



26 April 2021

# FY2020 Annual General Meeting Corporate Presentation



**浙能锦江环境**

ZHENENG JINJIANG ENVIRONMENT

# Important Notice



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# Company Overview



# About Zheneng Jinjiang Environment



- First mover and leader in PRC's Waste-To-Energy (WTE) industry, as well as one of the first WTE operators in the PRC
- Established PRC's first WTE plant using Circulating Fluidised Bed (CFB) incineration technology in 1998 and built a track record spanning over 20 years
- Listed on the mainboard of the Singapore Exchange on 3 August 2016

## WTE BUSINESS

- Treatment of municipal solid waste and generation of steam and electricity

### 3 main revenue streams:

- 1) **Waste treatment fees** (contracted with local government)
  - 2) **Sales of electricity** (tariffs decided by central and local governments)
  - 3) **Sales of steam** (fee decided by local government or company)
- Projects are ~65% Build-Own-Operate (BOO) model; ~35% Build-Operate-Transfer (BOT) model

## EMC BUSINESS

- **Revenue from Provision of Energy Management Contracting (EMC) services** to Metallurgical, chemical and power generation companies since 2014

### *Scope of services include:*

- Energy saving and residual heat utilisation
- Operational optimisation and equipment selection advisory
- Management and operational support
- Technical advisory on energy saving

# Extensive Network in China and Overseas

## CHINA

**22** WTE facilities\* &  
**1** Organic Waste Treatment project &  
**6** Resource Recycling projects  
in Operation

*In 13 provinces autonomous regions and centrally-administered municipalities in the PRC*

Treatment  
Capacity:  
**38,060 tons/day**

**7** WTE facilities &  
**3** Resource Recycling projects  
Under Construction & Expansion

Treatment  
Capacity:  
**6,250 tons/day**

**15** WTE facilities & Kitchen Waste  
treatment projects  
**1** Resource Recycling project  
in Preparation

Treatment  
Capacity:  
**13,800 tons/day**

*\*As at 31 December 2020, 15 of the 23 facilities operated in a BOO business model*

## OVERSEAS

*Presence in India, Brazil & Indonesia*

Treatment  
Capacity:  
**5,096 tons/day**

**1** facility under Construction

**4** facilities in Preparation

*When fully completed,  
total capacity to reach **63,206 tons/day***

*As at 31 December 2020*

# China – Our Extensive Footprint

## Installed Capacity (tons/day)

● In Operation ● Under Preparation ● Under Construction or Expansion ● Waste recycling projects

### Hebei

Tangshan Jiasheng	BOO, 1000
Shijiazhuang Jiasheng	BOO, 2,400
Leting Jinhuan	BOO, 500
Tangshan Guye	BOO, 1,600
Shijiazhuang Jiasheng Wuji Resource Recycling	BOO, 1,000
Shijiazhuang Gaocheng Resource Recycling	BOO, 2,000
Tangshan Qianxi Resource Recycling	300
Luannan Resource Recycling	BOT, 600
Gaobeidian Resource Recycling	BOO,600

### Shaanxi

Yulin Green Energy	TBC, 1,300
Yan'an	BOT, 1,300

### Ningxia

Yinchuan Zhongke	BOT, 2,000
Zhongwei Green New Energy (Phase 2)	BOT, 500
Zhongwei Green New Energy (Phase 1)	BOT, 500
Zhongwei Kitchen Waste	100

### Shanxi

Shanxi Taigu	BOT, 400
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### Henan

Zhengzhou Xingjin	BOO, 2,840
Linzhou Jiasheng (Phase 1)	BOT, 500
Linzhou Jiasheng (Phase 2)	BOT, 500

### Hubei

Wuhan Jinjiang	BOO, 2,600
Hankou Jinjiang	BOO, 2,600
Wuhan Resource Recycling	BOO, 3,000
Wuhan Jinjiang Reconstruction	
Wuchang Kitchen Waste Treatment	500

### Yunnan

Yunnan Wuhua	BOO, 2,250
Yunnan Green Energy	BOT, 1,000
Yunnan Jinde	BOO, 1,000
Jinghong Jiasheng	BOT, 1,200
Yunnan Green Energy Expansion	BOT, 750

### Inner Mongolia

Hohhot New Energy	BOO, 1,000
Bayannao'er Jingpengyun	BOT, 700
Hohhot Jiasheng New Energy Expansion	BOO, 750

### Heilongjiang

Suihua Green Energy	BOO, 800
Qitaihe Green Energy	BOO, 1,000
Suihua Green Energy Lanxi	BOT, 240

### Jilin

Jilin Xinxiang	BOO, 2,700
Songyuan Xinxiang	BOT, 1,050
Baishan Green New Energy	BOO, 600
Hunchun Green New Energy	BOO, 800
Songyuan Kitchen Waste Treatment	150
Songyuan Xinxiang New Energy Resource Recycling	BOO, 300

### Tianjin

Tianjin Sunrise	BO, 1,100
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### Shandong

Zibo Green Energy	BOO, 1,600
Gaomi Lilangmingde	BOT, 800
Zibo Green New Energy	BOO, 4,000
Zibo Gaoqing Resource Recycling	500
Zichuan Resource Recycling	400

### Jiangsu

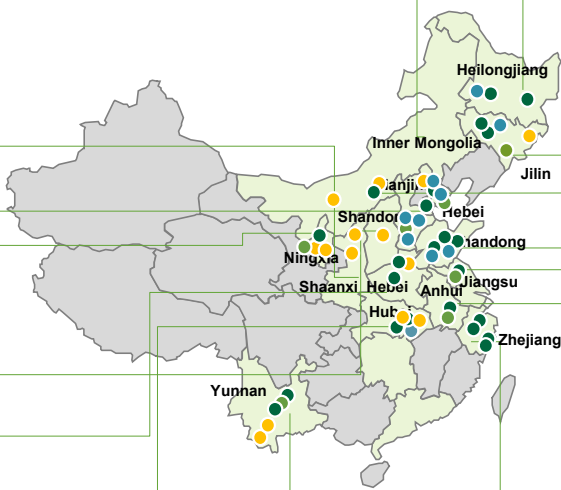
Lianyungang Sunrise	BOO, 1,450
Lianyungang Upgrading	1,500

