

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



**熊猫绿能**  
**Panda Green**

## **PANDA GREEN ENERGY GROUP LIMITED**

**熊貓綠色能源集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 686)**

### **FURTHER UPDATE ON INVESTIGATION**

References are made to (1) the announcements of the Company dated 12 May 2020 and 13 May 2020, respectively, in relation to, among other things, the formation of the Independent Investigation Committee; (2) the announcement of the Company dated 9 June 2020 in relation to, among other things, the engagement of external professional adviser, further update on publication of 2019 Audited Annual Results and 2019 Annual Report; and (3) the announcement of the Company dated 19 July 2020 in relation to, among other things, key findings in the Draft Investigation Report (the “**Announcements**”).

Unless the context requires otherwise, terms and expressions used in this announcement shall have the same meanings as those defined in the Announcements.

### **THE INVESTIGATION REPORT**

On 31 July 2020, the final investigation report (the “**Investigation Report**”) in relation to the Investigation was issued by KPMG. There are no material differences between the findings in the Investigation Report and those in the Draft Investigation Report as disclosed in the announcement of the Company dated 19 July 2020.

As referred to the findings in the Investigation Report, from the investigation undertaken, no evidence was identified to indicate that any existing Director was involved in or has authorised (i) the payment of HK\$686 million to NEX and related entities and (ii) the payment of RMB500 million to SZZY. Moreover, save as disclosed in the Investigation Report, according to the best knowledge of the current management and finance personnel of the Company, there is no other investment payment similar to the Deposits which were made without approval in accordance with the authorised procedures of the Group.

## Limitations of the Investigation

As disclosed in the Investigation Report, certain documents and/or information requested by KPMG were unavailable and the Investigation was subject to limitations including the followings:

- KPMG has not received all the documents in support of and related to the payments of HK\$686 million and RMB500 million in response to KPMG's requests made through the Company to NEX and related entities;
- KPMG has not received any supporting document relating to the subsequent fund flow of the payments of HK\$686 million and RMB500 million, including but not limited to relevant financial information and internal approvals, from other certain external parties;
- the Company tried to make contact with certain external personnel to enable interviews to be arranged but have not been able to establish contact;
- the Company has not provided the movement of current accounts between NEX and the Company for 2019, and the Company stated that it was unable to prepare the relevant information in a timely manner due to the time constraints of the Independent Investigation;
- KPMG identified restriction of access to computers used by certain individuals due to various reasons including departure handover issues, personal data claims and COVID-19 travel restrictions;
- KPMG identified the lack of backup of a majority of the emails on the Group's server since June 2014 as a result of which KPMG only searched the archived data on the email server on single keyword basis rather than performing a systematic review on the server emails; and
- KPMG, before the first time of delivering the Draft Investigation Report (i.e. before 3 July 2020), had requested a second interview with Mr. Li Hong to verify the findings relating to him, but such request was not accepted by Mr. Li Hong due to health reason. Subsequently, Mr. Li Hong issued a letter to the Independent Investigation Committee alleging that statements made in his previous interview with KPMG may not be accurate. In the circumstances, KPMG could not verify the truthfulness and accuracy of information provided by Mr. Li Hong.

For and on behalf of  
**Panda Green Energy Group Limited**  
**Zhang Ping**  
*Chairman of the Board*

Hong Kong, 31 July 2020

*As at the date of this announcement, the executive directors of the Company are Mr. Zhang Ping (Chairman and Chief Executive Officer), Mr. Lu Zhenwei, and Mr. Xu Jianjun; the non-executive directors of the Company are Mr. Sui Xiaofeng, Mr. Chen Dayu, Mr. Li Hao, Ms. Xie Yi and Mr. Yu Qiuming; 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.*