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This joint announcement, for which the Singyes NM Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Singyes NM (other than those expressed by Singyes Solar and the Subscriber). The Singyes NM Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this joint announcement (other than those expressed by Singyes Solar and the Subscriber) is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.



China Singyes Solar Technologies Holdings Limited
中國興業太陽能技術控股有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 750)



China Singyes New Materials Holdings Limited
中國興業新材料控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 8073)

JOINT ANNOUNCEMENT

**(1) ANNOUNCEMENT PURSUANT TO
RULE 13.09 OF THE LISTING RULES
AND PART XIVA OF THE SECURITIES
AND FUTURES ORDINANCE;
(2) ISSUE AND SUBSCRIPTION OF NEW
SINGYES SOLAR SHARES UNDER
SPECIFIC MANDATE;
(3) APPLICATION FOR SINGYES SOLAR
WHITEWASH WAIVER;
(4) PROPOSED INCREASE IN
AUTHORISED SHARE CAPITAL
AND
(5) CLARIFICATION ANNOUNCEMENT**

**(1) ANNOUNCEMENT PURSUANT
TO RULE 17.10 OF THE GEM
LISTING RULES AND PART XIVA OF
THE SECURITIES AND FUTURES
ORDINANCE;
(2) CONNECTED TRANSACTION
RELEASE OF NON-DISPOSAL
UNDERTAKING
AND
(3) RESUMPTION OF TRADING**

THE SUBSCRIPTION

Pursuant to the Subscription Agreement, Singyes Solar has conditionally agreed to allot and issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for, at Completion, 1,687,008,585 Subscription Shares at the Subscription Price of HK\$0.92 per Subscription Share. The aggregate amount of the consideration for the Subscription Shares is approximately HK\$1,552,047,898. Assuming that there is no change in the issued share capital of Singyes Solar other than the issue of the Subscription Shares since the date of this joint announcement up to Completion, the 1,687,008,585 Subscription Shares represent (i) approximately 202.26% of the issued share capital of Singyes Solar as at the date of this joint announcement; (ii) approximately 66.92% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares; (iii) and approximately 65.86% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares and the exercise in full of all the outstanding Share Options and conversion rights under the outstanding Convertible Bonds.

The effect on the changes in Singyes Solar's shareholding structure immediately upon the allotment and issuance of the Subscription Shares at Completion is set out in the section headed "Effect of the Subscription on the Shareholding Structure of Singyes Solar" in this joint announcement. There is expected to be no change in Singyes NM's shareholding structure immediately upon Completion.

Completion is conditional upon the completion conditions as described in the sub-section headed "Conditions of the Subscription".

Singyes Solar will allot and issue the Subscription Shares under a specific mandate to be approved by the Singyes Solar Independent Shareholders at the Singyes Solar SGM by an ordinary resolution.

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

Save for the entering of the Subscription Agreement, neither the Subscriber nor any party acting in concert with it has acquired or entered into any agreement or arrangement to acquire any voting rights in Singyes Solar during the six months prior to the date of this joint announcement, and none of them is interested in any issued Singyes Solar Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of Singyes Solar as at the date of this joint announcement.

USE OF PROCEEDS

The gross proceeds from the Subscription are expected to amount to approximately HK\$1,552,047,898. Singyes Solar's intended use of such proceeds is set out in the section headed "Use of Proceeds" in this joint announcement.

APPLICATION FOR SINGYES SOLAR WHITEWASH WAIVER

Immediately after Completion, assuming there is no other change in the issued share capital of Singyes Solar, the Subscriber (together with the parties acting in concert with it (as defined in the Takeovers Code)) will be interested in 1,687,008,585 Singyes Solar Shares, representing approximately 202.26% of the issued share capital of Singyes Solar as at the date of this joint announcement and approximately 66.92% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares and approximately 65.86% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares and the exercise in full of all the outstanding Share Options and conversion rights under the outstanding Convertible Bonds. Under Rule 26.1 of the Takeovers Code, the Subscriber would be obliged to make a mandatory general offer to the Singyes Solar Shareholders for all the issued Singyes Solar Shares and other securities of Singyes Solar not already owned or agreed to be acquired by the Subscriber and parties acting in concert with it, unless the Singyes Solar Whitewash Waiver is obtained from the Executive. An application will be made by the Subscriber to the Executive for the Singyes Solar Whitewash Waiver in respect of the allotment and issuance of the Subscription Shares.

The Singyes Solar Whitewash Waiver, if granted by the Executive, will be subject to approval by the Singyes Solar Independent Shareholders at the Singyes Solar SGM by way of a poll. The resolution in relation to the Singyes Solar Whitewash Waiver shall be approved by at least 75% of the independent votes that are cast either in person or by proxy by the Singyes Solar Independent Shareholders at the Singyes Solar SGM. In accordance with the Listing Rules and Takeovers Code, Singyes Solar Shareholders who are (i) the Subscriber or its associates; (ii) any parties acting in concert with the Subscriber; (iii) parties involved or interested in the Subscription or the Singyes Solar Whitewash Waiver, are required to abstain from voting at the Singyes Solar SGM. The executive Singyes Solar Directors who have participated in negotiations with the Subscriber on the terms of the Subscription and holds Singyes Solar Shares are required to abstain from voting at the Singyes Solar SGM. As Mr. Xiong Shi, Mr. Zhuo Jianming and Strong Eagle, as guarantors under the Subscription Agreement, are interested in the Subscription and the Singyes Solar Whitewash Waiver, they are required to abstain from voting at the Singyes Solar SGM.

If the Singyes Solar Whitewash Waiver is not granted by the Executive or not approved by the Singyes Solar Independent Shareholders, the Subscription will not proceed.

If the Singyes Solar Whitewash Waiver is approved by the Singyes Solar Independent Shareholders and Completion occurs, the shareholding of the Subscriber in Singyes Solar will exceed 50%. The Subscriber may further increase its shareholding in Singyes Solar without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer.

IMPLICATIONS OF TAKEOVERS CODE ON SINGYES NM

The Subscription, if completed, would result in the Subscriber acquiring more than 50% of the voting rights of Singyes Solar and Singyes NM (indirectly). Under the chain principle under Note 8 to Rule 26.1 of the Takeovers Code, the Subscriber would then be required to make a mandatory general offer to the Singyes NM Shareholders for all the issued Singyes NM Shares and other securities of Singyes NM not already owned or agreed to be acquired by the Subscriber and parties acting in concert with it. Application has been made to the Executive for confirmation that as a result of the Subscription, the Subscriber will not be required to make a mandatory unconditional offer for all the Singyes NM Shares not already owned by it or parties acting in concert with it under the chain principle under Note 8 to Rule 26.1 of the Takeovers Code on the basis that the holdings in Singyes NM are not significant in relation to Singyes Solar and that securing control of Singyes NM is not one of the main purposes of the Subscription.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF SINGYES SOLAR

The Subscriber intends for Singyes Solar to maintain the listing status of the Singyes Solar Shares on the Main Board of the Stock Exchange after the Completion.

ESTABLISHMENT OF SINGYES SOLAR IBC AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Singyes Solar IBC has been formed pursuant to Rule 2.8 of the Takeovers Code, comprising all non-executive Singyes Solar Directors (except Mr. Zhuo Jianming, who is interested in the Subscription and the Singyes Solar Whitewash Waiver), namely Dr. Li Hong, Dr. Wang Ching, Mr. Yick Wing Fat, Simon and Dr. Tan Hongwei to advise the Singyes Solar Independent Shareholders in relation to the Subscription and the Singyes Solar Whitewash Waiver.

An independent financial adviser will be appointed to advise the Singyes Solar IBC and the Singyes Solar Independent Shareholders in this regard and an announcement will be made upon its appointment. The appointment of the independent financial adviser shall be approved by the Singyes Solar IBC.

The Singyes Solar IBC will formulate its views with respect to the terms of the Subscription and the Singyes Solar Whitewash Waiver after obtaining and considering the advice of the independent financial adviser. The advice of the Singyes Solar IBC and the independent financial adviser and other relevant information will be set out in the circular to be despatched by Singyes Solar in due course.

RELEASE OF THE NON-DISPOSAL UNDERTAKING

As disclosed in the prospectus of Singyes NM dated 30 June 2017, each of the then controlling shareholders of Singyes NM has made the Non-Disposal Undertaking to Singyes NM.

In anticipation of the effect to the controlling shareholding of Singyes NM should the Subscription be completed, the Singyes NM Directors propose to seek the approval of the Singyes NM Independent Shareholders on the release and discharge of the obligations of Mr. Liu Hongwei and Strong Eagle under the Non-disposal Undertaking by way of an ordinary resolution at the Singyes NM SGM.

The Singyes NM IBC, comprising all the independent non-executive Singyes NM Directors, namely Mr. Lee Kwok Tung Louis, Mr. Wei Junfeng and Dr. Li Ling, has been formed to advise the Singyes NM Independent Shareholders as to the fairness and reasonableness of the Release.

