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## **Enerchina Holdings Limited**

**威華達控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 622)**

### **DISCLOSEABLE TRANSACTION AND MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF 70% OF THE ISSUED SHARE CAPITAL IN THE TARGET COMPANY**

#### **THE ACQUISITION**

On 21 March 2017 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) entered into the Acquisition Agreement with the Vendor pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares, representing an aggregate of 70% of the entire issued share capital of the Target Company, in two tranches at the Total Consideration of HK\$1,225,000,000.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, the Company is indirectly interested in approximately 6.06% of the issued share capital of the Vendor. Further, the Company (through its wholly-owned subsidiary) previously acquired 30% of the share capital of the Target Company from HIGL (which is a wholly-owned subsidiary of the Vendor) in the 2016 Acquisition. Save as disclosed, the Vendor and its ultimate beneficial owners are Independent Third Parties.

Pursuant to the Acquisition Agreement, the Vendor agrees and undertakes that it shall procure the company name of each of the Target Group be changed to the names entitled with "Enerchina" or such other names as the Purchaser may direct.

\* For identification purpose only

## **First Tranche Acquisition**

Pursuant to the terms and conditions of the Acquisition Agreement, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the First Tranche Sale Shares, representing 11.43% of the entire issued share capital of the Target Company, at the First Tranche Consideration of HK\$200,000,000.

Immediately after the First Tranche Completion, the Purchaser will hold 41.43% of the entire issued share capital of the Target Company and the Target Company will continue to be an associate of the Company.

### ***Listing Rules Implications — Discloseable Transaction***

As one or more percentage ratios (as defined under the Listing Rules) in respect of each of (i) the First Tranche Acquisition (standing alone) and (ii) the First Tranche Acquisition when aggregated with the 2016 Acquisition as a whole, exceed 5% but are all less than 25%, each of (i) the First Tranche Acquisition (standing alone) and (ii) the First Tranche Acquisition when aggregated with the 2016 Acquisition as a whole, constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **Second Tranche Acquisition**

Pursuant to the terms and conditions of the Acquisition Agreement, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Second Tranche Sale Shares, representing 58.57% of the entire issued share capital of the Target Company, at the Second Tranche Consideration of HK\$1,025,000,000.

Upon the Full Completion taking place, the Purchaser will hold 100% of the issued share capital of the Target Company and the Target Company will become a wholly-owned subsidiary of the Company.

### ***Listing Rules Implications — Major Transaction***

As one or more percentage ratios (as defined under the Listing Rules) in respect of each of (i) the Second Tranche Acquisition (standing alone); (ii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition as a whole; and (iii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition and the 2016 Acquisition as a whole, exceed 25% but are all less than 100%, each of (i) the Second Tranche Acquisition (standing alone); (ii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition as a whole; and (iii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition and the 2016 Acquisition as a whole, constitutes a major transaction of the Company under the Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

The SGM will be convened for the purpose of, among other matters, considering and, if thought fit, approving the Acquisition Agreement and the transactions contemplated thereunder.

A circular containing, among others, (i) details regarding the Acquisition Agreement and transactions contemplated thereunder; (ii) other information as required to be disclosed under the Listing Rules; and (iii) the notice of the SGM and a form of proxy are expected to be despatched to the Shareholders on or before 30 June 2017 as more time is required for preparing the information to be included in the circular.

**Shareholders and potential investors should note that the Full Completion is subject to the fulfillment of the conditions under the Acquisition Agreement and the Acquisition Agreement may or may not proceed to the Full Completion. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **THE ACQUISITION**

On 21 March 2017 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) entered into the Acquisition Agreement with the Vendor pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares, representing 70% of the entire issued share capital of the Target Company, in two tranches at the Total Consideration of HK\$1,225,000,000.

## **THE ACQUISITION AGREEMENT**

The principal terms of the Acquisition Agreement are set out below:

### **Date**

21 March 2017

### **Parties**

- (1) Uptown Enerchine Capital Limited as the Purchaser; and
- (2) Satinu Resources Group Ltd. as the Vendor

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, the Company is indirectly interested in approximately 6.06% of the issued share capital of the Vendor. Further, the Company (through its wholly-owned subsidiary) previously acquired 30% of the share capital of the Target Company from HIGL (which is a wholly-owned subsidiary of the Vendor) in the 2016 Acquisition. Save as disclosed, the Vendor and its ultimate beneficial owners are Independent Third Parties.

