

**PRE-CONDITIONAL MANDATORY CASH OFFER**

by



**CHINA INTERNATIONAL CAPITAL CORPORATION (SINGAPORE) PTE. LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration No. 200814424W

**for and on behalf of**

**ZHEJIANG ZHENENG ELECTRIC POWER INVESTMENT (HONG KONG) LIMITED**

(Incorporated in Hong Kong)  
Company Registration No. 2967847

**a wholly-owned subsidiary of**



**ZHEJIANG ZHENENG ELECTRIC POWER CO., LTD.**

(Incorporated in the People's Republic of China)  
Company Registration No. 330000000045902

**to acquire all the issued and paid-up ordinary shares of par value US\$0.00001 each in the capital of**



**浙能锦江环境**

**ZHENENG JINJIANG ENVIRONMENT**

**ZHENENG JINJIANG ENVIRONMENT HOLDING COMPANY LIMITED**

(Incorporated in the Cayman Islands)  
Company Registration No. 245144

**other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees**

**PRE-CONDITIONAL OFFER ANNOUNCEMENT**

## 1. INTRODUCTION

**1.1 The Acquisition.** China International Capital Corporation (Singapore) Pte. Limited (“**CICC**”) wishes to announce, for and on behalf of Zhejiang Zheneng Electric Power Investment (Hong Kong) Limited (the “**Offeror**”), that the Offeror has today entered into a conditional sale and purchase agreement (the “**SPA**”) with, among others, Jin Jiang Green Energy Limited (“**Jin Jiang Green Energy**”) and Win Charm Limited (“**Win Charm**”, and together with Jin Jiang Green Energy, the “**Sellers**”) for the purchase of an aggregate of 372,560,575 ordinary shares of par value US\$0.00001 each (the “**Sale Shares**”) in the capital of Zheneng Jinjiang Environment Holding Company Limited (the “**Company**”), comprising 44,195,575 Sale Shares to be sold by Jin Jiang Green Energy and 328,365,000 Sale Shares to be sold by Win Charm, representing in aggregate approximately 25.62 per cent. of the total number of issued and paid-up ordinary shares of par value US\$0.00001 each in the capital of the Company<sup>1</sup> (the “**Shares**”), for an aggregate cash consideration of S\$289,889,383.40, being S\$0.7781 for each Sale Share (the “**Acquisition**”).

**1.2 Completion of SPA.** Completion of the Acquisition is to take place upon the fulfilment (or waiver in accordance with the SPA) of the Pre-Conditions (as defined in **paragraph 2.1(iii)** below).

**1.3 Shares held by the Offeror Concert Party Group.** As at the date of this Announcement (the “**Pre-Conditional Offer Announcement Date**”), Zhejiang Energy Hong Kong Holding Limited (“**Zhejiang Energy**”), being an indirect wholly-owned subsidiary of the ultimate parent company of the Offeror, is the existing largest shareholder of the Company holding 430,000,000 Shares, representing approximately 29.57 per cent. of the total number of Shares.

Accordingly, as at the Pre-Conditional Offer Announcement Date, the Offeror and its concert parties (the “**Offeror Concert Party Group**”) hold in aggregate 430,000,000 Shares, representing approximately 29.57 per cent. of the total number of Shares in issue. Further details of the holdings of the Offeror Concert Party Group are set out in **Appendix 3**.

**1.4 Pre-Conditional Offer.** As the Acquisition will result in the Offeror Concert Party Group holding more than 30 per cent. of the total number of Shares in issue, upon the fulfilment (or waiver in accordance with the SPA) of the Pre-Conditions, pursuant to Rule 14.1 of the Singapore Code on Take-overs and Mergers (the “**Code**”), the Offeror intends to make a mandatory unconditional cash offer (the “**Offer**”) for all of the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees.

**The Offer will not be made unless and until all the Pre-Conditions are fulfilled (or waived in accordance with the SPA) by the Long Stop Date (as defined in paragraph 2.1(v) below). Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when the Pre-Conditions are fulfilled (or waived in accordance with the terms of the SPA) by the Long Stop Date.**

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<sup>1</sup> All percentage shareholdings of Shares in this Announcement are computed on the basis of 1,454,024,700 Shares in issue as at the date of this Announcement. Figures are rounded to the nearest two decimal places.

