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**Datang Environment Industry Group Co., Ltd.\***  
**大唐環境產業集團股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1272)**

**ANNOUNCEMENT**

**CONTINUING CONNECTED TRANSACTIONS AND  
MAJOR TRANSACTION – DEPOSIT SERVICES  
UNDER THE FINANCIAL SERVICES AGREEMENT WITH  
DATANG FINANCE**

**FINANCIAL SERVICES AGREEMENT**

The Board is pleased to announce that on 15 October 2019, the Company entered into the Financial Services Agreement with Datang Finance for a term from 1 January 2020 to 31 December 2021, pursuant to which Datang Finance has agreed to provide the Group with loan services, the Deposit Services and the Other Financial Services subject to the terms and conditions provided therein. The Company will, in accordance with the Listing Rules, comply with the provisions under Chapter 14A of the Listing Rules in relation to the continuing connected transactions, namely reporting, annual review, announcement and/or independent shareholders' approval, where applicable.

**LISTING RULES IMPLICATIONS**

As China Datang directly holds approximately 78.17% of the issued share capital of the Company, it is a controlling shareholder as defined under the Listing Rules and thus a connected person of the Company. Datang Finance is a non-wholly owned subsidiary of China Datang, and is therefore a connected person of the Company. Accordingly, the Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

Moreover, as one or more of applicable percentage ratio(s) of the Proposed Cap for Deposit Services exceeds 25% but is less than 100%, the Deposit Services to be provided under the Financial Services Agreement also constitute the major transactions of the Company under Chapter 14 of the Listing Rules.

The loan services to be provided by Datang Finance to the Group will constitute financial assistance to be provided by a connected person for the benefit of the Group. As such services are on normal commercial terms which are similar to or more favorable than those offered by independent third parties for comparable services in the PRC, and no security over the assets of the Group will be granted in respect of the loan services, the loan services are exempt from reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

As each of the percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) applicable to the Deposit Services is more than 5%, such Deposit Services are subject to the reporting, annual review, announcement and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules. The Company will disclose the relevant details in the annual report and accounts of the Company to be published in the next year in accordance with the relevant requirements as set out in Rule 14A.71 of the Listing Rules. In addition, as one or more of the applicable percentage ratio(s) for the proposed cap of the deposit services exceed 25% but less than 100%, the Deposit Services contemplated under the Financial Services Agreement also constitute a major transaction of the Company under Chapter 14 of the Listing Rules.

In respect of the Other Financial Services, each of the percentage ratio(s) will fall within the de minimis threshold set out in Rule 14A.76 of the Listing Rules, therefore the provision of the Other Financial Services is exempt from the reporting, announcement and independent shareholders' approval requirements of the Listing Rules.

The Directors (excluding the Directors who are required to abstain, but including the independent non-executive Directors) are of the view that the Financial Services Agreement and the Continuing Connected Transactions are conducted in the ordinary and usual course of business of the Company on normal commercial terms; the Continuing Connected Transactions and the Proposed Caps are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. Mr. Jin Yaohua, Mr. Liu Chuandong, Mr. Liu Guangming and Mr. Li Yi, being the Directors holding various positions with China Datang, have abstained from voting on the Financial Services Agreement and the Continuing Connected Transactions at the Board meeting. Save as disclosed above, none of the Directors has any material interest in the Continuing Connected Transactions.

A supplemental circular containing details of the Financial Services Agreement, a letter from the Independent Board Committee and a letter from Gram Capital, advising in respect of the terms of the Deposit Services, and the supplemental notice of the EGM of the Company will be dispatched to the Shareholders as soon as practicable.