## **Assets to be acquired**

The Sale Shares, representing 70% of the issued share capital of the Target Company, in two tranches.

### *First Tranche Sale Shares*

Pursuant to the terms and conditions of the Acquisition Agreement, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the First Tranche Sale Shares, representing 11.43% of the entire issued share capital of the Target Company.

### *Second Tranche Sale Shares*

Pursuant to the terms and conditions of the Acquisition Agreement, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Second Tranche Sale Shares, representing 58.57% of the entire issued share capital of the Target Company.

## **Total Consideration**

### *First Tranche Consideration*

The First Tranche Consideration for the purchase of the First Tranche Sale Shares is HK\$200,000,000 and payable by the Purchaser to the Vendor in cash on the date of the Acquisition Agreement. The First Tranche Consideration will be funded by the Group's internal resources.

### *Second Tranche Consideration*

The Second Tranche Consideration for the purchase of the Second Tranche Sale Shares is HK\$1,025,000,000 and payable by the Purchaser to the Vendor in cash on the Second Tranche Completion Date. The Second Tranche Consideration will be funded by the Group's internal resources.

## **Basis of the Total Consideration**

The Total Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the purchase price paid to HIGL for the 2016 Acquisition.

In view of the above, the Directors (including the independent non-executive Directors) consider that the Total Consideration is fair and reasonable and the Acquisition Agreement is on normal commercial terms which are fair and reasonable, and the entering into of the Acquisition Agreement is in the interests of the Company and the Shareholders as a whole.

## The Profit Guarantee

Pursuant to the Acquisition Agreement, the Vendor guarantees, warrants and represents to the Purchaser that the actual audited consolidated net profits before tax of the Target Group for the following three guaranteed periods commencing from 1 January 2017 and ending on 31 December 2019 (each a “Guaranteed Period”) shall be not less than the amount set out opposite to the corresponding Guaranteed Period below (the “Profit Guarantee”):

| <b>Guaranteed Period</b>           | <b>Profit Guarantee<br/>(HK\$)</b> |
|------------------------------------|------------------------------------|
| 1 January 2017 to 31 December 2017 | 100,000,000                        |
| 1 January 2018 to 31 December 2018 | 125,000,000                        |
| 1 January 2019 to 31 December 2019 | 150,000,000                        |

The audited consolidated net profit of the Target Group is to be calculated in accordance with Hong Kong Financial Reporting Standards. The date for determination of any breach or non-fulfilment of the Profit Guarantee and the assessment of damages in relation thereto shall not be earlier than the expiry of the last Guaranteed Period, i.e. 31 December 2019.

If the Target Group records a net loss in its audited consolidated accounts of any Guaranteed Period, the figure of the actual audited consolidated net profits before tax of the Target Group for such Guaranteed Period will be deemed as “zero” for the calculation of the aggregate actual audited consolidated net profits.

If the aggregate actual audited consolidated net profits before tax of the Target Group for any one or more Guaranteed Period(s) shall be equal to or more than HK\$375,000,000, the Profit Guarantee shall forthwith terminate and cease to have further force and effect.

If the aggregate actual audited consolidated net profits before tax of the Target Group of all the three Guaranteed Periods is less than the amount of HK\$375,000,000, the Vendor shall pay to the Purchaser an amount in cash in Hong Kong dollars as liquidated damages in accordance with the following formula:

$$[(a) - (b)] \text{ multiplied by } (y)$$

WHEREAS:

- (a) means HK\$375,000,000;
- (b) means the aggregate actual audited consolidated net profits before tax of the Target Group of all the three Guaranteed Periods; and
- (y) means 41.43% in case only the First Tranche Completion take places, or alternatively, 100% in case the Full Completion take places.

There is no profit adjustment mechanism to the Total Consideration in case the actual audited consolidated net profit for the relevant Guaranteed Period exceeds the relevant Profit Guarantee.