Shareholders of the Company (the “Shareholders”) should note that there is no certainty that the Pre-Conditions will be satisfied and that the Offer will be made. Shareholders are advised to exercise caution and seek appropriate independent advice when dealing in the Shares.

## 2. THE ACQUISITION

### 2.1 Salient Terms of the SPA. The salient terms of the SPA are as set out below:

- (i) **Sale of Sale Shares.** The Sellers shall sell and the Offeror shall purchase the Sale Shares free from any encumbrances and together with all rights thereto (the “Share Transfer”).
- (ii) **Consideration.** The aggregate consideration payable for the Sale Shares shall be S\$289,889,383.40 in cash (the “SPA Consideration”), being S\$0.7781 in cash for each Sale Share. The SPA Consideration is determined based on the net asset value attributable to the Shareholders as at 30 April 2020 (audited by PriceWaterhouseCoopers Zhong Tian LLP in accordance with the generally accepted accounting principles in the People’s Republic of China (PRC GAAP), and adjusted in accordance with International Financial Reporting Standards (IFRS)), being RMB5,656,456,000.
- (iii) **Pre-Conditions.** Completion is subject to the conditions precedent (the “Pre-Conditions”), as set out in **Appendix 1** of this Announcement, being fulfilled (or waived in accordance with the SPA).
- (iv) **Completion.** Completion will take place within ten Business Days<sup>2</sup> (the “SPA Closing Date”) after the day on which the last of the Pre-Conditions is fulfilled or waived in accordance with the SPA (other than the Pre-Conditions which are required to be satisfied as at completion) or on such other date as the parties to the SPA (the “SPA Parties”, and each such party, a “SPA Party”) may agree.
- (v) **Long Stop Date.** In the event that any of the Pre-Conditions are not fulfilled (or waived in accordance with the SPA) on or before the expiry of six months from the date of the SPA (or such later date as the SPA Parties may agree in writing) (the “Long Stop Date”), then any SPA Party shall have the right to terminate the SPA.
- (vi) **Termination Events.** The SPA may be terminated before completion of the Share Transfer upon the occurrence of the following events (the “Termination Events”):

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<sup>2</sup> For the purposes of this Announcement, “Business Day” refers to any day other than a Saturday, Sunday or day on which banks in the Cayman Islands, Singapore, China and Hong Kong Special Administrative Region are required to close under applicable laws.

- (a) **Non-fulfilment of Pre-Condition:** if any Pre-Condition remains unsatisfied (and not waived by the Offeror pursuant to the SPA) on the Long Stop Date, any SPA Party may terminate the SPA;
- (b) **Breach:** if any SPA Party fails to cure its material breach of any warranty, covenant or obligation under the SPA within fifteen (15) Business Days after receipt of a written notice from any other SPA Party with regard to such breach, the SPA Party issuing such notice of breach may terminate the SPA; or
- (c) **Regulatory Impediment:** if the Acquisition is restricted, prohibited or cancelled by any judgment, ruling, decision, injunction or order issued by any court, arbitration institution or government authority, any SPA Party may terminate the SPA.

**2.2 Formal Offer Announcement.** If and when all the Pre-Conditions are fulfilled (or waived in accordance with the SPA), CICC, for and on behalf of the Offeror, will announce a firm intention on the part of the Offeror to make the Offer (the "**Formal Offer Announcement**"). **However, if the Pre-Conditions are not fulfilled (or waived in accordance with the SPA) on or before the Long Stop Date, the Offer will not be made and CICC, for and on behalf of the Offeror, will issue an announcement confirming that fact as soon as reasonably practicable.**

**2.3 SIC Confirmation.** The Securities Industry Council (the "**SIC**") has on 9 October 2020 confirmed that it has no objection to (i) the Pre-Conditions and the Offer being made subject to the satisfaction and/or waiver of the Pre-Conditions and (ii) the Termination Events.