## 1. FINANCIAL SERVICES AGREEMENT

The major contents of the Financial Services Agreement are as follows:

**Service provider:** Datang Finance

**Client:** the Group

**Date:** 15 October 2019

**Term:** from 1 January 2020 to 31 December 2021

**Nature of transaction:** The services to be provided by Datang Finance to the Group include loan services, the Deposit Services and the Other Financial Services, including financial and financing consultation and training services, transfer and settlement services, insurance agency services, entrustment loan and entrustment investment services, note financing services, and underwriting services for the issuance of corporate bonds to the Group. Datang Finance has agreed to provide financial services to the Group at the Company's request or instruction provided that Datang Finance has obtained the relevant approval from the CBRC. Datang Finance shall ensure the stable operation of fund management system to safeguard the fund, and to supervise the credit risk so as to satisfy the payment demands of the Group. The Group, with information of market rates and in view of its own interests, has the discretion to determine whether or not to maintain business relationship with Datang Finance, or to obtain financial services from other financial institutions in the meanwhile.

- Scope of service:**
- (1) loan services;
  - (2) Deposit Services; and
  - (3) Other Financial Services.

**Pricing Policy:** Datang Finance has undertaken to provide the aforementioned financial services to the Group based on the following pricing principles:

- (1) Loan services – within the floating interval for the deposit and loan interests rates published by the PBOC and by reference to the benchmark interest rates published by the PBOC, the interest rate for loans granted to the Group by Datang Finance shall not be higher than the equivalent loan interest rate as charged by other financial institutions in the PRC;
- (2) Deposit Services – within the floating interval for the deposit and loan interests rates published by the PBOC and by reference to the benchmark interest rates published by the PBOC, the interest rate for the Group’s deposits with Datang Finance shall not be lower than the equivalent deposit interest rate as provided by other financial institutions in the PRC; and
- (3) Other Financial Services – the fees charged by Datang Finance for the provision of the Other Financial Services to the Group shall not be higher than the rate charged by the other financial institutions in the PRC for the same or similar type of services.

## **2. CAPITAL RISK CONTROL MEASURES**

Pursuant to the Financial Services Agreement, Datang Finance undertakes to take the following measures to control the capital risks:

- (1) Datang Finance will ensure the safe and stable operation of the fund management information system, which has undergone the security test in respect of connection to the online commercial banking and has reached the national security standards for commercial banks. The system is equipped with the model awarded with CA safety certificate to secure the funds of the Group;

- (2) Datang Finance will ensure that it is in strict compliance with the risk monitoring indicators for financing companies issued by the CBRC and that its major regulatory indicators such as gearing ratio and liquidity ratio will also comply with the requirement by the CBRC; and
- (3) Any balance in the Group's deposits (after deducting the amount used for making entrusted loans and the loans made to the Group by Datang Finance) will be redeposited into one or more commercial banks in the PRC. The interests for the Group's call deposits will be settled at the negotiated savings interest rate as announced by the PBOC, which is higher than the interest rate for call deposits that the Group currently secures from other PRC commercial banks.

The Company will also adopt, among others, the following internal control and risk management measures to mitigate the financial risks which may be exposed to the Company under the Financial Services Agreement:

- i. Before entering into any transactions with Datang Finance, the Company will obtain and review quotes (i.e. savings interest rate, loan interest rate or fee quotes for the Other Financial Services) from at least four other independent financial institutions and the then savings interest rate, negotiated savings interest rate and loan interest rate as published by PBOC.

For the Deposit Services, in the event that the Company notes the then negotiated savings interest rate as announced by PBOC is less than the then savings interest rate as published by PBOC or the then savings interest rate as offered by other independent financial institutions in the PRC, the Company will enter into a supplemental agreement with Datang Finance to ensure the deposit interest rate of the Deposit Services will be no less favourable than the then savings interest rate as published by PBOC or offered by other independent financial institutions in the PRC. In the event that the Company notes that the actual deposit interest rate of the Deposit Services is less than the then negotiated savings interest rate as announced by PBOC or offered by other independent financial institutions in the PRC, the Company will require Datang Finance to compensate the differences to the Company.

For the loan services provided by Datang Finance to the Group under the Financial Services Agreement, in the event that the Company notes that the actual loan interest rate of relevant loan services is higher than the then loan interest rate as announced by PBOC or charged by other independent financial institutions in the PRC, the Company will require Datang Finance to compensate the differences to the Company.

