang Fenglei and Lau Teck Sien may be deemed to have an interest in the Shares held by Whitel Management Company Limited by virtue of Section 4 of the SFA.
- (15) The shares in AEP Investments (Mauritius) Limited corresponding to its investment in the Company are held by Asia Environmental Partners, L.P. and its parallel fund, Asia Environmental Partners (PF1), L.P. (collectively, "**AEP**"). AEP's general partner is Olympus Green Capital Partners, L.P., holding a 0.99% interest in AEP. AEP's limited partners are passive investors consisting of pension funds, government entities, financial institutions, endowments and family offices from North America, Asia, Europe and the Middle East (none of whom owns more than 1% of the Company on a fully diluted, look-through basis).
- (16) Beijing Yuhua Enterprise Management Centre (L.P.) entered into a transfer agreement ("**Transfer Agreement**") with AEP Investments (Mauritius) Limited on 27 February 2023 to acquire 81,478,351 Shares held by AEP Investments (Mauritius) Limited. Completion pursuant to the Transfer Agreement has not taken place. Pursuant to Section 4(7) of the SFA, Beijing Yuhua Enterprise Management Centre (L.P.) is deemed to have an interest in the 81,478,351 Shares held by AEP Investments (Mauritius) Limited.

**3.3** Save as disclosed in this Appendix, none of the Directors, Substantial Shareholders and their associates have any interests in the proposed renewal of the IPT General Mandate.

## **4. DIRECTORS' RECOMMENDATIONS**

### **4.1 Proposed renewal of the IPT General Mandate**

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, and a Mandated Interested Person for the purposes of the IPT General Mandate) to be appointed on the Board of Directors and is therefore not considered independent for the purposes of making recommendations on the proposed renewal of the IPT General Mandate.

Having considered, *inter alia*, the rationale for the proposed renewal of the IPT General Mandate, the Directors (save for Wei Dongliang who has abstained from making a recommendation in respect of the proposed renewal of the IPT General Mandate) are of the opinion that the entry by the EAR Group into the Mandated Transactions with the Mandated

Interested Persons will enhance the efficiency of the EAR Group, and is in the interests of the Company. Accordingly, the Directors (save for Wei Dongliang who has abstained from making a recommendation in respect of the proposed renewal of the IPT General Mandate) recommend that Shareholders vote in favour of the Ordinary Resolution relating to the proposed renewal of the IPT General Mandate to be proposed at the AGM.

## **5. ANNUAL GENERAL MEETING**

The AGM will be held at 1 Yinxiu Road, Level 19, Meeting Room 1930, Tower A, Hangyue Commercial Center, Gongshu District, Hangzhou City, Zhejiang Province, People's Republic of China 310011 (浙江省杭州市拱墅区隐秀路1号杭悦商业中心写字楼A座19楼1930会议室 (邮编: 310011)), on Monday, 24 April 2023 at 2:00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of AGM. Notwithstanding the place in which the AGM is to be physically held, other than in respect of the Chairman and such Directors and/or representatives of the Company present at such location, the AGM is being convened, and will be held, by way of electronic means pursuant to the Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation and checklist jointly issued by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and Singapore Exchange Regulation on 13 April 2020 and updated on 27 April 2020, 22 June 2020, 1 October 2020 and 4 February 2022, which is based on the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended) read together with the Regulator's Column: Live Engagement and Voting Expected at all AGMs for FYs Ending 30 June 2022 or After issued by Singapore Exchange Regulation on 23 May 2022.

Printed copies of the Notice of AGM, Appendices 1 and 2 to the Notice of AGM, the proxy forms and the Company's annual report will not be sent to Shareholders. Instead, the Notice of AGM, Appendices 1 and 2 to the Notice of AGM, the proxy forms and the Company's annual report will be sent to Shareholders by electronic means via publication on the Company's website at <http://en.znjihj.com/info.html> and the SGXNet on 7 April 2023. A Shareholder will need an Internet browser and PDF read to view these documents on the Company's website and on the SGXNet.

## **6. ABSTENTION FROM VOTING**

Each of:

- (i) Zheneng Group; and
- (ii) Dou Zhenggang, Wei Xuefeng and Dou Baibing, who collectively hold in aggregate approximately 25.62% of the Shares as at the Latest Practicable Date through Jinjiang Green Energy and Win Charm,

will abstain, and have undertaken to ensure that their respective associates will abstain, from voting at the AGM in respect of the Ordinary Resolution approving the proposed renewal of the IPT General Mandate.