### **3. THE OFFER**

**3.1 Offer Terms.** Subject to and contingent upon the fulfilment (or waiver in accordance with the SPA) of all the Pre-Conditions, and the terms and conditions to be set out in the formal offer document to be issued by CICC, for and on behalf of the Offeror, in respect of the Offer ("**Offer Document**"), CICC will, for and on behalf of the Offeror, make the Offer in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**") and Rule 14 of the Code on the following basis:

- (i) **Offer Shares.** The Offer, if and when made, will be extended to all issued Shares, including any Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer, other than those owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees (the "**Offer Shares**").

For the avoidance of doubt, the Offer will not be extended to the Shares owned, controlled or agreed to be acquired by Zhejiang Energy, being the related corporation of the Offeror.

- (ii) **Offer Price.** The consideration for each Offer Share (the “**Offer Price**”) will be as follows:

<b>For each Offer Share: S\$0.7781 in cash</b>
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- (iii) **No Encumbrances.** The Offer Shares will be acquired:

- (a) fully paid-up;
- (b) free from all claims, liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights or interests of any nature whatsoever; and
- (c) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, returns of capital and other distributions (the “**Distributions**”) (if any) which may be announced, declared, made or paid thereon by the Company on or after the Pre-Conditional Offer Announcement Date.

Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be announced, declared, made or paid by the Company on or after the Pre-Conditional Offer Announcement Date. Accordingly, if any Distribution is announced, declared, made or paid by the Company on or after the Pre-Conditional Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such Distribution where the Offeror is not entitled to receive such Distribution.

- (iv) **Unconditional Offer.** The Offer, if and when made, will be unconditional in all respects.

Further information on the Offer and the terms and conditions upon which the Offer will be made will be set out in the Offer Document.

#### **4. INFORMATION ON THE OFFEROR AND THE RELEVANT ZEG ENTITIES**

##### **4.1 The Offeror, Zhejiang Electric and ZEG**

- (i) **The Offeror.** The Offeror is a private limited company incorporated in Hong Kong on 13 August 2020 for the purposes of making the Offer and its sole shareholder is Zhejiang Zheneng Electric Power Co., Ltd. (“**Zhejiang Electric**”).

As at the Pre-Conditional Offer Announcement Date, the Offeror has an issued share capital of HK\$10,000.00 comprising 10,000 issued and outstanding ordinary shares and the sole director of the Offeror is Cao Lu (曹路). The Offeror has not carried on any business since its incorporation, except matters arising from or in

relation to the Offer.

- (ii) **Zhejiang Electric.** Zhejiang Electric is listed on the Shanghai Stock Exchange and its direct controlling shareholder is Zhejiang Provincial Energy Group Co., Ltd. (“**ZEG**”), which holds directly and indirectly approximately 72.18 per cent. interest in Zhejiang Electric. Zhejiang Electric is also an affiliate of Zhejiang Energy.

Zhejiang Electric is a China-based company principally engaged in thermal power generation. As at the Pre-Conditional Offer Announcement Date:

- (a) Zhejiang Electric has issued and paid-up share capital of RMB13,600,689,988 comprising a total of 13,600,689,988 ordinary shares issued and outstanding; and
  - (b) the directors of Zhejiang Electric are Dai Xinmin (戴新民), He Da'an (何大安), Zhang Liliang (章良利), Zhang Qin (章勤), Sun Weiheng (孙玮恒), Yu Guoping (虞国平), Han Hongling (韩洪灵), Fang Zhixing (方志星) and Cheng Jinhua (程金华).
- (iii) **ZEG.** ZEG, the ultimate parent company of the Offeror and Zhejiang Electric, is 100 per cent. controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Zhejiang Province. ZEG was incorporated in Hangzhou in 2001, and is mainly engaged in the construction of power supply facilities, generation of electricity and steam; extraction, sale and transportation of oil, coal and natural gas; energy technology, energy services, and energy finance.

**4.2 Zhejiang Energy.** Zhejiang Energy is wholly-owned by Zhejiang Energy International Limited (“**Zhejiang Energy International**”), which is in turn 60 per cent. owned by ZEG, and 40 per cent. owned by Zheneng Capital Holdings Co., Ltd. (“**Zheneng Capital**”). Zheneng Capital is wholly-owned by ZEG. As Zhejiang Energy is indirectly wholly-owned by ZEG, it is an affiliate of Zhejiang Electric and the Offeror. As at the Pre-Conditional Offer Announcement Date, Zhejiang Energy is the existing largest shareholder of the Company holding 430,000,000 Shares, representing approximately 29.57 per cent. of the total number of Shares.

