

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



HANERGY THIN FILM POWER GROUP LIMITED **漢能薄膜發電集團有限公司**

(Incorporated in Bermuda with limited liability)

(Stock code: 566)

UPDATE ANNOUNCEMENT ON THE RESUMPTION PROGRESS

References are made to the announcements (the “**Announcements**”) of Hanergy Thin Film Power Group Limited (the “**Company**”) dated 4 September 2017 and 23 January 2017 in relation to, among other things, the discussion between the Securities and Futures Commission (the “**SFC**”) and the Company to seek resumption of trading of the Company’s shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The second resumption requirement: The Company has submitted the Disclosure Document to the SFC

Based on the discussion between the SFC and the Company, the SFC has imposed two resumption requirements on the Company. The first resumption requirement is to complete the civil proceedings under section 214 of the Securities and Futures Ordinance (Cap. 571) (the “**Section 214 Proceedings**”) and seek court orders by the SFC. The second resumption requirement is the publication of a disclosure document by the Company (the “**Disclosure Document**”) which will provide detailed disclosures of the information on, amongst others, the Company’s activities, businesses, assets, liabilities, financial performance and prospects.

The SFC’s first resumption requirement was fulfilled on 4 September 2017.

In respect of the second resumption requirement, the Company has submitted to the Board of Directors of the SFC on 4 April 2018 the Disclosure Document, for which a financial adviser is engaged to carry out a due diligence review on the Group. The purpose is to request the SFC to consider the Company's application for the lifting of suspension pursuant to section 9 of the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) (the "**Stock Market Rules**"). The powers of the SFC under section 9 may only be exercised by a meeting of the SFC and are not delegable.

Hanergy Holding and its affiliates have made early repayment of the Secured Indebtedness in full by one and a half years and the related qualified opinion has been removed from the latest annual report

The total amount of the outstanding trade receivables (both due and undue) from Hanergy Holding and its affiliates (the "**Hanergy Affiliates**"), gross amount due from the contract with Hanergy Affiliates, other receivables and interest penalties due from Hanergy Affiliates as at 31 December 2016 (the "**Secured Indebtedness**") was HK\$4,857,176,000 which was reduced to HK\$3,164,727,000 by the end of June 2017 due to certain payments made during the first half of 2017. To address the SFC's concern over the indebtedness owed to the Group by Hanergy Affiliates, Hanergy Affiliates have used their best efforts and settled the outstanding Secured Indebtedness of HK\$3,164,727,000 in full by the end of March 2018, which is one and a half years earlier than the original timeline. The qualified opinion that was included in the independent auditor's report for 2015 and 2016 in respect to the recoverability of the Secured Indebtedness from Hanergy Affiliates has been removed for the Company's 2017 financial statements.

The successfully expanded business model diversifies income streams

As disclosed in the annual results announcement of the Company dated 27 March 2018, during 2017, the Group successfully expanded its business model. Such move reaped satisfactory results in both upstream and downstream businesses. With the Channel Sales Business Unit focusing on the growing demand from, and the market expansion of, residential distributed thin film power generation projects, the Company has successfully developed active distributors to meet the demand for green energy living from the community at large. Meanwhile, the Company continued its efforts on the innovative research and development of new products. Last year, the Company launched its new product, "Hantile", which is the Company's latest power generating building material and is expected to tap into the European markets in the future.

In line with the national energy restructuring and local economic transformation, the Group received equipment and services sales orders of significant amounts from a number of "mobile energy industrial parks" projects in 2017, the results of which were impressive.

Moreover, the Company proposes the Hanergy's Eco-city integrated solution. Currently, the Company has entered into strategic cooperation agreements with certain partners, thereby to launch its solution for thin film solar power technology in different areas.

The Company anticipates that the expansion of innovative businesses would further diversify its income streams and enrich the structure of revenue from the Group's diversification efforts. Accordingly, the Group would conduct less connected transactions with Hanergy Affiliates, which would further address the SFC's concern.

Making its best endeavours to expedite various tasks for resumption of trading at the earliest possible opportunity

Regarding the two resumption requirements set by the SFC, the first one has been fulfilled. To fulfil the second resumption requirement, the Company has prepared and submitted the Disclosure Document to the SFC, and is now seeking the SFC's approval for lifting of suspension pursuant to section 9 of the Stock Market Rules.

The Group has addressed the SFC's concerns by solving its two previous core issues, namely the indebtedness due from Hanergy Affiliates to the Group as well as the exceedingly high income from connected transactions. The Company will continue its best efforts to fulfil the requirements imposed by the SFC on the Company for the resumption of trading of the Company's shares on the Stock Exchange at the earliest possible opportunity. The Company will make further announcement in due course for the update on the second resumption requirement.

Meanwhile, the shares of the Company continue to be suspended from trading on the Stock Exchange. There is no guarantee that the trading of the Company's shares on the Stock Exchange will resume. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal adviser or other professional advisers.

By order of the Board
Hanergy Thin Film Power Group Limited
Yuan Yabin
Chairman

Hong Kong, 4 April 2018

As at the date of this announcement, the executive directors of the Company are Mr. Yuan Yabin (Chairman), Dr. Lam Yat Ming Eddie (Vice Chairman), Mr. Si Haijian (Chief Executive Officer), Mr. Huang Songchun (Financial Controller), Mr. Xu Xiaohua and Mr. Zhang Bin; and the independent non-executive directors of the Company are Mr. Lo Man Tuen, G.B.S., JP, Professor He Xiaofeng, Professor Zhang Qiusheng and Mr. Wang Dan.