Pursuant to Acquisition Agreement, the Purchaser and the Vendor agree that the Profit Guarantee provided by the Vendor under the Acquisition Agreement shall supersede the profit guarantee provided by HIGL under the 2016 Acquisition Agreement (the “Previous Profit Guarantee”) and a relevant discharge will be executed by the Purchaser in favour of HIGL in relation thereto upon the Full Completion.

The Company believes the Company’s position is improved under the Profit Guarantee and there is no adverse effect resulting from the discharge of the Previous Profit Guarantee given by HIGL because (i) the guaranteed profit amount under the Profit Guarantee is increased by HK\$25 million when compared to that of Previous Profit Guarantee (i.e. HK\$375,000,000 vs. HK\$350,000,000); and (ii) the multiplier in the formula set out above (i.e. the figure of (y)) in the Profit Guarantee (i.e. either 41.43% or 100%) has already covered the 30% shareholding of the Target Company acquired in the 2016 Acquisition (which 30% was the corresponding multiplier in the Previous Profit Guarantee).

For easy comparison, the Previous Profit Guarantee and the Profit Guarantee is set out in the table as below:

| <b>Guaranteed Period</b>           | <b>Previous Profit Guarantee<br/>(HK\$)</b> | <b>Profit Guarantee<br/>(HK\$)</b> |
|------------------------------------|---|------------------------------------|
| 1 January 2017 to 31 December 2017 | 75,000,000                                  | 100,000,000                        |
| 1 January 2018 to 31 December 2018 | 125,000,000                                 | 125,000,000                        |
| 1 January 2019 to 31 December 2019 | 150,000,000                                 | 150,000,000                        |

### **Conditions Precedent**

#### *First Tranche Conditions*

The First Tranche Completion shall be conditional upon:

- (a) the results of the updated legal and financial due diligence conducted by the Purchaser over the Target Group, including but not limited to the affairs, business, assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure of the Target Group, being completed to the reasonable satisfaction of the Purchaser at its sole discretion;
- (b) the approval by the SFC for the change of the substantial shareholders (as defined under the SFO) of HEC Securities (HK) having been obtained;
- (c) if applicable, the obtaining of all consent from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Acquisition Agreement and any of the transaction contemplated thereunder; and
- (d) the Vendor’s Warranties shall remain to be true and correct in all material respects and there has not been any material breach of the Vendor’s Warranties.

If the conditions mentioned above cannot be fulfilled on or before the Long Stop Date, the First Tranche Acquisition shall cease and determine, whereupon the Vendor shall refund the First Tranche Consideration to the Purchaser without interest within five Business Days of termination and thereafter neither party shall have any obligations and liability towards each other save for any antecedent breaches of the Acquisition Agreement.

### *Second Tranche Conditions*

The Second Tranche Completion shall be conditional upon:

- (a) the results of the updated legal and financial due diligence conducted by the Purchaser over the Target Group, including but not limited to the affairs, business, assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure of the Target Group, being completed to the reasonable satisfaction of the Purchaser at its sole discretion;
- (b) the passing of the necessary resolution(s) by the Shareholders (other than those, if any, required to abstain from voting pursuant to the Listing Rules) at the SGM to approve the entering into of the Acquisition Agreement by the Purchaser and the transactions contemplated thereunder;
- (c) the approval by the SFC for the change of the substantial shareholders (as defined under the SFO) of HEC Securities (HK) having been obtained;
- (d) if applicable, the obtaining of all consent from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Acquisition Agreement and any of the transaction contemplated thereunder; and
- (e) the Vendor's Warranties shall remain to be true and correct in all material respects and there has not been any material breach of the Vendor's Warranties.

If the conditions mentioned above cannot be fulfilled on or before the Long Stop Date, the Second Tranche Acquisition shall be terminated whereupon all rights, obligations and liabilities of the Vendor and the Purchaser in relation to the Second Tranche Acquisition shall cease and determine and none of the parties shall have any claim against the other save as to any rights on any antecedent breach of the Acquisition Agreement but nothing stated in this term shall affect either the Vendor's or the Purchaser's obligations and liabilities in relation to the First Tranche Acquisition which shall continue to take place.