**4.3** For the purposes of this Announcement, the Offeror, Zhejiang Electric, ZEG, Zhejiang Energy, Zhejiang Energy International and Zheneng Capital shall collectively be referred to as the “**Relevant ZEG Entities**”.

## **5. INFORMATION ON THE COMPANY**

**5.1 General.** The Company was incorporated in the Cayman Islands and has been listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) since 3 August 2016. The group comprising the Company and its subsidiaries (the “**Group**”) is mainly engaged in the generation and sales of electricity and steam, operation of waste-to-energy plants and project management, technical consulting and advisory services and

energy management contracting business.

**5.2 Share Capital.** As at the Pre-Conditional Offer Announcement Date:

- (i) the Company has an issued and paid-up share capital of US\$50,000,000 comprising 1,454,024,700 Shares; and
- (ii) the Company does not have any other securities which carry voting rights in the Company, convertible securities, warrants, options and derivatives in respect of Shares or securities which carry voting rights in the Company.

**5.3 Directors.** As at the Pre-Conditional Offer Announcement Date, the directors of the Company are as follows:

- (i) Mr Wei Dongliang (Executive Chairman);
- (ii) Mr Zhang Chao (Executive Director and Chief Executive Officer);
- (iii) Mr Wang Ruihong (Executive Director and Deputy General Manager);
- (iv) Mr Ang Swee Tian (Lead Independent Director);
- (v) Mr Hee Theng Fong (Independent Director);
- (vi) Mr Tan Huay Lim (Independent Director); and
- (vii) Mr Ni Mingjiang (Independent Director).

**6. RATIONALE FOR THE ACQUISITION AND THE OFFER**

As set out in **paragraph 1.4** of this Announcement, as a result of the Acquisition, the Offeror is required to make the Offer in compliance with the requirements of the Code.

**7. OFFEROR'S INTENTIONS FOR THE COMPANY**

Other than in the ordinary course of business, the Offeror currently has no plans to: (i) introduce any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of any of the existing employees of the Group. However, the board of directors of the Offeror retains the flexibility at any time to consider any options in relation to the Group which may present themselves and which it may regard to be in the interest of the Offeror.

## 8. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia over the benchmark prices of the Shares as set out below:

Description	Benchmark Price (S\$) <sup>3</sup>	Premium over Benchmark Price (%) <sup>4</sup>
Last transacted price per Share on 9 October 2020, being the last full day on which Shares were traded on the SGX-ST prior to the Pre-Conditional Offer Announcement Date (the " <b>Last Trading Date</b> ")	0.5400	44.1
Volume-weighted average price per Share (" <b>VWAP</b> ") for the one-month period up to and including the Last Trading Date	0.5452	42.7
VWAP for the three-month period up to and including the Last Trading Date	0.5502	41.4
VWAP for the six-month period up to and including the Last Trading Date	0.5133	51.6
VWAP for the 12-month period up to and including the Last Trading Date	0.6844	13.7

## 9. LISTING STATUS AND COMPULSORY ACQUISITION

- 9.1 Listing Status.** Under Rule 1105 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings of the Shares owned by the Offeror and parties acting in concert with the Offeror to above 90 per cent. of the total number of Shares (excluding treasury shares), the SGX-ST may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10 per cent. of the total number of Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public (the "**Free Float Requirement**"). Rule 1303(1) of the Listing Manual provides that where the Offeror succeeds in garnering acceptances exceeding 90 per cent. of the total number of Shares (excluding treasury shares), thus causing the percentage of the total number of Shares (excluding treasury shares) held in public hands to fall below 10 per cent., the SGX-ST will suspend trading of the Shares at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number

<sup>3</sup> Based on data extracted from Bloomberg L.P. on 9 October 2020, being the Last Trading Date. Figures rounded to the nearest four decimal places.

