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*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01250)**

**OPEN OFFER  
ON THE BASIS OF ONE (1) OFFER SHARE FOR EVERY  
SEVEN (7) EXISTING SHARES  
HELD ON THE RECORD DATE  
AND  
CLOSURE OF REGISTER OF MEMBERS**

The Company proposes to raise approximately HK\$1,329,505,000, before expenses, by way of the Open Offer, by issuing 7,820,619,687 Offer Shares at the Subscription Price of HK\$0.17 per Offer Share on the basis of one (1) Offer Share for every seven (7) existing Shares held by the Qualifying Shareholders on the Record Date. The Open Offer will only be available to the Qualifying Shareholders. The Open Offer is fully underwritten by the Underwriters pursuant to the Underwriting Agreement.

**The Open Offer is conditional upon, among others, the Underwriting Agreement becoming unconditional and the Underwriters not terminating the Underwriting Agreement in accordance with its terms. The Open Offer may or may not proceed.**

**Shareholders should also note that the Shares will be dealt in on an ex-entitlement basis commencing from Tuesday, 8 August 2017 and that dealings in such Shares will take place while the conditions to which the Underwriting Agreement remain unfulfilled. Any Shareholder or other person dealing in such Shares up to the date on which all conditions to which the Open Offer are fulfilled will bear the risk that the Open Offer does not become unconditional and may not proceed.**

**Shareholders and potential investors are advised to exercise due caution when dealing with the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## **OPEN OFFER**

On 25 July 2017 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriters with respect to the Open Offer. The terms of the Open Offer are summarised below:

### **Issue Statistics**

Basis of the Open Offer:	One (1) Offer Share for every seven (7) existing Shares held on the Record Date
Number of Shares in issue as at the date of this announcement:	54,744,337,810 Shares
Number of Offer Shares:	7,820,619,687 Offer Shares
Aggregate nominal value of the Offer Shares:	HK\$7,820,619.69
Subscription Price:	HK\$0.17 per Offer Share

Number of Offer Shares to be underwritten by the Underwriters:	4,889,272,489 Offer Shares, being all the Offer Shares less the Offer Shares undertaken to be applied for by Fast Top (2,531,645,571 Offer Shares), Bestech (113,987,342 Offer Shares) and the Third Underwriter (285,714,285 Offer Shares) pursuant to the Undertakings
Number of Shares in issue immediately after completion of Open Offer:	62,564,957,497 Shares

As at the date of this announcement, the Company does not have any outstanding derivatives, options, warrants or securities in issue which are convertible or exchangeable into Shares.

Assuming that there is no further issue of new Shares or repurchase of Shares on or before the Record Date, 7,820,619,687 new Shares will be allotted and issued which represent:

- (i) approximately 14.29% of the Company's issued share capital as at the date of this announcement; and
- (ii) approximately 12.50% of the Company's issued share capital as enlarged by the allotment immediately upon completion of the Open Offer.

The Open Offer is fully underwritten. It is not subject to any Shareholders' approval and the Offer Shares are not issued under the general mandate granted to the Directors.

### **Subscription Price**

The Subscription Price of HK\$0.17 per Offer Share will be payable in full upon application for the Offer Shares under the Open Offer. The Subscription Price represents:

- (1) a discount of approximately 10.5% to the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (2) a discount of approximately 10.5% to the average of the closing prices of approximately HK\$0.190 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (3) a discount of approximately 9.6% to the theoretical ex-entitlement price of approximately HK\$0.188 per Share, based on the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (4) a premium of approximately 109.9% over the audited consolidated net asset value per Share of approximately HK\$0.081 based on the latest audited net asset value attributable to owners of the Company as at 31 December 2016 and the Shares in issue as at the date of this announcement.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriters with reference to the recent market price of the Shares under the prevailing market conditions.

The Directors (including the independent non-executive Directors and excluding Mr. Hu) consider the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Open Offer offers each Qualifying Shareholder the opportunity to maintain their respective pro rata shareholdings in the Company and enables them to participate in the future growth of the Group.