### **Full Completion**

#### *First Tranche Completion*

The First Tranche Acquisition shall be completed on the First Tranche Completion Date. Immediately after the First Tranche Completion, the Purchaser will hold 41.43% of the entire issued share capital of the Target Company and the Target Company will continue to be an associate of the Company.

#### *Second Tranche Completion*

The Second Tranche Acquisition shall be completed on the Second Tranche Completion Date. Immediately after the Second Tranche Completion and assuming the First Tranche Completion having taken place, the Purchaser will hold 100% of the entire issued share capital of the Target Company and the Target Company will become a wholly-owned subsidiary of the Company.

For avoidance of doubt, the First Tranche Completion and the Second Tranche Completion are not inter-conditional.

## Non-Competition

Pursuant to the Acquisition Agreement, the Vendor undertakes to the Purchaser that the Vendor and its associated companies shall not, without the prior written consent of the Purchaser, whether directly or indirectly and either alone or in conjunction with, or on behalf of, any other person, and whether as principal, shareholder, director, employee, agent, consultant, partner or otherwise, for a period of three years immediately following the First Tranche Completion or the Second Tranche Completion, whichever is the later (the “Non-Competition Period”), canvass, solicit or approach, or cause to be canvassed, solicited or approached any clients or customers of the Target Group to (i) entice them away from the Target Group; or (ii) to compete with any existing businesses of the Target Group as at the date of the Acquisition Agreement for any business opportunities.

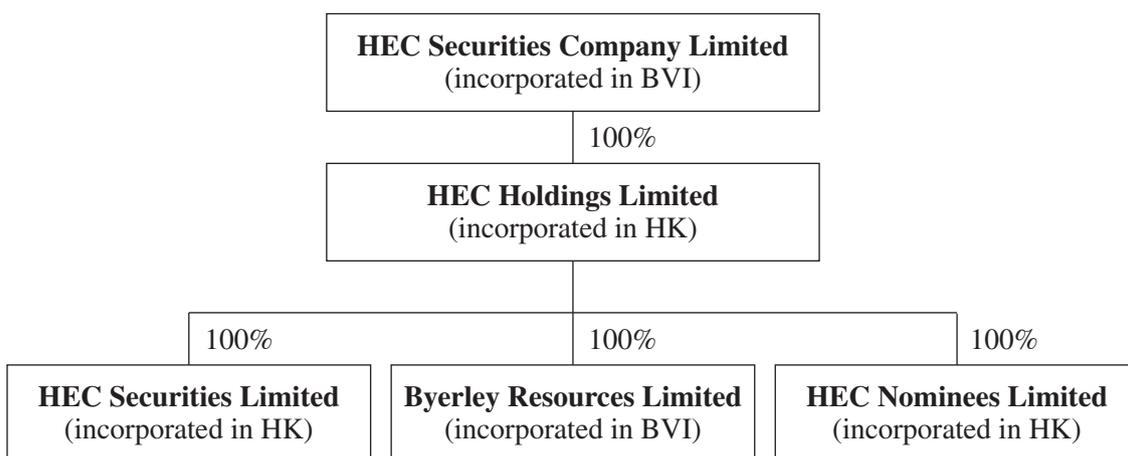
Moreover, pursuant to the Acquisition Agreement, the Vendor undertakes to the Purchaser that if there may be any breach or non-fulfilment of aforesaid requirements of the Profit Guarantee, the Non-Competition Period shall be extended for two further years so that the aggregate Non-Competition Period shall be five years.

## Information of the Target Group

The Target Company is an investment holding company with limited liability, incorporated in the BVI, and through its subsidiary principally engages in the provisions of the financial services which have always been carried out by HEC Securities (HK).

HEC Securities (HK) is a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities.

