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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)**

**DISCLOSEABLE TRANSACTION  
ESTABLISHMENT OF PARTNERSHIP**

On 12 December 2017, Zhaolian Lvyi, a wholly-owned subsidiary of the Company, Ping An Securities, Wan Xiang Trust and the General Partner entered into the Partnership Agreement in relation to the formation of the Partnership. The total capital commitment of the Partnership is RMB1,510 million, of which Zhaolian Lvyi, Ping An Securities and Wan Xiang Trust will contribute RMB500 million, respectively, in cash by 31 December 2037, and the General Partner will contribute RMB10 million in cash by 31 December 2037.

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules is more than 5% but less than 25%, the establishment of the Partnership pursuant to the Partnership Agreement constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## THE PARTNERSHIP AGREEMENT

On 12 December 2017, Zhaolian Lvyi, a wholly-owned subsidiary of the Company, Ping An Securities, Wan Xiang Trust and the General Partner entered into the Partnership Agreement in relation to the formation of the Partnership.

The principal terms of the Partnership Agreement are as follows:

<b>Date</b>	12 December 2017
<b>Parties</b>	<p>(a) General Partner: China Zheyin Synergy Capital Management Company Limited* (浙銀協同資本管理有限公司) as general partner to the Partnership</p> <p>(b) Zhaolian Lvyi (a wholly-owned subsidiary of the Company) as limited partner to the Partnership</p> <p>(c) Ping An Securities as limited partner to the Partnership</p> <p>(d) Wan Xiang Trust as limited partner to the Partnership</p>
<b>Capital contribution</b>	<p>The total capital contribution to the Partnership under the Partnership Agreement is RMB1,510 million, of which Zhaolian Lvyi, Ping An Securities and Wan Xiang Trust will contribute RMB500 million, respectively and the General Partner will contribute RMB10 million.</p> <p>The capital contribution to the Partnership was determined after arm's length negotiation between Zhaolian Lvyi, Ping An Securities, Wan Xiang Trust and the General Partner with reference to, among others, the projected capital requirements of the Partnership.</p>
<b>Payment of the capital contribution</b>	<p>Zhaolian Lvyi, Ping An Securities, Wan Xiang Trust and the General Partner shall make their capital contribution in cash by 31 December 2037.</p> <p>The Group intends to fund the capital contribution from its internal financial resources and/or debt financing.</p>

<b>Information of the Partnership</b>	<p>The business scope of the Partnership includes investment in venture business and industrial business.</p> <p>The Company will indirectly own approximately 33.1% of the equity interest in the Partnership upon its formation.</p>
<b>Profit and loss sharing</b>	<p>Under the Partnership Agreement, any profit and loss of the Partnership shall be shared among or borne by the partners in proportion to their total paid capital contribution to the Partnership. However, any loss to be borne by its limited partner will be limited to the amount contributed to the Partnership by the limited partner.</p>
<b>Management</b>	<p>The General Partner will be responsible for the executive functions and management of the Partnership.</p>

## **REASONS AND BENEFITS FOR ENTERING INTO THE PARTNERSHIP AGREEMENT**

The Board believes that the Partnership will provide a platform for the Group to maximize the use of its funds with the aim of obtaining satisfactory return and optimizing its capital structure. As the Partnership will mainly be engaged in investment in renewable energy industry, the Group will be able to leverage its industrial advantages to pursue new investment and cooperation opportunities in related or complementary businesses that are in line with the Group's long-term corporate strategy. In light of the foregoing, the Directors believe that the terms of the Partnership Agreement are made on an arm's length basis and are fair and reasonable, and in the interest of the Company and the shareholders of the Company as a whole.

## **GENERAL INFORMATION**

### **Information on the Group**

The Company is an investment holding company and the Group is principally engaged in the development, investment, operation and management of renewable power plants.

Zhaolian Lvyi is a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company. It is principally engaged in research and development in technology and equipment of solar power, provision of consultancy and design services in respect of solar power plants.

### **Information on Ping An Securities**

Ping An Securities is a company established in the PRC limited by shares and an important part of Ping An of China (601318.SH; 2318.HK), which is principally engaged in securities broker, securities investment consulting, securities trading, financial consultant related securities investment activities, underwriting and recommendation of securities, securities proprietary business, securities asset management, margin requirements, securities investment funds sell agencies and agent services.

### **Information on Wan Xiang Trust**

Wan Xiang Trust is a company established in the PRC with limited liability, which is principally engaged in trust service, asset management and investment management.

### **Information on the General Partner**

The General Partner is a company established in the PRC with limited liability and a member of Asset Management Association of China with qualification of private equity investment fund management. The General Partner is principally engaged in provision of comprehensive and various capital-market services relating to private equity investment, private placement of listed companies, merger and acquisition fund, quantitative trading investment and industry integration fund of local government.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Ping An Securities, Wan Xiang Trust, the General Partner and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

### **IMPLICATIONS UNDER THE LISTING RULES**

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules is more than 5% but less than 25%, the establishment of the Partnership pursuant to the Partnership Agreement constitutes a discloseable transaction of the Company subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of directors of the Company
“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, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“General Partner”	China Zheyin Synergy Capital Management Company Limited* ( 浙銀協同資本管理有限公司 ), a company incorporated in the PRC with limited liability
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Partnership”	Changzhou Haozhen Venture Investment Center Limited Partnership* ( 常州灝貞創業投資中心(有限合夥) ), a limited partnership to be established pursuant to the Partnership Agreement
“Partnership Agreement”	the partnership agreement dated 12 December 2017 between Zhaolian Lvyi, Ping An Securities, Wan Xiang Trust and the General Partner for the purpose of the establishment of the Partnership
“Ping An Securities”	Ping An Securities Co.,Ltd*, ( 平安證券股份有限公司 ), a company incorporated in the PRC limited by shares
“PRC”	People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Wan Xiang Trust”

Wan Xiang Trust Limited\*, (萬向信託有限公司), a company incorporated in the PRC with limited liability

“Zhaolian Lvyi”

Changzhou Zhaolian Lvyi New Energy Limited\* (常州市招聯綠奕新能源有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company

For and on behalf of  
**Panda Green Energy Group Limited**  
**Li, Alan**  
*Chairman of the Board*

Hong Kong, 12 December 2017

*As at the date of this announcement, the executive directors of the Company are Mr. Li, Alan (Chairman and Chief Executive Officer), Mr. Lu Zhenwei, Mr. Li Hong, Ms. Qiu Ping, Maggie, Mr. Jiang Wei and Mr. Yu Qiuming; the non-executive directors of the Company are Mr. Tang Wenyong and Mr. Li Hao; and the independent non-executive directors of the Company are Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing.*

\* *for identification purpose only*