The net price (after deducting the relevant expenses) per Offer Share will be approximately HK\$0.1698.

### **Qualifying Shareholders**

The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus, for information only, to the Non-Qualifying Shareholders.

The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date, and not be a Non-Qualifying Shareholder.

In order for a transferee of Share(s) to be registered as a Shareholder on the Record Date, a transfer of Share(s) (together with the relevant share certificates) must be lodged for registration with the Registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 4:30 p.m. on Wednesday, 9 August 2017.

The invitation to apply for the Offer Shares to be made to the Qualifying Shareholders will not be transferable or capable of renunciation and there will not be any trading of entitlements of the Offer Shares on the Stock Exchange.

### **Closure of register of members**

The register of members of the Company will be closed from Thursday, 10 August 2017 to Tuesday, 15 August 2017, both days inclusive, to determine the eligibility of the Open Offer. No transfer of Shares will be registered during this book closure period.

### **Overseas Shareholders and Non-Qualifying Shareholders**

If, at the close of business on the Record Date, a Shareholder's address on the register of members of the Company is in a place outside of Hong Kong, that Shareholder may not be eligible to take part in the Open Offer. The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdictions other than Hong Kong.

Prior to the despatch of the Prospectus Documents, the Company will make enquiries with its legal advisers of the relevant jurisdictions as to whether the offer or issue of the Offer Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas jurisdictions or the requirements of the relevant regulatory bodies or stock exchanges pursuant to Rule 13.36(2)(a) of the Listing Rules.

If, after making such enquiries, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant jurisdictions or any requirement of the relevant regulatory body or stock exchange in that place, not to offer the Offer Shares to such Overseas Shareholders, the Open Offer will not be extended to such Overseas Shareholder(s) who will become the Non-Qualifying Shareholders. The results of the enquiries and the basis of any exclusion of the Overseas Shareholders will be included in the Prospectus. If they are excluded, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send any Application Form(s) or EAF(s) to them.

**Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.**

### **Status of the Offer Shares**

The Offer Shares, when allotted, issued and fully paid, shall rank pari passu in all respects with the then existing Shares in issue on the date of allotment and issue of the Offer Shares, including the right to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

### **Application for excess Offer Shares**

The Offer Shares to which the Non-Qualifying Shareholders would otherwise have been entitled, any entitlement of the Offer Shares which have not been accepted by the Qualifying Shareholders, and the Offer Shares created by aggregation of fractional Offer Shares will be available for excess applications by the Qualifying Shareholders. The Qualifying Shareholders are entitled to apply for any Offer Shares in excess of their own entitlements by completing an EAF, but are not assured of being allocated any Offer Shares in excess of their entitlements under the Application Form.

The Company will allocate the excess applications at its discretion on a fair and equitable basis and on a pro-rata basis to the excess Shares being applied for under each application. The basis of allocation for such excess applications will be disclosed in the Prospectus.

However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to excess applications. Any Offer Shares not applied for by the Qualifying Shareholders and not taken by excess applications will be taken up by the Underwriters.

The Application Form and the EAF will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom they are addressed to accept the Offer Shares as shown in them subject to payment in full by the Latest Time for Acceptance. Excess applications may be made only by the Qualifying Shareholders by completing an EAF and lodging the same with a separate remittance for the excess over their entitlements being applied for.

Shareholders whose Shares are held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of excess applications will not be extended to beneficial owners of the Shares individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

Shareholders whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company prior to the Record Date must lodge all necessary documents with the Registrar of the relevant registration by 4:30 p.m. on Wednesday, 9 August 2017.

### **Fractions of Offer Shares**

The Company will not allot, and will not accept applications for any fractions of Offer Shares. All fractions of the Offer Shares will be aggregated (and rounded down to the nearest whole number). Any Offer Shares created from the aggregation of fractions of the Offer Shares will be available for excess application by the Qualifying Shareholders. Should there be no excess applications by the Qualifying Shareholders, those Offer Shares created from the aggregation of fractions of the Offer Shares will be taken up by the Underwriters.