SGM

Details of the Singyes Solar SGM and the Singyes NM SGM are set out in the sections headed “The Singyes Solar SGM” and “The Singyes NM SGM” respectively in this joint announcement.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF SINGYES SOLAR

As at the date of this joint announcement, the authorised share capital of Singyes Solar is US\$ 12,000,000 divided into 1,200,000,000 Singyes Solar Shares, of which 834,073,195 Singyes Solar Shares have been allotted and issued as fully paid or credited as fully paid. In order for Singyes Solar to undertake future issuances of Singyes Solar Shares, the board of Singyes Solar Directors proposes the Authorised Share Capital Increase to increase the authorised share capital of Singyes Solar to US\$26,000,000 divided into 2,600,000,000 Singyes Solar Shares by the creation of an additional 1,400,000,000 Singyes Solar Shares. The proposed Authorised Share Capital Increase is subject to the approval of the Singyes Solar Shareholders at the Singyes Solar SGM.

GENERAL

As at the date of this joint announcement, the Subscriber and parties acting in concert with it do not hold any Singyes Solar Shares or Singyes NM Shares and therefore will not vote on any of the resolutions at the Singyes Solar SGM and Singyes NM SGM.

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

It is a condition precedent to the Completion that the Singyes Solar Whitewash Waiver is granted by the Executive. If the Singyes Solar Whitewash Waiver is not granted by the Executive or if the conditions (if any) imposed thereon are not fulfilled, the Subscription will not proceed.

Warning: The Subscription is subject to the fulfilment or waiver (as the case may be) of a number of Conditions set out under the section headed “Conditions of the Subscription” in this joint announcement, including approval by 75% of the Singyes Solar Independent Shareholders at the Singyes Solar SGM for the Subscription and the Singyes Solar Whitewash Waiver, and the granting of the Singyes Solar Whitewash Waiver by the Executive. As such, the Subscription may or may not proceed.

Singyes Solar Shareholders, Singyes NM Shareholders and potential investors are advised to exercise caution when dealing in the Singyes Solar Shares and Singyes NM Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

Reference is made to the announcement of Singyes Solar dated 22 January 2019 in relation to, inter alia, the possible sale and purchase of Singyes Solar Shares owned by Strong Eagle and the possible subscription by Shuifa Energy Group Limited* (水發能源集團有限公司) of certain new Singyes Solar Shares.

The board of Singyes Solar Directors is pleased to announce that on 16 May 2019, Singyes Solar entered into the Subscription Agreement with the Subscriber. A summary of the principal terms of the Subscription Agreement is set out below.

THE SUBSCRIPTION AGREEMENT

Date

16 May 2019

Parties

- (i) Singyes Solar, as issuer;
- (ii) Water Development (HK) Holding Co., Limited (水發集團(香港)控股有限公司), as Subscriber; and
- (iii) the Major Shareholders as guarantors.

The Subscription

Pursuant to the Subscription Agreement, Singyes Solar has conditionally agreed to allot and issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for, at Completion, 1,687,008,585 Subscription Shares at the Subscription Price of HK\$0.92 per Subscription Share. The aggregate amount of the consideration for the Subscription Shares is approximately HK\$1,552,047,898. Assuming that there is no change in the issued share capital of Singyes Solar other than the issue of the Subscription Shares since the date of this joint announcement up to Completion, the 1,687,008,585 Subscription Shares represent (i) approximately 202.26% of the issued share capital of Singyes Solar as at the date of this joint announcement; (ii) approximately 66.92% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares; (iii) and approximately 65.86% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares and the exercise in full of all the outstanding Share Options and conversion rights under the outstanding Convertible Bonds.

The effect on the changes in Singyes Solar's shareholding structure immediately upon the allotment and issuance of the Subscription Shares at Completion is set out in the section headed "Effect of the Subscription on the Shareholding Structure of Singyes Solar" in this joint announcement. There is expected to be no change in Singyes NM's shareholding structure immediately upon Completion.

Completion shall be conditional upon the completion conditions as described in the sub-section headed “Conditions of the Subscription”.

Singyes Solar will allot and issue the Subscription Shares under a specific mandate to be approved by the Singyes Solar Independent Shareholders at the Singyes Solar SGM by an ordinary resolution.

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with all other Singyes Solar Shares in issue as at the date of their allotment and issue. The Subscriber will be entitled to receive all dividends and distributions which are declared, made or paid after the date of allotment of the Subscription Shares in their fully-paid form. Each Subscription Share is an ordinary Singyes Solar Share. The aggregate nominal value of the Subscription Shares is US\$16,870,085.85.

The Subscription Price

The aggregate amount of the consideration for the Subscription Shares is approximately HK\$1,552,047,898, and shall be payable by the Subscriber in cash at Completion by way of wire transfer to a bank account designated by Singyes Solar on the Completion Date.

The Subscription Price of HK\$0.92 per Subscription Share represents:

- (i) a discount of approximately 7.07% to the closing price of HK\$0.99 per Singyes Solar Share as quoted on the Stock Exchange on 29 March 2019, being the Last Trading Day;
- (ii) a discount of approximately 6.50% to the average of the closing prices of the Singyes Solar Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the Last Trading Day of approximately HK\$0.984 per Singyes Solar Share;
- (iii) a discount of approximately 4.27% to the average of the closing prices of the Singyes Solar Share as quoted on the Stock Exchange for the last ten (10) trading days up to and including the Last Trading Day of approximately HK\$0.961 per Singyes Solar Share;
- (iv) a premium of approximately 1.65% over the average of the closing prices of the Singyes Solar Share as quoted on the Stock Exchange for the last thirty (30) trading days up to and including the Last Trading Day of approximately HK\$0.905 per Singyes Solar Share;
- (v) a discount of approximately 46.20% to the average of the closing prices of the Singyes Solar Share as quoted on the Stock Exchange for the last ninety (90) trading days up to and including the Last Trading Day of approximately HK\$1.710 per Singyes Solar Share; and

- (vi) a discount of approximately 86.21% to the unaudited consolidated net asset value per Singyes Solar Share of approximately RMB5.60 (equivalent to approximately HK\$6.67) (calculated by dividing the unaudited net asset value as at 30 June 2018 as shown in the interim report of Singyes Solar for the six months ended 30 June 2018 of approximately RMB4,674,376,000 divided by 834,073,195 Singyes Solar Shares in issue as at the date of this joint announcement).

The Subscription Price was arrived at after arm's length negotiations between Singyes Solar and the Subscriber, where Singyes Solar has taken into consideration the following factors:

- (i) the current adverse financial position of the Singyes Solar Group, in particular:
 - 1. Singyes Solar is in default of the US\$160 million 6.75% senior notes due 2018, the RMB930 million 5% convertible bonds due 8 August 2019 and the US\$260 million 7.95% notes due 2019 issued by it; and
 - 2. Singyes Solar Group is in default of approximately RMB207.9 million of its offshore loans and RMB782.4 million of its onshore loans as of the date of this joint announcement.
- (ii) the market price of the Singyes Solar Shares prior to the suspension, taking into account also the prevailing market and economic conditions and the circumstance of Singyes Solar; and
- (iii) through the Subscription, Singyes Solar will raise a substantial amount of funds which will improve the financial position and liquidity of the Singyes Solar Group and will enable it to carry on its operations.

In light of the above, the Singyes Solar Directors (excluding the members of the Singyes Solar IBC who will express their opinion in the circular after considering the advice of the independent financial adviser) consider that the basis in determining the Subscription Price is fair and reasonable and on normal commercial terms and the entering into of the Subscription Agreement is in the best interest of Singyes Solar and the Singyes Solar Shareholders as a whole. As Mr. Liu Hongwei, Mr. Zhuo Jianming, Mr. Xie Wen and Mr. Xiong Shi have material interests in the Subscription and the Singyes Solar Whitewash Waiver, they have abstained from voting on the resolutions of the board of Singyes Solar Directors approving the Subscription and the Singyes Solar Whitewash Waiver.