For the Other Financial Services, in the event that the Company notes that the actual fee standards charged for provision of such financial services are higher than the then fee standards as offered by other independent financial institutions in the PRC, the Company will require Datang Finance to compensate the differences to the Company.

- ii. Before placing deposit, the finance department of the Company will check daily balance of the deposits placed with Datang Finance to avoid exceeding the Proposed Caps for the Deposit Services.

Before making any loan, the finance department of the Company will check with Datang Finance to ensure that no security over any assets will be granted in respect of the loan services provided by Datang Finance to the Group under the Financial Services Agreement.

Before provision of any of the Other Financial Services by Datang Finance, the finance department of the Company will check the transaction amount of the Other Financial Services. The Company will comply with the reporting, announcement and independent shareholders' approval requirements of the Listing Rules, where applicable, if the transaction amount of the Other Financial Services to be provided by Datang Finance to the Group exceeds the minimum amount under Rule 14A.76 of the Listing Rules.

- iii. On a monthly basis, the finance department of the Company will report to the Management of the Company of any updates in relation to relevant continuing connected transactions. Such report principally covers: (1) the balance of deposits and loans as of the end of the preceding month; (2) interest rates for additional deposits and loans of the preceding month; (3) plan for usage and usage of deposit of the current month; (4) loan principal and interest repayment plan and source of fund of the current month; and
- iv. The independent non-executive Directors and the Company's auditors will review annually the enforcement of relevant continuing connected transactions under the Financial Services Agreement and provide annual confirmations in accordance with the Listing Rules that relevant continuing connected transactions are conducted in accordance with the terms of the Financial Services Agreement, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

The Directors (excluding the Directors who are required to abstain from voting, but including the independent non-executive Directors) consider that the above capital risk control measures are adequate to cover the risks involved in relevant continuing connected transactions with Datang Finance.

### 3. PROPOSED CAPS AND THEIR BASIS

#### **Loan Services:**

In view of the loan services provided by Datang Finance to the Group are on normal commercial terms which are similar to or more favorable than those offered by independent third parties for comparable services in the PRC, and that no security over the assets of the Group will be granted in respect of the loan services, the loan services are exempt from reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules. As such, no cap has been set for such services.

#### **Deposit Services:**

The Company estimates that the Proposed Cap of the Deposit Services for the maximum daily deposit balance (including any relevant interest accrued therefrom) with Datang Finance for each of the years ending 31 December 2020 and 2021 is RMB4,000 million, after taking into account of the following factors:

1. The balance of cash and cash equivalents of the Group amounted to RMB1,543.74 million as of 30 June 2019;
2. The Company has applied to the National Association of Financial Market Institutional Investors for registration and issuance of ultra short-term financing bonds of no more than RMB3,000 million. The balance of deposit is expected to be close to the Proposed Cap for the Deposit Services of RMB4,000 million if the Company issues one-off ultra short-term financing bonds of more than RMB2,400 million and temporarily places all the proceeds into the Group's deposit account opened at Datang Finance;

3. The balance of trade and bills receivables of the Group amounted to RMB8,424.93 million as of 30 June 2019. The balance of deposit may also experience significant increase within a short term and will be close to the Proposed Cap for the Deposit Services of RMB4,000 million if the Group recovers a large amount of trade and bills receivables within a short term and places the receivables into the Group's deposit account opened at Datang Finance.

In view of the above, the maximum daily deposit balance with Datang Finance of RMB4,000 million is a reasonable cap.

