



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**") wishes to announce that its wholly-owned subsidiary Wenling Green New Energy Co., Ltd. (温岭绿能新能源有限公司) ("**Wenling Green Energy**") has incorporated a wholly-owned subsidiary, Wenling Jinhuan Environmental Protection Technology Co., Ltd. (温岭锦环环保科技有限公司) ("**Wenling Jinhuan**"), in the People's Republic of China ("**PRC**") as a project company for the operation of a waste treatment facility in Wenling, Zhejiang Province, PRC.

Renminbi ("**RMB**") amounts in this Announcement have been translated into Singapore dollars based on the closing exchange rate of S\$1.00 : RMB5.0282 on the market day preceding the date of this Announcement.

The Group had, through direct negotiation with the relevant local government, secured a concession to operate a facility located in Wenling, Zhejiang Province specialising in the treatment of organic waste, including food and kitchen waste and sewage, under the build-operate-transfer model for a concession period of 28 years from the completion of construction (the "**Wenling Organic Waste Project**"). The Wenling Organic Waste Project has a total designed waste treatment capacity of 300 tons per day for food and kitchen waste and 100 tons per day for sewage, and will be constructed in phases, with an initial waste treatment capacity of 170 tons per day for food and kitchen waste and 50 tons per day for sewage upon completion of the first phase. The Wenling Organic Waste Project has an estimated total investment cost of approximately RMB30.89 million (equivalent to approximately S\$6.14 million).

Wenling Jinhuan has a registered capital of RMB30.89 million (equivalent to approximately S\$6.14 million). The equity interest in Wenling Jinhuan is held as to 100% by Wenling Green Energy. The principal business activity of Wenling Jinhuan will be the construction and operation of the Wenling Organic Waste Project.

The incorporation of Wenling Jinhuan was funded through internal resources and the Wenling Organic Waste 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 2018.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the incorporation of Wenling Jinhuan, other than through their respective shareholding interests in the Company.

BY ORDER OF THE BOARD

Zhang Chao
Executive Director and Chief Executive Officer

22 October 2018

For further information, please contact:

Wang Ruihong
Executive Director and
Deputy General Manager
Tel: (86) 153 5618 3219
Email: wrh@hzjj.cn

Choo Beng Lor
Company Secretary and
Financial Controller
Tel: (65) 9745 3502
Email: zhuminglu@hzjj.cn