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## **PAGAC II-2 LIMITED**

### **ANNOUNCEMENT**

**VOLUNTARY UNCONDITIONAL CASH OFFERS BY UBS AG,  
HONG KONG BRANCH  
ON BEHALF OF PAGAC II-2 LIMITED  
TO ACQUIRE ALL ISSUED SHARES OF  
YINGDE GASES GROUP COMPANY LIMITED (OTHER THAN THOSE  
ALREADY ACQUIRED OR AGREED TO BE ACQUIRED BY  
PAGAC II-2 LIMITED AND PARTIES ACTING IN CONCERT WITH IT)  
AND  
FOR CANCELLATION OF ALL OUTSTANDING OPTIONS OF  
YINGDE GASES GROUP COMPANY LIMITED**

**(1) ACCEPTANCE LEVEL AS OF 20 APRIL 2017**

**AND**

**(2) EXTENSION OF THE OFFER PERIOD**

**Financial adviser to the Offeror**



Reference is made to (i) the March 1 Announcement issued by the Company dated 1 March 2017; (ii) the Rule 3.5 Announcement issued by the Offeror dated 7 March 2017; (iii) the Offer Document issued by the Offeror dated 10 March 2017; and (iv) the announcement issued by the Offeror dated 6 April 2017 (the “**Unconditional Announcement**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Offer Document.

All time references contained in this announcement are to Hong Kong times.

## ACCEPTANCE LEVEL AS OF 20 APRIL 2017

As at 4:00 p.m. on 20 April 2017, valid acceptances of (i) the Share Offer have been received in respect of 1,272,566,076 Shares (representing approximately 67.31% of the issued share capital and voting rights of the Company as at the date of this announcement); and (ii) the Option Offer have been received in respect of 3,832,500 Options (representing 100% of all outstanding Options).

As at 4:00 p.m. on 20 April 2017, taking into account the 446,300,730 Shares already held by the Offeror (representing approximately 23.61% of the issued share capital and voting rights of the Company as at the date of this announcement), the valid acceptance in respect of 1,272,566,076 Shares under the Share Offer during the Offer Period would result in the Offeror and its Concert Parties holding an aggregate of 1,718,866,806 Shares (representing approximately 90.92% of the issued share capital and voting rights of the Company as at the date of this announcement).

Immediately prior to the commencement of the offer period under the Takeovers Code, the Offeror and its Concert Parties (excluding EFM and EPT of UBS) held, controlled or directed or had rights over 13,135,500 Shares, which represents approximately 0.69% of the then issued share capital and voting rights of the Company. Save for the acquisition of an aggregate of 433,165,230 Shares during the Offer Period and the acceptance of the Share Offer described above, the Offeror and its Concert Parties (excluding EFM and EPT of UBS) have not acquired or agreed to acquire any Shares or rights over Shares during the Offer Period. None of the Offeror nor any of its Concert Parties (excluding EFM and EPT of UBS) has borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period.

## SHARE OFFER TO REMAIN OPEN FOR ACCEPTANCE AND COMPULSORY ACQUISITION

Pursuant to Rule 15.3 of the Takeovers Code, the Offers shall remain open for acceptance for not less than 14 days after the Offers become unconditional in all respects. Accordingly, as announced by the Offeror in the Unconditional Announcement, the Offers remained open for acceptance until 4:00 p.m. on 20 April 2017 (or would remain open until such later time and/or date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code).

As mentioned in the Offer Document, the Offeror intends to exercise the powers of compulsory acquisition of those Shares not acquired by the Offeror under the Share Offer under Section 88 of the Cayman Islands Companies Law and the requirements of Rule 2.11 of the Takeovers Code to privatise the Company if the Compulsory Acquisition Condition is met. The Compulsory Acquisition Condition means within four (4) months of the Despatch Date, valid acceptances of the Share Offer having been received in respect of not less than 90% of the Offer Shares and not less than 90% of the disinterested Shares (being issued Shares other than those being held by the Offeror or its Concert Parties). The Offeror has decided to extend the Share Offer until 4:00 p.m. on 4 May 2017, in order to provide more time for the Shareholders to consider accepting the Share Offer. Further announcement on the results of the Share Offer will be made on 4 May 2017.

**As the level of acceptances has reached to the level that the Compulsory Acquisition Condition (as required under Section 88 of the Cayman Islands Companies Law and Rule 2.11 of the Takeovers Code) is met (as confirmed by the Offeror's Cayman Islands legal advisors from a Cayman Islands laws perspective), the Offeror decides to proceed with the privatisation of the Company.**

**Shareholders are reminded that the Share Offer will remain open for acceptance until 4:00 p.m. on 4 May 2017 (or such later time and/or date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code).**

**The Offeror would like to take this opportunity to encourage the Shareholders to accept the Share Offer in accordance with the recommendation of the Independent Board Committee. Shareholders are advised to refer to the Offer Document and the WHITE Form of Share Offer Acceptance for details of the acceptance procedures if they wish to accept the Share Offer.**

## **SETTLEMENT OF THE OFFERS**

Payment of cash consideration for the Offer Shares (after deducting the seller's ad valorem stamp duty) or Options tendered for acceptance under the Offers will be despatched to the accepting Shareholder(s) (to the address specified on the relevant Shareholder's WHITE Form of Share Offer Acceptance) or the accepting Optionholder(s) (to the address specified on the relevant Optionholder's PINK Form of Option Offer Acceptance) by ordinary post at his/her/its own risk as soon as possible, but in any event within seven (7) Business Days following the date on which relevant documents of title of the Shares or the Options (as the case may be) are received by the Registrar to render each of such acceptance of any of the Share Offer or the Option Offer complete and valid in accordance with the Takeovers Code, the Offer Document and the relevant Form(s) of Acceptance.

By order of the board  
**PAGAC II-2 Limited**  
**David Jaemin Kim**  
*Director*

Hong Kong, 20 April 2017

*As at the date of this announcement, the directors of the Offeror are Mr. David Jaemin Kim, Mr. Anthony Miller, Mr. Peter Rioda and Ms. Tamara Williams.*

*(a) Mr. David Jaemin Kim, Mr. Anthony Miller, Mr. Peter Rioda and Ms. Tamara Williams, being the directors of the Offeror, and (b) Mr. Jon Robert Lewis, Mr. Derek Roy Crane, Mr. Peter Rioda and Ms. Tamara Williams, being the directors of PAG Asia Capital GP II Limited (the general partner of the limited partnership which wholly-owns the Offeror), jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*