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Tianjin Capital Environmental Protection Group Company Limited
天津創業環保集團股份有限公司

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

(Stock Code: 1065)

**(1) PROPOSED NON-PUBLIC ISSUANCE OF A SHARES;
(2) SPECIFIC MANDATE; AND
(3) PROPOSED ADOPTION OF THE SHAREHOLDERS' RETURN PLAN**

(1) Proposed Non-public Issuance of A Shares

The Board is pleased to announce that at the Board meeting held on 22 November 2021, the Board has approved the proposed issuance of a maximum of 428,168,529 new A Shares (inclusive) by the Company to not more than 35 (35 inclusive) specific target subscribers. It is expected that the gross proceeds to be raised from the Non-public Issuance of A Shares will not exceed RMB830,500,000 (inclusive).

The Issue Price of the Non-public Issuance of A Shares will be determined through bidding, whereas the Price Determination Date of the Non-public Issuance of A Shares is the first day of the offering period of the Non-public Issuance of A Shares. The Issue Price shall not be lower than (i) 80% of the average trading price of the Company's A Shares over the 20 trading days preceding the Price Determination Date (the average trading price of the A Shares over the 20 trading days preceding the Price Determination Date = the total turnover of A Shares over the 20 trading days preceding the Price Determination Date/the total trading volume of A Shares over the 20 trading days preceding the Price Determination Date) and (ii) the Company's latest audited net assets per Share attributable to the shareholders of ordinary shares of the Company prior to the issuance under the Non-public Issuance of A Shares, whichever is higher.

The number of A Shares to be issued under the Non-public Issuance of A Shares being not exceeding 428,168,529 (inclusive), represents (i) approximately 39.38% of the number of the existing issued A Shares as at the date of this announcement and 30% of the number of existing total issued shares as at the date of this announcement; and (ii) approximately 28.25% of the number of issued A Shares and approximately 23.08% of the number of total issued shares upon completion of the Non-public Issuance of A Shares, in each case, represents the shares as enlarged by the number of A Shares to be issued.

(2) Specific Mandate

The Non-public Issuance of A Shares will be issued under the Specific Mandate. The Non-public Issuance of A Shares shall be subject to the approvals from the Tianjin SASAC and the CSRC, and the consideration and approvals by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting.

(3) PROPOSED ADOPTION OF THE SHAREHOLDERS' RETURN PLAN

Pursuant to the Notice Regarding Further Implementation of Cash Dividend Distribution of Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》) (Zheng Jian Fa [2012] No.37) and the Regulatory Guidance No. 3 of Listed Companies — Cash Dividend Distribution of Listed Companies (《上市公司監管指引第 3 號 — 上市公司現金分紅》) (Zheng Jian Hui Gong Gao [2013] No.43) both issued by the CSRC as well as the Guideline on Cash Dividend of Listed Companies (《上市公司現金分紅指引》) and the Working Memorandum No. 7 for the Regular Report of Listed Companies — Matters to be Noticed in Relation to Annual Report and Cash Dividend (《上市公司定期報告工作備忘錄第七號 — 關於年報工作中與現金分紅相關的注意事項》) promulgated by the SSE and the Articles of Association, the Board has formulated and proposed to adopt the Shareholders' Return Plan. The proposed adoption of the Shareholders' Return Plan will be subject to the approvals by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting.

EGM and Class Meetings

The EGM and Class Meetings will be convened to consider and approve, as appropriate, (among others) (i) the Non-public Issuance of A Shares; (ii) the Specific Mandate; and (iii) the Shareholders' Return Plan. The EGM will be convened to consider and approve, as appropriate, (among others) (i) the authorization to the Board and its authorized representative(s) to handle all matters relating to the Non-public Issuance of A Shares, including but not limited to, the amendments to the Articles of Association. A circular containing (among other things) details of the aforesaid matters, the notice of the EGM and the notices of the Class Meetings will be dispatched to the Shareholders as soon as possible.

Other Information

Shareholders' attention is also drawn to the overseas regulatory announcements dated 22 November 2021 issued by the Company in relation to the Non-public Issuance of A Shares by the Company.

