



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. INTRODUCTION

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 6 May 2023 (the "**Announcement**") in relation to the loan facility of RMB540,000,000 with an annual rate of interest of 3.65% (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 8 April 2024, the Group had repaid the final outstanding amount under the Previous Facility in advance of the maturity date. 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 facility agreements dated 29 March 2024, 7 April 2024 and 9 April 2024 (the "**New Facility Agreements**"), under which Zheneng Finance provided the Group with new loan facilities amounting to RMB540,000,000 in aggregate (collectively, the "**New Facility**"). On 9 April 2024, the Group fully completed the drawdown of the New Facility, concurrently with its full repayment of all outstanding amounts under the Previous Facility.

2. SALIENT TERMS OF THE NEW FACILITY

2.1 Amount

The New Facility amounting to RMB540,000,000 was drawn down from the credit line with an availability limit of RMB900 million which was obtained by the Group from Zheneng Finance in 2023 (the "**Credit Line**").

2.2 Term

All outstanding amounts under the New Facility are to be repaid in full approximately 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 3.30%, which is lower than the annual rate of interest under the Previous Facility of 3.65%.

2.4 Security

The New Facility is secured by a share charge over approximately 28.61% of the equity interest in Lin'an Jiasheng representing registered capital of RMB540,000,000 in favour of Zheneng Finance, which is same as the Previous Facility

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) RMB200,000,000 in principal and in addition thereto, all accrued interest in respect thereof, on or before 28 March 2025;
- (b) RMB140,000,000 in principal and in addition thereto, all accrued interest in respect thereof, on or before 3 April 2025; and
- (c) RMB200,000,000 in principal and in addition thereto, all accrued interest in respect thereof, on or before 8 April 2025.

2.7 Events of Default and Mandatory Prepayment

The New Facility Agreements contain 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 RMB17.82 million and, expressed as a percentage of the Group's latest audited consolidated net tangible assets as at 31 December 2022 of RMB2,165.8 million, is approximately 0.82%.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr. Wei Dongliang and Mr. Jin Ruizhi were 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

9 April 2024

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