



**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)

**CLOSURE OF THE OLD KUNMING WUHUA WTE FACILITY FOLLOWING ITS RECONSTRUCTION**

The Board of Directors (the “**Board**”) of Zheneng Jinjiang Environment Holding Company Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to (i) the Company’s announcement of the unaudited financial results of the Group for the full year ended 31 December 2019 dated 30 April 2020 (the “**Announcement**”) and (ii) the Company’s annual report for the financial year ended 31 December 2019 (“**Annual Report**”) which was released on the Company’s website and SGXNet on 9 June 2020.

As disclosed in prior announcements of the results of the Company, due to changes in the land use planning and environmental policies of the relevant local government, the Group was required to cease operations of the waste-to-energy (“**WTE**”) facility (the “**Old Kunming Wuhua WTE Facility**”) owned by the subsidiary of the Company, Kunming Xinxingze Environment Resources Industry Co., Ltd. (昆明鑫兴泽环境资源产业有限公司) (“**Kunming Jinjiang**”) and construct a new WTE facility in Kunming City to be owned by Kunming Jinjiang (the “**New Kunming Wuhua WTE Facility**”).

As disclosed in the Announcement and the Annual Report, the timeline for any closure or cessation of the operations of the Old Kunming Wuhua WTE Facility would be determined based on the overall progress of completion of the New Kunming Wuhua WTE Facility. As disclosed in the Annual Report, the New Kunming Wuhua WTE Facility, comprising three boilers and two generators, was fully put into operation in May 2020. Subsequent to the Announcement and the release of the Annual Report, the Group received a notice from the Kunming Municipal Management Bureau (昆明市城市管理局) dated 18 June 2020, which directed Kunming Jinjiang to carry out the necessary steps to cease operations at the Old Kunming Wuhua WTE Facility by 30 June 2020 and ensure that the New Kunming Wuhua WTE Facility is able to receive and treat waste from the relevant districts.

Accordingly, the Board wishes to announce that the Old Kunming Wuhua WTE Facility had ceased operations on 30 June 2020 pursuant to the aforesaid government notice. The waste previously treated by the Old Kunming Wuhua WTE Facility, which commenced operations in 2008, is now being treated by the New Kunming Wuhua WTE Facility. The New Kunming Wuhua WTE Facility has a daily waste treatment capacity of 2,250 tons which far exceeds the daily waste treatment capacity of the Old Kunming Wuhua WTE Facility of 1,200 tons.

Following the closure of the Old Kunming Wuhua WTE Facility, the Company has initiated discussions with the local authorities regarding compensation for the closure of the facility and a third party asset valuation (if appropriate), and will assess if any impairment of assets are required in due course.

The Company will provide updates to its shareholders if there are any material developments on the above.

**BY ORDER OF THE BOARD**

Wei Dongliang  
Executive Chairman

14 July 2020

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