Completion of the Non-public Issuance of A Shares shall be subject to the fulfillment of certain terms and conditions. Therefore, the Non-public Issuance of A Shares may or may not be proceeded. Shareholders and potential shareholders of the Company are reminded to exercise caution when dealing in securities of the Company.

INTRODUCTION

References are made to the announcement and the overseas regulatory announcements dated 13 July 2020, the circular dated 21 August 2020, the announcement on the resolutions passed at the 2020 first EGM, the 2020 first H shareholders' Class Meeting and the 2020 first A Shareholders' Class Meeting dated 7 September 2020, the announcements dated 28 August 2020, 29 September 2020 and 30 October 2020, the overseas regulatory announcements dated 17 November 2020 and 28 January 2021, the announcements on inside information dated 28 January 2021 and 30 March 2021, the announcement dated 2 July 2021, the announcement dated 3 September 2021 and the circular dated 27 September 2021 in relation to the announcement on (1) the extension of the validity period of the resolution in relation to the adjusted Non-public Issuance of A Shares of 2020; and (2) the extension of the validity period of the authorization to the Board and its authorized representative(s) to handle all matters relating to the adjusted Non-public Issuance of A Shares at the general meeting of the Company, the announcement on the resolutions passed at the 2021 second EGM, the 2021 first H Shareholders' Class Meeting and the 2021 first A Shareholders' Class Meeting dated 15 October 2021, and the announcement dated 22 November 2021 in relation to (among others) the matter of terminating the adjusted Non-public Issuance of A Shares of 2020, of the Company.

The Board is pleased to announce that at the Board meeting held on 22 November 2021, the Board has approved the proposed issuance of a maximum of 428,168,529 new A Shares (inclusive) by the Company to not more than 35 (35 inclusive) specific target subscribers. It is expected that the gross proceeds to be raised from the Non-public Issuance of A Shares will not exceed RMB830,500,000 (inclusive).

(1) PROPOSED NON-PUBLIC ISSUANCE OF A SHARES

Details of the Non-public Issuance of A Shares are set out below. Upon consideration and approval by the EGM and Class Meetings, relevant matters in respect of the Non-public Issuance of A Shares shall be submitted to the CSRC in accordance with relevant procedures, and the final plan shall be the one as approved by the CSRC.

Class and par value of Shares to be issued:	A Shares with a par value of RMB1.00 each.
Method and time of issuance:	The Non-public Issuance of A Shares will be carried out by way of non-public issuance to specific target subscribers. The Company will choose an appropriate opportunity to issue the A Shares within the validity period of the approval documents regarding the Non-public Issuance of A Shares from the CSRC.
Target subscribers and subscription method:	<p>The target subscribers of the Non-public Issuance of A Shares will not be more than 35 (35 inclusive) specific target subscribers, including: no more than 35 specific target subscribers including institutional investors such as securities investment fund management companies, securities companies, trust investment companies, finance companies, asset management companies, insurance institutional investors, qualified foreign institutional investors (including the above-mentioned investors' self-operated accounts or managed investment product accounts) who meet the requirements of the CSRC, as well as the other legal persons, natural persons or other qualified investors who meet the requirements of the CSRC. Securities investment fund management companies which subscribe for the A Shares with two or more of the funds managed by them, shall each be taken as one single target subscriber. Trust investment companies, as target subscribers, may only subscribe for the A Shares with their own funds.</p> <p>Within the above scope, the final list of the target subscribers will be determined by the Board within the scope of authorization at the EGM, through negotiation with the sponsor (the lead underwriter) of the Non-public Issuance of A Shares based on the bidding results and pursuant to the Specific Rules for Implementation of the Non-public Issuance of Shares by Listed Companies (as amended in 2020)* (《上市公司非公开发售股票实施细则》(2020年修正)) after the Company has obtained the approval documents from the CSRC for the Non-public Issuance of A Shares. In the event that the laws, regulations and regulatory documents of the PRC have new requirements in relation to target subscribers of the Non-public Issuance of A Shares, the Company will make adjustments according to such new requirements.</p>

All the target subscribers of the Non-public Issuance of A Shares will subscribe for A Shares under the Non-public Issuance of A Shares in cash on a one-off basis.