**Other Financial Services:**

The Company expects that each of the percentage ratios (as defined in Rule 14.07 of Listing Rules) of the total fees payable by the Group to Datang Finance in respect of the Other Financial Services will fall within the de minimis threshold as stipulated under Rule 14A.76 of the Listing Rules, for which the Other Financial Services are exempt from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. As such, no cap has been set for such services. The Company will comply with the reporting, announcement and independent shareholders' approval requirements of the Listing Rules, where applicable, if the transaction amount of the Other Financial Services to be provided by Datang Finance to the Group under the Financial Services Agreement exceeds the de minimis threshold as stipulated under Rule 14A.76 of the Listing Rules. Among the Other Financial Services, Datang Finance will provide settlement services to the Group, free of charge. The Company confirms that there will not be any provision of financial assistance by the Company to Datang Finance under this arrangement. The Other Financial Services to be provided under the Financial Services Agreement will be on normal commercial terms and on terms comparable to or better than those for similar services provided by independent third parties in the PRC.



#### **4. REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCIAL SERVICES AGREEMENT**

Relevant continuing connected transactions will be conducted in the ordinary and usual course of business of the Company on normal commercial terms and on terms similar to or even more favourable than those available to the Company from independent third parties in the PRC. The Directors (including the independent non-executive Directors) are of the view that such transactions are beneficial to the Group and furthermore, the Group can earn interests or enjoy benefits through such transactions at the terms not less favourable to independent third parties.

Furthermore, due to the long-term relationship between the Group, China Datang and China Datang Group, the Directors (including the independent non-executive Directors) consider that it is beneficial to the Company to enter into continuing connected transactions with companies affiliated to China Datang. They are familiar with the Group's operation and requirement on the products and services, and will be able to respond more quickly and in a more cost efficient manner to the requirements that the Group may have as compared with other financial institutions unrelated to China Datang Group.

In addition, as the customers of Datang Finance are limited to entities affiliated to China Datang and its subsidiaries under applicable laws and regulations, it reduces the default risk and liquidity risk that Datang Finance may otherwise be exposed to if its customers include entities unrelated to China Datang. Moreover, the aforementioned risk control measures adopted by Datang Finance are adequate to address the default risk and liquidity risk involved in receiving financial services from Datang Finance. Security of capital of the Group may be undermined in case of breach of contract or illiquidity of Datang Finance as the Group plans to place cash into its deposit account opened at Datang Finance. As such, Datang Finance's effective control over the breach of contract and liquidity risk will be conducive to the reduction of the Group's capital risk.

Therefore, the Directors (excluding the Directors who are required to abstain, but including the independent non-executive Directors) believe that relevant continuing connected transactions under the Financial Services Agreement and the Proposed Caps are fair and reasonable.

## **5. LISTING RULES IMPLICATIONS**

As China Datang directly holds approximately 78.17% of the issued share capital of the Company as at the date of this announcement, it is a controlling shareholder of the Company. Datang Finance is a subsidiary of China Datang, and is therefore a connected person of the Company. Accordingly, the Financial Services Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

Moreover, as one or more of applicable percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) of the Proposed Cap for Deposit Services exceeds 25% but is less than 100%, the Deposit Services to be provided under the Financial Services Agreement also constitute the major transactions of the Company under Chapter 14 of the Listing Rules.

### **Loan Services**

The loan services to be provided by Datang Finance to the Group will constitute financial assistance to be provided by a connected person for the benefit of the Group. As such services are on normal commercial terms which are similar to or more favorable than those offered by independent third parties for comparable services in the PRC, and no security over the assets of the Group will be granted in respect of the loan services, the loan services are exempt from reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

### **Deposit Services**

As each of the percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) applicable to the Deposit Services is more than 5%, the Deposit Services is subject to the reporting, annual review, announcement, and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will disclose relevant details in the annual report and accounts of the Company to be published in the next year pursuant to the relevant requirements under Rule 14A.71 of the Listing Rules.

Moreover, as one or more of applicable percentage ratio(s) of the Proposed Cap for Deposit Services exceeds 25% but is less than 100%, the Deposit Services to be provided under the Financial Services Agreement also constitute the major transactions of the Company under Chapter 14 of the Listing Rules.