### Anhui

Wuhu Jinjiang	BOO, 3,000
Wuhu Jinjiang Reconstruction	

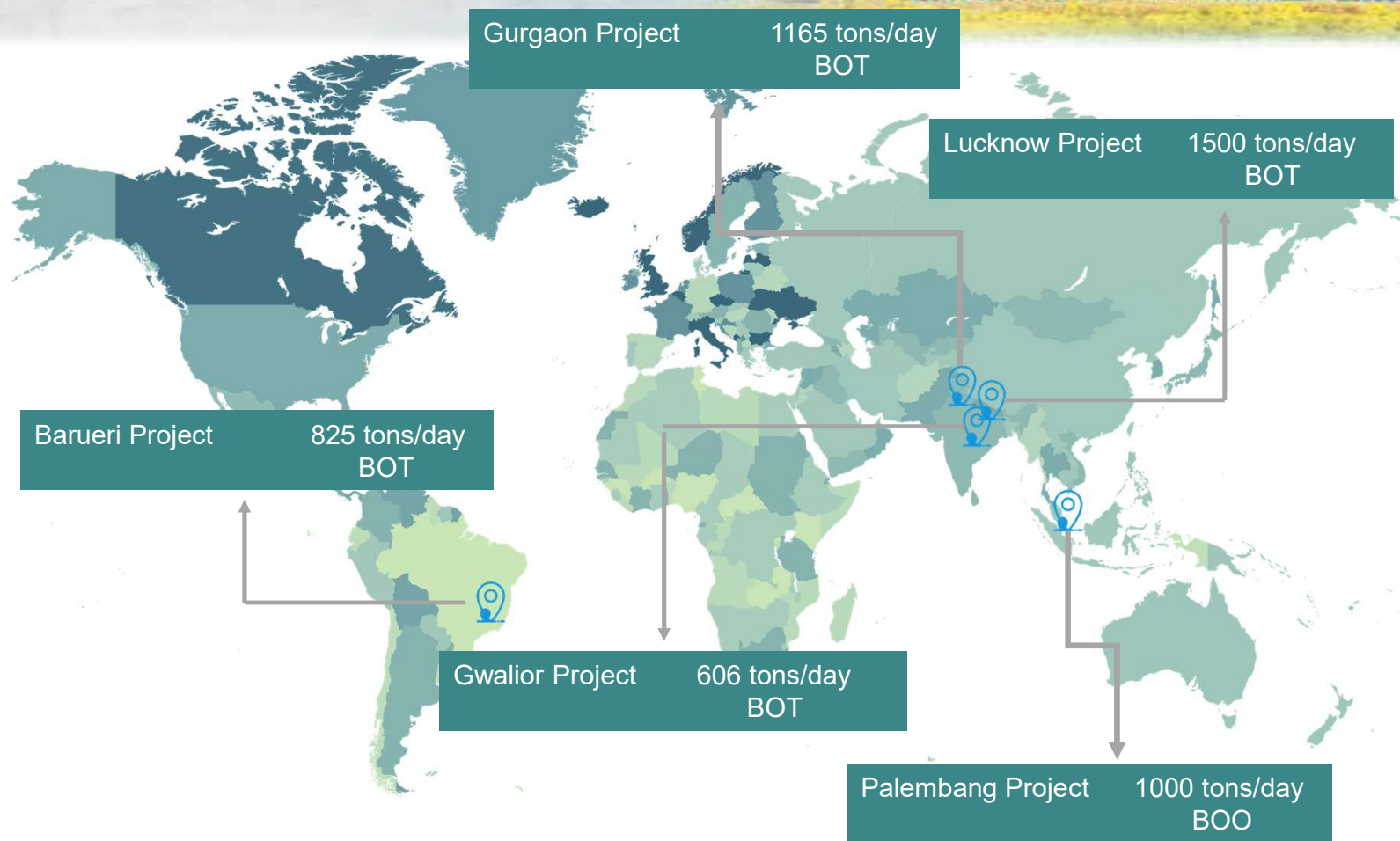
### Zhejiang

Xiaoshan Jinjiang	BOO, 1,900
Zhejiang Zhuji	BOO, 1,050
Wenling Green Energy	BOT, 1,600
Wenling Organic Waste Project	BOT, 220



As at 31 December 2020

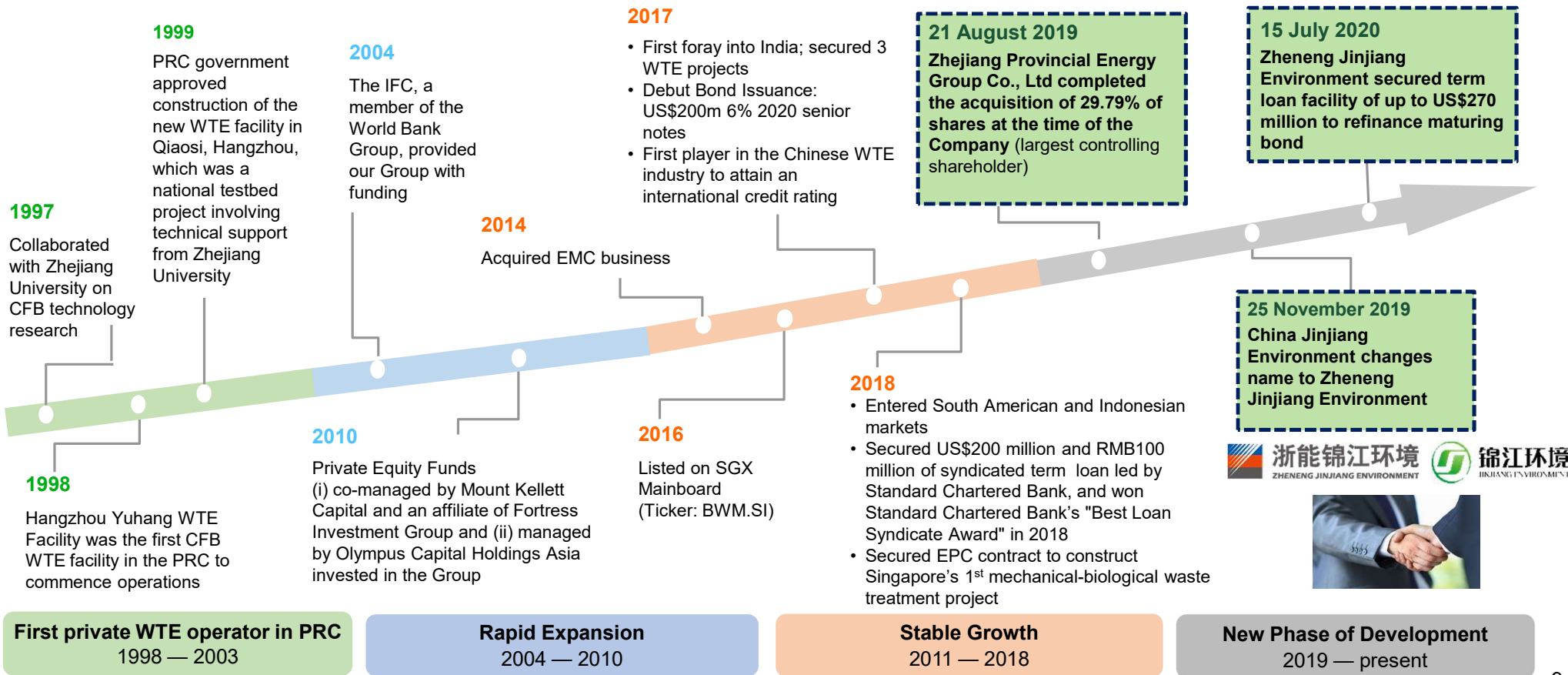
# Our Overseas WTE Network





# Important Milestones

Established In 1998, with leading WTE treatment capacity in the PRC



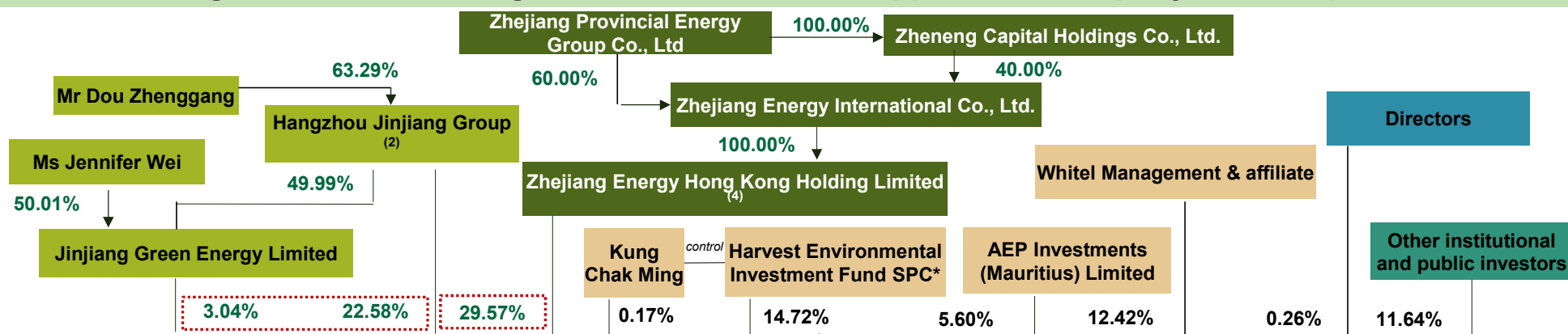
# About Zhejiang Provincial Energy Group Co., Ltd (Zheneng Group)



