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CHINA EVERBRIGHT GREENTECH LIMITED

中國光大綠色環保有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1257)

ANNOUNCEMENT

IN RESPECT OF THE UNDERWRITING AGREEMENT AND PROPOSED ISSUE OF BONDS

This announcement is made by the Board pursuant to Rules 13.09 of the Listing Rules and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board is pleased to announce that on 5 December 2018, the Company and Everbright Securities entered into the Underwriting Agreement in relation to the proposed issue of the Bonds, pursuant to which Everbright Securities, as the underwriter (or the organizer, the lead underwriter and the representative of the underwriting syndicate (if any)), will be responsible for the underwriting of the Bonds proposed to be issued in accordance with the terms of the Underwriting Agreement.

THE UNDERWRITING AGREEMENT

The Underwriting Agreement will be entered into by and between the Company and Everbright Securities. The conditions precedent of the Underwriting Arrangement are, among others, the obtaining of approvals by the Company in respect of the issuance of the Bonds under the relevant PRC laws and regulations; and the Company having not

breached any of its representations, warranties or material obligations under the Underwriting Agreement and/or all other the issue documents relating to the Bonds. Upon satisfaction of the conditions precedent of the Underwriting Arrangement, Everbright Securities shall underwrite each tranche of the Bonds to be issued by the Company by way of standby commitment underwriting in accordance with the terms of the Underwriting Agreement, and the Company shall pay the underwriting service fees to Everbright Securities in this regard. The main reason for the Company to enter into the Underwriting Agreement with Everbright Securities is to facilitate the proposed issue of the Bonds.

The Directors (including the independent non-executive Directors) consider that the terms of the Underwriting Agreement were reached on an arm's length basis between the parties and that the Underwriting Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms of the Underwriting Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Everbright Securities is a 30%-controlled company of China Everbright Group, the indirect controlling shareholder of the Company. Accordingly, Everbright Securities is an associate of China Everbright Group and is regarded as a connected person of the Company under the Listing Rules. As all applicable percentage ratios in respect of the Underwriting Agreement are less than 0.1%, the connected transaction contemplated under the Underwriting Agreement constitutes a de minimis transaction under Rule 14A.76 of the Listing Rules, and is fully exempt from the reporting, announcement and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules, and does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

PROPOSED ISSUE OF THE BONDS

The Company intends to submit applications to the CSRC and Shenzhen Stock Exchange in relation to the proposed issue of the Bonds in the PRC. The registered size of the proposed issue of the Bond is RMB3,000,000,000 (equivalent to approximately HK\$3,420,000,000). The actual size of the issue of the Bonds may be equal to, or less than, the approved registered size, within which the Company will have the absolute discretion in determining the actual size of the issue. The target subscribers of the Bonds are qualified investors under the Measures for Issuance and Transaction of Corporate Bonds (公司債券發行與交易管理辦法) issued by the CSRC and applicable

laws and regulations. The Bonds are proposed to be issued in multiple tranches and if issued, would have a term of up to seven years. The Bonds are proposed to be listed for trading on the Shenzhen Stock Exchange. As at the date of this announcement, the final terms and conditions of the Bonds have yet to be determined.

If the proposed issue of the Bonds proceeds, the proceeds raised from the Bonds are intended to be partly used for replenishment of the general working capital of the Group's Green Projects, and partly for repayment of project borrowings of the Green Projects of the Group and/or investment in the development of the Green Projects by the Group. The final and specific use of proceeds shall be agreed and determined by the Company and Everbright Securities, subject to the approval by the CSRC.

The Board is of the view that the proposed issue of the Bonds by the Company can replenish the working capital of the Group within a reasonable time, enable the Group to optimize its financing structure, and manage the Group's overall financial cost within a reasonable range.

The proposed issue of the Bonds is subject to, among others, the approval by the CSRC and Shenzhen Stock Exchange and then market conditions, which may or may not proceed. Shareholders and potential investors should therefore exercise caution in dealing in securities of the Company. Further announcement(s) regarding the proposed issue of the Bonds will be made by the Company as and when required by the Listing Rules.

DEFINITIONS

In this announcement, except where the context otherwise requires, the following expressions shall have the following meanings:

“30%-controlled company”	as the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bonds”	the domestic corporate bonds proposed to be issued by the Company with an aggregate principal amount of not exceeding RMB3,000,000,000 (equivalent to approximately HK\$3,420,000,000) and to be listed for trading on the Shenzhen Stock Exchange

“China Everbright Group”	China Everbright Group Ltd. (中國光大集團股份公司), a company incorporated in the PRC with limited liability and the indirect controlling shareholder of the Company
“Company”	China Everbright Greentech Limited, a company incorporated in the Cayman Islands and whose shares are listed on the Stock Exchange (stock code: 1257)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company, including the independent non-executive directors
“Everbright Securities”	Everbright Securities Company Limited, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the main board of the Stock Exchange (stock code: 6178) and the A shares of which are listed on the Shanghai Stock Exchange (stock code: 601788)
“Green Project(s)”	the environmental projects of the Group, which are certified to be green projects by an independent professional party in accordance with the Directory of Green Bonds Supported Projects (2015 version) composed and issue by Green Finance Committee, China Society for Finance and Banking
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the same meaning as ascribed to it under the Listing Rules, as applicable to a transaction
“PRC”	The People’s Republic of China
“RMB”	RMB, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules

“Underwriting Agreement”	the underwriting agreement dated 5 December 2018 entered into between the Company and Everbright Securities, pursuant to which the Company has engaged Everbright Securities as the underwriter (or the organizer, the lead underwriter and the representative of the underwriting syndicate (if any)) responsible for the underwriting of the Bonds proposed to be issued
“Underwriting Arrangement”	the underwriting arrangement contemplated under the Underwriting Agreement
“%”	per cent

For the purpose of this announcement, the following exchange rate is used: RMB1.00 = HK\$1.14

By order of the Board
China Everbright Greentech Limited
Qian Xiaodong
Chief Executive Officer

Hong Kong, 5 December 2018

As at the date of this announcement, the Directors are Mr. WANG Tianyi** (Chairman), Mr. QIAN Xiaodong* (Chief Executive Officer), Mr. YANG Zhiqiang* (Vice President), Mr. WANG Yungang* (Vice President), Ms. GUO Ying**, Mr. TANG Xianqing**, Mr. CHOW Siu Lui***, Mr. Philip TSAO*** and Prof. YAN Houmin***.

* *Executive Director*

** *Non-Executive Director*

*** *Independent Non-Executive Director*