## **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, the trading fee of the Stock Exchange and any other applicable fees and charges in Hong Kong.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Offer Shares on the Stock Exchange may be settled through CCASS. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **Share certificates for Offer Shares and refund cheques**

Subject to the fulfilment of the conditions of the Open Offer as set out in the section headed “CONDITIONS OF THE OPEN OFFER” below, share certificates for all Offer Shares (including the excess Offer Shares, if any) are expected to be posted on or before Thursday, 7 September 2017 by ordinary post to the Qualifying Shareholders who have validly accepted and (where applicable) applied for, and paid for the Offer Shares at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for Offer Shares (including the excess Offer Shares, if any) are also expected to be posted on or before Thursday, 7 September 2017 by ordinary post at their own risk.



## UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are summarised as follows:

Underwriters: The First Underwriter, the Second Underwriter and the Third Underwriter, of which their respective ordinary course of businesses do not include underwriting.

The First Underwriter is a company incorporated in Hong Kong and is an investment holding company wholly-owned by Kerry Holdings Limited. Kerry Holdings Limited holds diverse investments, including in real estate, hotels and logistic services through its interests in Kerry Properties Limited, Shangri-La Asia Limited and Kerry Logistics Network Limited respectively, all of which are listed on the Stock Exchange. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the First Underwriter is a third party independent of the Company and connected persons of the Company.

The Second Underwriter is a direct wholly-owned subsidiary of Reignwood International Investment (Group) Company Limited, which is principally engaged in investment holding. It is ultimately controlled by Mr. Chanchai Ruayrungruang. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Second Underwriter and Mr. Chanchai Ruayrungruang is a third party independent of the Company and connected persons of the Company.

The Third Underwriter is a company wholly-owned by Mr. Hu. It is principally engaged in investment holding. As at the date of this announcement, the Third Underwriter holds 2,000,000,000 Shares.

Number of Underwritten Shares: 4,889,272,489 Offer Shares, being all the Offer Shares less the Offer Shares undertaken to be applied for by Fast Top (2,531,645,571 Offer Shares), Bestech (113,987,342 Offer Shares) and the Third Underwriter (285,714,285 Offer Shares) pursuant to the Undertakings.

The underwriting obligations of the Underwriters are several and not joint (nor joint and several) and are in the following order of priority and maximum underwriting commitment amount:

<u>Order of priority</u>	<u>Underwriter</u>	<u>Maximum underwriting commitment</u>
First	the First Underwriter	up to 882,352,941 Shares
Second	the Second Underwriter	up to 588,235,294 Shares
Third	the Third Underwriter	the balance of the Underwritten Shares

Commission:

Nil

Termination:

The Underwriters shall have the right to terminate or to rescind the Underwriting Agreement with immediate effect by notice in writing given to the Company at any time prior to the Latest Time for Termination if:

- (a) there comes to the notice of the Underwriters:
  - i. any matter or event showing any of the representations and warranties or undertakings of the Company under the Underwriting Agreement was, when given, untrue or inaccurate or misleading or as having breached in any respect; or
  - ii. any breach by Fast Top, Bestech or the Third Underwriter of their respective Undertakings; or
  - iii. any statement contained in the Prospectus has become or been discovered to be untrue or inaccurate or misleading in any material respect; or

- iv. any event, act or omission occurs which gives or is likely to give rise to any material liability of the Company pursuant to the indemnities under the Underwriting Agreement; or
  - v. permission to deal in and listing of all the Offer Shares has been withdrawn by the Stock Exchange; or
  - vi. any litigation against any member of the Group by a third party which in the reasonable opinion of the Underwriters, is (1) likely to have a material adverse effect on the Company or the Group or the Open Offer, or (2) is likely to have a material adverse effect on the success of the Open Offer or the level of Offer Shares taken up, or (3) is so material as to make it inadvisable or inexpedient for the Company to proceed with the Open Offer; or
- (b) any matter or circumstance arises as a result of which any of the conditions under the Underwriting Agreement has become incapable of satisfaction as at the required time; or

- (c) there shall develop, occur, exist or come into effect any of the following events, which in the reasonable opinion of the Underwriters, might have a materially and adversely effect on the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer:
- (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) in Hong Kong or any other place that is the place of incorporation of the Company, or in which the Company conducts or carries on business; or
  - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets; or
  - (iii) the occurrence of any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities); or
  - (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out.