- State-owned provincial energy enterprise involved mainly in energy-related businesses
- Strong capabilities across the entire energy production value chain, with resources and strong financial expertise
- Manages more than 300 companies collectively
- In 2020, Zheneng Group supplied :
  - ~50% of the electricity power consumption in the Zhejiang Province
  - Nearly 40% of the total coal consumption in the Zhejiang Province
  - More than 75% of the total natural gas consumption in the Zhejiang Province
- In 2020, Zheneng Group achieved the following:
  - Electricity generation capacity: 136.8 billion KWh
  - Coal supply: 64.06 million tons
  - Natural gas supply: 10.50 billion m<sup>3</sup> (including alternative transmission)
  - Crude oil trading volume: 7.16 million tons

# Strong Shareholding Structure

## Strong Shareholder Background Provides Firm Support For Company's Development (1)



\*acting on behalf of and for the account of Harvest Environmental Investment



(Incorporated in the Cayman Islands)

(1) Based on 1,454,024,700 shares as at 31 December 2020

(2) Through wholly-owned subsidiary

(3) Based on SGX's announcement on 3 August 2016

(4) A wholly-owned subsidiary of Zhejiang Energy International Limited

Jinjiang Green Energy Limited	Zhejiang Energy Hong Kong Holding Limited	Harvest Environmental Investment Fund SP	AEP Investments (Mauritius) Limited	Whitel Management Company Limited	Other Institutional Investors (3)
<ul style="list-style-type: none"> <li>Hangzhou Jinjiang Group is China's top 500 private enterprise, engaging in environmental protection &amp; energy, non-ferrous metal and chemicals business</li> <li>Jinjiang Green Energy is an affiliate of the Hangzhou Jinjiang Group</li> </ul>	<ul style="list-style-type: none"> <li>Zheneng Group is a state-owned provincial energy enterprise</li> <li>Zhejiang Energy International Limited and Zheneng Capital Holdings Co., Ltd. are controlled by Zhejiang Provincial Energy Group Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>A discretionary managed fund managed by Harvest Global Capital Investments Cayman, a wholly owned subsidiary of Harvest Global Capital Investments</li> </ul>	<ul style="list-style-type: none"> <li>A fund wholly owned and managed by Olympus Capital</li> <li>Olympus Capital is US-based private equity, founded in 1997</li> </ul>	<ul style="list-style-type: none"> <li>An affiliate of Hopu Investments</li> </ul>	<ul style="list-style-type: none"> <li>Company's shares are subscribed by many renowned institutional investors during IPO, including Great Eastern Life (Malaysia), Hailiang International and UOB AM</li> </ul>

# Strong Management Team

## Key Management Team Members Have More Than 20 Years Of Industry Experience

As at 31 December 2020



**Wei Dongliang**  
Executive Chairman, Executive Director,  
member of the Nominating Committee of the  
Company  
Date joined: 2019

- Responsible for overall strategic planning and management
- More than 20 years of corporate leadership and senior management experience in the energy industry
- Served as the General Manager of Zheneng Capital Holdings Co., Ltd. and Zheneng Equity Investment Fund Management Co., Ltd
- Vice Chairman of Qianjiang Water Resources Development Co., a Chinese A-share listed company, and the Director of China Zheshang Bank since 2015



**Wang Wuzhong**  
Deputy GM  
Date joined: 1992

- Responsible for environmental safety, daily operations, R&D and overall strategy
- More than 20 years of experience
- Professor-level senior engineer
- Member of the Technical Committee of City and Environment Sanitation Standardization of the Ministry of Housing and Urban-Rural Development
- Member of the Expert Committee of China Electric Power Federation
- Deputy Director, Environmental Protection Equipment and Technology Promotion Center, China Equipment Management Association



**Wang Ruihong**  
Executive Director, Deputy GM  
Date joined: 1999

- Responsible for the implementation of overall business management, brand strategy and legal compliance
- More than 20 years of experience
- Zhejiang Provincial Department of Finance certified accountant qualification
- Senior Professional Manager of Environmental Protection



**Jin Ruizhi**  
CFO  
Date joined: 2019

- Responsible for overall financial functions, including corporate finance and group finance management
- Over 20 years of experience in accounting and financial management in the energy industry
- Held roles in the power and petroleum divisions of Zheneng Group
- Accountant certification



**Qi Liang**  
Chief Engineer  
Date joined: 2019

- Responsible for all technical and engineering related matters
- More than 20 years' experience in production, technology and infrastructure management in the power industry
- Formerly Deputy general manager of Cixi Zhongke Zhongmao Environmental Protection and Thermal Power Co., Ltd. and Deputy Director and Director of Engineering Department of Zhejiang Zhenhai Power Generation Co., Ltd



**E Hongbiao**  
Deputy GM  
Date joined: 1992

- Responsible for supervising the construction and development of the project and assisting in the operation and management of sewage and waste disposal
- More than 20 years of experience
- Senior Economist, First-class Construction Engineer
- Hangzhou Human Resources and Social Security Bureau Economist Certification



# FY2020 Operational Highlights

# Significant Events of 2020



1Q2020



2Q2020

Company's efforts in the fight against COVID-19 attracted media attention, including a Vlog that surpassed one million page views under 24 hours upon release on Xinhua News Agency

Hangzhou-based headquarters of the Company organized a blood donation campaign, with a total donation of 6,300 ml of blood

Company's subsidiaries made donations to surrounding towns and enterprises, donating over RMB 400,000 and more than 20,000 pieces of goods in over 20 categories

Two boilers and two turbines of New Kunming Wuhua WTE Facility in Kunming City, Yunnan Province were put into operation

Wuchang WTE Facility in Wuhan City, Hubei Province received a letter of appreciation from Wuhan Leishenshan Hospital and the Wuhan Municipal Management Law Enforcement Committee and Hankou WTE Facility in Wuhan City, Hubei Province received a letter of appreciation from the Wuhan Municipal Management Law Enforcement Committee as well

The Company moved to a new office headquarters

Convened FY2019 Annual Meeting and released FY2019 Annual Report

# Significant Events of 2020



Signed the cooperation framework agreement with municipal government in Songyuan City, Jilin Province for the comprehensive utilisation of kitchen waste and sludge resource project

Won title of "Advanced Group for COVID-19 Epidemic Prevention and Control and Resumption of Production" issued by Zheneng Group