As at the date of this announcement, the Company has not entered into any agreements with any potential subscribers in respect of the Non-public Issuance of A Shares. The Company currently expects that the A Shares to be issued under the Non-public Issuance of A Shares will be issued to subscribers who are and whose ultimate beneficial owners are third parties independent of the Company and its connected persons.

Issue price and pricing principles:

The Issue Price of the Non-public Issuance of A Shares will be determined through bidding, whereas the Price Determination Date of the Non-public Issuance of A Shares is the first day of the offering period of the Non-public Issuance of A Shares.

The Issue Price shall not be lower than (i) 80% of the average trading price of the Company's A Shares over the 20 trading days preceding the Price Determination Date (the average trading price of the A Shares over the 20 trading days preceding the Price Determination Date = the total turnover of A Shares over the 20 trading days preceding the Price Determination Date/the total trading volume of A Shares over the 20 trading days preceding the Price Determination Date) and (ii) the Company's latest audited net assets per Share attributable to the Shareholders of ordinary shares of the Company prior to the issuance under the Non-public Issuance of A Shares, whichever is higher.

As set out in the latest audited consolidated financial statements of the Company prior to the issuance under the Non-public Issuance of A Shares, the net assets per Share attributable to the shareholders of ordinary shares of the Company as disclosed in the audited consolidated financial statements for the year of 2020 of the Company is approximately RMB4.62, on such basis and assuming that the latest audited consolidated financial statements prior to the issuance under the Non-public Issuance of A Shares is the audited consolidated financial statements for the year of 2020 of the Company, it is expected that the minimum Issue Price would, subject to the approval of the CSRC, be at least approximately RMB4.62.

As at the date of this announcement, the closing price per A Share quoted on the SSE was RMB6.51; as at the date of this announcement, the closing price per H Share quoted on the Stock Exchange was HK\$3.66.

In the event that during the 20 trading days prior to the Price Determination Date, there occurs ex-right or ex-dividend event, such as dividends distribution, bonus issue, rights issue and capitalization of capital reserves, causing adjustment to the Share prices, the trading prices for the trading days preceding such adjustment shall be calculated as the adjusted price after such ex-right or ex-dividend event.

The aforementioned net assets per Share will be adjusted accordingly in cases of occurrence of ex-rights or ex-dividend matters such as dividend distribution, bonus issue, rights issue and capitalization of capital reserves in the Company during the period from the balance sheet date of the latest audited financial report prior to the issuance to the Issue Date.

The Issue Price shall be adjusted on ex-right or ex-dividend basis in cases of occurrence of ex-rights or ex-dividend matters such as dividend distribution, bonus issue, rights issue and capitalization of capital reserves in the Company during the period from the Price Determination Date to the Issue Date.

Upon obtaining the approval documents from the CSRC for the Non-public Issuance of A Shares by the Company, the final Issue Price shall be determined in accordance with the relevant laws and regulations and the requirements by the regulatory bodies, and having regard to the bidding results, through negotiation by the Board or other authorized person(s) of the Board under the authorization granted at the EGM, with the sponsor (the lead underwriter) of the Non-public Issuance of A Shares.

Number of A Shares to
be issued:

The number of A Shares to be issued under the Non-public Issuance of A Shares will not exceed 428,168,529 (inclusive). The maximum number of Shares to be issued will not exceed 30% of the total share capital of the Company (being 1,427,228,430 shares) prior to this issuance.

The number of A Shares to be issued under the Non-public Issuance of A Shares being not exceeding 428,168,529 (inclusive), represents (i) approximately 39.38% of the number of the existing issued A Shares as at the date of this announcement and 30% of the number of existing total issued shares as at the date of this announcement; and (ii) approximately 28.25% of the number of issued A Shares and approximately 23.08% of the number of total issued shares upon completion of the Non-public Issuance of A Shares, in each case, represents the shares as enlarged by the number of A Shares to be issued.

The number of A Shares to be issued under the Non-public Issuance of A Shares will be adjusted accordingly in cases of occurrence of ex-right or ex-dividend matters, such as dividend distribution, bonus issue, rights issue and capitalization of capital reserves, between the date of this announcement and the Issue Date.