Upon the giving of the notice of termination by the Underwriters pursuant to the above, all obligations of the parties under the Underwriting Agreement shall cease and determine and no party shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save for any antecedent breaches and clauses relating to confidentiality, governing law, notices, etc).

**If the Underwriters terminate the Underwriting Agreement, the Open Offer will not proceed.**

The Directors (including the independent non-executive Directors and excluding Mr. Hu) consider the terms of the Underwriting Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **CONDITIONS OF THE OPEN OFFER**

The obligations of the Underwriters under the Underwriting Agreement are conditional on the following conditions precedent having been fulfilled:

- (1) the issue of this announcement within one business day (or such longer period as the Company and the Underwriters may agree) from the date of the Underwriting Agreement;
- (2) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Board (and all other documents required to be attached thereto) in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) on or before the Posting Date;
- (3) the Stock Exchange issuing a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong, the filing with the Registrar of Companies in Hong Kong of the Prospectus Documents (and all other required documents) and the Registrar of Companies in Hong Kong registering the Prospectus Documents on or before the Posting Date in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);

- (4) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus marked “For Information Only” to the Non-Qualifying Shareholders, if any, on the Posting Date, provided, however, that the Prospectus shall not be despatched to Non-Qualifying Shareholders who have registered addresses, or whom the Company knows to be residents, in the United States;
- (5) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Offer Shares not later than the first day of their dealings;
- (6) the Underwriters receiving from the Company all conditions precedent documents as set out in the Underwriting Agreement in accordance with the times specified therein;
- (7) the Shares remaining listed on the Stock Exchange at all times up to and including the Latest Time for Termination and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a period of more than seven (or such longer period as the Company and the Underwriters may agree) consecutive business days (other than suspension pending clearance of this announcement or for any inside information or transactions pursuant to Chapter 14 or Chapter 14A of the Listing Rules) and no indication being received before the Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Open Offer or in connection with the terms of the Underwriting Agreement for any other reason;
- (8) the obligations of the Underwriters under the Underwriting Agreement not being terminated by the Underwriters in accordance with the terms therein;
- (9) fulfilment by each of Fast Top, Bestech and the Third Underwriter under each of their respective Undertakings; and
- (10) all necessary approvals, permits, waivers, consents and authorisations having been obtained for the Open Offer and allotment of the Offer Shares.

To the extent permitted under the applicable laws and the Listing Rules, the Underwriters will be entitled to waive the conditions above by agreement in writing with the Company. If the conditions are not satisfied or waived on or before the respective dates aforesaid, the Underwriting Agreement shall terminate and all obligations and liabilities of the parties to the Underwriting Agreement shall cease and terminate and no party shall have any claim against the other parties (save for any antecedent breaches and clauses relating to confidentiality, governing law, notices, etc).

## **IRREVOCABLE UNDERTAKINGS**

### **(i) the First Undertaking**

As at the date of this announcement, Fast Top holds 17,721,519,000 Shares.

Under the First Undertaking, Fast Top has irrevocably undertaken to the Company that:

- i. it will subscribe, or procure its associates to subscribe, for 2,531,645,571 Offer Shares which represent the full acceptance of its provisional entitlement;
- ii. 17,721,519,000 Shares will remain legally and beneficially owned by it on the Record Date; and
- iii. it will lodge its acceptance of the Offer Shares with the Registrar, by no later than the Latest Time for Acceptance in accordance with the instructions set out in the Prospectus Documents.