Old Kunming Wuhua WTE Facility shut down, realising a smooth transition to the new WTE Facility

Entered into syndicated loan agreement with Standard Chartered Bank (Hong Kong) Co., Ltd in relation to a term loan facility of up to US\$270 million

Suihua Green Energy WTE Facility in Heilongjiang Province was accorded title of "National High-tech Enterprise"

Only listed company in Singapore to win the honour of "Top 50 Chinese Environmental Enterprises in 2020"

Zhejiang Shengyuan Environmental Analysis Technology Co., Ltd ("Zhejiang Shengyuan") obtained 72 additional qualifications and authorisations, becoming the first third-party testing company with CMA qualification in the WTE industry and one of the companies with the most complete testing qualifications

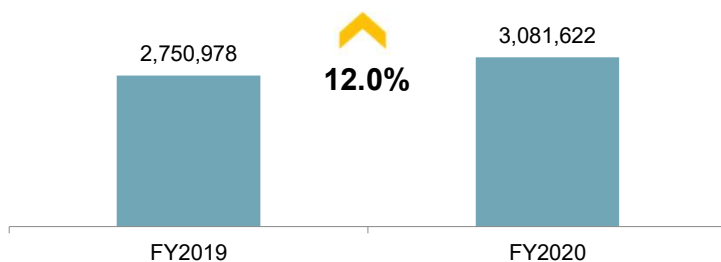
Awarded "2020 Top Ten Influential Solid Waste Enterprises"

Linzhou Jiasheng WTE Facility in Henan Province, the second phase of Tangshan Jiasheng WTE Facility in Hebei Province, and Qianxi Resource Recycling Project in Hebei Province were put into trial operation

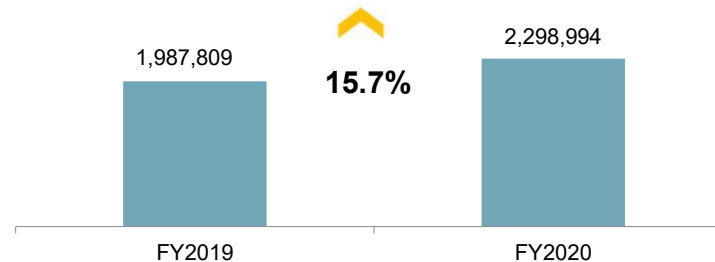
Zhuji Bafang WTE Facility in Zhuji City, Zhejiang Province, Wenling Green Energy WTE Facility in Zhejiang Province, Wuhu Jinjiang WTE Facility in Anhui Province and Zhejiang Shengyuan won the title of "National High-tech Enterprise"

# FY2020 Operational Analysis

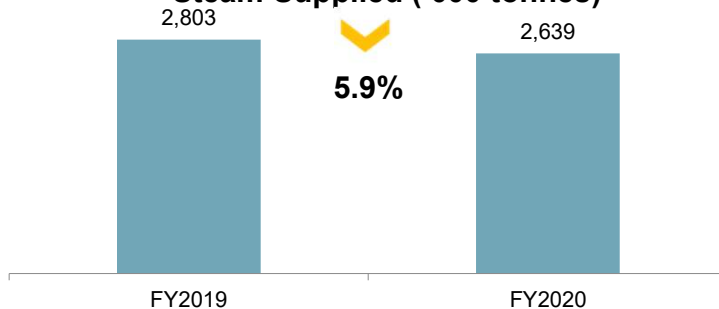
Electricity Generated ('000 KWh)



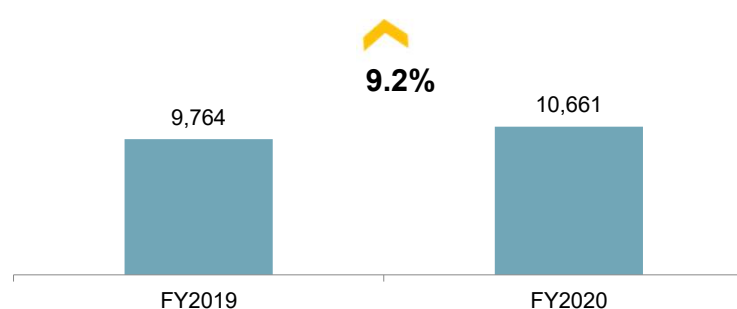
On-Grid Electricity Supplied ('000 KWh)



Steam Supplied ('000 tonnes)



Waste Treated ('000 tonnes)



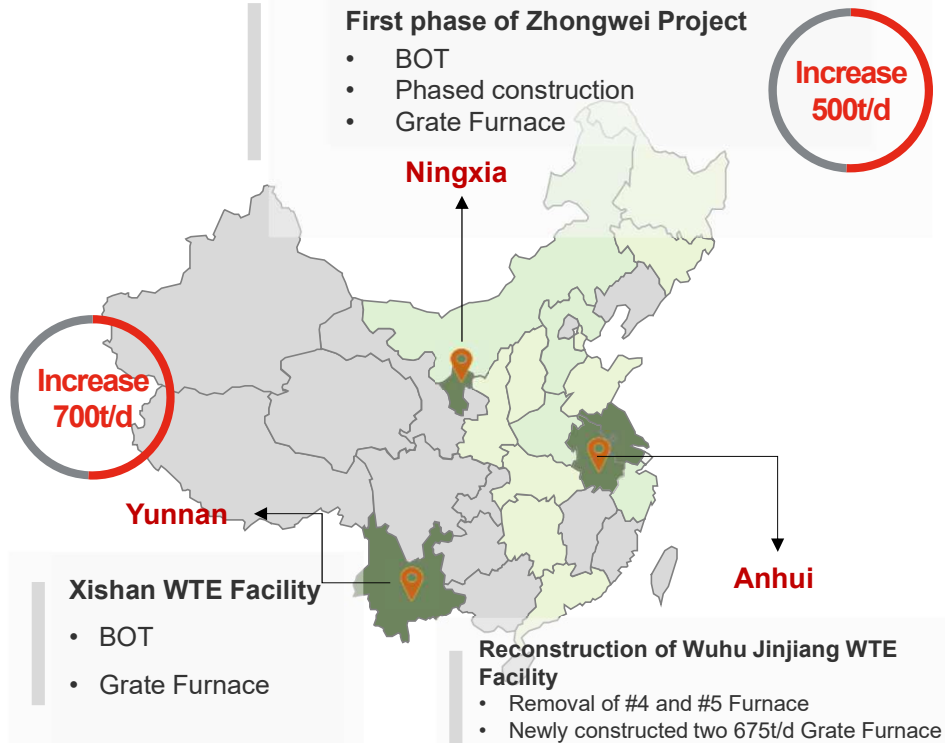
As at 31 December 2020

- On-grid electricity supplied and waste treated increased mainly due to the new Tangshan Jiasheng WTE Facility and the New Kunming Wuhua WTE Facility being put into operation and the completion of the expansion of the Wenling Green Energy Facility and Jilin Xinxiang WTE Facility, and the optimisation of power plant equipment management and technological improvements of other existing WTE facilities.
- Excluding waste collection and transportation operations in India, waste treated increased by 11.0% in FY2020 as compared to FY2019
- The decrease in steam supplied is mainly due to the decrease in demand experienced from by the Zhuji Bafang WTE Facility as a result of the COVID-19 pandemic