The final number of A Shares to be issued will be determined by the Board or authorized person(s) of the Board under the authorization granted at the EGM through negotiation with the sponsor (the lead underwriter) of the Non-public Issuance of A Shares in accordance with the price offered by the target subscribers after the Company has obtained the approval documents from the CSRC in relation to the Non-public Issuance of A Shares.

Use of proceeds:

The gross proceeds to be raised from the Non-public Issuance of A Shares are expected to be not more than RMB830,500,000 (inclusive) and the net proceeds raised after deducting issuance costs are intended to be used for investment in the following projects:

No.	Project name	Total amount of investment (RMB0'000)	Proposed amount of proceeds to be utilized (RMB0'000)
1	The construction project of the sewage processing plant at the Tianying Science and Technology Park in the Jieshou Hi-Tech District of Fuyang in Anhui	18,963.75	14,800.00
2	The newly-built and upgrade and supporting pipeline network (phase II) PPP project of Honghu township sewage processing plant	28,465.12	21,450.00
3	The first batch of projects of the recycled water pipe network connection project in the main districts of Tianjin City	29,917.95	21,900.00
4	The repayment of interest-bearing liabilities and supplement the working capital	–	24,900.00
Total			83,050.00

If the net proceeds to be raised from the Non-public Issuance of A Shares are lower than proposed amount to be used from the proceeds for the above projects, the shortfall will be covered by the Company through self-raised funds; meanwhile, under the premise of not changing the projects to be invested in with the proceeds, the Board may make appropriate adjustment to the order and the amount to be used from the proceeds for the above projects according to the actual condition of the projects to be invested in with the proceeds.

	<p>Before the proceeds to be raised from the Non-public Issuance of A Shares are available to be used, the Company may invest in advance with self-owned funds or self-raised funds according to the progress of the projects to be invested in with the proceeds, which will be subsequently replaced according to the relevant procedures as stipulated after the proceeds are available to be used.</p>
Lock-up period arrangement:	<p>Target subscribers shall not transfer the A Shares which they subscribed for under the Non-public Issuance of A Shares within 6 months from the date of completion of the Non-public Issuance of A Shares.</p> <p>Relevant requirements by the CSRC and the SSE shall be followed upon expiry of the above lock-up period. In case of any subsequent changes in relevant laws, regulations, and regulatory documents of securities regulatory authorities, the lock-up period will be adjusted accordingly.</p>
Place of listing of the A Shares to be issued:	<p>The Company will make an application to the SSE for the granting of the listing and trading of all the new A Shares to be issued under the Non-public Issuance of A Shares. Upon expiry of the above lock-up period, such new A Shares will be listed and traded on the SSE.</p>
Conditions for the Non-public Issuance of A Shares:	<p>The Non-public Issuance of A Shares shall be subject to:</p> <ol style="list-style-type: none"> (1) the approval for the plan of the Non-public Issuance of A Shares by the Tianjin SASAC; (2) the approvals for the plan of the Non-public Issuance of A Shares by the Shareholders at the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting; and (3) the approval for the application for the Non-public Issuance of A Shares by the CSRC.
Specific Mandate of the Non-public Issuance of A Shares	<p>The Company will issue the A Shares under the Specific Mandate to be sought from the Shareholders at the EGM and the Class Meetings.</p>
Arrangement relating to the accumulated undistributed profits of the Company prior to the Non-public Issuance of A Shares:	<p>All the existing and new Shareholders upon completion of the Non-public Issuance of A Shares will be entitled to the accumulated undistributed profits of the Company prior to the Non-public Issuance of A Shares in accordance with their then respective shareholding proportion.</p>

Validity period of the resolution:	The resolution with respect to the Non-public Issuance of A Shares shall be valid for 12 months from the date of the consideration and approval of such resolutions at the EGM and the Class Meetings. In the event that there are new requirements in relation to the Non-public Issuance of A Shares under the relevant PRC laws and regulations, the Company will make adjustments according to such new requirements.
Rights of A Shares to be issued:	The A Shares to be issued under the Non-public Issuance of A Shares, when fully paid and issued, will rank pari passu in all respects amongst themselves and with the A Shares in issue at the time of the issuance of such A Shares.