### Corporate Structure of the Target Group



## Financial Information of the Target Group

The audited financial information of the Target Group for the three financial years ended 31 March 2014, 31 March 2015 and 31 March 2016 and the period from 1 April 2016 to 30 September 2016 are set out as follows:

|                                   | <b>For the<br/>year ended<br/>31 March<br/>2014<br/>(HK\$)<br/>audited</b> | <b>For the<br/>year ended<br/>31 March<br/>2015<br/>(HK\$)<br/>audited</b> | <b>For the<br/>year ended<br/>31 March<br/>2016<br/>(HK\$)<br/>audited</b> | <b>For the period<br/>from 1 April<br/>2016 to<br/>30 September<br/>2016<br/>(HK\$)<br/>audited</b> |
|-----------------------------------|--|--|--|---|
| Net asset/(liabilities)           | (106,486,000)  | (99,167,000)   | (129,874,000)  | 963,644,000   |
| Net profit/(loss) before taxation | 476,000  | 7,319,000  | (30,707,000)   | (6,482,000)   |
| Net profit/(loss) after taxation  | 488,000  | 7,319,000  | (30,707,000)   | (6,482,000)   |

As extracted from the audited financial information of the Target Group for the period from 1 April 2016 to 30 September 2016, the audited consolidated loss of the Target Group was HK\$6,482,000 and the audited consolidated net assets of the Target Group as at 30 September 2016 was HK\$963,644,000.

### **Change of Name of the Target Group**

The Vendor hereby agrees and undertakes that it shall procure the company name of each of the Target Group be changed to the names entitled with “Enerchina” or such other names as the Purchaser may direct.

### **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group principally engages in the financial services sector, including investment holdings, provision of securities brokerage services, placing and underwriting services, corporate finance advisory services, proprietary trading and investment of securities, provision of margin financing, money lending services, and investment advisory and asset management services.

Reference is made to the Company’s announcement dated 15 December 2016 (the “2016 Announcement”) in relation to the 2016 Acquisition and the Company’s prospectus dated 20 February 2017 in relation to the rights issue (the “2017 Prospectus”). The Company (through its wholly-owned subsidiary, i.e. the Purchaser) acquired 30% of the issued share capital of the Target Company from HIGL in December 2016 on the terms and for the reasons set out in the 2016 Announcement.

Subsequent to the completion of the 2016 Acquisition, the remaining 70% share capital of the Target Company was transferred by HIGL to the Vendor as a result of the internal corporate reorganization of the group of HIGL. HIGL was approached by a third party (the “Offeror”) (who, to the best knowledge and information of the Company, is Independent Third Party independent of HIGL or the Vendor) and was offered to sell 50.1% interest in the share capital of the Target Company to the Offeror (the “Offer”). Since the Purchaser has acquired a right of first refusal under the 2016 Acquisition Agreement in relation to any proposed disposal of shares from HIGL, HIGL informed the Purchaser of the Offer accordingly and enquired about the intention of the Purchaser to exercise the right. After negotiations, the Vendor and the Purchaser eventually entered into the Acquisition Agreement in relation to the sale and purchase of the Sale Shares.

The Company has no relation to the Offeror who made the Offer to the Vendor (through HIGL) and, in case the Offer would be accepted by the Vendor, the Offeror's investment intentions, plans and strategies in relation to the Target Group are unknown to the Company. It is therefore highly undesirable for the Company to allow an unknown entity to become a major shareholder of the Target Company and take control of the Target Group.

As explained in the 2016 Announcement, the Company acquired a 30% shareholding of the Target Company in order to diversify its investment in the financial services sector, and to enhance the competitiveness of the Company in the Hong Kong stock market. The basis for the investment by the Company in the Target Group as set out in the 2016 Announcement and 2017 Prospectus still holds true as at the date of this announcement. The Company remains optimistic on the prospects of the Target Group and its investment in the Target Group is intended to be on a long term basis. Given that the Vendor is now desirous of disposing of its remaining shares in the Target Company (either to the Company or the Offeror), the Company considers it an appropriate juncture for the Company to acquire the remaining stake in the Target Group.

On the other hand, WWCL is estimated to incur a loss of over approximately HK\$989.68 million for the financial year ended 31 December 2016 and the Directors are determined to dispose its interest in WWCL Group as well as increase its interest in the Target Group. Nevertheless, as at the date of this announcement, the Company has not entered into, any agreement, arrangement, understanding or undertaking (whether formal or informal and whether expressed or implied), and negotiation (whether concluded or not) with any of the potential investors in this regard. Moreover, the Directors noted that the profit of the Target Group has increased from a net loss of approximately HK\$6.5 million, to a net profit of approximately HK\$43.84 million for the period from 1 April 2016 to 31 December 2016.

