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Trony Solar Holdings Company Limited

創益太陽能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2468)

AMENDMENTS TO THE DELISTING FRAMEWORK UNDER THE LISTING RULES AND UPDATE ON DEVELOPMENT OF SUSPENSION OF TRADING

Reference is made to the announcements made by Trony Solar Holdings Company Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) dated 11 October 2012, 12 December 2014, 11 September 2017, 1 November 2017, 4 December 2017, 4 January 2018 and 31 May 2018 (collectively the “**Announcements**”) relating to, among others, the resumption conditions (the “**Resumption Conditions**”) imposed by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on the Company, the completion of the forensic review relating to the potential discrepancies in the financial records of the Company (the “**Potential Financial Discrepancies**”), the decision of the Listing (Review) Committee of the Stock Exchange to cancel the listing of the Company (the “**Cancellation Decision**”), the lodging of a request by the Company for a review of the Cancellation Decision by the Listing Appeals Committee of the Stock Exchange (the “**Listing Appeals Committee**”) pursuant to Rule 2B.07(5) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the proposed Acquisition (as defined in the announcement of the Company dated 1 November 2017) and the review hearing of the Listing Appeals Committee scheduled to take place on 9 August 2018 respectively. Unless the context otherwise requires, the capitalised terms used herein shall have the same meanings as defined in the Announcements.

AMENDMENTS TO THE DELISTING FRAMEWORK UNDER THE LISTING RULES

Reference is also made to the amendments to the delisting framework under the Listing Rules which will come into effect on 1 August 2018 as published by the Stock Exchange on 25 May 2018. On 24 July 2018, the Company received a letter from the Stock Exchange informing the Company that following the amendments to the delisting framework under the Listing Rules becoming effective, the Cancellation Decision and the notice period for delisting will continue to have effect on the Company under Rule 6.01A(2)(c) of the Listing Rules. Under the aforementioned letter from the Stock Exchange, the Company is also reminded that, while trading in the shares of the Company (the “**Shares**”) is suspended, it still

needs to comply with its obligations under the Listing Rules including, but not limited to (a) comply with its continuing obligations under the Listing Rules at all times and publication of periodic financial results and reports; (b) announce inside information required to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”); and (c) announce quarterly updates on the Company’s developments under Rule 13.24 of the Listing Rules including, among other relevant matters, its business operations.

UPDATE ON DEVELOPMENT OF SUSPENSION OF TRADING

Among the Resumption Conditions, the Board wishes to inform the Shareholders that regarding:

- (i) conduct a forensic review and investigation on the Potential Financial Discrepancies, the allegations enclosed in the Anonymous Letters (as defined in the announcement of the Company dated 11 October 2012) and the issues raised in the PRC Report (as defined in the announcement of the Company dated 11 October 2012)**

On 12 December 2014, the Company announced that PwC had completed its forensic review. A summary of the findings of the forensic review was set out in the announcement made by the Company dated 12 December 2014. Although the Company was not able to draw any conclusive view as to why and how the Potential Financial Discrepancies arose, the forensic review of PwC did identify certain weakness in the internal control and financial reporting systems of the Group. Remedial actions have been taken to ratify such weakness.

Upon completion of the proposed restructuring (the “**Proposed Restructuring**”) of the Company including the Acquisition, all the existing subsidiaries of the Company will be carved out from the Group. As the allegations mainly related to the affairs of the subsidiaries of the Company, the Board is of the view that the allegations would no longer be relevant to the restructured group (being the Group after completion of the Proposed Restructuring (the “**Restructured Group**”)) after carving out of the existing subsidiaries of the Company and the financial performance and position of the Restructured Group will not be affected by the allegations.

- (ii) inform the market of all information that is necessary to appraise the Company's position, including their implications to the Company's assets, financial and operational position**

The Company has issued public announcements from time to time in compliance with the Listing Rules and on a voluntary basis in order to keep its Shareholders and the market informed of the Group's status and latest development so as to allow the Shareholders and the investing public the material information necessary to appraise the Group's position. The Company will publish further announcement(s) and circular(s) to update its Shareholders and the market of any future material development with respect to the progress of the Proposed Restructuring and the progress of the Company towards fulfilling the Resumption Conditions as and when appropriate.