The Chairman of the AGM will accept appointment as proxy for any Shareholder to vote in respect of the Ordinary Resolution relating to the proposed renewal of the IPT General Mandate where such Shareholder has given specific voting instructions in a validly completed and submitted Proxy Form as to voting, or abstention from voting, in respect of the said resolution.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS

### 7.1 No Attendance in Person at AGM

Shareholders will not be able to attend the AGM in person.

### 7.2 Alternative Arrangements

The proceedings of the AGM will be broadcasted "live" through an audio-and-video webcast and an audio-only feed. Shareholders who wish to follow the proceedings through a "live" webcast via their mobile phones, tablets or computers or listen to the proceedings through a "live" audio feed via telephone must pre-register at <https://go.lumiengage.com/zjehclagm2023> no later than 2.00 p.m. on Friday, 21 April 2023 ("**Registration Cut-Off Time**"). Following verification, an email containing instructions on how to access the "live" webcast and audio feed of the proceedings of the AGM will be sent to authenticated Shareholders by Saturday, 22 April 2023. Shareholders who do not receive any email by 5.00 p.m. on Sunday, 23 April 2023, but have registered by the Registration Cut-Off Time, should contact the Company at [agm.teame@boardroomlimited.com](mailto:agm.teame@boardroomlimited.com).

Alternative arrangements have also been put in place to allow Shareholders to participate in the AGM by (a) submitting questions in advance of and/or "live" at the AGM; and (b) voting at the AGM "live" by the Shareholders themselves or their duly appointed proxy/proxies (other than the Chairman of the AGM) via electronic means or appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM.

### 7.3 Submission of questions in advance of, or "live" at, the AGM

Shareholders will be able to ask questions "live" during the broadcast of the AGM by typing and submitting their questions via the online platform hosting the "live" audio-visual webcast and "live" audio-only stream. Shareholders who wish to ask questions "live" at the AGM must first pre-register at the pre-registration website at <https://go.lumiengage.com/zjehclagm2023> in accordance with Section 7.2 of this Appendix.

All Shareholders may also submit questions relating to the business of the AGM in advance of the AGM no later than 2.00 p.m. on Saturday, 15 April 2023 (the "**AGM Questions Deadline**"):

- (a) via the pre-registration website at <https://go.lumiengage.com/zjehclagm2023>;
- (b) by email to [agm.teame@boardroomlimited.com](mailto:agm.teame@boardroomlimited.com); or
- (c) by post to the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632.

The Company will address all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations received prior to the AGM Questions Deadline by publishing its responses to such questions, if any, on the Company's corporate website at the following URL: <http://en.znijhj.com/info.html> and on SGXNET at the following URL: <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the lodgement of the proxy forms ("**Responses to Q&A**"). The Company will address all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations received after the AGM Questions Deadline during the AGM.

#### 7.4 Voting "Live" or by Appointment of Proxy

A Shareholder (whether individual or corporate) who wishes to exercise his/her/its voting rights at the AGM may (a) vote "live" via electronic means at the AGM or appoint a proxy(ies) (other than the Chairman of the AGM) to vote "live" via electronic means at the AGM on his/her/its behalf; or (b) appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM.

Shareholders who wish to vote "live" at the AGM must first pre-register at the pre-registration website at <https://go.lumiengage.com/zjehclagm2023> in accordance with Section 7.2 of this Appendix.

Shareholders who wish to appoint a proxy must submit his/her/its proxy form appointing his/her/its proxy to participate and vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM.

The proxy form must be submitted to the Company in the following manner:

- (a) via the pre-registration website at the URL: <https://go.lumiengage.com/zjehclagm2023>;
- (b) if submitted by post, be lodged at the office of the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632; or
- (c) by sending a scanned PDF copy by email to the Company's Share Transfer Agent at [agm.teame@boardroomlimited.com](mailto:agm.teame@boardroomlimited.com).

in either case, no later than 2.00 p.m. on Friday, 21 April 2023, not less than 72 hours before the time appointed for the AGM.

A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

#### 7.5 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder of the Company entitled to participate and vote at the AGM unless his name appears on the Depository Register at least 72 hours before the time fixed for the AGM.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the IPT General Mandate, and the Company and its subsidiaries which are relevant to the proposed renewal of the IPT General Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

## 9. INSPECTION OF DOCUMENTS

The following documents are available for inspection at 2 Venture Drive, Vision Exchange #15- 16, Singapore 608526 during normal business hours from the date of this Appendix up to and including the date of the AGM:

- (a) the annual report of the Company for the financial year ended 31 December 2022; and
- (b) the Articles of Association.

Yours faithfully

For and on behalf of the Board of Directors of  
**ZHENENG JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED**  
浙能锦江环境控股有限公司

Wei Dongliang  
Executive Chairman