The Vendor, encouraged by the results of the turnaround, offered to increase the amount of the Profit Guarantee by HK\$25 million for the period from 1 January 2017 to 31 December 2017. The Directors view this gesture from the Vendor favorably. Furthermore, the Vendor has agreed to rebrand the Target Group under "Enerchina" as soon as practicable. The Company considers that given the appealing results and prospect for the Target Group, the rebranding exercise will improve the corporate image of the Company as a whole.

Following the Acquisition, the Company will exercise full control over the Target Group. The Target Group shall become the flagship of the Company in terms of financial services. The cooperation between WWCL and the Target Group mentioned in the 2016 Announcement and 2017 Prospectus shall continue. Therefore, the Acquisition is targeted to strengthen the entity's financial service and increase the income base of the Group.

Besides, the Profit Guarantee well exceeds the profit requirements for listing on the main board of the Stock Exchange, and if the opportunity arises, the Target Group may be separately listed, such that the Company would be able to liquidate its investment in the Target Group on the open market. Nevertheless, the Company will only conduct such exercise if an impressive gain can be generated from such disposal while it will not adversely affect the management and operations of the Group.

After considering the above factors, the Directors believe that the Acquisition are on normal commercial terms and are fair and reasonable, and the Acquisition and the transactions contemplated thereunder are in the best interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more percentage ratios (as defined under the Listing Rules) in respect of each of (i) the First Tranche Acquisition (standing alone) and (ii) the First Tranche Acquisition when aggregated with the 2016 Acquisition as a whole, exceed 5% but are all less than 25%, each of (i) the First Tranche Acquisition (standing alone) and (ii) the First Tranche Acquisition when aggregated with the 2016 Acquisition as a whole, constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As one or more percentage ratios (as defined under the Listing Rules) in respect of each of (i) the Second Tranche Acquisition (standing alone); (ii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition as a whole; and (iii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition and the 2016 Acquisition as a whole, exceed 25% but are all less than 100%, each of (i) the Second Tranche Acquisition (standing alone); (ii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition as a whole; and (iii) the Second Tranche Acquisition when aggregated with the First Tranche Acquisition and the 2016 Acquisition as a whole, constitutes a major transaction of the Company under the Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The SGM will be convened for the purpose of, among other matters, considering and, if thought fit, approving the Acquisition Agreement and the transactions contemplated thereunder.

A circular containing, among others, (i) details regarding the Acquisition Agreement and transactions contemplated thereunder; (ii) other information as required to be disclosed under the Listing Rules; and (iii) the notice of the SGM and a form of proxy are expected to be despatched to the Shareholders on or before 30 June 2017 as more time is required for preparing the information to be included in the circular.

## **GENERAL**

**Shareholders and potential investors should note that the Full Completion is subject to the fulfillment of the conditions under the Acquisition Agreement and the Acquisition Agreement may or may not proceed to the Full Completion. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

|                                 |  |
|---------------------------------|--|
| “Acquisition”                   | the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Acquisition Agreement  |
| “Acquisition Agreement”         | the sale and purchase agreement dated 21 March 2017 entered into by the Purchaser and the Vendor in respect of the Acquisition   |
| “Board”                         | the board of Directors   |
| “Business Day(s)”               | a day (other than a Saturday, Sunday or a public holiday) on which banks are open for business in Hong Kong  |
| “BVI”                           | British Virgin Islands   |
| “Company”                       | Enerchina Holdings Limited (stock code: 622), a company incorporated in Bermuda with limited liability which shares are listed on the main board of the Stock Exchange |
| “Director(s)”                   | the director(s) of the Company   |
| “First Tranche Acquisition”     | the purchase of the First Tranche Sale Shares by the Purchaser from the Vendor pursuant to the terms and conditions of the Acquisition Agreement                       |
| “First Tranche Completion”      | the completion of the sale and purchase of the First Tranche Sale Shares pursuant to the Acquisition Agreement   |
| “First Tranche Completion Date” | the date on which the First Tranche Completion takes place   |
| “First Tranche Consideration”   | HK\$200,000,000, being the consideration payable by the Purchaser to the Vendor in respect of the First Tranche Sale Shares  |
| “First Tranche Sale Share(s)”   | the 569,214 ordinary share(s) of par value of US\$1.00 each issued by the Target Company, representing 11.43% of the issued share capital of Target Company            |
| “Full Completion”               | the First Tranche Completion and Second Tranche Completion   |
| “Group”                         | the Company and its subsidiaries   |

