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**CHINA EVERBRIGHT ENVIRONMENT GROUP LIMITED**

**中國光大環境(集團)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 257)**

**ANNOUNCEMENT IN RESPECT OF THE COMPLETION OF ISSUANCE OF  
THE 2022 PERPETUAL MEDIUM-TERM NOTES (SERIES 1) IN THE PRC  
AND  
THE UNDERWRITING AGREEMENT**

**COMPLETION OF ISSUANCE OF THE 2022 PERPETUAL MEDIUM-TERM NOTES  
(SERIES 1)**

References are made to the announcement of China Everbright Environment Group Limited (the “**Company**”) dated 18 February 2022 in relation to the application to the NAFMII for the registration and the proposed issue of the Perpetual Medium-term Notes in an issue size of not exceeding RMB6 billion (equivalent to approximately HK\$7.32 billion) to the institutional investors in the inter-bank bond market in the PRC and the announcement of the Company dated 30 March 2022 in relation to the Notice of Registration Acceptance issued by the NAFMII for the Perpetual Medium-term Notes (collectively, the “**Announcements**”). Unless otherwise defined herein, capitalised terms in this announcement have the same respective meanings given to them in the Announcements.

The Board is pleased to announce that the Company has completed the issuance of the 2022 Perpetual Medium-term Notes (Series 1) in the PRC (the “**2022 Perpetual Medium-term Notes (Series 1)**”) on 19 April 2022. The principal terms of the 2022 Perpetual Medium-term Notes (Series 1) are as follows:

Issuer:	The Company
Principal amount:	RMB1.5 billion (equivalent to approximately HK\$1.83 billion)
Interest commencement date:	20 April 2022
Maturity and redemption:	<p>The base term of the 2022 Perpetual Medium-term Notes (Series 1) is three (3) years. At the end of the base term and each extended term, the Company shall have the right to extend the maturity of the 2022 Perpetual Medium-term Notes (Series 1) for an additional base term as agreed, or to repay the 2022 Perpetual Medium-term Notes (Series 1) in full.</p> <p>The Company has the right to redeem the 2022 Perpetual Medium-term Notes (Series 1) at par value plus interest payable on the last interest payment date of the first pricing term and on each subsequent interest payment date.</p>
Issue price:	At par value of the 2022 Perpetual Medium-term Notes (Series 1)
Interest rate:	3.47% per annum
Issue method:	Everbright Securities acted as lead underwriter and CMB acted as joint lead underwriter for the 2022 Perpetual Medium-term Notes (Series 1) which was publicly offered to the institutional investors in the inter-bank bond market in the PRC by way of centralised book-building and centralised placing exercise.

Use of proceeds: The proceeds from the issuance of the 2022 Perpetual Medium-term Notes (Series 1) will be used for, subject to adjustment, repayment of the Group's interest-bearing debts.

An announcement in respect of the issuance of the 2022 Perpetual Medium-term Notes (Series 1) has been published on the websites of China Foreign Exchange Trade System National Interbank Funding Center (中國外匯交易中心全國銀行間同業拆借中心) ([www.chinamoney.com.cn](http://www.chinamoney.com.cn)) and Shanghai Clearing House (上海清算所) ([www.shclearing.com](http://www.shclearing.com)) respectively.

## **THE UNDERWRITING AGREEMENT**

The Company has also entered into the Underwriting Agreement with Everbright Securities and CMB in relation to the 2022 Perpetual Medium-term Notes (Series 1), pursuant to which the Company has engaged Everbright Securities as the lead underwriter and CMB as the joint lead underwriter to be responsible for the underwriting of the issuance of the 2022 Perpetual Medium-term Notes (Series 1) in accordance with the terms of the Underwriting Agreement.