Conditions of the Subscription

Completion is conditional upon satisfaction (or waiver by the Subscriber) of the following Conditions:

- (i) the Subscriber having obtained all necessary consents and authorisations for the execution and completion of the transactions under the Subscription Agreement from all the relevant government or regulatory authorities (including the governmental authorities for the supervision and management of state-owned assets, foreign exchange controls and anti-trust, the relevant department of commerce and the relevant commission for development and reform), and such consents and authorisations remain fully effective under any relevant law and regulation of any jurisdiction;
- (ii) the obtaining of all necessary approval(s) by the Singyes Solar Shareholders at the Singyes Solar SGM as required by the Listing Rules and/or the Takeovers Code, the articles of associations of Singyes Solar or applicable laws to approve the transactions under the Subscription Agreement, including the Subscription, the Singyes Solar Whitewash Waiver and the Authorisation of Share Capital Increase;
- (iii) the Executive granting the Singyes Solar Whitewash Waiver to the Subscriber and parties acting in concert with it (unconditionally or on such terms as the Subscriber may reasonably agree);
- (iv) the Executive having issued a written confirmation to the Subscriber and parties acting in concert with it (unconditionally or on such terms as the Subscriber may reasonably agree) that the Subscriber shall not be required to extend a general offer in respect of all the Singyes NM Shares;
- (v) the Listing Committee having granted the approval for the listing of and permission to deal in the Subscription Shares, and such approval has not been revoked or withdrawn prior to the allotment and issue of the Subscription Shares;
- (vi) the Major Shareholders having delivered the executed Share Charge, the executed Strong Eagle Share Charge and relevant documents and Bermuda and British Virgin Islands legal opinions confirming the legal effect of the Share Charge and the Strong Eagle Share Charge on or before 31 May 2019, and the terms of the Share Charge, the Strong Eagle Share Charge and such legal opinions are to the satisfaction of the Subscriber;
- (vii) the Major Shareholders (except Strong Eagle) who are of Chinese nationality having completed all registration and filing procedures stipulated by the PRC foreign exchange supervisory authorities with respect to their guarantee obligations under the Subscription Agreement;

- (viii) the trading and dealing in the Singyes Solar Shares not having been suspended for more than twenty (20) consecutive trading days on or before the Completion Date, and the Singyes Solar Shares remaining listed on the Main Board of the Stock Exchange on the Completion Date (except when such suspension of trading of the Singyes Solar Shares is due to the inability of Singyes Solar to publish its annual results announcement for the year of 2018 or the publish or despatch of any announcement or document in respect of and in accordance with the transactions contemplated under the Subscription Agreement);
- (ix) on or before the Completion, the Stock Exchange and/or the SFC having not indicated the delisting of the Singyes Solar Shares from the Stock Exchange or disputed the listing status of the Singyes Solar Shares; there having not been any event that would have an adverse effect on the listing status of the Singyes Solar Shares (except the suspension of trading of the Singyes Solar Shares due to the inability of Singyes Solar to publish its annual results announcement for the year of 2018); the Stock Exchange and/or the SFC having not warned about or demanded a suspension, cancellation or revocation of the listing of the Singyes Solar Shares or objected to the continuous listing of the Singyes Solar Shares;
- (x) the board of Singyes Solar Directors having passed a resolution (a) approving the appointment of not less than five (5) persons nominated by the Subscriber as Singyes Solar Directors; and (b) approving the resignation of four (4) existing Singyes Solar Directors as Singyes Solar Directors and other positions as requested by the Subscriber, each of such appointment and resignation shall take place at the earliest time allowed under the Takeovers Code;
- (xi) the Subscriber being satisfied with the results of the legal, financial and business due diligence review conducted on the Singyes Solar Group, and the Singyes Solar Group having delivered to the Subscriber the Non-competition Undertaking and Solar Farms Agreements within 60 days (or such later date as the Subscriber may agree in writing) after the date of the Subscription Agreement;
- (xii) the Subscriber having, in its absolute discretion, approved and agreed with the plan of onshore and offshore debt restructuring and resolution of disputes between Singyes Solar Group and its creditors (the “**Debt Restructuring Plan**”), and such Debt Restructuring Plan having been completed or become effective on or before the Completion;
- (xiii) the representations and warranties of Singyes Solar and the Major Shareholders under the Subscription Agreement remaining true, complete and accurate at the Completion;
- (xiv) there being no breach by the Major Shareholders and members of the Singyes Solar Group of their respective obligations and undertakings under the Subscription Agreement;

- (xv) there having been no material adverse changes to the operations, assets, business, prospects and financial positions of the Major Shareholders and/or companies in the Singyes Solar Group prior to Completion;
- (xvi) Strong Eagle remaining as the single largest Singyes Solar Shareholder holding beneficially no less than 203,802,750 Singyes Solar Shares at Completion and such Singyes Solar Shares shall not be subject to any encumbrance (except for the Share Charge);
- (xvii) there having been no government action, court order or legal proceeding at any time before Completion, causing the allotment and issue of the Subscription Shares or other transactions contemplated and to be performed by other parties under the Subscription Agreement illegal, restricted or prohibited; and

The Subscriber may at its absolute discretion waive all or any of the Conditions (save for those set out in (i) to (v) above).

If any of the Conditions above (other than Conditions (i) to (v)) is not fully satisfied or waived (as the case may be) on or before the Long Stop Date, Singyes Solar and the Subscriber shall in their respective best effort negotiate and reach an agreement (and the Major Shareholders shall provide assistance as requested by the Subscriber). In case no such agreement can be reached on or before the Long Stop Date, the Subscription Agreement shall be automatically terminated. For the avoidance of doubt, Conditions (i) to (v) are not waivable. Upon the termination of the Subscription Agreement, the parties shall have no claim against each other, except for any antecedent right.

Warning: The Subscription is subject to the fulfilment or waiver (as the case may be) of a number of Conditions set out under the sub-section headed “Conditions of the Subscription” in this joint announcement, including approval by the Singyes Solar Independent Shareholders at the Singyes Solar SGM for the Subscription and the Singyes Solar Whitewash Waiver, and the granting of the Singyes Solar Whitewash Waiver by the Executive. As such, the Subscription may or may not proceed.

Singyes Solar Shareholders, Singyes NM Shareholders and potential investors are advised to exercise caution when dealing in the Singyes Solar Shares and Singyes NM Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

Guarantee

Pursuant to the Subscription Agreement, the Major Shareholders have agreed to irrevocably and unconditionally guarantee as primary obligors to the Subscriber for the compliance of all the covenants, obligations, undertakings and conditions by the Singyes Solar Group (the “**Guaranteed Obligations**”). The Major Shareholders have also agreed to indemnify the Subscriber against the non-compliance of any of Guaranteed Obligations and all losses, costs, expenses and damages suffered or incurred by the Subscriber as a result of the breach of any of the Guaranteed Obligations.

Lock-up

The Major Shareholders have undertaken with and guaranteed to the Subscriber that unless with prior written consent of the Subscriber, from the date of the Subscription Agreement to three years from the Completion Date:

(1) Strong Eagle:

- (a) shall maintain its shareholding in Singyes Solar to be not less than 203,802,750 Singyes Solar Shares at all times; and
- (b) shall not transfer or sell any Singyes Solar Share held by it, nor create any encumbrance on any such Singyes Solar Share, and shall not enter into any agreement to transfer or sell any such Singyes Solar Share or create any encumbrance on any such Singyes Solar Share;

(2) the Major Shareholders:

- (a) shall not transfer or sell any share of Strong Eagle held by them, nor create any encumbrance on any share of Strong Eagle; and
- (b) shall not enter into any agreement proposing to transfer or sell any share of Strong Eagle or create any encumbrance on any share of Strong Eagle.

Completion

Completion will take place on the 15th Business Day after all of the Conditions have been fulfilled or waived (as the case may be), or on such other date as the Subscriber and Singyes Solar may agree.

Proposed Change to the Board Composition

As at the date of this joint announcement, the board of Singyes Solar Directors comprises three executive Singyes Solar Directors, namely Mr. Liu Hongwei, Mr. Xie Wen and Mr. Xiong Shi; two non-executive Singyes Solar Directors, namely Dr. Li Hong and Mr. Zhuo Jianming; and three independent non-executive Singyes Solar Directors, namely Dr. Wang Ching, Mr. Yick Wing Fat, Simon and Dr. Tan Hongwei.

With effect from Completion, it is expected that the board of Singyes Solar Directors shall consist of nine Singyes Solar Directors, comprising:

- (i) four executive Singyes Solar Directors, one of whom is Mr. Liu Hongwei, an existing executive Director, and three of whom are persons to be nominated by the Subscriber;
- (ii) two non-executive Singyes Solar Directors, both of whom are persons nominated by the Subscriber; and
- (iii) three independent non-executive Singyes Solar Directors.

As at the date of this joint announcement, the Subscriber has no intention to change the composition of the board of directors of Singyes NM. The Subscriber may, closer to or after Completion, review the circumstances at that time and determine whether to make any change based on actual needs. In case the Subscriber decides to change any of the directors of Singyes NM, it will keep Singyes NM's management informed so that Singyes NM will be able to publish an announcement with respect to such change as appropriate.

EFFECT OF THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE OF SINGYES SOLAR

As at the date of this joint announcement, Singyes Solar has a total of 834,073,195 Singyes Solar Shares and 36,500,335 Share Options (32,500,335 of which were vested as at the date of this joint announcement) entitling the holders thereof to subscribe for a total of 32,500,335 Singyes Solar Shares, representing 3.90% of the issued share capital of Singyes Solar. Singyes Solar has also issued the Convertible Bonds entitling bondholders to convert into a total of 7,852,514 Singyes Solar Shares, representing 0.94% of the issued share capital of Singyes Solar. Save for the above, Singyes Solar does not have any other Singyes Solar Shares, outstanding warrants, options, derivatives or other securities carrying conversion or subscription rights into Singyes Solar Shares.