<sup>4</sup> Premia rounded to the nearest one decimal place.



of Shares (excluding treasury shares) held in public hands falls below 10 per cent., the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all the listed securities of the Company on the SGX-ST. Rule 724(2) of the Listing Manual further states that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, for the percentage of the total number of Shares (excluding treasury shares) held by members of the public to be raised to at least 10 per cent., failing which the Company may be removed from the Official List of the SGX-ST.

It is the current intention of the Offeror to maintain the listing status of the Company. However, in the event the Company does not meet the Free Float Requirement at the close of the Offer and the SGX-ST suspends trading in the Shares, the Offeror has no intention to (i) undertake and/or support any action as may be necessary for any such trading suspension by the SGX-ST to be lifted and (ii) maintain the listing status of the Company.

If the Offeror intends to delist the Company from the SGX-ST after the Company loses its public float, the SGX-ST will generally consider waiving compliance imposed on a voluntary delisting if (a) the Offer is fair and reasonable (and the independent financial adviser to the Company has opined that the Offer is fair and reasonable) and (b) the Offeror has received acceptances from Shareholders other than the Offeror Concert Party Group (such Shareholders, the “**Independent Shareholders**”) at the close of the Offer that represent a majority of at least 75 per cent. of the total number of issued Shares held by Independent Shareholders (the “**Waiver Conditions**”). The Offeror will make an announcement if it receives acceptances of the Offer in respect of 75 per cent. of the total number of issued Shares held by Independent Shareholders.

If the Waiver Conditions are not met and the Company wishes to undertake a voluntary delisting, it will need to do so in accordance with Rule 1307 of the Listing Manual. In the event the Company is unable to meet the conditions for a voluntary delisting, the Company will be obliged to comply with the Listing Manual and all requirements thereunder. **Shareholders and investors should note that there is the risk that the Company may be subject to prolonged suspension should the public float be lost but the Waiver Conditions are not met.**

- 9.2 Compulsory Acquisition Right.** Pursuant to section 88 of the Companies Law (2020 Revision) of the Cayman Islands, if the Offeror, within four months of the making of the Offer, acquires or receives acceptances for not less than 90 per cent. of the Shares in issue as at the close of the Offer (other than those shares already held by the Offeror, its related corporations or their respective nominees as at the time the Offer is made), the Offeror may (but is not obliged to) compulsorily acquire those Shares not acquired by the Offeror under the Offer on the same terms as the Offer, by notice given to the dissenting shareholders at any time within two months after the expiration of the said four months. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the Offeror and the

holders of the Shares who have accepted the Offer as a means of unfairly forcing out minority shareholders.

As mentioned in **paragraph 9.1** above, the Offeror does not intend to maintain the listing status of the Company in the event the Company does not meet the Free Float Requirement upon the close of the Offer. Should the right of compulsory acquisition be available to the Offeror, the Offeror will exercise such right to compulsorily acquire the Shares of the dissenting Shareholders.

## **10. DISCLOSURE OF HOLDINGS AND DEALINGS**

**10.1 Holdings and Dealings in Relevant Securities.** As at the Pre-Conditional Offer Announcement Date, based on the latest information available to the Offeror, save as pursuant to the SPA and as disclosed in **Appendix 3** of this Announcement, none of: (i) the Relevant ZEG Entities; (ii) the directors of the Relevant ZEG Entities; and (iii) CICC; (collectively, the “**Relevant Persons**”):

- (i) owns, controls or has agreed to acquire any Shares, securities which carry voting rights in the Company, or convertible securities, warrants, options, awards or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, “**Relevant Securities**”); or
- (ii) has dealt for value in any Relevant Securities in the period commencing on 12 April 2020, being the date falling six months prior to the Pre-Conditional Offer Announcement Date, and ending on the Pre-Conditional Offer Announcement Date (the “**Relevant Period**”).

**10.2 Other Arrangements.** As at the Pre-Conditional Offer Announcement Date, save as pursuant to the SPA and as disclosed in this Announcement, none of the Relevant Persons has:

- (i) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Relevant Securities or the securities of the Offeror which might be material to the Offer;
- (ii) received any irrevocable commitment to accept the Offer in respect of any Relevant Securities;
- (iii) granted any security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;
- (iv) borrowed any Relevant Securities from any other person (excluding those which have been on-lent or sold); or
- (v) lent any Relevant Securities to any other person.