- (iii) publish all outstanding financial results and reports, and address any concerns raised by the Company's auditors through qualifications in their audit report or otherwise**

While trading of the Shares has been suspended and as at the date of this announcement, the Company has on 16 June 2016, 28 October 2016, 27 March 2017, 30 October 2017 and 21 March 2018 published the outstanding annual reports in respect of the financial years ended 30 June 2012, 2013, 2014, 2015, 2016 and 2017, and the interim reports in respect of the six months periods ended 31 December 2012, 2013, 2014, 2015, 2016 and 2017. The auditors of the Company have expressed a "disclaimer of opinion" on the consolidated financial statements of the Company for each of the financial years ended 30 June 2012, 2013, 2014, 2015, 2016 and 2017. The Company will continue to comply with its relevant obligations under the Listing Rules in respect of publication of financial results and reports. Upon completion of the Proposed Restructuring, the relevant audit qualifications and/or concerns will become irrelevant to the Restructured Group.

- (iv) demonstrate that there are no significant deficiencies in the Company's corporate governance, and that the Company has put in place adequate financial reporting procedures and internal control systems to meet obligations under the Listing Rules**

Upon completion of the Proposed Restructuring, the Restructured Group will implement measures to make sure that an effective internal control and compliance system are in place. The measures include, amongst other things, the following:

- (a) to promptly publish the annual reports and interim reports to discharge the Company's financial reporting obligations under the Listing Rules;
- (b) to engage legal advisers to provide on-going training to directors and senior management regarding, amongst other things, compliance with relevant rules and regulations including the Listing Rules; and

- (c) to engage financial and compliance advisers to provide professional advice on finance, internal control and compliance related matters.

By adopting the abovementioned internal control system and remedial measures, the Company is satisfied that it will be able to meet its obligations under the Listing Rules.

- (v) **demonstrate that, in light of the recent resignations of the Company's directors and senior management members, the Company has adequate resources (in particular senior level staff with appropriate qualifications and experience) to safeguard the Company's assets and to meet obligations under the Listing Rules.**

To enhance the Company's corporate governance, diversity and broaden the experience and credentials of the Board, the composition of the Board will be reconstructed upon completion of the Proposed Restructuring. Expertise in internal control, finance and corporate governance will be introduced into the Board. The Board is of the view that the qualifications and experience of the proposed directors and senior management of the Restructured Group will be the appropriate qualifications and experience to safeguard the Restructured Group's assets and to meet its obligations under the Listing Rules.

UPDATES ON BUSINESS OPERATIONS OF THE GROUP

The Board also wishes to update the Shareholders on the business operations of the Group.

On 26 February 2018, the Company has announced the unaudited consolidated results of the Group for the six months ended 31 December 2017. As at the date of this announcement, the Group remains principally engaged in the manufacture and sale of solar products and construction of photovoltaic cell power stations. In 2018, the Group has actively participated in the bidding for the construction of photovoltaic cell power stations with a view to increasing revenue and reducing losses.

GENERAL

Further announcement(s) will be made by the Company on (1) the result of the review hearing of the Listing Appeals Committee; (2) the development of the Proposed Restructuring including the Acquisition; and (3) updates on the matters mentioned in this announcement as and when appropriate in accordance with the Listing Rules and/or the SFO.

Shareholders of the Company who have any queries about the implications of the Stock Exchange's proposal to cancel the Company's listing are advised to obtain appropriate professional advice.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on 21 June 2012 and will remain suspended until further notice pending the result of the review hearing of the Listing Appeals Committee and the fulfilment of the Resumption Conditions.

By Order of the Board
Trony Solar Holdings Company Limited
Martin Pak
Chairman

Hong Kong, 31 July 2018

As at the date of this announcement, the Board comprises two executive Directors, namely Ms. Yu Ying and Mr. Liu Bin, and three independent non-executive Directors, namely Mr. Pak Wai Keung Martin (Chairman), Mr. Zhang Xuehu and Ms. Chow Wai Fong.