The following table illustrates the shareholding structure of Singyes Solar:

- (i) as at the date of this joint announcement;
- (ii) immediately upon Completion assuming no other change in the issued share capital of Singyes Solar other than the issuance of the Subscription Shares; and
- (iii) immediately upon Completion assuming that all the outstanding Share Options and conversion rights under the Convertible Bonds had been exercised.

Name of Singyes Solar Shareholder	(i) At the date of this joint announcement		(ii) Immediately upon Completion assuming no other change in the issued share capital of Singyes Solar other than the issuance of the Subscription Shares		(iii) Immediately upon Completion assuming all the outstanding Share Options and conversion rights under the Convertible Bonds had been exercised <i>(Notes 3 and 4)</i>	
	<i>No. of Singyes Solar Shares</i>		<i>No. of Singyes Solar Shares</i>		<i>No. of Singyes Solar Shares</i>	
	<i>Approx. %</i>	<i>Approx. %</i>	<i>Approx. %</i>	<i>Approx. %</i>	<i>Approx. %</i>	<i>Approx. %</i>
The Subscriber	—	—	1,687,008,585	66.92	1,687,008,585	65.86
Strong Eagle <i>(Note 1)</i>	203,802,750	24.43	203,802,750	8.08	203,802,750	7.96
Singyes Solar Directors						
— Dr. Li Hong	220,000	0.03	220,000	0.01	220,000	0.01
— Mr. Xiong Shi	185,000	0.02	185,000	0.01	225,175	0.01
— Mr. Zhou Jianming	570,000	0.07	570,000	0.02	570,000	0.02
— Mr. Liu Hongwei	—	—	—	—	1,379,120	0.05
— Mr. Xie Wen	—	—	—	—	1,379,119	0.05
— Mr. Yick Wing Fat, Simon	—	—	—	—	241,053	0.01
— Dr. Wang Ching	—	—	—	—	120,526	0.01
Public Singyes Solar Shareholders <i>(Note 2)</i>	629,295,445	75.45	629,295,445	24.96	666,488,301	26.02
Total	834,073,195	100.00	2,521,081,780	100.00	2,561,434,629	100.00

Notes:

1. Strong Eagle is the beneficial owner of 203,802,750 Singyes Solar Shares and is owned by Mr. Liu Hongwei (the chairman of Singyes Solar and an executive Singyes Solar Director), Mr. Sun Jinli, Mr. Xie Wen (an executive Singyes Solar Director), Mr. Xiong Shi (an executive Singyes Solar Director) and Mr. Zhuo Jianming (a non-executive Singyes Solar Director), as to 53%, 15%, 14%, 9% and 9% respectively. Mr. Liu Hongwei is also personally interested in 1,379,120 Share Options the full exercise of which are convertible into 1,379,120 Singyes Solar Shares.
2. Public Shareholders (include employees) holding 33,340,342 Share Options (29,340,342 of which were vested as at the date of this joint announcement).
3. As disclosed in the announcement of Singyes Solar dated 16 July 2014, subject to certain conditions, the bondholders of the Convertible Bonds have the right to convert their bonds into Singyes Solar Shares at the conversion price at any time on and after 18 September 2014 up to the close of business (at the place where the certificate evidencing such bond is deposited for conversion) on the day falling 10 days prior to the maturity date of the Convertible Bonds (both days inclusive) (but, except as provided in the conditions, in no event thereafter) or if such bond shall have been called for redemption before the maturity date of the Convertible Bonds, then up to the close of business (at the place aforesaid) on a date no later than seven days (at the place aforesaid) prior to the date fixed for redemption thereof.

Despite Singyes Solar is in default of the Convertible Bonds, as certain of the Convertible Bonds have not been redeemed, bondholders are still entitled to convert into a total of 7,852,514 Singyes Solar Shares, representing 0.94% of the issued share capital of Singyes Solar before Completion.

4. The details of the outstanding vested Share Options as at the date of this joint announcement are as follows:

Date of Grant	Exercisable Period	Exercise price per Share (HK\$)	Balance as at the date of this joint announcement
23 July 2009	23 July 2010 to 22 July 2019	3.56	11,242,404
11 October 2011	11 October 2012 to 10 October 2021	2.67	7,231,599
22 May 2015	22 May 2016 to 21 May 2025	11.65	6,026,332
5 April 2017	5 April 2018 to 21 May 2027	3.55	8,000,000

EFFECT OF THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE OF SINGYES NM

As at the date of this joint announcement, Singyes NM has a total of 520,000,000 Singyes NM Shares and has 21,000,000 unvested share options. Save for the above, Singyes NM does not have any other Singyes NM Shares, outstanding warrants, options, derivatives or other securities carrying conversion or subscription rights into Singyes NM Shares.

There will be no change in the direct shareholding in the Singyes NM Shares immediately upon Completion. Upon Completion, 36.96% of the issued share capital of Singyes NM will be held by public Singyes NM Shareholders. The following table illustrates the shareholding structure of Singyes NM as at the date of this joint announcement and immediately upon Completion assuming no other change in the issued share capital of Singyes NM.

Name of Singyes NM Shareholder	At the date of this joint announcement and immediately upon Completion assuming no other change in the issued share capital of Singyes NM	
	<i>No. of Singyes NM Shares</i>	<i>Approx. %</i>
The Subscriber	—	—
Top Access Management Limited (<i>Note 1</i>)	324,324,325	62.37
Strong Eagle	3,473,589	0.67
Public Singyes NM Shareholders	192,202,086	36.96
Total	520,000,000	100.00

Notes:

1. The entire issued share capital of Top Access is legally and beneficially owned by Singyes Solar, which is deemed to be interested in the Singyes NM Shares held by Top Access under Part XV of the SFO. Strong Eagle is the legal and beneficial owner of 203,802,750 Singyes Solar Shares, representing approximately 24.43% of the issued share capital in Singyes Solar. Strong Eagle is deemed to be interested in the Singyes NM Shares to which Singyes Solar is interested in (through its shareholding in Top Access) under Part XV of the SFO. Strong Eagle is legally and beneficially owned by Mr. Liu Hongwei (a substantial shareholder, a non-executive Singyes NM Director and chairman of Singyes NM), Mr. Sun Jinli (an executive Director of Singyes NM), Mr. Xie Wen, Mr. Xiong Shi and Mr. Zhuo Jianming as to 53%, 15%, 14%, 9% and 9% respectively. Mr. Liu Hongwei is deemed to be interested in the Singyes NM Shares to which Strong Eagle is interested in (through its indirect shareholding in Top Access through Singyes Solar) under Part XV of the SFO. (For details of the shareholding structure of Strong Eagle, Mr. Liu Hongwei and Singyes Solar upon the Completion, please see the section above headed “Effect of the Subscription on the Shareholding Structure of Singyes Solar”).

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF SINGYES SOLAR

As at the date of this joint announcement, the authorised share capital of Singyes Solar is US\$ 12,000,000 divided into 1,200,000,000 Singyes Solar Shares, of which 834,073,195 Singyes Solar Shares have been allotted and issued as fully paid or credited as fully paid. As at the date of this joint announcement, other than the said 834,073,195 Singyes Solar Shares, 36,500,335 outstanding Share Options (32,500,335 of which have been vested) and Convertible Bonds entitling bondholders to convert into a total of 7,852,514 Singyes Solar Shares, Singyes Solar does not have any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

In order for Singyes Solar to undertake future issuances of Singyes Solar Shares, the board of the Singyes Solar Directors proposes to increase the authorised share capital of Singyes Solar to US\$26,000,000 divided into 2,600,000,000 Singyes Solar Shares by the creation of an additional 1,400,000,000 Singyes Solar Shares (i.e. the Authorised Share Capital Increase). The proposed Authorised Share Capital Increase is subject to the approval of the Singyes Solar Shareholders at the Singyes Solar SGM.

Immediately after the Authorised Share Capital Increase, the authorised share capital of Singyes Solar will be US\$26,000,000 divided into 2,600,000,000 Singyes Solar Shares.

An ordinary resolution, to be voted by way of a poll, to approve the proposed Authorised Share Capital Increase will be proposed at the Singyes Solar SGM. Further information about the Authorised Share Capital Increase will be included in the circular to be issued and despatched by Singyes Solar in relation to the Subscription, the Singyes Solar Whitewash Waiver together with the notice of the Singyes Solar SGM.

INFORMATION ON THE SINGYES SOLAR GROUP

The Singyes Solar Group is principally engaged in the design, fabrication and installation of conventional curtain walls and building integrated photovoltaic BIPV systems, and the development and operation of solar farm projects.

INFORMATION ON THE SINGYES NM GROUP

The Singyes NM Group is principally engaged in the research and development on, and manufacturing and sales of ITO film, smart light-adjusting film, smart light-adjusting glass and smart light-adjusting projection systems.