**10.3 Further Enquiries.** In the interests of confidentiality, the Offeror has not made enquiries prior to this Announcement in respect of certain other parties who are or may be deemed

to be acting in concert with the Offeror in connection with the Offer pursuant to the Code. Further enquiries will be made of such persons subsequent to this Announcement and the relevant disclosures will be made in due course and in the Offer Document.

- 10.4 Disclosure of Dealings.** In accordance with the Code, the associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company under Rule 12 of the Code.

**11. FINANCIAL ADVISER TO THE OFFEROR**

CICC is the sole financial adviser to the Offeror in connection with the Offer.

**12. FORMAL OFFER ANNOUNCEMENT AND OFFER DOCUMENT**

If and when the Pre-Conditions are fulfilled (or waived pursuant to SPA), CICC, for and on behalf of the Offeror, will make the Formal Offer Announcement. The Offer Document setting out the full terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of the Formal Offer Announcement, or such other date as permitted by the SIC, provided that there may be restrictions on sending the Offer Document to any overseas jurisdictions as disclosed in **paragraph 14** below.

**13. IMPORTANT NOTICE TO SHAREHOLDERS**

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws. The Offer, if and when made, will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

**14. OVERSEAS SHAREHOLDERS**

- 14.1** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of shareholders of the Company or, as the case may be, in the records of The Central Depository (Pte) Limited (collectively, “**Overseas Persons**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Persons should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

- 14.2** Where there are potential restrictions on sending the Offer Document to any overseas jurisdictions, each of the Offeror and CICC reserves the right not to send the Offer Document to such overseas jurisdictions. Alternatively, an affected Overseas Person may write to the Company's share registrar to request the Offer Document to be sent to an address in Singapore by ordinary post at his own risk.

**For the avoidance of doubt, the Offer will be open to all Shareholders who hold Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.**

## **15. RESPONSIBILITY STATEMENT**

The directors of each of the Offeror and Zhejiang Electric (including any director who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of each of the Offeror and Zhejiang Electric has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of each of the Offeror and Zhejiang Electric jointly and severally accept responsibility accordingly.

Issued by

**China International Capital Corporation (Singapore) Pte. Limited**

For and on behalf of

**Zhejiang Zheneng Electric Power Investment (Hong Kong) Limited**

12 October 2020

Singapore

**Any inquiries relating to this Announcement or the Offer should be directed to China International Capital Corporation (Singapore) Pte. Limited at (65) 6572 1999 during office hours.**

### *Cautionary Note on Forward-Looking Statements*

*All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan",*

*“potential”, “strategy”, “forecast” and similar expressions or future and conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties.*

*Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and other investors of the Company should not place undue reliance on such forward-looking statements. None of the Offeror, Zhejiang Electric nor CICC guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.*

## APPENDIX 1

### Conditions Precedent

*Capitalised terms used but not otherwise defined herein shall have the meanings given to them in the main body of this Announcement.*

The completion of the Acquisition is subject to, and conditional upon, the fulfillment or waiver (in accordance with the SPA), as the case may be, of the following conditions:

1. Representations and warranties of the Sellers. Each of the representations and warranties made by each Seller (as set out in Appendix 2 herein) is true, accurate and complete and not misleading on the signing date of the SPA as well as on the SPA Closing Date as if they are made again on such date.
2. Performance. Each Seller shall have performed and complied with all agreements and obligations set out under the SPA which it is required to perform and comply with on or before the SPA Closing Date; no Seller is in breach of any provision or in default of any obligation under the SPA.
3. No Restriction. No law (including any change in law) or judgment, ruling, decision, injunction or order issued by any court, arbitration institution or government authority would prohibit, restrict, cancel or otherwise impede the Share Transfer.
4. SASAC approval. The Offeror having obtained the relevant approvals from the State-owned Assets Supervision and Administration Commission (SASAC) at the Zhejiang provincial level for the Share Transfer.
5. ODI Filing. The Offeror having obtained the notice of filing or acceptance and/or approvals in respect of the outbound direct investment (“ODI”) filing required to be made for the purpose of the Share Transfer, which include:
  - (i) the *Notice of Project Filing* issued by the National Development and Reform Commission (NDRC);
  - (ii) the *Approval Certificate for the Overseas Investments of Chinese Enterprises* issued by the Ministry of Commerce (MOFCOM) at the Zhejiang provincial level; and
  - (iii) the acceptance of the ODI registration with the State Administration of Foreign Exchange (SAFE).
6. China Merger-control Filing. The Offeror having obtained the Notice of No Further Review issued by the Anti-Monopoly Bureau of the State Administration of Market Regulation.
7. Approval by Zhejiang Electric’s shareholders’ meeting. The Share Transfer having been approved by Zhejiang Electric’s shareholders at a general meeting.