### **(ii) the Second Undertaking**

As at the date of this announcement, Bestech holds 797,911,400 Shares.

Under the Second Undertaking, Bestech has irrevocably undertaken to the Company that:

- i. it will subscribe, or procure its associates to subscribe, for 113,987,342 Offer Shares which represent the full acceptance of its provisional entitlement;
- ii. 797,911,400 Shares will remain legally and beneficially owned by it on the Record Date; and

- iii. it will lodge its acceptance of the Offer Shares with the Registrar, by no later than the Latest Time for Acceptance in accordance with the instructions set out in the Prospectus Documents.

**(iii) the Third Undertaking**

As at the date of this announcement, the Third Underwriter holds 2,000,000,000 Shares.

Under the Third Undertaking, the Third Underwriter has irrevocably undertaken to the Company that:

- i. it will subscribe, or procure its associates to subscribe, for 285,714,285 Offer Shares which represent the full acceptance of its provisional entitlement;
- ii. 2,000,000,000 Shares will remain legally and beneficially owned by it on the Record Date; and
- iii. it will lodge its acceptance of the Offer Shares with the Registrar, by no later than the Latest Time for Acceptance in accordance with the instructions set out in the Prospectus Documents.

Save as disclosed above, the Board has not received any information or irrevocable undertaking from any other substantial Shareholders of their intention to take up the Offer Shares to be offered to them under the Open Offer.

**Undertaking by the Company**

Except for (i) the Offer Shares to be allotted and issued pursuant to the Open Offer and (ii) any shares or other securities or rights issued or granted to the Shareholders by way of bonus or under any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the Shares in accordance with its articles of association or on the exercise of any other rights existing at the date of the Underwriting Agreement, the Company has undertaken to the Underwriters that, it will not, for a period from the date of the Underwriting Agreement and up to 45 days after the first day of trading of the Offer Shares on the Stock Exchange, without the prior written consent of the Underwriters:



- (i) allot or issue or sell or offer to allot or sell or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for any Shares or which carry rights to subscribe for or purchase Shares; or
- (ii) offer or agree or announce any intention to enter into or effect any such transaction described above.

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE OPEN OFFER

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

	As at the date of this announcement		Immediately after completion of the Open Offer (assuming that all of the Shareholders are Qualifying Shareholders which fully take up their respective entitlements of the Offer Shares)		Immediately after completion of the Open Offer (assuming that none of the Qualifying Shareholders (other than Fast Top, Bestech and the Third Underwriter) take up the respective entitlements of the Offer Shares)	
	Number of Share	Approx. %	Number of Share	Approx. %	Number of Share	Approx. %
Fast Top	17,721,519,000	32.37%	20,253,164,571	32.37%	20,253,164,571	32.37%
CTSL Green Power Investment Limited	7,594,936,710	13.87%	8,679,927,668	13.87%	7,594,936,710	12.14%
CTSL New Energy Investment Ltd	7,594,936,700	13.87%	8,679,927,657	13.87%	7,594,936,700	12.14%
Bestech (Note 1)	797,911,400	1.46%	911,898,742	1.46%	911,898,742	1.46%
The First Underwriter	–	–	–	–	882,352,941	1.41%
The Second Underwriter	–	–	–	–	588,235,294	0.94%
The Third Underwriter	2,000,000,000	3.65%	2,285,714,285	3.65%	5,704,398,539	9.12%
Ocean Ahead International Limited (Note 2)	2,279,580,000	4.16%	2,605,234,285	4.16%	2,279,580,000	3.64%
Other public Shareholders	16,755,454,000	30.62%	19,149,090,289	30.62%	16,755,454,000	26.78%
<b>Total</b>	<b>54,744,337,810</b>	<b>100%</b>	<b>62,564,957,497</b>	<b>100%</b>	<b>62,564,957,497</b>	<b>100%</b>

Note 1: It is a company controlled by Mr. Wang Ye, an executive Director.