INFORMATION ON THE SUBSCRIBER

The Subscriber is a company established in Hong Kong, and it is principally engaged in the business of investment holding. The Subscriber is an indirect non-wholly owned subsidiary of Shuifa Group Co., Ltd. (水發集團有限公司) (“**Shuifa Group**”) as at the date of this announcement. The Subscriber will, before Completion, become a wholly-owned subsidiary of Shuifa Energy Group Limited (水發能源集團有限公司) (“**Shuifa Energy**”), which in turn is a wholly-owned subsidiary of Shuifa Group. Shuifa Group is principally engaged in the operation of water projects and environment management, modern agriculture, cultural tourism and renewable energy business segments in the PRC and is a state-owned enterprise whose ultimate controlling shareholder is the State-owned Assets Supervision and Administration Commission of the State Council of the Shandong Province of the PRC* (山東省國有資產監督管理委員會).

To the best knowledge, information and belief of the Singyes Solar Directors, having made all reasonable enquiries, as at the date of this joint announcement, (i) the Subscriber and its ultimate beneficial owner are parties independent of Singyes Solar and connected persons (as defined under the Listing Rules) of Singyes Solar; and (ii) the Subscriber and parties acting in concert with it do not have any interest in Singyes Solar.

To the best knowledge, information and belief of the Singyes NM Directors, having made all reasonable enquiries, as at the date of this joint announcement, (i) the Subscriber and its ultimate beneficial owner are parties independent of Singyes NM and connected persons (as defined under the Listing Rules) of Singyes NM; and (ii) the Subscriber and parties acting in concert with it do not have any interest in Singyes NM.

DEALING AND INTEREST OF THE SUBSCRIBER AND PARTIES ACTING IN CONCERT WITH IT IN THE SECURITIES OF SINGYES SOLAR

As at the date of this joint announcement:

- (i) save for entering into the Subscription Agreement, none of the Subscriber and any party acting in concert with it holds, controls or has direction over any Singyes Solar Share or right over any Singyes Solar Shares, outstanding options, warrants, any securities that are convertible into Singyes Solar Shares, any derivatives in respect of securities in Singyes Solar, or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in Singyes Solar;
- (ii) none of the Subscriber and any party acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in Singyes Solar;
- (iii) there is no arrangement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of Singyes Solar or the Subscriber, which might be material to the Subscription and the Singyes Solar Whitewash Waiver with any other persons;
- (iv) save for entering into the Subscription Agreement, there is no agreement or arrangement to which the Subscriber or any party acting in concert with it is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Subscription and the Singyes Solar Whitewash Waiver;
- (v) none of the Subscriber and any party acting in concert with it has received any irrevocable commitment to vote for or against the Subscription or the Singyes Solar Whitewash Waiver; and
- (vi) save for entering into the Subscription Agreement, none of the Subscriber and any party acting in concert with it has dealt in any Singyes Solar Shares, outstanding options, derivatives, warrants or other securities convertible or exchangeable into Singyes Solar Shares, during the six months prior to the date of this joint announcement.

CONFIRMATION OF NO DISQUALIFYING TRANSACTIONS

Except for entering into the Subscription Agreement, neither the Subscriber nor any party acting in concert with it has acquired or entered into any agreement or arrangement to acquire any voting rights in Singyes Solar during the six months prior to the announcement of Singyes Solar dated 22 January 2019.

As at the date of this joint announcement, no benefit (in whatever form) had been given or agreed to be given by the Subscriber or parties acting in concert with it to Strong Eagle or any of Strong Eagle's shareholders and parties acting in concert with Strong Eagle.

FUTURE INTENTIONS OF THE SUBSCRIBER REGARDING THE SINGYES SOLAR GROUP

The Singyes Solar Directors were informed by the Subscriber that, upon obtaining control of Singyes Solar, the Subscriber intends that existing principal activities of the Singyes Solar Group will be maintained, and after Completion, the Subscriber may further review the business and operations of Singyes Solar Group with a view to develop its existing business.

Save as set out above, the Subscriber has no intention to introduce major changes to the business of the Singyes Solar Group, including any redeployment of fixed assets other than in its ordinary course of business. In addition to the proposed change as mentioned in the sub-section headed "Proposed Change to the Board Composition", the Subscriber may further review the composition of the board of Singyes Solar Directors and senior management after Completion. As at the date of this joint announcement, the Subscriber intends that there will be no changes in the employees of the Singyes Solar Group.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

As disclosed in the announcements of Singyes Solar dated 18 October 2018 and 10 January 2019, Singyes Solar has defaulted on its US\$160 million 6.75% senior notes due 2018, RMB930 million 5% convertible bonds due 8 August 2019 and US\$260 million 7.95% notes due 2019. The aforesaid defaults also resulted in cross-defaults under certain of the Singyes Solar Group's bank facilities, and certain offshore loans are immediately payable on demand in accordance with their terms. As of the date of this joint announcement, the amounts of offshore loans and onshore loans in default were approximately RMB207.9 million and RMB782.4 million respectively.

In light of the above, Singyes Solar Group has been in ongoing discussions with its bondholders and creditors in connection with its debt restructuring. These discussions are continuing and as at the date of this joint announcement, no agreement has been signed between Singyes Solar Group and its bondholders or creditors.

Meanwhile, the aforesaid has negatively affected Singyes Solar Group's business operations in curtain wall and green building, sale of renewable energy goods and ongoing solar EPC projects. In particular, the Group has not had sufficient working capital to finance its ongoing construction projects and hence, many projects have been put on hold or have been operating at a reduced scale. Such limitations will continue if there is no fresh external funding.

To address this issue, the Singyes Solar Directors have considered various means of fund raising but to no avail. The Singyes Solar Group had previously in October 2018 failed in its attempts to raise funds through top-up placings or issuance of convertible notes as elaborated under the sub-heading "Attempted Fund Raising Exercise of Singyes Solar". Other equity fund raising such as rights issue has been considered, but Singyes Solar has not been able to identify any underwriter who is willing to fully underwrite such an issue given its financial predicament. The existing defaults also render debt financing at commercially acceptable terms difficult.

Given the above, Singyes Solar is of the view that equity financing such as a placement under a specific mandate is the most viable option. The Subscription by the Subscriber provides funds for partial repayment of its outstanding liabilities and put Singyes Solar Group in a better position when negotiating with its bondholders and creditors. The new funds also allow Singyes Solar Group to resume operating its various business segments at larger scale, re-establishing its leading position and reputation in the industry. Over the longer term, the Subscriber may bring with it business network that can bring about investment opportunities.

The Singyes Solar Directors (excluding the members of the Singyes Solar IBC who will express their opinion in the circular after considering the advice of the independent financial adviser consider that the terms of the Subscription are fair and reasonable and on normal commercial terms and the entering into of the Subscription Agreement is in the interests of Singyes Solar and the Singyes Solar Shareholders as a whole.

USE OF PROCEEDS

The gross proceeds from the Subscription is expected to amount to approximately HK\$1,552,047,898. The net proceeds, after taking into account the estimated expenses in relation to the Subscription, would be approximately HK\$1,529,047,898, representing a net price of approximately HK\$0.91 per Subscription Share.

It is intended that the net proceeds from the Subscription will be used for (i) restructuring of existing debts of Singyes Solar Group; (ii) fees and expenses related to the overall restructuring exercise; and (iii) providing general working capital and normalised funding levels for Singyes Solar Group's ongoing operations, enabling the completion of existing projects and prudent growth of Singyes Solar Group.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF SINGYES SOLAR

The Subscriber intends for Singyes Solar to maintain the listing status of the Singyes Solar Shares on the Main Board of the Stock Exchange after the Completion. According to the Listing Rules, if, at the Completion, less than the minimum prescribed percentage applicable to Singyes Solar, being 25% of the Singyes Solar Shares, are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Singyes Solar Shares; or
- (b) there are insufficient Singyes Solar Shares in public hands to maintain an orderly market,

then the Stock Exchange may exercise its discretion to suspend dealings in the Singyes Solar Shares.

The Singyes Solar Directors will undertake to the Stock Exchange to take appropriate steps to maintain the minimum public float as required under the Listing Rules as soon as possible following the Completion to ensure that sufficient public float exists for the Singyes Solar Shares.

For the avoidance of doubt, as there will be no change in the direct shareholding in the Singyes NM Shares upon Completion, Singyes NM is expected to be in compliance with the public float requirement under the GEM Listing Rules. Upon Completion, 36.96% of the issued share capital of Singyes NM will be held by public Singyes NM Shareholders.