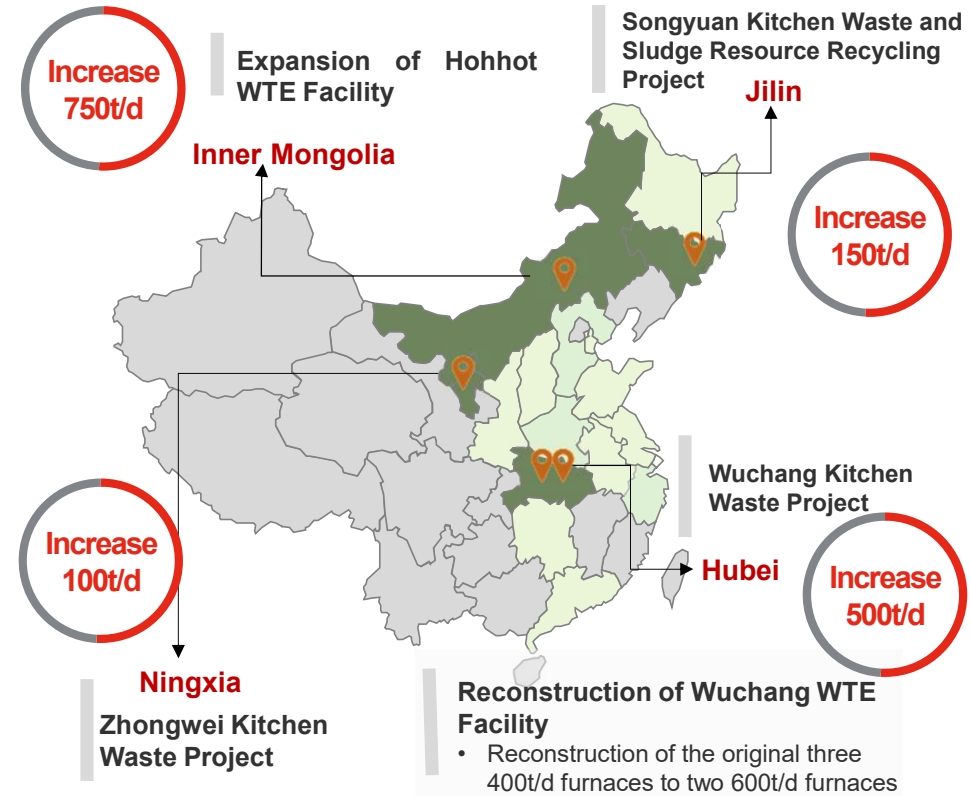


# FY2020 Operational Updates

## New Projects under Construction



## New Projects under Preparation



# FY2020 Operational Updates

**In FY2020, the Group's project construction proceeded in an orderly manner in accordance with the set plan.**

## Key updates below:

- ✓ The Group's waste treatment capacity increased by 1,000 tons/day, due to the first phase of the Linzhou Jiasheng WTE Facility in Henan Province, the second phase of the Tangshan Jiasheng WTE Facility in Hebei Province and the Qianxi Resource Recycling Project in Hebei Province being put into trial operation in the fourth quarter of 2020
- ✓ Expansion project of the Xishan WTE Facility (BOT) in Yunnan Province officially started construction in the fourth quarter of 2020
- ✓ The Shijiazhuang Jiasheng WTE Facility (BOO) in Hebei Province, Baishan Green New Energy WTE Facility (BOO) in Jilin Province, Leting WTE Facility (BOO) in Hebei Province, Wuhu Jinjiang WTE Facility Reconstruction Project (BOO) in Anhui Province, Reconstruction and Expansion Project of Lianyungang Sunrise WTE Facility (BOO) in Jiangsu Province, the first phase of the Zhongwei Project (BOT) in Ningxia, Wuji Municipal Solid Waste Resource Treatment Project (BOO) in Hebei Province, Gaocheng Municipal Solid Waste Resource Treatment Project (BOO) in Hebei Province and Songyuan Resource Recycling Project (BOO) in Jilin Province are expected to be completed and put into operation in 2021
- ✓ The Jinghong WTE Facility (BOT) in Yunnan Province and the Wuchang Resource Recycling Project (BOO) in Hubei Province are expected to start construction in 2021

# Government Subsidies



WTE Facilities	Location	Date of inclusion
Hohhot New Energy WTE Facility	Inner Mongolia	September 2020
Jilin Xinxiang WTE Facility	Jilin Province	October 2020
Songyuan Xinxiang WTE Facility	Jilin Province	
Gaomi Liliangmingde WTE Facility	Shandong Province	
Wuhu Jinjiang WTE Facility	Anhui Province	November 2020
New Kunming Wuhua WTE Facility*	Yunnan Province	
Zibo New Energy WTE Facility*	Shandong Province	
Yinchuan Zhongke WTE Facility	Ningxia Hui Autonomous Region	February 2021

*\*The New Kunming Wuhua WTE Facility in Yunnan Province and Zibo New Energy WTE Facility in Shandong Province were new projects in FY2020 and were included in the 2020 National Renewable Energy Development Fund's 1.5 billion biomass power generation subsidy budget.*



# FY2020 Financial Overview

# FY2020 Key Financial Overview



FY2020 revenue decreased 20.4% year-on-year to approximately RMB 3,084.7 million



Key recurring income from core revenue contributor Waste-to-Energy Business recorded 10.6% growth to RMB2,443.1 million.



FY2020 gross profit fell 6.0% to RMB892.5 million, but gross profit margin rose 4.4% to 28.9%

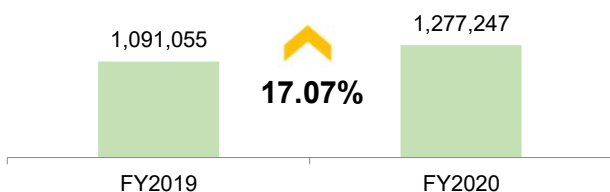


PATMI of RMB326.9 million, up 113.2% year-on-year

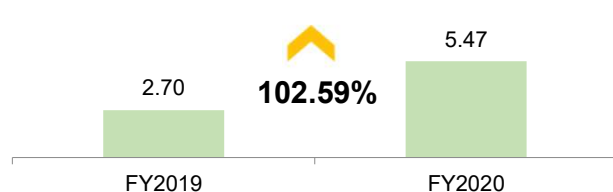
# FY2020 Key Financial Overview



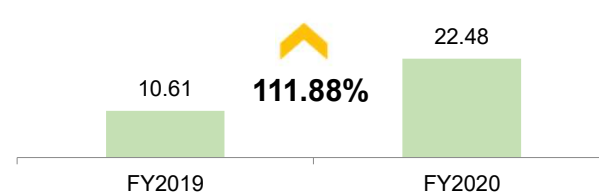
**EBITDA (RMB'000)**



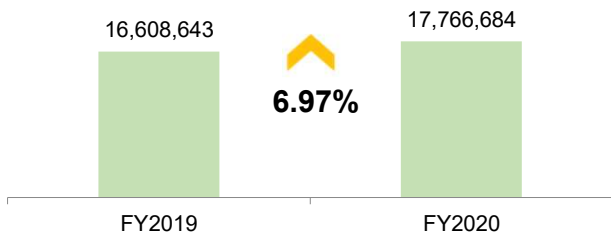
**Return on Shareholders' Equity (%)**



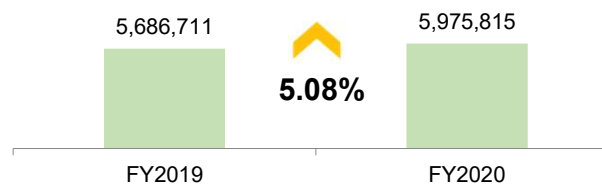
**Basic Earnings Per Share (RMB Cents)**



