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## **CAPITAL ENVIRONMENT HOLDINGS LIMITED**

### **首創環境控股有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 03989)**

### **VOLUNTARY ANNOUNCEMENT**

### **ISSUE OF U.S.\$250,000,000 5.625 PER CENT. NOTES DUE 2021**

The Board is pleased to announce that on 4 September 2018 the Company, Beijing Capital Group and the Joint Lead Managers entered into the Subscription Agreement pursuant to which the Company has issued the Notes on 11 September 2018 which are exempt from the registration requirements under the U.S. Securities Act. The Notes have the benefit of a keepwell and liquidity support deed and a deed of equity interest purchase undertaking provided by Beijing Capital Group.

The Notes are rated “BBB” by Fitch. Such rating of the Notes does not constitute a recommendation to buy, sell or hold the Notes and may be subject to revision or withdrawal at any time by Fitch. Such rating should be evaluated independently of any other rating of the other securities of the Company or Beijing Capital Group or rating of the Company or Beijing Capital Group.

Application has been made to the Stock Exchange for the listing of, and permission to deal in the Notes by way of debt issues to professional investors only and such permission is expected to become effective on or about 21 September 2018.

This is a voluntary announcement made by the Company.

## PRINCIPAL TERMS OF THE NOTES

Issuer:	Capital Environment Holdings Limited (首創環境控股有限公司)
Keepwell and Liquidity Support Deed and Deed of Equity Interest Purchase Undertaking Provider:	Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司)
Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners:	Morgan Stanley & Co International plc and China CITIC Bank International Limited
Joint Lead Managers and Joint Bookrunners:	ICBC International Securities Limited, Agricultural Bank of China Limited Hong Kong Branch, Natixis, China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited, CEB International Capital Corporation Limited and Orient Securities (Hong Kong) Limited
Issue size:	U.S.\$250,000,000
Issue price:	99.701 per cent
Coupon rate:	5.625 per cent
Pricing date:	4 September 2018
Issue date:	11 September 2018
Rating:	The Notes are rated “BBB” by Fitch. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency

All the proceeds of the offering of the Notes will be used in accordance with the Group’s Green Bond Framework to fund or refinance Eligible Green Assets and Projects undertaken by the Company.

Application has been made to the Stock Exchange for the listing of, and permission to deal in the Notes by way of debt issues to professional investors only and such permission is expected to become effective on or about 21 September 2018.

## DEFINITIONS

In this announcement, the following terms have the meaning set forth below unless the context requires otherwise:

“Beijing Capital Group”	Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司)
“Board”	The Board of Directors of the Company
“Company”	Capital Environment Holdings Limited (首創環境控股有限公司)
“Eligible Green Assets and Projects”	The Eligible Green Assets and Projects as outlined in the Green Bond Framework
“Fitch”	Fitch Ratings Ltd.
“Green Bond Framework”	The Green Bond Framework published on Beijing Capital Group’s website at <a href="https://www.bjcapital.com/en/news/dynamic.html">https://www.bjcapital.com/en/news/dynamic.html</a>
“Group”	Beijing Capital Group and its subsidiaries taken as a whole
“Joint Lead Managers”	Morgan Stanley & Co International plc, China CITIC Bank International Limited, ICBC International Securities Limited, Agricultural Bank of China Limited Hong Kong Branch, Natixis, China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited, CEB International Capital Corporation Limited and Orient Securities (Hong Kong) Limited
“Notes”	U.S.\$250,000,000 5.625 per cent. Notes due 2021
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	The subscription agreement dated 4 September 2018 entered into between the Company, Beijing Capital Group and the Joint Lead Managers
“U.S. Securities Act”	U.S. Securities Act of 1933, as amended
“U.S.\$”	U.S. dollar(s), the lawful currency of the United States
“United States”	The United States of America

By order of the Board  
**Capital Environment Holdings Limited**  
**Zhang Meng**  
*Chairlady*

Hong Kong, 11 September 2018

*As at the date of this announcement, the Board comprises four executive directors, namely Ms. Zhang Meng, Mr. Cao Guoxian, Mr. Cheng Jialin and Ms. Hao Chunmei; and three independent non-executive directors, namely, Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen and Dr. Chan Yee Wah, Eva.*