ATTEMPTED EQUITY FUND RAISING EXERCISE FOR THE PAST 12 MONTHS PERIOD IMMEDIATELY BEFORE THE DATE OF THIS JOINT ANNOUNCEMENT

Attempted Fund Raising Exercise of Singyes Solar

Singyes Solar has attempted the following equity fund raising activities in the past twelve months immediately before the date of this joint announcement:

Date of initial announcement	Event	Net proceeds (approximate)	Intended use of proceeds	Actual use of proceeds
12 October 2018	Top-up placing of 17,800,000 Singyes Solar Shares under general mandate	N/A (Lapsed) <i>(Note 1)</i>	general working capital purpose	N/A (Lapsed) <i>(Note 1)</i>
11 October 2018	Proposed issue of HK\$230 million 12.00% convertible bonds due 2021	N/A (Lapsed) <i>(Note 2)</i>	redemption, repayment or repurchase of any of Singyes Solar's outstanding U.S.\$160,000,000 6.75% notes due 2018 (ISIN: XS1700800417) issued on 18 October 2017	N/A (Lapsed) <i>(Note 2)</i>

Notes:

- As announced in the announcement of Singyes Solar dated 10 January 2019, in view of the financial position of Singyes Solar, Singyes Solar had been unable to raise sufficient funds by the placing and subscription of Singyes Solar Shares (which was intended to make use of a substantial portion of the remaining general mandate granted to the board of Singyes Directors at Singyes Solar's annual general meeting of 4 June 2018). Taking into consideration of the above, the subscription under the placing and subscription agreement has lapsed.
- As announced in the announcement of Singyes Solar dated 10 January 2019, given that (1) certain of the conditions precedent outlined in the placing and subscription agreements were not fulfilled (in particular, Singyes Solar did not maintain a cash amount of not less than US\$80,000,000 or its equivalent in other currencies in either of the designated accounts in the name of Singyes Solar on or prior to the closing date); and (2) the parties to the placing and subscription agreements failed to agree on an extension of time to fulfil the conditions precedent to the completion of the placement of the bonds, the issue and private placement of the bonds has been terminated.

Save as disclosed above and except for the Subscription, Singyes Solar did not attempt to undertake and did not have any equity fund raising exercise in the past 12 months immediately prior to the date of this joint announcement.

Fund Raising Exercise of Singyes NM

Singyes NM did not undertake any equity fund raising exercise in the past 12 months immediately prior to the date of this joint announcement.

IMPLICATIONS UNDER THE TAKEOVERS CODE AND THE APPLICATION FOR SINGYES SOLAR WHITEWASH WAIVER

Immediately after Completion, assuming there is no other change in the issued share capital of Singyes Solar, the Subscriber (together with parties acting in concert with it (as defined in the Takeovers Code)) will be interested in 1,687,008,585 Singyes Solar Shares, representing approximately 202.26% of the issued share capital of Singyes Solar as at the date of this joint announcement and approximately 66.92% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares and approximately 65.86% of the issued share capital of Singyes Solar as enlarged by the allotment and issuance of the Subscription Shares and the exercise in full of all the outstanding Share Options and conversion rights under the outstanding Convertible Bonds. Under Rule 26.1 of the Takeovers Code, the Subscriber would be obliged to make a mandatory general offer to the Singyes Solar Shareholders for all the issued Singyes Solar Shares and other securities of Singyes Solar not already owned or agreed to be acquired by the Subscriber and parties acting in concert with it, unless the Singyes Solar Whitewash Waiver is obtained from the Executive. An application will be made by the Subscriber to the Executive for the Singyes Solar Whitewash Waiver in respect of the allotment and issuance of the Subscription Shares.

The Singyes Solar Whitewash Waiver, if granted by the Executive, will be subject to approval by the Singyes Solar Independent Shareholders at the Singyes Solar SGM by way of a poll. The resolution in relation to the Singyes Solar Whitewash Waiver shall be approved by at least 75% of the independent vote that are cast either in person or by proxy by the Singyes Solar Independent Shareholders at the Singyes Solar SGM. In accordance with the Listing Rules and Takeovers Code, Singyes Solar Shareholders who are (i) the Subscriber or its associates; (ii) any parties acting in concert with the Subscriber; (iii) parties involved or interested in the Subscription or the Singyes Solar Whitewash Waiver, are required to abstain from voting at the Singyes Solar SGM. The executive Singyes Solar Directors who have participated in negotiations with the Subscriber on the terms of the Subscription and holds Singyes Solar Shares are required to abstain from voting at the Singyes Solar SGM. As Mr. Xiong Shi, Mr. Zhuo Jianming and Strong Eagle, being guarantors under the Subscription Agreement, are interested in the Subscription or the Singyes Solar Whitewash Waiver, they are required to abstain from voting at the Singyes Solar SGM.

If the Singyes Solar Whitewash Waiver is not granted by the Executive or not approved by the Singyes Solar Independent Shareholders, the Subscription will not proceed.

As at the date of this joint announcement, Singyes Solar does not believe that the proposed Subscription gives rise to any concern in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this joint announcement, Singyes Solar will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the circular. Singyes Solar notes that the Executive may not grant the Singyes Solar Whitewash Waiver if the proposed Subscription does not comply with other applicable rules and regulations.

If the Singyes Solar Whitewash Waiver is approved by the Singyes Solar Independent Shareholders and Completion occurs, the shareholding of the Subscriber in Singyes Solar will exceed 50%. The Subscriber may further increase its shareholding in Singyes Solar without incurring any further obligations under Rule 26 of the Takeovers Code to make a general offer.

IMPLICATIONS TO SINGYES NM UNDER THE TAKEOVERS CODE

The Subscription, if materialised, would result in the Subscriber acquiring statutory control of Singyes Solar (being the degree of control which a company has over a subsidiary). Under the chain principle set out in Note 8 to Rule 26.1 of the Takeovers Code, if the Subscriber and persons acting in concert with it acquire statutory control of Singyes Solar and thereby acquire or consolidate control, as defined in the Takeovers Code, of Singyes NM, the Executive will not normally require an offer to be made for Singyes NM unless the holding in Singyes NM is significant in relation to Singyes Solar or one of the main purposes of acquiring control of Singyes Solar was to secure control of Singyes NM.

Application has been made to the Executive for confirmation that if the Subscriber and persons acting in concert with it acquire statutory control of Singyes Solar as a result of completion of the Subscription, the Subscriber will not be required to make an offer for all the Singyes NM Shares not already owned by it or parties acting in concert with it, as the holding in Singyes NM is not significant in relation to Singyes Solar and securing control of Singyes NM is not one of the main purposes of acquiring control of Singyes Solar.

As at the date of this joint announcement, Singyes NM does not believe that the proposed Subscription gives rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this joint announcement, Singyes NM will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the circular.

ESTABLISHMENT OF THE SINGYES SOLAR IBC AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Singyes Solar IBC has been formed pursuant to Rule 2.8 of the Takeovers Code, comprising all non-executive Singyes Solar Directors (except Mr. Zhuo Jianming who is interested in the Subscription and the Singyes Solar Whitewash Waiver), namely Dr. Li Hong, Dr. Wang Ching, Mr. Yick Wing Fat, Simon and Dr. Tan Hongwei to advise the Singyes Solar Independent Shareholders in relation to the Subscription and the Singyes Solar Whitewash Waiver.

An independent financial adviser will be appointed to advise the Singyes Solar IBC and the Singyes Solar Independent Shareholders in this regard and an announcement will be made upon its appointment. The appointment of the independent financial adviser shall be approved by the Singyes Solar IBC.

The Singyes Solar IBC will formulate its views with respect to the terms of the Subscription and the Singyes Solar Whitewash Waiver after obtaining and considering the advice of the independent financial adviser. The advice of the Singyes Solar IBC and the independent financial adviser and other relevant information will be set out in the circular to be despatched by Singyes Solar in due course.

RELEASE OF THE NON-DISPOSAL UNDERTAKING

As disclosed in the prospectus of Singyes NM dated 30 June 2017, each of the then controlling shareholders of Singyes NM, namely, Singyes Solar, Top Access, Mr. Liu Hongwei and Strong Eagle has, severally, undertaken to and covenanted with Singyes NM that, among others:

- (i) at any time during the period of 30 months commencing on the date on which the first six month period from the date on which dealings in the Singyes NM Shares first commence on the Stock Exchange (the “**First Six-month period**”) expires; (the “**Subsequent Period**”, together with the First Six-month Period, the “**Restricted Period**”), it/he will not dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Singyes NM Shares owned by it/him, to the extent it/he will cease to be a controlling shareholder (as defined in the GEM Listing Rules) of Singyes NM, other than any pledge or charge made in favour of an authorised institutional (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong); and
- (ii) it/he will take any such actions necessary to ensure that it/he will not cease to be a controlling shareholder (as defined in the GEM Listing Rules) of Singyes NM, for whatever reasons, during the Restricted Period.

(the “**Non-disposal Undertaking**”)

In anticipation of the effect to the controlling shareholding of Singyes NM should the Subscription be completed, the Singyes NM Directors propose to seek the approval of the Singyes NM Independent Shareholders on the release and discharge of the obligations of Strong Eagle and Mr. Liu Hongwei under the Non-disposal Undertaking by way of an ordinary resolution at the Singyes NM SGM.

Subject to the approval of the Singyes NM Independent Shareholders, the Release will be effective upon the date on which the resolution approving the Release is passed at the Singyes NM SGM.

