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熊猫绿能
Panda Green

PANDA GREEN ENERGY GROUP LIMITED

熊猫绿色能源集团有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

CONNECTED TRANSACTION LOAN AGREEMENT

LOAN AGREEMENT

On 10 February 2020 (after trading hours), the Company (as the Borrower) entered into the Loan Agreement with Huaqing (as the Lender), pursuant to which Huaqing agreed to provide the Loan of US\$10.99 million (equivalent to approximately HK\$85.33 million) to the Company for a term commencing from 10 February 2020 and expiring on the Maturity Date.

LISTING RULES IMPLICATIONS

At as the date of this announcement, Huaqing is a substantial shareholder of the Company holding 3,048,750,000 shares, representing approximately 19.99% of the issued share capital of the Company. As such, Huaqing is a connected person of the Company as defined under the Listing Rules. Hence, the transactions contemplated under the Loan Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the Loan exceed 0.1% but are not more than 5%, the Loan Agreement is subject to the reporting and announcement requirements but is exempted from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

On 10 February 2020 (after trading hours), the Company (as the Borrower) entered into the Loan Agreement with Huaqing (as the Lender), pursuant to which Huaqing agreed to provide the Loan of US\$10.99 million (equivalent to approximately HK\$85.33 million) to the Company for a term commencing from 10 February 2020 and expiring on the Maturity Date.

THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarised as follows:

Date:	10 February 2020 (after trading hours)
Parties:	(1) the Company (as the Borrower); and (2) Huaqing (as the Lender)
Principal amount:	US\$10.99 million (equivalent to approximately HK\$85.33 million)
Interest rate:	13.41% per annum, which shall be payable on the Maturity Date
Term:	Commencing from 10 February 2020 and expiring on the Maturity Date
Maturity Date:	27 June 2020
Repayment arrangement:	The principal of the Loan shall be repaid in full by the Maturity Date
Early repayment of the Loan:	The Company can repay all or part of the Loan that has been withdrawn but not yet repaid at any time before the Maturity Date, provided that the Company shall provide Huaqing a notice of no less than 10 days in advance
Default clauses:	If the Company fails to repay the principal and accrued interests of the Loan or commits any of the default events as specified under the Loan Agreement, Huaqing has the right to declare the Loan, the interests due, and any amounts to be paid under the Loan Agreement to be immediately payable or exercise all or any of its rights or compensation under other documents
Security:	The Loan is secured by share charge agreements entered into by Silver Yield, Premier Yield and Huaqing dated 10 February 2020 in accordance with the terms of the Loan Agreement. The share charge agreements were executed by Silver Yield and Premier Yield, respectively, in favour of Huaqing with respect to 100% shareholdings in their respective subsidiaries, namely, Premier Yield and Junyao New Energy

INFORMATION ON THE PARTIES TO THE LOAN AGREEMENT

The Company is an investment holding company operating its business through its subsidiaries. The Group is principally engaged in the development, investment, operation and management of solar power plants and other renewable energy projects.

Huaqing is a limited company incorporated in the BVI. It is a substantial shareholder of the Company holding 3,048,750,000 shares of the Company, representing approximately 19.99% of the issued share capital of the Company, therefore it is a connected person of the Company as defined under the Listing Rules. It is principally engaged in investment holding.

REASONS FOR AND BENEFITS OF THE LOAN

The Directors consider that entering into the Loan Agreement will enable the Group to obtain additional capital for its general operations purpose. The terms of the Loan Agreement, including the applicable interest rate, are entered into after arm's length negotiations between the parties and taking into account, among others, the prevailing market interest rates and practices.

The Directors (including the independent non-executive Directors) are of the view that the Loan Agreement was entered into on normal commercial terms, and its terms are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

The Board has considered and passed the resolution of the above transaction. As Mr. Xu Jianjun and Mr. Wang Heng hold positions in Qingdao Industrial Investment (Group) Co., Ltd. (a fellow subsidiary of Huaqing) and in order to avoid any potential conflict of interest, they have abstained from voting on the above board resolution. Save as the abovementioned persons, none of the other Directors has material interests in the abovementioned transaction or is required to abstain from voting on the above Board resolution.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Huaqing is a substantial shareholder of the Company holding 3,048,750,000 shares of the Company, representing approximately 19.99% of the issued share capital of the Company. As such, Huaqing is a connected person of the Company as defined under the Listing Rules. Hence, the transactions contemplated under the Loan Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Loan exceed 0.1% but are not more than 5%, the Loan Agreement is subject to reporting and announcement requirements but is exempted from circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	the borrower under the Loan Agreement, which is the Company
“Business Day(s)”	a day which is not a Saturday or Sunday on which banks in Hong Kong are open for business
“BVI”	British Virgin Islands
“Company”	Panda Green Energy Group Limited (熊貓綠色能源集團有限公司), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code:686)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Huaqing”	Huaqing Solar Power Limited* (華青光伏有限公司), a company incorporated in the BVI, which is a substantial shareholder of the Company
“Lender”	the lender under the Loan Agreement, which is Huaqing
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange as amended from time to time
“Loan”	the loan granted to the Company by Huaqing in a principal amount of US\$10.99 million (equivalent to approximately HK\$85.33 million) under the Loan Agreement

“Loan Agreement”	the agreement in relation to the Loan entered into between the Company and Huaqing on 10 February 2020
“Maturity Date”	27 June 2020, the maturity date of the Loan Agreement
“Junyao New Energy”	Junyao New Energy (Changzhou) Co., Ltd.* (駿耀新能源(常州)有限公司), a company established in the PRC, a wholly-owned subsidiary of Premier Yield, which is in turn an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment and operations of solar power plants
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Premier Yield”	Premier Yield Holdings Limited, a company incorporated in Hong Kong, a wholly-owned subsidiary of Silver Yield, which is in turn an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment holding
“Shareholder(s)”	holder(s) of the issued share(s) of the Company
“Silver Yield”	Silver Yield Investments Limited, a company incorporated in the BVI, an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment holding
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent

* *For identification purposes only*

For the purpose of this announcement, translations of US\$ into HK\$ are made for illustration purposes only at the exchange rate of US\$1 to HK\$7.7641.

For and on behalf of
Panda Green Energy Group Limited
Lu Zhenwei
Chairman of the Board

Hong Kong, 10 February 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Lu Zhenwei (Chairman), Ms. Zhong Hui (Chief Executive Officer), Mr. Chen Qinglong and Mr. Xu Jianjun; the non-executive Directors of the Company are Mr. Yu Qiuming, Mr. Li Hao, Ms. Xie Yi and Mr. Wang Heng; and the independent non-executive Directors of the Company are Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Chen Hongsheng.