## **Other Financial Services**

In respect of the Other Financial Services to be provided by Datang Finance to the Group, each of the percentage ratio(s) is below the de minimis threshold set out in Rule 14A.76 of the Listing Rules, therefore the provision of the Other Financial Services by Datang Finance to the Group is exempt from the reporting, announcement and independent shareholders' approval requirements of the Listing Rules. The Company will comply with the reporting, announcement and independent shareholders' approval requirements of the Listing Rules, where applicable, if the transaction amount of the Other Financial Services to be provided by Datang Finance to the Group under the Financial Services Agreement exceeds the de minimis threshold stipulated in Rule 14A.76 of the Listing Rules.

## **6. GENERAL INFORMATION OF THE PARTIES**

### **Information on the Company**

The Company is a non-wholly owned subsidiary of China Datang, and is the sole platform for the development of environmental protection and energy conservation business under China Datang Group, one of the five major state wholly-owned power generation groups in the PRC. The principal business of the Group includes environmental protection facility concession operation, denitrification catalysts, environmental protection facilities engineering, water treatment business, energy conservation business and renewable energy engineering business.

### **Information on Datang Finance**

Datang Finance was officially established in the PRC as a non-bank financial institution in May 2005, and is a non-wholly owned subsidiary of China Datang. It is regulated by CBRC and in compliance with laws and regulations concerning the non-bank financial institutions. Its primary business scopes are as follows: providing consultancy and agency service in relation to financial advisory, credit, visa and related services; assisting intra-group members in realizing receipt and payment of transaction amount; providing approved insurance agency services; serving as guarantees for loans of intra-group members; handling entrusted loan and entrusted investment between intra-group members; handling bill acceptances and discounting for intra-group members; conducting internal transfer settlement between intra-group member and designing of corresponding settlement and liquidation plan; absorbing deposits from intra-group members; dealing with loan and financial leasing for intra-group members; dealing with inter-bank offered credit; issuing finance company bonds upon approval, underwrite corporate bonds of intra-group members, equity investments in financial institutions; and investment in negotiable securities, etc.

## **Information on China Datang**

China Datang is a state-owned enterprise established in the PRC in April 2003 and is the controlling shareholder of the Company and Datang Finance. China Datang is primarily engaged in the development, investment, construction, operation and management of power energy; organization of power (thermal) production and sales; manufacture, maintenance and commissioning of electric power equipment; power technology development and consultation; contracting and consulting of electric power engineering and environmental protection projects; development of new energy; and self-operating and being an agent for import and export of any kind of goods and technology save for those where the import or export of the goods and technology are restricted or prohibited by national laws and regulations.

## **7. OPINIONS OF THE DIRECTORS**

Mr. Jin Yaohua, Mr. Liu Chuandong, Mr. Liu Guangming and Mr. Li Yi of the Company, holding positions with China Datang, have abstained from voting on the Financial Services Agreement and relevant continuing connected transactions at the Board meeting. Save as disclosed above, none of the Directors has any material interest in relevant continuing connected transactions.

The Directors (excluding the Directors who are required to abstain, but including the independent non-executive Directors) are of the view that the Financial Services Agreement and relevant continuing connected transactions are conducted in the ordinary and usual course of business of the Company on normal commercial terms; relevant continuing connected transactions and Proposed Caps are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

The Independent Board Committee will be formed by the Company to advise the Independent Shareholders in connection with the Deposit Services and the Proposed Caps of the Deposit Services. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the Deposit Services. The letter from the Independent Board Committee and the letter from Gram Capital will be included in the supplemental circular to be dispatched to the Shareholders with respect to the Financial Services Agreement and the EGM of the Company.

In view of the interests of China Datang, which directly held approximately 78.17% of the issued share capital of the Company as at the date of this announcement and thus is a connected person of the Company, in the Continuing Connected Transactions, China Datang and its associates (including China Datang Group Capital Holding Co., Ltd (中國大唐集團資本控股有限公司)) are required to abstain from voting on the resolutions to be proposed at the EGM to approve the Deposit Services. As at the date of this announcement, to the best knowledge, information and belief of the Directors, save as disclosed in this announcement, no other Shareholders will be required to abstain from voting in respect of the relevant resolutions.