REASONS FOR AND BENEFITS OF THE RELEASE OF THE NON-DISPOSAL UNDERTAKING

The Release facilitates the Subscription, which benefits Singyes Solar by relieving its financial predicament. The Singyes NM Directors are of the view that the Subscription and the transactions contemplated thereunder would also benefit Singyes NM by introducing a controlling shareholder with the reputable background and financial standing of Shuifa Group.

The Shuifa Group is a state-owned enterprise, whose ultimate controlling shareholder is the State-owned Assets Supervision and Administration Commission of the State Council of the Shandong Province of the PRC*. The Singyes NM Directors believe that the introduction of the Shuifa Group as its ultimate controlling shareholder provides Singyes NM the opportunities to leverage on Shuifa Group’s resources and network, which can further enhance the market position of Singyes NM in the PRC.

The Singyes NM Directors (excluding (i) the members of the Singyes NM IBC who will express their opinion in the circular after considering the advice of the independent financial adviser; and (ii) Mr. Liu Hongwei and Mr. Sun Jinli who have material interests in the Release (who have abstained from voting on the resolutions approving the proposal of the Release to the Singyes NM SGM)) consider that the Release is fair and reasonable and in the interests of Singyes NM and the Singyes NM Shareholders as a whole.

ESTABLISHMENT OF THE SINGYES NM IBC AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Singyes NM IBC has been established for the purpose of reviewing the fairness and reasonableness of the Release.

The Company will appoint an independent financial adviser to make recommendations to the Singyes NM IBC and the Singyes NM Independent Shareholders as to whether the Release is fair and reasonable and whether the Release is in the interests of Singyes NM and the Singyes NM Shareholders as a whole, and to advise the Singyes NM Independent Shareholders on how to vote. An announcement will be made upon the appointment of the independent financial adviser and such appointment shall be approved by the Singyes NM IBC.

The Singyes NM IBC will formulate its views with respect to the Release after obtaining and considering the advice of the independent financial adviser. The advice of the Singyes NM IBC and the independent financial adviser and other relevant information will be set out in the circular to be despatched by Singyes NM in due course.

SGM

The Singyes Solar SGM

The Singyes Solar SGM will be held to consider and, if thought fit, pass the resolutions to approve, among other things: (i) the execution, delivery and performance of the Subscription Agreement; (ii) the allotment and issuance of the Subscription Shares in accordance with the Subscription Agreement; (iii) the specific mandate under which the Subscription Shares will be issued; (iv) the Singyes Solar Whitewash Waiver; and (v) the Authorised Share Capital Increase.

A circular containing, among other things, (i) details of the Subscription, the Singyes Solar Whitewash Waiver and the Authorised Share Capital Increase; (ii) the letter of advice from the Singyes Solar IBC to the Singyes Solar Independent Shareholders in relation to the Subscription and the Singyes Solar Whitewash Waiver; (iii) the letter of advice from the independent financial adviser to the Singyes Solar IBC and the Singyes Solar Independent Shareholders in relation to the Subscription and the Singyes Solar Whitewash Waiver; and (iv) a notice convening the Singyes Solar SGM, will be despatched to the Singyes Solar Shareholders as soon as practicable in compliance with the Listing Rules and within 21 days from the date of this joint announcement in compliance with Rule 8.2 of the Takeovers Code.

The resolutions in relation to the Subscription Agreement, the Singyes Solar Whitewash Waiver and the Authorised Share Capital Increase at the Singyes Solar SGM will be voted on by the Singyes Solar Independent Shareholders by way of a poll.

The Singyes NM SGM

The Singyes NM SGM will be held to consider and, if thought fit, pass the resolutions to approve, among other things, the Release.

A circular containing, among other things, (i) details of the Release; and (ii) a notice convening the Singyes NM SGM, is expected to be despatched to the Singyes NM Shareholders within 21 days from the date of this joint announcement.

As Top Access is interested in the Release, it is required to abstain from voting on the resolutions concerning the Release at the Singyes NM SGM.

The resolutions in relation to the Release at the Singyes NM SGM will be voted on by the Singyes NM Independent Shareholders by way of a poll and Singyes NM will make an announcement of the poll results in accordance with the GEM Listing Rules.

LISTING RULES IMPLICATIONS

The Subscription

As stated in Rule 14A.90 and Rule 20.88 of the Listing Rules and GEM Listing Rules respectively, financial assistance received by a listed issuer's group from a connected person or commonly held entity is fully exempt if: (1) it is conducted on normal commercial terms or better; and (2) it is not secured by the assets of the listed issuer's group.

Therefore, notwithstanding the Major Shareholders (namely Mr. Liu Hongwei, Mr. Sun Jinli, Mr. Xie Wen, Mr. Xiong Shi, Mr. Zhou Jianming, each of their spouses and Strong Eagle) are connected persons of Singyes Solar and Singyes NM (as appropriate), the Subscription, the Singyes Solar Whitewash Waiver and the transactions contemplated thereunder are fully exempt from the connected transaction requirements under Chapter 14A of the Listing Rules and Chapter 20 of the GEM Listing Rules.

The Release of the Non-disposal Undertaking

As Mr. Liu Hongwei is a Singyes NM Director and he owns 53% of the equity interest in Strong Eagle, each of Mr. Liu Hongwei and Strong Eagle is a connected person of Singyes NM under Chapter 20 of the GEM Listing Rules. The proposed Release constitutes connected transactions of Singyes NM which are subject to Singyes NM Independent Shareholders' approval as required under Chapter 20 of the GEM Listing Rules.

Mr. Liu Hongwei and Strong Eagle and their respective associates and any Singyes NM Shareholder who are involved in, or interested in the Release shall abstain from voting at the Singyes NM SGM in respect of the ordinary resolution to approve the Release.

GENERAL

As at the date of this joint announcement, the Subscriber and parties acting in concert with it do not hold any Singyes Solar Share or Singyes NM Shares and therefore will not vote on any of the resolutions at the Singyes Solar SGM and Singyes NM SGM.

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

It is a condition precedent to the Completion that the Singyes Solar Whitewash Waiver is granted by the Executive. If the Singyes Solar Whitewash Waiver is not granted by the Executive or if the conditions (if any) imposed thereon are not fulfilled, the Subscription will not proceed.

RESUMPTION OF TRADING IN THE SINGYES NM SHARES

Reference is made to the announcement of Singyes NM dated 16 May 2019 in relation to the Subscription and the Singyes Solar Whitewash Waiver (the “**Announcement**”).

Trading in the Singyes NM Shares was halted with effect from 10:47 a.m. on 16 May 2019 pending the publication of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading in the Singyes NM Shares with effect from 9:00 a.m. on 5 June 2019.

SUSPENSION OF TRADING

At the request of Singyes Solar, trading in the securities of Singyes Solar on the Stock Exchange was suspended with effect from 9:00 a.m. on 1 April 2019 pending the publication of Singyes Solar’s financial results for the year ended 31 December 2018 (the “**2018 Annual Results**”). Trading in the securities of Singyes Solar will remain suspended until further notice. Singyes Solar will publish further announcement(s) to inform the Singyes Solar Shareholders and potential investors any material developments in connection with the 2018 Annual Results as and when appropriate.

Singyes Solar Shareholders, Singyes NM Shareholders and potential investors are advised to exercise caution when dealing in the Singyes Solar Shares and Singyes NM Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

CLARIFICATION ANNOUNCEMENT IN RELATION TO THE FURTHER DELAY IN PUBLICATION OF THE 2018 ANNUAL RESULTS

With reference to the announcement of Singyes Solar dated 31 May 2019, Singyes Solar wishes to clarify that the statement *“In particular, further to the MOU Announcements, as at the date of the announcement, Strong Eagle, the Company and the Potential Purchaser are in the process of finalising the details of the Possible Transaction”* refers to Singyes Solar being in the process of finalising the details of the required disclosures of this joint announcement.