Effects of the Non-public Issuance of A Shares on the Shareholding Structure of the Company

As at the date of this announcement, the total issued share capital of the Company is 1,427,228,430 Shares, which comprises of 1,087,228,430 A Shares and 340,000,000 H Shares.

The following table sets out the shareholding structure of the Company as at the date of this announcement and immediately after the completion of the Non-public Issuance of A Shares (assuming that 428,168,529 new A Shares will be issued under the Non-public Issuance of A Shares and there is no other change in the shareholding structure):

Shareholders	As at the date of this announcement		Immediately after the completion of the Non-public Issuance of A Shares	
	Number of Shares	Approximate percentage of the total issued Shares (%)	Number of Shares	Approximate percentage of the total issued Shares (%)
A Shares				
– TMICL	715,565,186	50.14	715,565,186	38.57
– New A Shareholders under the Non-public Issuance of A Shares	–	–	428,168,529	23.08
– Other A Shareholders	371,663,244	26.04	371,663,244	20.03
H Shares				
Public H Shareholders	340,000,000	23.82	340,000,000	18.32
Total number of issued Shares	1,427,228,430	100	1,855,396,959	100

Reasons and Benefits of the Non-public Issuance of A Shares

1. To keep abreast of the policies and seize market opportunities

Positioned as a “comprehensive environmental service provider”, the Company continues to consolidate the basic business centering sewage treatment, vigorously expands potential business fields such as solid waste treatment, new energy, and environmental protection technology, and explores emerging business fields such as environmental remediation and environmental monitoring. Through the Non-public Issuance of A Shares, the Company will enhance its capital reserves and strengthen the flexibility of operation and management, so as to seize the opportunities brought by the rapid development of the industry and the national policies, and to cope with the challenges posed by macroeconomic fluctuations and increasingly fierce competitions in the environmental protection industry.

2. To optimize capital structure and alleviate working capital pressure

Over the recent years, the Company’s business scale continues to expand, and the demand for working capital increases accordingly. The current capital structure of the Company does not only restrict the ability of indirect financing, but also exposes the Company to certain financial risks. The Company will raise funds through the Non-public Issuance of A Shares to repay interest-bearing liabilities and supplement working capital. On one hand, it will be beneficial for reducing the asset-liability ratio, optimizing the capital structure and reducing the debt repayment risk; on the other hand, it will be conducive to further expanding the Company’s financial strength, improving its anti-risk ability, financial security level and financial flexibility, and supporting its stable and rapid development.

Therefore, the Directors, including the independent non-executive Directors, consider that the Non-public Issuance of A Shares is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Fundraising Activities for the Past 12 Months

The Company did not conduct any fundraising activities involving the issuance of equity securities in the 12 months preceding the date of this announcement.

(2) SPECIFIC MANDATE

The Non-public Issuance of A Shares will be issued under the Specific Mandate. The Non-public Issuance of A Shares shall be subject to the approvals from the Tianjin SASAC and the CSRC, and the consideration and approvals by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting. The Company will dispatch a circular containing (among other things) details of the Non-public Issuance of A Shares to the Shareholders as soon as possible after the publication of this announcement.

Authorization to the Board and its Authorized Representative(s) to Handle All Matters Relating to the Non-public Issuance of A Shares

The Board intends to propose at the EGM for the authorization to the Board and its authorized representative(s) (including the Chairman, the General Manager, the Secretary to the Board and the Chief Accountant of the Company) to handle all matters relating to the Non-public Issuance of A Shares, including but not limited to:

1. To formulate and implement the detailed proposal of the Non-public Issuance of A Shares according to the issuance proposal considered and approved by the EGM and the actual circumstances, including the time of issuance, number of shares to be issued, issue period, issue price, method of issuance, choice of target subscribers, specific methods of subscription, proportion of subscription and other matters related to the issuance;
2. To handle the tasks with respect to the filing, approval, etc. for the projects funded by the proceeds to be raised from the Non-public Issuance of A Shares, and to sign major contracts in the operational process of the investment projects for the proceeds to be raised from the Non-public Issuance of A Shares;
3. To engage the sponsor and other intermediary institutions, to handle the reporting matters in relation to the Non-public Issuance of A Shares, and to produce, amend and submit the relevant reporting materials in relation to the issuance and listing pursuant to the requirements of regulatory authorities;
4. To determine to sign, supplement, amend, submit, report, execute, change, terminate and discharge all agreements and documents arising in the process of the Non-public Issuance of A Shares, including but not limited to underwriting agreements, sponsor agreements, engagement letters with intermediary institutions, share subscription agreements and other legal documents;
5. To open a special bank account designated for the proceeds raised, and to sign the relevant agreements in respect of the management and use of the proceeds raised;
6. To adjust the specific arrangements of the investment projects of the proceeds raised within the scope of the laws and regulations and the resolutions of the EGM in response to the requirements of the competent authorities and the actual market circumstance;

7. Upon the occurrence of force majeure or change of market conditions, or if there is new requirements of the laws and regulations or as required by the securities regulatory authorities in relation to the policy of non-public issuance of shares or the scale of proceeds to be raised from the Non-public Issuance of A Shares, to make adjustments to the detailed proposal of the Non-public Issuance of A Shares accordingly and continue to handle the issuance matters (except for the matters which shall be subject to the approval(s) at the shareholders' meeting under the requirements of relevant laws, regulations and the Articles of Association);
8. To handle the registration, locking, listing and other relevant matters with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the SSE upon completion of the Non-public Issuance of A Shares;
9. To handle the relevant matters including increasing the registered capital of the Company, amending the relevant articles in the Articles of Association and handling the registration in the industrial and commercial departments and the relevant filing procedures according to the actual issuance results of the Non-public Issuance of A Shares;
10. To submit the application to the CSRC to terminate the application for the Non-public Issuance of A Shares and withdraw the application documents pursuant to the laws and regulations, or changes in the policies and market conditions in relation to the non-public issuance of shares of relevant regulatory authorities; and
11. To handle other matters related to the Non-public Issuance of A Shares within the scope permitted by the laws, regulations and the Articles of Association.

The above authorization shall be valid for 12 months from the date of consideration and approval at the EGM. If the Non-public Issuance of A Shares is approved by the CSRC and completed within the above validity period, the authorization to handle the registration, locking and listing matters with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited and the SSE, the registration in the industrial and commercial departments and the relevant filing procedures, as well as other implement items after completion of the issuance shall be valid from the date of consideration and approval at the EGM of the Company to the date of completion of the procedures of the relevant matters.

(3) PROPOSED ADOPTION OF THE SHAREHOLDERS' RETURN PLAN

Pursuant to the Notice Regarding Further Implementation of Cash Dividend Distribution of Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》) (Zheng Jian Fa [2012] No.37) and the Regulatory Guidance No. 3 of Listed Companies — Cash Dividend Distribution of Listed Companies (《上市公司監管指引第 3 號 — 上市公司現金分紅》) (Zheng Jian Hui Gong Gao [2013] No.43) both issued by the CSRC as well as the Guideline on Cash Dividend of Listed Companies (《上市公司現金分紅指引》) and the Working Memorandum No. 7 for the Regular Report of Listed Companies — Matters to be Noticed in Relation to Annual Report and Cash Dividend (《上市公司定期報告工作備忘錄第七號 — 關於年報工作中與現金分紅相關的注意事項》) promulgated by the SSE and the Articles of Association, the Board has formulated and proposed to adopt the Shareholders' Return Plan. The proposed adoption of the Shareholders' Return Plan will be subject to the approvals by the Shareholders at the EGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting. A circular containing, among other things, details of the Shareholders' Return Plan will be despatched to the Shareholders as soon as practicable after publication of this announcement.