Note 2: It is a company wholly and beneficially owned by Ms. Huang Li, a director of certain subsidiaries of the Company.

## **EQUITY FUND-RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS IMMEDIATELY PRECEDING THIS ANNOUNCEMENT**

Except for the following, the Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of this announcement:

<b>Date(s) of announcement/ circular</b>	<b>Activity</b>	<b>Net proceeds (HK\$ million)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds</b>
20 July 2016 and 22 August 2016	Issue of 4,045,000,000 Shares under general mandate and completion took place on 22 August 2016	687.7	the development of photovoltaic power-related businesses and for general working capital purposes	used as intended
2 February 2015, 10 April 2015 and 8 November 2016	Issue of 9,499,867,560 convertible preference shares and completion took place on 7 November 2016	750.5	the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses	used as intended
2 February 2015 and 10 April 2015	Issue of 4,749,933,780 convertible preference shares and completion took place on 8 May 2017	375.2	the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses	used as intended

## **REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS**

The principal business activity of the Company is investment holding. The Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power plants, photovoltaic power-related businesses and wind power-related businesses, and the design, printing and sale of cigarette packages in the PRC.

With the increasing social awareness of environmental protection and resources utilisation and substantial supportive efforts from the Chinese government, clean energy businesses in the PRC has been developing rapidly in recent years.

Since May 2015, the Group actively explores opportunities on high quality clean energy businesses to further expand the Group's source of revenue and enhance the Group's profitability, so as to enhance the long-term benefits of the Company and the Shareholders as a whole. As at 31 December 2015, the Group had been developing photovoltaic power projects with an aggregate installed capacity of approximately 500MW. Through self-development, joint-development and acquisition of high quality assets and projects, as at 31 December 2016, the Group's total photovoltaic power and wind power on-grid capacity was 993.88MW. The Group's development direction is highly in line with China's strategic planning and the Company believes such strategy will continue and is determined to ride such trends to maximise the Shareholders' value.

After considering alternative fund raising methods such as placement of new Shares and rights issue, the Board believes that it would be in the best interests of the Company and the Shareholders as a whole to raise long-term equity capital through the Open Offer to finance its future expansion plan. The Board has considered, among other things, that:-

- i. placement of new Shares will preclude existing Shareholders from participating in the capital raising exercise which inevitably result in dilution to the equity interest of the existing Shareholders; and
- ii. a rights issue will take longer time-span and more administration work in particular in relation to the trading arrangements of the nil-paid rights which will increase the cost and time compared to an open offer.

The Open Offer, will enable the Company to raise additional funding to meet the growing investment needs in the clean energy businesses, further strengthen the Company's capital base including its gearing level and enhance its financial position and net asset base, and provide an equal opportunity to the Qualifying Shareholders to participate in this fund-raising transaction on fair terms.

In identifying the potential underwriters for the Open Offer, the Company considered that each of the First Underwriter and the Second Underwriter is well established in their respective fields as disclosed in the paragraph headed “Underwriters” in the section “UNDERWRITING AGREEMENT”. In the event that the First Underwriter and the Second Underwriter become Shareholders of the Company as a result of the performance of their obligations under the Underwriting Agreement, the shareholder base of the Company will be strengthened and is in the interest of the Company and the Shareholders as a whole. Furthermore, the participation of the Third Underwriter, which is a company wholly-owned by Mr. Hu who is the chairman of the Board and an executive Director, provides unambiguous positive message and confidence to the Shareholders of his support and commitment towards the Group and its development.

The gross proceeds of the Open Offer will be approximately HK\$1,329,505,000. It is expected that the estimated net proceeds, being approximately HK\$1,328,000,000 from the Open Offer, will help strengthen the Company’s capital base and provide greater financial flexibility for the Company to fund the expansion needs on clean energy businesses. The Company intends to apply the net proceeds as to 50% for organic growth (i.e. self-development of photovoltaic and wind power plants projects) and 50% for acquisitions (including the potential acquisitions of established project companies in relation to photovoltaic and wind power businesses).