DEFINITIONS

“acting in concert”	has the meanings ascribed to it under the Takeovers Code;
“associate(s)”	has the meaning given in the Listing Rules;
“Authorised Share Capital Increase”	the proposed increase in the authorised share capital of Singyes Solar from US\$12,000,000 divided into 1,200,000,000 Singyes Solar Shares to US\$26,000,000 divided into 2,600,000,000 Singyes Solar Shares;
“Business Day”	means a day (other than a Saturday or Sunday or public holiday in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rain warning signal is hoisted in Hong Kong) on which commercial banks are open for business in Hong Kong and in the PRC;
“Completion”	means completion of the Subscription pursuant to the terms of the Subscription Agreement;
“Completion Date”	means the 15th Business Day after all of the Conditions have been fulfilled or waived (as the case may be) (or such other date as the Subscriber and Singyes Solar may agree in writing);

“Condition(s)”	means the conditions precedent set out under the subsection headed “Conditions of the Subscription” in this joint announcement;
“connected person(s)”	has the meaning ascribed to this term under the Listing Rules;
“Convertible Bonds”	means the RMB930 million 5% US\$ settled convertible bonds due 2019 (Stock Code: 5790) issued by Singyes Solar;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Last Trading Day”	29 March 2019, being the last trading day of Singyes Solar before the entering into of the Subscription Agreement;
“Listing Committee”	has the meaning ascribed to it under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	31 December 2019;
“Major Shareholders”	Mr. Liu Hongwei, Mr. Sun Jinli, Mr. Xie Wen, Mr. Xiong Shi, Mr. Zhou Jianming, each of their spouses (as applicable) and Strong Eagle;

“Non-competition Undertaking”	non-competition undertakings entered into by senior management and core technical personnel of members of the Singyes Solar Group designated jointly by the Subscriber and the Major Shareholders and the relevant companies (and such agreements shall be agreed and approved by the Subscriber in its absolute discretion);
“PRC”	the People’s Republic of China, and for the purpose of this joint announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“Release”	the release and discharge of the obligations of Mr. Liu Hongwei and Strong Eagle under the Non-disposal Undertaking;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Cap. 571);
“Share Charge”	Strong Eagle (as chargor) charging all 203,802,750 Singyes Solar Shares owned by it in favour of the Subscriber (as chargee) for a term of at least three years, in order to guarantee the Major Shareholders’ and Singyes Solar’s obligations under the Subscription Agreement and related agreement(s);
“Share Option(s)”	the share option(s) issued under the share option scheme adopted by Singyes Solar on 19 December 2008, entitling the holder thereof to subscribe for Singyes Solar Shares;
“Singyes NM”	China Singyes New Materials Holdings Limited (中國興業新材料控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the GEM of the Stock Exchange (Stock Code: 8073) and which is indirectly owned as to 62.37% by Singyes Solar;

“Singyes NM Directors”	directors of Singyes NM;
“Singyes NM Group”	Singyes NM and its subsidiaries from time to time;
“Singyes NM IBC”	the independent board committee of Singyes NM, comprising all the independent non-executive Singyes NM Directors, namely Mr. Lee Kwok Tung Louis, Mr. Wei Junfeng and Dr. Li Ling, to advise the Singyes NM Independent Shareholders as to the fairness and reasonableness of the Release;
“Singyes NM Independent Shareholders”	Singyes NM Shareholders other than Top Access, the Major Shareholders, and their respective associates, who are interested or involved in the Release;
“Singyes NM SGM”	the special general meeting of Singyes NM to be held to approve, among other things, the Release;
“Singyes NM Share(s)”	ordinary share(s) of US\$0.01 each in the capital of Singyes NM;
“Singyes NM Shareholder(s)”	holder(s) of the Singyes NM Share(s);
“Singyes Solar”	China Singyes Solar Technologies Holdings Limited (中國興業太陽能技術控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0750);
“Singyes Solar Directors”	directors of Singyes Solar;
“Singyes Solar Group”	Singyes Solar and its subsidiaries from time to time for the purpose of this joint announcement;

“Singyes Solar IBC”	an independent board committee, comprising all the non-executive Singyes Solar Directors (except Mr. Zhuo Jianming who is interested in the Subscription and the Singyes Solar Whitewash Waiver), namely Dr. Li Hong, Dr. Wang Ching, Mr. Yick Wing Fat, Simon and Dr. Tan Hongwei, to advise the Singyes Solar Independent Shareholders as to the fairness and reasonableness of the terms of the Subscription Agreement and the Singyes Solar Whitewash Waiver;
“Singyes Solar Independent Shareholders”	Singyes Solar Shareholders other than (i) the Subscriber; (ii) the Major Shareholders, and (iii) those who are interested or involved in (other than solely as a Singyes Solar Shareholder) the Subscription and the Singyes Solar Whitewash Waiver, and their respective associates and concert parties;
“Singyes Solar SGM”	the special general meeting of Singyes Solar to be held to approve, among other things, the Subscription, the Singyes Solar Whitewash Waiver and the Authorised Share Capital Increase;
“Singyes Solar Share(s)”	ordinary share(s) of US\$0.01 each in the capital of Singyes Solar;
“Singyes Solar Shareholder(s)”	holder(s) of the Singyes Solar Share(s);
“Singyes Solar Whitewash Waiver”	a waiver from the Executive pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code in respect of the obligations of the Subscriber to make a mandatory general offer for all of the Singyes Solar Shares not already owned or agreed to be acquired by the Subscriber or parties acting in concert with it which would, if the Subscription proceeds, otherwise arise as a result of the allotment and issuance of the Subscription Shares to the Subscriber;

“Solar Farms Agreements”	electricity assurance agreements and quality guarantee agreements entered into by all Singyes Solar Group Companies engaged in solar farm or electricity plant projects (and such agreements shall be agreed and approved by the Subscriber at its absolute discretion);
“Strong Eagle”	Strong Eagle Holdings Ltd., a company incorporated in the British Virgin Islands with limited liability, a substantial shareholder of Singyes Solar, and is owned by Mr. Liu Hongwei (the chairman of Singyes Solar and an executive Singyes Solar Director), Mr. Sun Jinli, Mr. Xie Wen (an executive Singyes Solar Director), Mr. Xiong Shi (an executive Singyes Solar Director) and Mr. Zhuo Jianming (a non-executive Singyes Solar Director), as to 53%, 15%, 14%, 9% and 9% respectively;
“Strong Eagle Share Charge”	Mr. Liu Hongwei, Mr. Sun Jinli, Mr. Xie Wen, Mr. Xiong Shi and Mr. Zhuo Jianming (as chargors) charging all their shares in Strong Eagle owned by them in favour of the Subscriber (as chargee) for a term of at least three years, in order to guarantee the Major Shareholders’ and Singyes Solar’s obligations under the Subscription Agreement and related agreement(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber”	Water Development (HK) Holding Co., Limited (水發集團(香港)控股有限公司), a company incorporated in Hong Kong with limited liability and an indirect non-wholly owned subsidiary of Shuifa Group Co., Ltd. (水發集團有限公司) (“Shuifa Group”). The Subscriber will, before Completion, become a wholly-owned subsidiary of Shuifa Energy Group Limited (水發能源集團有限公司), which in turn is a wholly-owned subsidiary of Shuifa Group;
“Subscription”	the subscription of the Subscription Shares by the Subscriber subject to the terms and conditions of the Subscription Agreement;

“Subscription Agreement”	the subscription agreement dated 16 May 2019 and entered into between Singyes Solar, the Subscriber and the Major Shareholders (as may be amended from time to time);
“Subscription Amount”	means a sum of approximately HK\$1,552,047,898, being the total subscription amount payable by the Subscriber for the subscription of 1,687,008,585 Subscription Shares;
“Subscription Price”	means HK\$0.92 per Subscription Share;
“Subscription Shares”	subject to the fulfilment of the Conditions and the terms of the Subscription Agreement, 1,687,008,585 newly issued Singyes Solar Shares to be subscribed by the Subscriber upon Completion;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time);
“Top Access”	Top Access Management Limited, a company incorporated in the British Virgin Islands with limited liability, a controlling shareholder of Singyes NM (holding 62.37% of the issued share capital of Singyes NM), the equity interest of which is wholly owned by Singyes Solar;
“US\$”	United States of America dollars, the lawful currency of the United States of America;
“%”	per cent.

By Order of the Board
China Singyes Solar Technologies
Holdings Limited
Liu Hongwei
Chairman

By Order of the Board
China Singyes New Materials
Holdings Limited
Liu, Hongwei
Chairman

Hong Kong, 5 June 2019

As at the date of this joint announcement, the executive Singyes Solar Directors are Mr. Liu Hongwei (Chairman), Mr. Xie Wen and Mr. Xiong Shi, the non-executive Singyes Solar Directors are Dr. Li Hong and Mr. Zhuo Jianming, and the independent non-executive Singyes Solar Directors are Dr. Wang Ching, Mr. Yick Wing Fat, Simon and Dr. Tan Hongwei.

The Singyes Solar Directors jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Subscriber) contained in this joint announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Subscriber) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the non-executive Singyes NM Director and the Chairman of Singyes NM is Mr. Liu Hongwei; the executive Singyes NM Directors are Mr. Sun Jinli, Mr. Zhao Feng, Mr. Zhang Chao and Mr. Tang Liwen; and the independent non-executive Singyes NM Directors are Mr. Lee Kwok Tung Louis, Mr. Wei Junfeng and Dr. Li Ling.

The Singyes NM Directors jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Subscriber) contained in this joint announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Subscriber) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

This joint announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the website of Singyes NM (www.syeamt.com).

The sole director of the Subscriber, namely, Mr. Tian Jiayuan, and the directors of the ultimate holding company of the Subscriber (i.e. Shuifa Group), namely Mr. Wang Zhenqin, Mr. Liu Xiaojun, Mr. Chang Chun Sheng, Ms. Zhen Ailan, Mr. Zhang Huanping and Mr. Yan Fangjie jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Singyes Solar Group and the Singyes NM Group) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Singyes Solar Directors and the Singyes NM Directors) have been arrived at after due and careful consideration, and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

** For identification purposes only*