

Lianhe Green: Second-Party Opinion Provided for Fujian Zhanglong Group Co., Ltd.'s Green and Blue Financing Framework

Hong Kong, October 20, 2023 - Lianhe Green Development Company Limited (“Lianhe Green”), an external reviewer recognised by the Hong Kong Monetary Authority’s Green and Sustainable Finance Grant Scheme, has provided its Second-Party Opinion on the green and blue finance framework of Fujian Zhanglong Group Co., Ltd. (Zhanglong Group). Under the framework, Zhanglong Group can issue green and blue bonds, green and blue loans.

We have reviewed the following pillars addressed in Zhanglong Group's Green and Blue Finance Framework:

- » Use of Proceeds
- » Project Evaluation and Selection
- » Management of Proceeds
- » Reporting
- » External Review

Upon assessment, Lianhe Green considers the framework to be in alignment with the Green Bond Principles (June 2021 Edition) issued by International Capital Markets Association (“ICMA”), and Green Loan Principles (February 2023 Edition) issued by the Loan Market Association (“LMA”), the Loan Syndications and Trading Association (“LSTA”) and the Asia-Pacific Loan Markets Association (“APLMA”), the Blue Finance Guideline (January 2022 Edition) issued by the International Finance Corporation (“IFC”). Furthermore, Zhanglong Group’s eligible green and blue projects are in line with the Green Bond Endorsed Projects Catalogue (2021 Edition) issued by the People's Bank of China (“PBOC”), the National Development and Reform Commission (“NDRC”) and China Securities Regulatory Commission (“CSRC”), Guide for Bonds to Finance The Sustainable Blue Economy (September 2023 Edition) issued by International Capital Markets Association (“ICMA”), Sustainable Development Goals (SDGs) issued by United Nations.

The proceeds of each Green/Blue Transaction issued by Zhanglong Group under this framework will be used for projects such as green building, energy efficiency, renewable energy, sustainable water and wastewater management, and sustainable fishery etc. In addition, Zhanglong Group has integrated the spirit of green and sustainable development into the company's regulations and business development plans, and is committed to making contributions in the field of sustainable development.

About Lianhe Green

Lianhe Green Development Company Limited (“Lianhe Green”) was established in 2023 and is a subsidiary of Lianhe Equator Environmental Assessment Co., Ltd. (“Lianhe Equator”) and

Lianhe Green Development Company Limited

Lianhe Credit Management Co., Ltd. (“Lianhe Group”). Lianhe Equator is the largest green and sustainable bond/loan certification provider in mainland China. Lianhe Green is headquartered in Hong Kong, mainly responsible for green and sustainable finance certification business in international markets, ESG reporting and consulting, and ESG training services in mainland China, Hong Kong and abroad.

Lianhe Green aims to become an internationally recognized external verifier for sustainable finance through the cooperation with Liane Equator’s professional and experienced team in this industry. With a belief of “shaping the origin of the earth and sky, and transmitting the civilization of mankind”, Lianhe Green is committed to helping Chinese and foreign enterprises demonstrate their determination in green development, and providing investors with independent and objective third-party certification services. It is our mission to leave green and oceans to our future generations.

Analytical Standards

- » Green Bond Principles (GBP) (June 2021 Edition)
- » Green Loan Principles (GLP) (February 2023 Edition)
- » United Nations Sustainable Development Goals (SDGs)
- » Green Bond Endorsed Projects Catalogue (2021 Edition)
- » Blue Finance Guideline (January 2022 Edition)
- » Guide for Bonds to Finance The Sustainable Blue Economy (September 2023 Edition)

Contact

Joyce Chi
Acting Chief Executive Officer
+852 3462 9569
joyce.chi@lhratingsglobal.com

Shingas Cheung, CESGA®
Associate
+852 3462 9581
shingas.cheung@lhratingsglobal.com

Disclaimer

A Lianhe Green SPO is an assessment of the green and blue financing frameworks of entities. It is not a credit rating.

Please note that individuals identified in a SPO report are not responsible for the opinions stated therein and are named for contact purposes only. Our report is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of financial instruments and securities.

Lianhe Green receives compensation from entities and other market participants for conducting this service. None of the aforementioned entities nor its related parties participate in the review process aside from providing information requested by Lianhe Green.

Our assessments are not considered investment advice and they are not and should not be considered as a replacement of any person's own assessment of the ESG factors related to a financial instrument or an entity. Lianhe Green does not represent, warrant or guarantee that our report will fulfil any of your or any other person's particular purposes or needs. Lianhe Green does not recommend the purchase or sale of financial instruments or securities or give investment advice or provide any legal, auditing, accounting, appraisal or actuarial services.

Lianhe Green does not audit or verify the accuracy of the information provided to issuers by any third party for the purpose of issuing this opinion. Lianhe Green does not represent, warrant or guarantee the accuracy, correctness, integrity, completeness or timeliness of any part of our opinion.

All published press releases and reports are the intellectual property of Lianhe Green. Any reproduction, redistribution, or modification, in whole or part, in any form by any means is prohibited unless such user has obtained prior written consent from us.

Copyright © Lianhe Green Development Company Limited 2023.