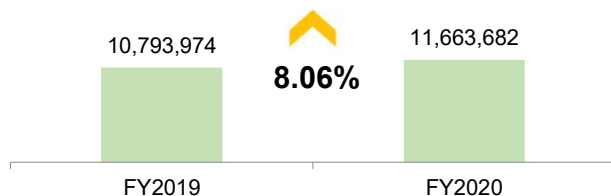
**Total Assets (RMB'000)**



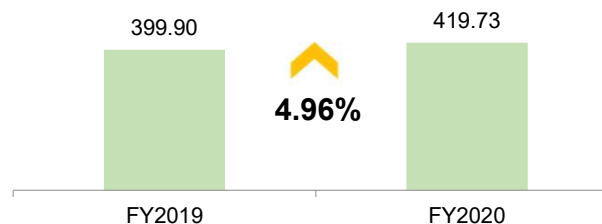
**Equity Attributable to Equity Holders of the Company (RMB'000)**



**Total Liabilities (RMB'000)**



**Net Asset Value Per Share (RMB Cents)**



# Results Overview

RMB million	FY2020	FY2019	Change (%)
Revenue	<b>3,084.7</b>	3,877.5	(20.4)
Including: WTE Business Revenue	<b>2,443.1</b>	2,209.2	10.6
Gross Profit	<b>892.5</b>	949.8	(6.0)
Profit Before Tax	<b>477.7</b>	306.2	56.0
Profit after tax attributable to owners of the Company	<b>326.9</b>	153.3	113.2

## Changes in profit attributable to owners of the Company mainly attributable to:

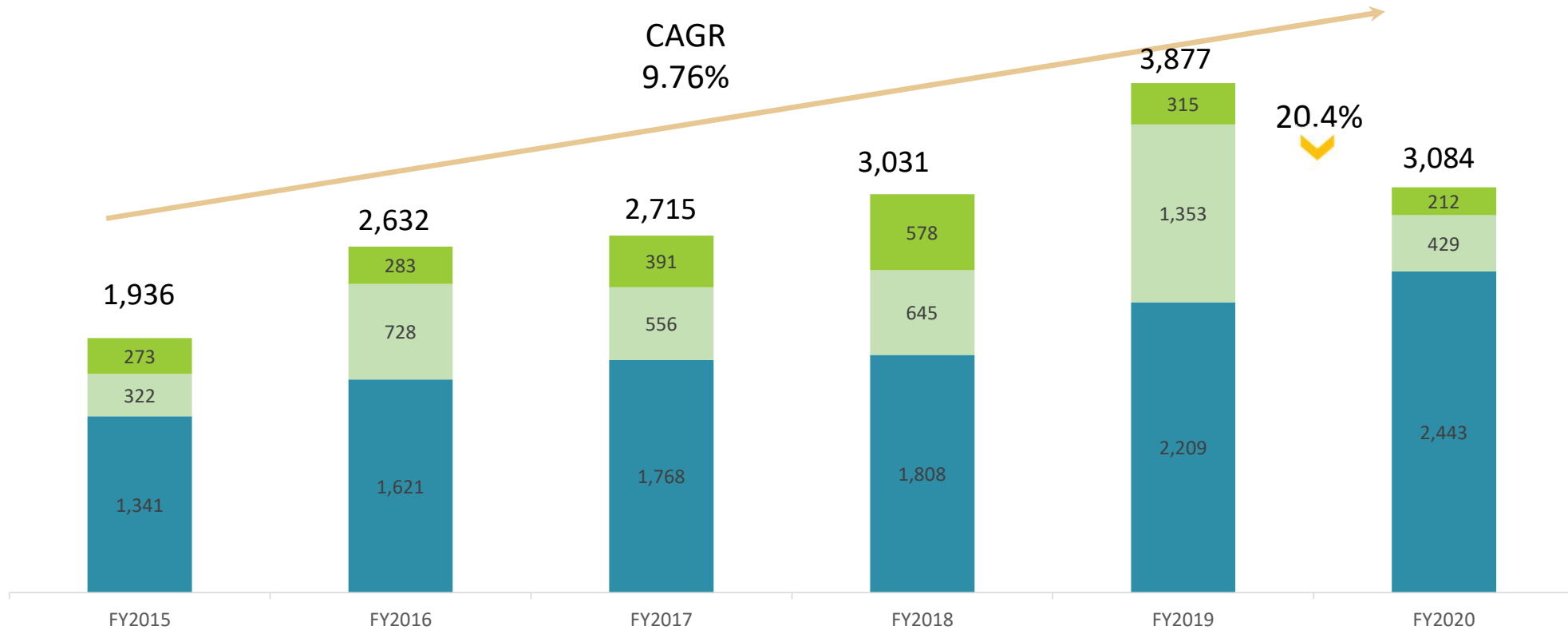
- FY2020 revenue decreased due to a decrease in revenue from construction services provided under BOT concession agreements and revenue from project technical and management services and EMC business, offset by an increase in revenue from the WTE business (excluding revenue from construction services provided under BOT concession agreements).
- Other income decreased by RMB186 million y-o-y, mainly including (1) decrease in revenue from closure compensation of affiliated WTE facilities, (2) Increase in Government subsidies and tax refunds, and (3) Decrease in bank interest income.
- Other gain and losses (net) increased by RMB374 million, mainly including (1) decrease in asset disposal losses caused by asset retirement, (2) decrease in asset disposal losses and other losses caused by closure of affiliated WTE facilities and (3) Overall increase in foreign exchange gain and currency translation differences resulting from the appreciation of the Chinese Renminbi against the United States Dollar in FY2020.

# Revenue Overview

## WTE Business Is The Main Revenue Contributor

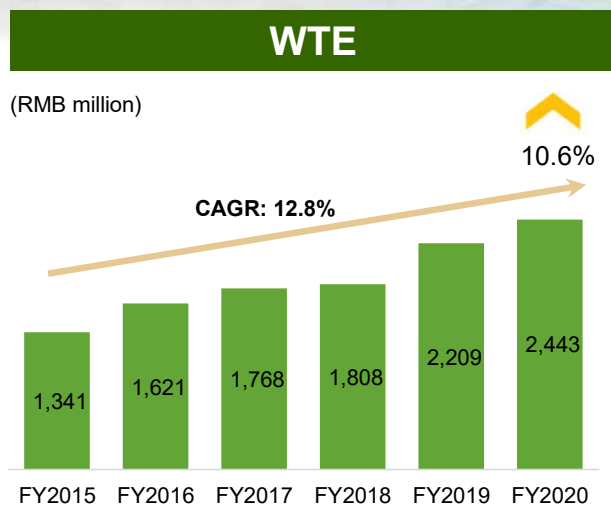
(RMB million)