The Directors (including the independent non-executive Directors and excluding Mr. Hu) consider that the Open Offer is in the interests of the Company and the Shareholders as a whole.

## **EXPECTED TIMETABLE**

The expected timetable for the Open Offer is set out below: 2017

Last day of dealings in Shares on a cum-entitlement basis . . . . . Monday, 7 August

First day of dealings in Shares on an ex-entitlement basis . . . . . Tuesday, 8 August

Latest time for lodging transfer of Shares for entitlement  
of the Open Offer . . . . . 4:30 p.m. on Wednesday,  
9 August

Register of members of the Company closes  
(both days inclusive) . . . . . Thursday, 10 August to  
Tuesday, 15 August

Record Date . . . . . Tuesday, 15 August

Register of members of the Company re-opens . . . . .	Wednesday, 16 August
Despatch of the Prospectus Documents . . . . .	Wednesday, 16 August
Latest Time for Acceptance and excess applications . . . . .	4:00 p.m. on Wednesday, 30 August
Latest Time for Termination . . . . .	4:30 p.m. on Thursday, 31 August
Announcement of the allotment results of the Open Offer . . . . .	Wednesday, 6 September
Share certificates for the Offer Shares and refund cheques to be despatched on or before. . . . .	Thursday, 7 September
Dealings in fully-paid Offer Shares commence on the Stock Exchange . . . . .	9:00 a.m., Friday, 8 September

Dates stated in this announcement for events in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Open Offer will be announced by the Company as and when appropriate.

### **Effect of bad weather on the Latest Time for Acceptance**

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Wednesday, 30 August 2017, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on Wednesday, 30 August 2017, the dates mentioned in the above section headed “EXPECTED TIMETABLE” in this announcement may be affected. An announcement will be made by the Company in such event.

## **GENERAL**

As the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding this announcement, the Open Offer itself is not subject to the Shareholders' approval under Rule 7.24(5) of the Listing Rules.

The Third Underwriter is wholly-owned by Mr. Hu, an executive Director and hence is a connected person of the Company under the Listing Rules.

Given that (i) no underwriting commission is payable by the Company to the Third Underwriter pursuant to the Underwriting Agreement; and (ii) the Company will allocate the Offer Shares in excess of assured allotments at its discretion on a fair and equitable basis, and on a pro-rata basis based on the excess applications by the Qualifying Shareholders, the issue of Offer Shares to the Third Underwriter is fully exempt from the connected transaction requirements under Rule 14A.92 of the Listing Rules.

The Company will send the Prospectus Documents containing, among other things, the Prospectus setting out details of the Open Offer, the Application Form(s) and the EAF(s) to the Qualifying Shareholders. The Prospectus, but not the Application Form(s) and the EAF(s), will be sent to the Non-Qualifying Shareholders (if any) for their information only.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES**

**The Open Offer is conditional upon, among others, the Underwriting Agreement becoming unconditional and the Underwriters not terminating the Underwriting Agreement in accordance with its terms. The Open Offer may or may not proceed.**

**Shareholders should also note that the Shares will be dealt in on an ex-entitlement basis commencing from Tuesday, 8 August 2017 and that dealings in such Shares will take place while the conditions to which the Underwriting Agreement remain unfulfilled. Any Shareholder or other person dealing in such Shares up to the date on which all conditions to which the Open Offer are fulfilled will bear the risk that the Open Offer does not become unconditional and may not proceed.**

**Shareholders and potential investors are advised to exercise due caution when dealing with the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## DEFINITION

In this announcement, unless the content otherwise requires, words and expressions used herein shall have the meanings ascribed to each of them below:

“Application Form(s)”	the application form(s) to be issued by the Company for application by the Qualifying Shareholders in respect of their assured entitlements under the Open Offer
“associate”	has the meaning ascribed thereto in the Listing Rules
“Bestech”	北京倍思泰科新能源科技開發有限公司 (Beijing Bestech New Energy Technology Development Co., Ltd.*), a company established in the PRC with limited liability, which holds 797,911,400 Shares as at the date of this announcement
“Board”	the board of Directors
“business day”	a day (excluding Saturday or Sunday and any day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.) on which banks in Hong Kong are open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Beijing Enterprises Clean Energy Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Directors”	directors of the Company

“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Offer Shares
“Fast Top”	Fast Top Investment Limited, a company incorporated in the British Virgin Islands with limited liability, which is a holder of 17,721,519,000 Shares as at the date of this announcement
“First Undertaking”	the irrevocable undertaking by Fast Top to the Company, details of which are set out in the section headed “IRREVOCABLE UNDERTAKINGS” of this announcement
“First Underwriter”	Velmar Company Limited, a company incorporated in Hong Kong with limited liability
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	24 July 2017, being the last trading day of the Shares on the Stock Exchange immediately preceding the date of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 30 August 2017 or such other date and/or time as may be agreed between the Company and the Underwriters, being the latest time for acceptance of the application and payment for the Offer Shares
“Latest Time for Termination”	4:30 p.m. on the business day after the Latest Time for Acceptance, or such later time and date as may be agreed between the Company and the Underwriters, being the latest time to terminate the Underwriting Agreement



“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Hu”	Mr. Hu Xiaoyong, the chairman of the Board and an executive Director
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom in the opinion of the Directors that it is necessary or expedient to exclude such Shareholders from the Open Offer on account either of the legal restrictions under the laws or the requirements of the relevant regulatory body or stock exchange in such places
“Offer Shares”	7,820,619,687 Shares
“Open Offer”	the issue of Offer Shares by the Company on the basis of one (1) Offer Share for every seven (7) existing Shares at the Subscription Price on the terms and conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	the Shareholder(s) with registered addresses in the register of members of the Company as at the close of business on the Record Date which are outside Hong Kong
“Posting Date”	Wednesday, 16 August 2017 or such other date as may be agreed between the Underwriters and the Company, being the date for the despatch of the Prospectus Documents
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	a prospectus containing details of the Open Offer to be issued by the Company in relation to the Open Offer

“Prospectus Documents”	collectively, the Prospectus, the Application Form(s) and the EAF(s)
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	Tuesday, 15 August 2017 or such other date as may be agreed between the Company and the Underwriters, being the date for the determination of the entitlements under the Open Offer
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, being Computershare Hong Kong Investor Services Limited
“Second Undertaking”	the irrevocable undertaking by Bestech to the Company, details of which are set out in the section headed “IRREVOCABLE UNDERTAKINGS” of this announcement
“Second Underwriter”	Moregain Amusement Park Investment Limited, a company incorporated in the British Virgin Islands with limited liability
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.17 per Offer Share
“Third Undertaking”	irrevocable undertaking by the Third Underwriter to the Company, details of which are set out in the section headed “IRREVOCABLE UNDERTAKINGS” of this announcement

“Third Underwriter”	Zhijia Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“Undertakings”	the First Undertaking, the Second Undertaking and the Third Undertaking
“Underwriters”	the First Underwriter, the Second Underwriter and the Third Underwriter
“Underwriting Agreement”	the underwriting agreement dated 25 July 2017 between the Company and the Underwriters in relation to the Open Offer
“Underwritten Shares”	all of the Offer Shares less the Offer Shares undertaken to be applied for by Fast Top (2,531,645,571 Offer Shares), Bestech (113,987,342 Offer Shares) and the Third Underwriter (285,714,285 Offer Shares) pursuant to the Undertakings
“HK\$”	Hong Kong dollar
“%”	per cent.

By order of the Board  
**Beijing Enterprises Clean Energy Group Limited**  
**Hu Xiaoyong**  
*Chairman*

Hong Kong, 25 July 2017

*As at the date of this announcement, the Board comprises eight Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Huang Weihua, Mr. Wang Ye and Mr. Wen Hui as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non-executive Directors.*

\* *For identification purpose only*