EGM and Class Meetings

The EGM and Class Meetings will be convened to consider and approve, as appropriate, (among others) (i) the Non-public Issuance of A Shares; (ii) the Specific Mandate; and (iii) the Shareholders' Return Plan. The EGM will be convened to consider and approve, as appropriate, (among others) (i) the authorization to the Board and its authorized representative(s) to handle all matters relating to the Non-public Issuance of A Shares, including but not limited to, the amendments to the Articles of Association. A circular containing (among other things) details of the aforesaid matters, the notice of the EGM and the notices of the Class Meetings will be dispatched to the Shareholders as soon as possible.

Completion of the Non-public Issuance of A Shares shall be subject to the fulfillment of certain terms and conditions. Therefore, the Non-public Issuance of A Shares may or may not be proceeded. Shareholders and potential shareholders of the Company are reminded to exercise caution when dealing in securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	the ordinary share(s) issued by the Company, with a par value of RMB1.00 each, which are listed on the SSE
“A Shareholder(s)”	Holder(s) of A Shares
“A Shareholders’ Class Meeting”	the class meeting of A Shareholders to be convened by the Company to consider and, if thought fit, approve, among other things, (i) the Non-public Issuance of A Shares; (ii) the Specific Mandate; and (iii) the Shareholders’ Return Plan
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Class Meetings”	the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting
“Company”	Tianjin Capital Environmental Protection Group Company Limited, a limited company established in the PRC whose A Shares and H Shares are listed on the SSE and the Stock Exchange, respectively

“connected person”	has the meaning as ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning as ascribed to it under the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company, including the independent non-executive director(s)
“EGM”	the extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve, among other things, (i) the proposed Non-public Issuance of A Shares; (ii) the Specific Mandate; and (iii) the Shareholders’ Return Plan
“H Share(s)”	the ordinary share(s) issued by the Company, with a par value of RMB1.00 each, which are listed on the Stock Exchange
“H Shareholder(s)”	holder(s) of H Share(s)
“H Shareholders’ Class Meeting”	the class meeting of the H Shareholders to be convened by the Company to consider and, if thought fit, approve, among other things, (i) the Proposed Non-public Issuance of A Shares; (ii) the Specific Mandate; and (iii) the Shareholders’ Return Plan
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Issue Date”	the date of the issuance of A shares under the Non-public Issuance of A Shares
“Issue Price”	the issue price of an A Share under the Non-public Issuance of A Shares
“Non-public Issuance of A Shares”	the proposed non-public issuance of up to a total of 428,168,529 new A Shares (inclusive) to no more than 35 specific issue targets (inclusive) by the Company
“percentage ratio(s)”	has the meaning as ascribed to it under the Listing Rules, as applicable to a transaction
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“Share(s)”	ordinary share(s) of nominal value of RMB1.00 each in the existing share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Shareholders’ Return Plan”	the shareholders’ return plan for the coming three financial years (2021-2023) of the Company
“Specific Mandate”	according to Rule 13.36 of the Listing Rules (as amended by Chapter 19A of Listing Rules), the specific mandate granted by Independent Shareholders at the EGM and Class Meetings to issue A Shares in accordance with the proposed Non-public Issuance of A Shares
“SSE”	Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Limited
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Tianjin SASAC”	State-owned Assets Supervision and Administration Commission of Tianjin, the PRC
“Tianjin Investment Group”	Tianjin City Infrastructure Construction and Investment Group Company Limited* (天津城市基礎設施建設投資集團有限公司), the ultimate controlling company of the Company and the sole shareholder of TMICL, holding entire equity interest of TMICL
“TMICL”	Tianjin Municipal Investment Company Limited* (天津市政投資有限公司), the controlling shareholder of the Company, holding 50.14% equity interest in the Company
“trading day”	a day on which the Shanghai Stock Exchange is open for dealing or trading in securities
“%”	percent

By order of the Board
Liu Yujun
Chairman

Tianjin, the PRC
22 November 2021

As at the date of this announcement, the Board comprises three executive Directors: Mr. Liu Yujun, Ms. Wang Jing and Mr. Niu Bo; three non-executive Directors: Mr. Gu Wenhui, Mr. Si Xiaolong and Mr. Liu Tao; and three independent non-executive Directors: Mr. Xu Zhiming, Mr. Guo Yongqing and Ms. Lu Yingying.