If the conditions above are not fulfilled (or waived in accordance with the SPA) on or before the Long Stop Date, any SPA Party shall have the right to terminate the SPA.

## APPENDIX 2

### Representations and Warranties and Other Obligations

*Capitalised terms used but not otherwise defined herein shall have the meanings given to them in the main body of this Announcement.*

Representations and Warranties of the Sellers	<p>Each of the Sellers and Ultimate Controllers of the Sellers, being Dou Zhenggang, Wei Xuefeng, Jennifer Wei and Hangzhou Jinjiang Group Co., Ltd. (the “<b>Jinjiang Group</b>”), jointly represents and warrants to the Offeror and Zhejiang Electric, that each warranty below is true, accurate, complete and not misleading from the signing date of the SPA to the SPA Closing Date, as if repeated on each day during such period:</p> <ol style="list-style-type: none"> <li>1. each of the Sellers and Jinjiang Group is validly incorporated and existing under the laws of its place of incorporation;</li> <li>2. it has full power and authority to enter into and perform its obligations under the SPA and consummate the transactions contemplated thereunder; the SPA constitutes binding obligations of, and is enforceable obligations against, it, and it has obtained all necessary third-party consents and approvals (which are unconditional) necessary for its entering into and performing its obligations under the SPA;</li> <li>3. its entering into and performing its obligations under the SPA do not and will not: <ol style="list-style-type: none"> <li>(i) conflict with its articles of association or other constitutional documents;</li> <li>(ii) constitute a breach of any applicable law to which it is bound; or</li> <li>(iii) conflict with any contracts, agreements or other legal documents to which it is a party or constitutes a breach, default or non-performance of any of its obligations thereunder or otherwise give any other party to such contracts, agreements or other legal documents any right of termination, amendment, acceleration of performance or rescission,</li> </ol> <p>that may materially impede or interfere with the ability of the Sellers or the Ultimate Controllers of the Sellers to perform their obligations under the SPA;</p> </li> <li>4. each of the Sellers is the legal and beneficial owner of the respective portion of the Sale Shares, which are free and clear of any pledge, charge third party rights or any other kind of the encumbrance, and can exercise all rights attached to the Sale Shares including voting rights</li> </ol>
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	<p>and other rights;</p> <p>5. the Sale Shares are fully paid and have the same rights as all other shares issued by the Company;</p> <p>6. all matters material to the Sale Shares and Share Transfer have been fully and truthfully disclosed to the Offeror; and</p> <p>7. none of the Company or its subsidiaries has any amounts owed to or due by any of the Sellers or any of the Ultimate Controllers of the Sellers or any of their affiliates, or has any borrowings to or from any of the Sellers or any of the Ultimate Controllers of the Sellers any of their affiliates, save for as specified in the Memorandum of Understanding on Intercompany Balances separately entered into between the Company and Jinjiang Group (including any modifications thereto).</p>
Representations and Warranties of the Offeror and Zhejiang Electric	<p>Each of the Offeror and Zhejiang Electric jointly represents and warrants to the Sellers and the Ultimate Controllers of the Sellers, that each warranty below is true, accurate, complete and not misleading from the signing date of the SPA to the SPA Closing Date, as if repeated on each day during such period:</p> <p>1. it is validly incorporated and existing under the laws of its place of incorporation;</p> <p>2. it has full power and authority to enter into and perform its obligations under the SPA and consummate the transactions contemplated thereunder; the SPA constitutes binding obligations of, and is enforceable obligations against, it, and it has obtained all necessary third-party consents and approvals (which are unconditional) necessary for its entering into and performing its obligations under the SPA, except for those third-party consents the obtainment of which is a Pre-Condition;</p> <p>3. its entering into and performing its obligations under the SPA do not and will not:</p> <p>(i) conflict with its articles of association or other constitutional documents;</p> <p>(ii) constitute a breach of any applicable law to which it is bound; or</p> <p>(iii) conflict with any contracts, agreements or other legal documents to which it is a party or constitutes a breach, default or non-performance of any of its obligations thereunder or otherwise give any other party to such contracts, agreements or other legal documents any right of termination, amendment, acceleration of performance or rescission,</p> <p>that may materially impede or interfere with the Offeror's ability to</p>