## **8. DISPATCH OF SUPPLEMENTAL CIRCULAR**

A supplemental circular containing, amongst other things, further details of the Financial Services Agreement, a letter from the Independent Board Committee to the Independent Shareholders and a letter from Gram Capital to the Independent Board Committee and the Independent Shareholders, together with a supplemental notice of the EGM of the Company is expected to be dispatched to the Shareholders as soon as practicable.

## **9. DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate(s)”	has the meaning ascribed under the Listing Rules
“Board”	the board of directors of the Company
“CA”	certificate authority
“China Datang”	China Datang Corporation Ltd. (中國大唐集團有限公司), a state-owned enterprise established in the PRC on 9 April 2003 and the controlling shareholder and the promoter of the Company
“China Datang Group”	China Datang and its subsidiaries (excluding the Group)
“CBRC”	China Banking Regulatory Commission (中國銀行業監督管理委員會)

“Company”	Datang Environment Industry Group Co., Ltd. (大唐環境產業集團股份有限公司), a joint stock limited company incorporated in the PRC, whose H shares are listed on the Stock Exchange (stock code: 1272)
“connected person”	has the meaning ascribed under the Listing Rules
“continuing connected transaction”	has the meaning ascribed under the Listing Rules
“Continuing Connected Transactions”	the connected transactions under the Financial Services Agreement, including loan services, the Deposit Services and the Other Financial Services provided by Datang Finance to the Group
“controlling shareholder”	has the meaning ascribed under the Listing Rules
“Datang Finance”	China Datang Finance Co., Ltd. (中國大唐集團財務有限公司), a company incorporated in the PRC with limited liability, and a non-wholly owned subsidiary of China Datang
“Deposit Services”	deposit services to be provided by Datang Finance to the Group under the Financial Services Agreement
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares in the Company’s share capital with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“EGM”	the extraordinary general meeting of the Company to be held on 30 October 2019
“Financial Services Agreement”	the financial services agreement entered into between Datang Finance and the Company on 15 October 2019
“Group”	the Company and its subsidiaries
“Independent Board Committee”	an independent committee of the Board comprising Mr. Ye Xiang, Mr. Mao Zhuanjian and Mr. Gao Jiexiang, all being independent non-executive Directors

“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, and is the independent financial adviser appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders as to the Deposit Services and the Proposed Caps of the Deposit Services
“Independent Shareholders”	the Shareholders who are not required to abstain from voting at the EGM of the Company for the relevant resolution with respect to the Financial Services Agreement
“H Shares”	the overseas listed foreign shares of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or modified from time to time)
“Other Financial Services”	other financial services which may be provided by Datang Finance to the Group in addition to loan services and the Deposit Services, including financial and financing consultation and training services, transfer and settlement services, insurance agency services, finance leasing, entrustment loan and entrustment investment services, note financing services, and underwriting services for the issuance of corporate bonds to the Group
“PBOC”	the People’s Bank of China (中國人民銀行)
“PRC”	the People’s Republic of China
“Proposed Cap(s)”	the proposed caps in respect of the Continuing Connected Transactions under the Financial Services Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary shares of the Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares

“Shareholder(s)”	the holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed under the Listing Rules
“%”	percentage

By order of the Board  
**Datang Environment Industry Group Co., Ltd.\***  
**Jin Yaohua**  
*Chairman*

Beijing, the PRC, 15 October 2019

*As of the date of this announcement, the non-executive Directors are Mr. Jin Yaohua, Mr. Liu Chuandong, Mr. Liu Guangming, Mr. Li Yi, Mr. Deng Xiandong and Mr. Shen Zhen; and the independent non-executive Directors are Mr. Ye Xiang, Mr. Mao Zhuanjian and Mr. Gao Jiexiang.*

\* *For identification purposes only*