■ WTE 
 ■ BOT Construction 
 ■ EMC and project technical and management service



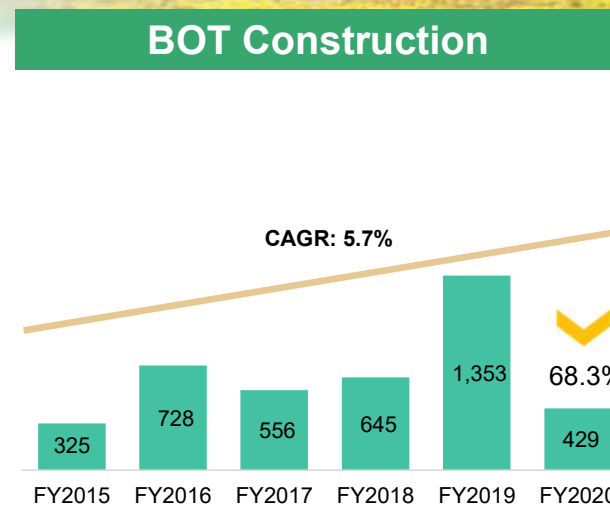


# Revenue Breakdown by Business Segment



## Steady growth in WTE revenue due to:

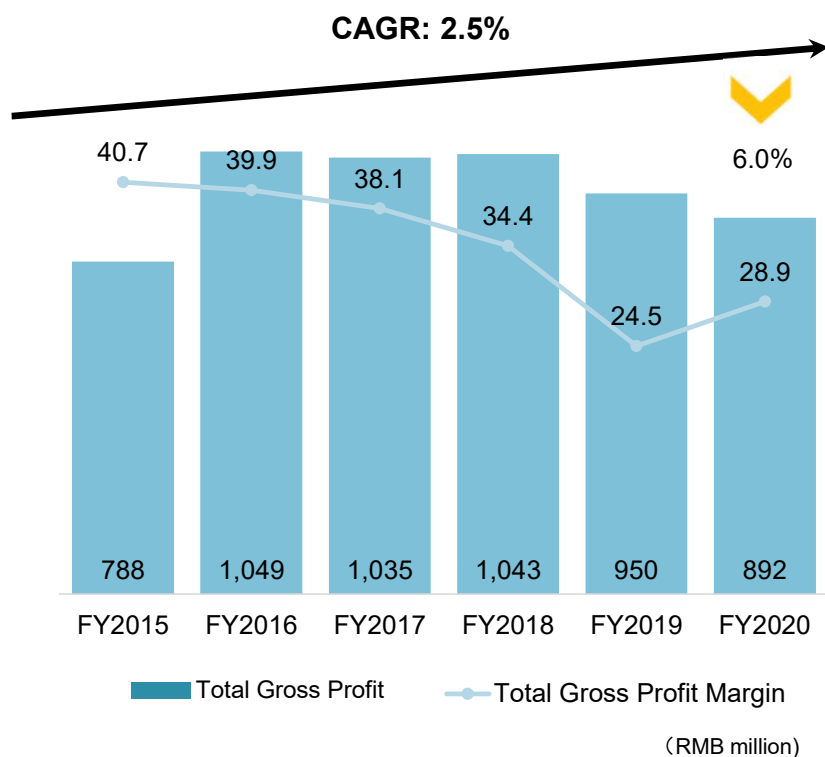
- The Tangshan Jiasheng WTE Facility and the New Kunming Wuhua WTE Facility, which markedly increased the waste treatment capacity and boiler operation efficiency.
- Increase in revenue by the Group's other WTE facilities, including the upgrading and expansion of the Jilin Xinxiang WTE Facility and Wenling Green Energy WTE Facility, and the optimisation of power plant equipment management and technological improvements of other existing WTE facilities.



## BOT business revenue decreased due to:

- Decrease in revenue from the provision of construction services under BOT concession agreements in FY2020
- The decrease is mainly due to a substantial portion of the construction of the New Kunming Wuhua WTE Facility (which was put into operation in the first half of FY2020) having been carried out in FY2019. Therefore, the investment in the New Kunming Wuhua WTE Facility and Linzhou Jiasheng WTE Facility decreased in FY2020 as compared to FY2019, resulting in a y-o-y decrease in the revenue from the provision of construction services under BOT concession agreements.

# Gross Profit & Gross Profit Margin



Segmental Gross Profit (RMB million)	FY2020	FY2019	Change
WTE Business	712.4	616.3	15.6%
BOT Construction*	97.1	208.5	-53.4%
EMC Business	83.0	125.0	-33.6%

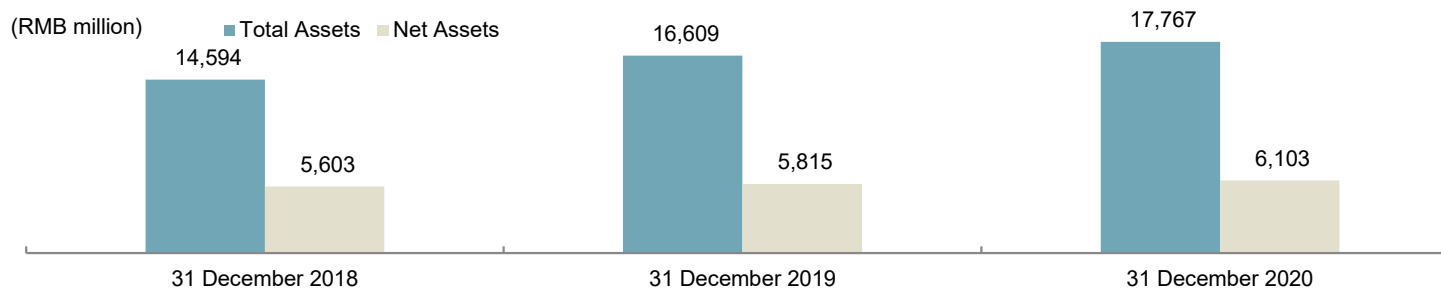
Segmental Gross Profit Margin	FY2020	FY2019
WTE Business	29.2%	27.9%
BOT Construction**	13.7%	12.7%
EMC Business	39.1%	39.7%

\*Including financial income under service concession agreements

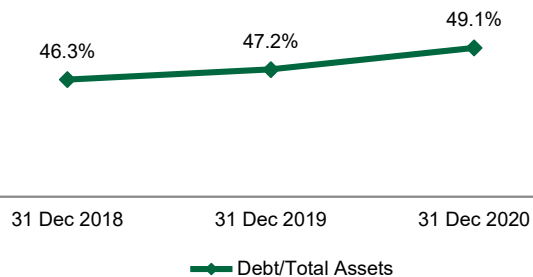
\*\*Not including financial income under service concession agreements