	<p>perform its obligations under the SPA; and</p> <p>4. the funds used to settle the SPA Consideration are from legal sources.</p>
Summary of other key obligations of the Sellers	<ul style="list-style-type: none"> <li>• The SPA Parties shall use commercially reasonable best efforts to procure the satisfaction of the Pre-Conditions before the Long Stop Date, including cooperating with and procuring the Company to cooperate with the relevant SPA Parties in complying with such parties' obligations relating to communications, declaration, approvals or filings with governmental authority and disclosure obligations.</li> <li>• On completion of the Share Transfer in accordance with the SPA, the Sellers shall cause the following to be delivered to the Offeror: <ul style="list-style-type: none"> <li>○ a closing certificate confirming satisfaction of the Pre-Conditions numbered 1 to 3 in Appendix 1, duly signed by the Sellers and the Ultimate Controllers of the Sellers; and</li> <li>○ evidence of the Sale Shares having been transferred to the Offeror's account maintained with The Central Depository (Pte) Limited of Singapore ("CDP"), including, where required, a Request for Transfer of Securities Form (that has been pre-cleared by CDP prior to submission) duly completed and executed by each of the Sellers and/or the Ultimate Controllers of the Sellers in respect of the transfer of its Sale Shares to the Offeror or other legal documents of equal effect.</li> </ul> </li> <li>• During the period from the signing date of the SPA and the SPA Closing Date, none of the Sellers or the Ultimate Controllers of the Sellers shall: <ul style="list-style-type: none"> <li>○ directly or indirectly transfer, pledge, mortgage or otherwise dispose of or create any encumbrance over the Sale Shares; or</li> <li>○ transfer, pledge, mortgage or in any way dispose of any exclusive right to perform any services that are relevant to the Company or equity interest in any entity in which the Company or any of its subsidiaries holds a minority stake, to the extent such exclusive right to perform any services and such entity are controlled by any of the Sellers or the Ultimate Controllers of the Sellers; or</li> <li>○ enter into any agreement with any third party in relation to any of the foregoing.</li> </ul> </li> </ul>

## APPENDIX 3

### Holdings and Dealings of Relevant Securities

The details of the number of Relevant Securities held by the Relevant Persons as at 12 October 2020 are as follows: <sup>(1)</sup>

Name	Direct Interest		Deemed Interest		Total	
	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>
<b>Zhejiang Energy Hong Kong Holding Limited</b> (浙江能源香港控股有限公司)	430,000,000	29.57	-	-	430,000,000	29.57
<b>Zhejiang Energy International Limited</b> (浙江能源国际有限公司) <sup>(3)</sup>	-	-	430,000,000	29.57	430,000,000	29.57
<b>Zheneng Capital Holdings Co., Ltd.</b> (浙能资本控股有限公司) <sup>(3)</sup>	-	-	430,000,000	29.57	430,000,000	29.57
<b>Zhejiang Provincial Energy Group Co., Ltd.</b> (浙江省能源集团有限公司) <sup>(3)</sup>	-	-	430,000,000	29.57	430,000,000	29.57

**Notes:**

- (1) Excluding the deemed interest in the Sale Shares that the Relevant ZEG Entities acquire pursuant to the entry of the SPA.
- (2) Based on 1,454,024,700 Shares in issue as at the Pre-Conditional Offer Announcement Date.
- (3) 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 per cent. and 40 per cent. 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 per cent. 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 per cent. 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) is 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.