The conditions precedent of the Underwriting Agreement are, among others, (1) the obtaining of approvals by the Company in respect of the issuance of the 2022 Perpetual Medium-term Notes (Series 1) under the relevant PRC laws and regulations; and (2) the Company having not breached any of its representations, warranties or material obligations under the Underwriting Agreement and all other documents relating to the issuance of the 2022 Perpetual Medium-term Notes (Series 1). Upon satisfaction of the conditions precedent of the Underwriting Agreement, Everbright Securities and CMB shall underwrite the 2022 Perpetual Medium-term Notes (Series 1) issued by the Company by way of standby commitment underwriting in accordance with the terms of the Underwriting Agreement, and the Company shall pay the underwriting service fees to Everbright Securities and CMB in this regard.

The Directors (including the Independent Non-executive Directors) consider that the terms of the Underwriting Agreement were reached on an arm's length basis among the parties and that the Underwriting Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Company, and the terms of the Underwriting Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATION

As at the date of this announcement, Everbright Securities is a 30%-controlled company of China Everbright Group, the indirect controlling shareholder of the Company. Accordingly, Everbright Securities is an associate of China Everbright Group and thus a connected person of the Company under the Listing Rules. The provision of underwriting services by Everbright Securities contemplated under the Underwriting Agreement therefore constitutes a connected transaction of the Company pursuant to Chapter 14A of the Listing Rules.

Apart from the Underwriting Agreement, the Group has entered into agreements with Everbright Securities in relation to other underwriting arrangements, which under Rules 14A.81 and 14A.82 of the Listing Rules, shall be aggregated with the Underwriting Agreement as a series of transactions, and as all the applicable percentage ratios calculated on an individual basis and on an aggregated basis are less than 0.1%, the entering into of the Underwriting Agreement constitutes a de minimis transaction under Rule 14A.76 of the Listing Rules, and is fully exempt from the reporting, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## DEFINITIONS

In this announcement, except where the context otherwise requires, the following expressions shall have the following meanings:

“associate”	has the same meaning as ascribed to it under the Listing Rules
“30%-controlled company”	has the same meaning as ascribed to it under the Listing Rules
“China Everbright Group”	China Everbright Group Ltd.* (中國光大集團股份有限公司), a joint stock company incorporated in the PRC and the indirect controlling shareholder of the Company
“CMB”	China Merchants Bank Co., Ltd. (招商銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 3968) and the A shares of which are listed on the Shanghai Stock Exchange (stock code: 600036)
“connected person”	has the same meaning as ascribed to it under the Listing Rules

“Everbright Securities”	Everbright Securities Company Limited (光大證券股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 6178) and the A shares of which are listed on the Shanghai Stock Exchange (stock code: 601788)
“percentage ratio(s)”	has the same meaning as ascribed to it under the Listing Rules
“Underwriting Agreement”	the underwriting agreement dated 14 April 2022 entered into among the Company as the issuer, Everbright Securities as the lead underwriter, and CMB as the joint lead underwriter, in respect of the issuance of the 2022 Perpetual Medium-term Notes (Series 1), pursuant to which the Company has engaged Everbright Securities as the lead underwriter and CMB as the joint lead underwriter to be responsible for the underwriting of the issuance of the 2022 Perpetual Medium-term Notes (Series 1)
“%”	per cent

*For the purpose of illustration, the exchange rate used in this announcement is RMB1.00 = HK\$1.22.*

By Order of the Board  
**China Everbright Environment Group Limited**  
**Poon Yuen Ling**  
*Company Secretary*

Hong Kong, 21 April 2022

*As at the date of this announcement, the Board comprises: (i) five Executive Directors, namely Mr. Wang Tianyi (Chairman of the Board), Mr. Luan Zusheng (Chief Executive Officer), Mr. Hu Yanguo (Vice President), Mr. Qian Xiaodong (Vice President) and Mr. An Xuesong (Vice President and Chief Financial Officer); and (ii) four Independent Non-executive Directors, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn, Mr. Zhai Haitao and Mr. Suo Xuquan.*

\* *For identification purpose only*