# Capital Structure

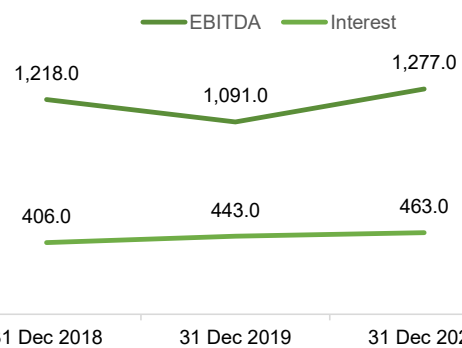
## Total Assets & Net Assets



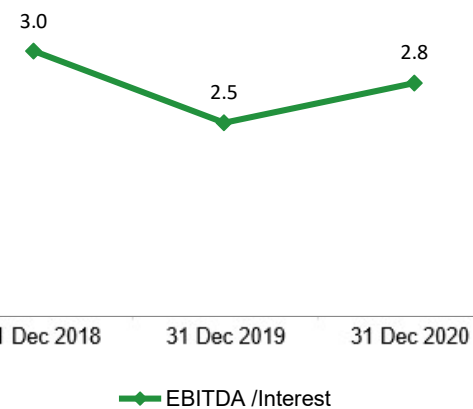
### Interest-bearing Debt/Total Assets



### EBITDA and Interest expense



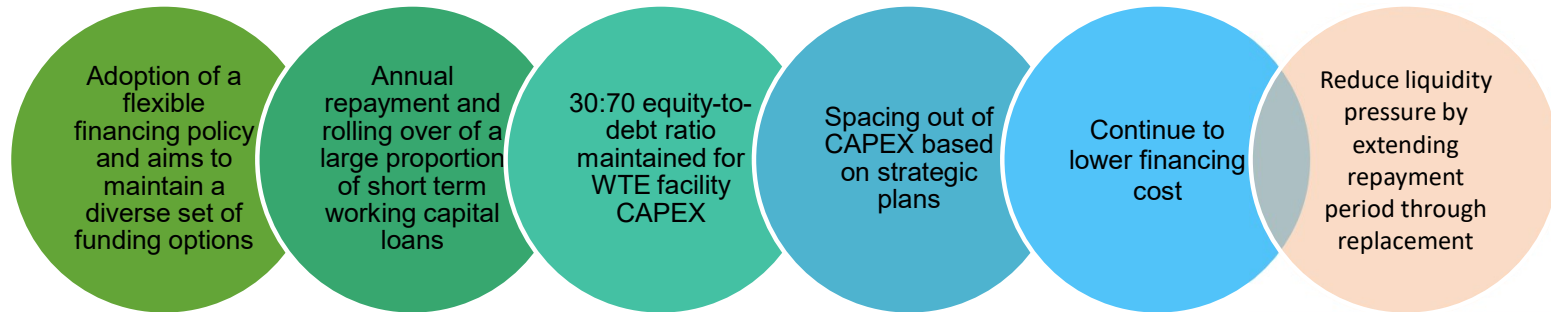
### EBITDA/Interest



\* EBITDA excludes BOT profit, exchange and non-recurring profit and loss

# Prudent Capital Management

## Our Capital Management Policy



Private placement of 214 million new shares to raise S\$107 million



2018.4

3-yr fixed-term syndicated loan of US\$200 million and RMB100 million led by Standard Chartered



2018.6

Completed upgrading project, achieving operational improvements which will improve cash flow



2019

Secures term loan facility of up to US\$270 million to refinance maturing bond



2020

Reassess and execute overseas expansion plans in an orderly manner

Pace out commencement of projects to reduce balance sheet burden

Introduce strategic investors at the project level to optimize the capital structure

Continue to actively seek support from controlling shareholders leveraging upon its strong credit status to broaden the financing channels of the group, to solidify the Group's leading industry position

Potential issuance of asset-backed securities to qualified investors in the PRC to provide further liquidity

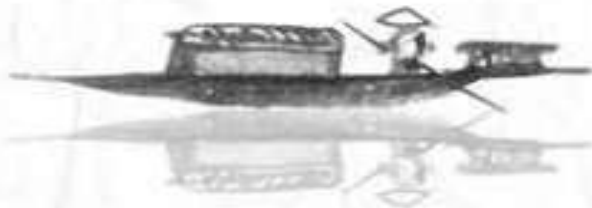
2021 and beyond

# Secures up to US\$270 million Term Loan Facility

Successfully secured a US dollar syndicated term loan facility of up to US\$270,000,000 (the “Facility”) under a facility agreement with Standard Chartered Bank (Hong Kong) Limited as original mandated lead arranger and bookrunner and agent of the finance parties on 14 July 2020

The annual rate of interest under the Facility is the aggregate of (a) 1.92% per annum and (b) the London interbank offered rate (“LIBOR”). If LIBOR is below zero, it will be deemed to be zero.

The amounts borrowed under the Facility will be used for the general corporate purposes of the Group and the refinancing of the US\$200,000,000 in aggregate principal amount of 6.0% senior unsecured notes that matured on 27 July 2020





# Pre-conditional Mandatory Cash Offer

# Pre-conditional Mandatory Cash Offer (“Pre-conditional Offer”)

12 October 2020

Zhejiang Zheneng Electric Power Investment (Hong Kong) Limited (the “Offeror”) entered into a conditional sale and purchase agreement (the “SPA”) with, *inter alia*, Jin Jiang Green Energy Limited and Win Charm Limited for the purchase of an aggregate of 372,560,575 ordinary shares (“Sale Share”) in the capital of the Company by the Offeror for an aggregate cash consideration of S\$289,889,383.40 at S\$0.7781 for each Sale Share (“**Acquisition**”). As the Acquisition will result in the Offeror concert party group to hold more than 30% of the total number of shares in issue, upon the fulfilment of the Pre-Conditions, the Offeror intended to make a mandatory unconditional cash offer (“**Offer**”)

The Offer was subjected to the fulfilment (or waiver in accordance with the SPA) of all the Pre-Conditions on or before the expiry of six months from the date of the SPA.

13 April 2021

The SPA was terminated effective from 12 April 2021 due to the non-fulfilment of the Pre-Conditions, and the Pre-conditional Offer lapsed on this basis.

Notwithstanding the lapse of the Pre-conditional Offer, the Group will continue to actively seek financial support from Zheneng Group, its single largest shareholder, to improve the Group’s financing channels, reduce financing costs in relation to the Group’s future fund-raising plans and strengthen the working capital position of the Group.



# AGM Resolutions



# AGM Resolutions – As Ordinary Business

To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Auditors' Report thereon. **(Resolution 1)**

To re-elect the following Directors of the Company retiring pursuant to Article 127 of the Company's Articles of Association.

- Mr Ang Swee Tian **(Resolution 2)**
- Mr Ni Mingjiang **(Resolution 3)**

To approve the payment of Directors' fees of S\$420,000 for the financial year ended 31 December 2020 **(Resolution 4)**

To re-appoint Messrs PricewaterhouseCoopers LLP as the Company's auditors and to authorise the Directors to fix their remuneration. **(Resolution 5)**

# AGM Resolutions – As Special Business

## The Proposed Renewal of the General Mandate for Interested Person Transactions (Resolution 6)



The IPT General Mandate enables the Company, its subsidiaries and associated companies that are considered to be an “entity 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 mandated 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.

### History of Interested Party Transactions (IPT) General Mandate

- ✓ IPT General Mandate was originally adopted on 20 July 2016, and then renewed at the EGM on 25 April 2017.
- ✓ At the EGM held on 30 April 2018 and 31 December 2018, certain modifications to the IPT General Mandate were approved.
- ✓ At the AGM held on 29 April 2019, the Shareholders had approved the renewal of the IPT General Mandate.
- ✓ At the EGM held on 25 November 2019, Shareholders had approved certain further modifications to the IPT General Mandate
- ✓ At the AGM held on 24 June 2020, Shareholders approved the renewal of the IPT General Mandate.

The IPT General Mandate approved at the AGM held on 24 June 2020 will, unless renewed at the AGM, expire on the date of the AGM

#### **Rationale and Benefits:**

- ✓ 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 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.



**Thank You**



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