|                                  |  |
|----------------------------------|--|
| “HEC Securities (HK)”            | HEC Securities Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Target Company as at the date thereof and, also, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities   |
| “HIGL”                           | HEC International Group Limited, which was the vendor selling 30% shareholding of the Target Company to the Purchaser under the 2016 Acquisition. As a result of internal corporate reorganization, the remaining 70% shareholding of the Target Company previously held by HIGL was transferred to the Vendor |
| “HK\$”                           | Hong Kong dollar(s), the lawful currency of Hong Kong  |
| “Hong Kong”                      | the Hong Kong Special Administrative Region of the PRC   |
| “Independent Third Party(ies)”   | the third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)  |
| “Listing Rules”                  | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Long Stop Date”                 | the last day of twelve calendar months from the date of the Acquisition Agreement or such other later date as shall be agreed by the parties in writing  |
| “PRC”                            | the People’s Republic of China   |
| “Purchaser”                      | Uptown Enerchine Capital Limited, formerly known as Enerchine Capital Limited, a wholly-owned subsidiary of the Company  |
| “Sale Share(s)”                  | the First Tranche Sale Shares and the Second Tranche Sale Shares, which in aggregate represent 70% of the issued share capital of the Target Company   |
| “Second Tranche Acquisition”     | the purchase of the Second Tranche Sale Shares by the Purchaser from the Vendor pursuant to the terms and conditions of the Acquisition Agreement  |
| “Second Tranche Completion”      | the completion of the sale and purchase of the Second Tranche Sale Shares pursuant to the Acquisition Agreement  |
| “Second Tranche Completion Date” | the date on which the Second Tranche Completion takes place  |

|                                |  |
|--------------------------------|--|
| “Second Tranche Consideration” | HK\$1,025,000,000, being the consideration payable by the Purchaser to the Vendor in respect of the Second Tranche Sale Shares   |
| “Second Tranche Sale Share(s)” | the 2,916,786 ordinary share(s) of par value of US\$1.00 each issued by the Target Company, representing 58.57% of the issued share capital of the Target Company                              |
| “SFC”                          | the Securities and Futures Commission of Hong Kong   |
| “SFO”                          | the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong)  |
| “SGM”                          | the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Acquisition Agreement and the transactions contemplated thereunder |
| “Share(s)”                     | ordinary share(s) of HK\$0.01 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  |
| “Target Company”               | HEC Securities Company Limited, a company incorporated in the British Virgin Islands and a non-wholly owned subsidiary of the Vendor   |
| “Target Group”                 | the Target Company and its subsidiaries  |
| “Total Consideration”          | the First Tranche Consideration and the Second Tranche Consideration   |
| “Vendor”                       | Satinu Resources Group Ltd.  |
| “WWCL”                         | Win Wind Capital Limited, a company incorporated in the BVI with limited liability and an indirect non-wholly owned subsidiary as to 88.22% held by the Company                                |
| “WWCL Group”                   | WWCL and its subsidiaries  |
| “2016 Acquisition”             | the acquisition of 30% of the issued share capital of the Target Company by the Purchaser from HIGL pursuant to the 2016 Acquisition Agreement   |

“2016 Acquisition Agreement”

the sale and purchase agreement dated 15 December 2016 entered into by the Purchaser and HIGL in respect of the 2016 Acquisition

“%”

per cent.

By order of the Board  
**Enerchina Holdings Limited**  
**Sam Nickolas David Hing Cheong**  
*Chief Executive Officer and Executive Director*

Hong Kong, 21 March 2017

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors:*

Mr. Chen Wei (*Chairman*)  
Mr. Chow Chi Wah Vincent  
Mr. Sam Nickolas David Hing Cheong  
(*Chief Executive Officer*)  
Mr. Tang Yui Man Francis

*Independent Non-Executive Directors:*

Mr. Cheung Wing Ping  
Mr. Chui Kark Ming  
Mr. Ma Ka Ki