

**HANKORE ENVIRONMENT TECH GROUP LIMITED**

(Company Registration No.: 34074)

(Incorporated in Bermuda)

(the "**Company**")

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**PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF  
CHINA EVERBRIGHT WATER INVESTMENTS LIMITED –**

**PROPOSED RESTRUCTURING IN RELATION TO DIRECT AND INDIRECT SHAREHOLDERS  
OF CHINA EVERBRIGHT INTERNATIONAL LIMITED**

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**1. INTRODUCTION**

*Unless otherwise defined in this announcement, all capitalised terms used herein shall have the same meaning as defined in the circular to shareholders of the Company dated 12 November 2014 (the "**Circular**").*

The Board of Directors of the Company (the "**Board**") refers to:

- (a) the announcements dated 30 December 2013, 2 June 2014, 26 June 2014, 14 August 2014, 6 November 2014, 10 November 2014, 12 November 2014 and 14 November 2014 issued by the Company in relation to the proposed acquisition (the "**Proposed Acquisition**") by the Company of the entire issued and paid-up share capital of China Everbright Water Investments Limited from China Everbright Water Holdings Limited (the "**Vendor**"); and
- (b) the announcements dated 1 August 2014, 10 November 2014 (the "**10 November Announcement**") and 25 November 2014 (collectively, the "**Restructuring Announcements**") issued by China Everbright International Limited ("**CEIL**", the indirect holding company of the Vendor which is listed on the Main Board of The Stock Exchange of Hong Kong Limited), attached hereto as **Appendix A**.

**2. PROPOSED RESTRUCTURING**

The Board notes from the Restructuring Announcements as follows:

- (a) CEIL had been informed by China Everbright Holdings Company Limited ("**CE Hong Kong**"), a shareholder of CEIL holding, indirectly, approximately 41.39% of the issued shares of CEIL, of a proposed restructuring plan, pursuant to which there would be a change in the shareholding structure of CE Hong Kong (assuming its completion) (the "**Proposed Restructuring**");
- (b) based on information provided to CEIL by CE Hong Kong, the Proposed Restructuring involves intra-group transactions among the group members under the State Council of the People's Republic of China ("**State Council**") and is conducted at the State Council's sole discretion; and
- (c) the shareholding structures of CEIL immediately before and after the completion of the Proposed Restructuring (based on information extracted from the 10 November Announcement), are set out in **Appendix B**.

The Board further understands from the Vendor that:

- (i) CEIL is not aware as to when the relevant parties will actually proceed to effect the Proposed Restructuring, and the timing of the Proposed Restructuring is ultimately in the hands of the State Council; and
- (ii) in respect of the effect of the Proposed Restructuring on CEIL, CEIL will continue to be, indirectly, an approximately 41.39% held entity of CE Hong Kong, which will remain as an indirect wholly-owned entity of the State Council. As the Proposed Restructuring is a restructuring of the manner in which the group members under the State Council are held, CEIL does not expect any significant changes to the management, business strategies or operations of CEIL as a result of the Proposed Restructuring (as and when it is effected).

The Board notes that the Proposed Restructuring involves the direct and indirect shareholders of CEIL and, if effected, would not affect the respective rights and obligations of the Company and the Vendor in relation to the Proposed Acquisition. This update is provided to shareholders of the Company by way of background information.

### **3. INTERESTED PERSON TRANSACTIONS**

Subsequent to the completion of the Proposed Acquisition and if the Proposed Restructuring is effected as announced in the Restructuring Announcements, there will be a change in the controlling shareholders and corresponding associates of the controlling shareholders of the Company based on the shareholding interests of such parties, resulting in certain parties being regarded as "interested persons" of the Company, as defined in Chapter 9 of the SGX-ST Listing Manual. The Company will, upon completion of the Proposed Acquisition and as and when the Proposed Restructuring is effected, undertake a review to ascertain such "interested persons" and comply with the requirements of Chapter 9 of the SGX-ST Listing Manual, to the extent applicable to any transactions which the Company may have with such "interested persons".

### **4. CAUTION**

Shareholders are advised to exercise caution in the trading of their shares in the Company. The Proposed Acquisition is subject to, *inter alia*, the fulfilment of the conditions of the Acquisition Agreement. There is no certainty and assurance as at the date of this announcement that the Proposed Acquisition will be completed or that no changes will be made to the terms thereof.

The Company will make the necessary announcements when there are further developments on the Proposed Acquisition and the Proposed Restructuring, as appropriate. Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

### **BY ORDER OF THE BOARD**

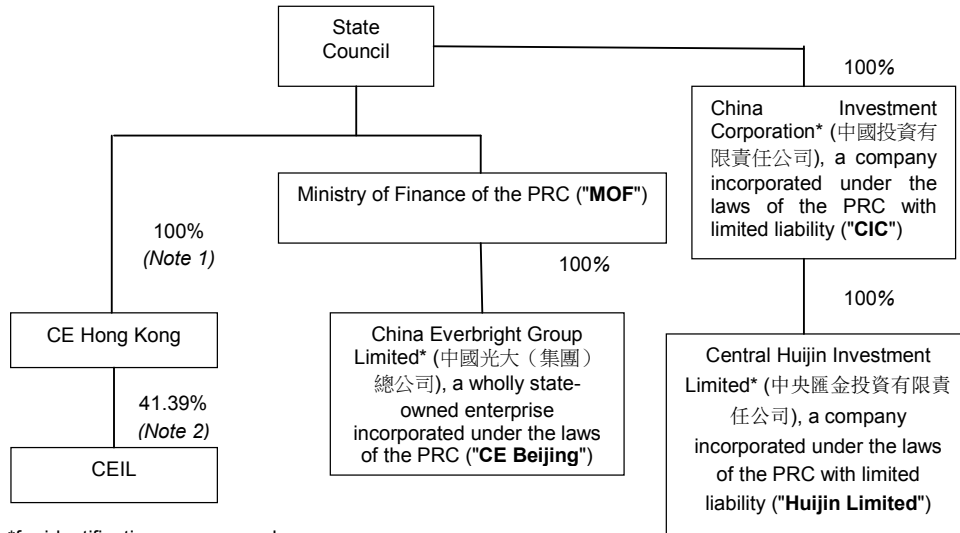
Chen Dawei, David  
Executive Chairman  
28 November 2014

**APPENDIX A**  
**RESTRUCTURING ANNOUNCEMENTS**

## APPENDIX B

### SHAREHOLDING STRUCTURES BEFORE AND AFTER PROPOSED RESTRUCTURING

a) Immediately before completion of the Proposed Restructuring:



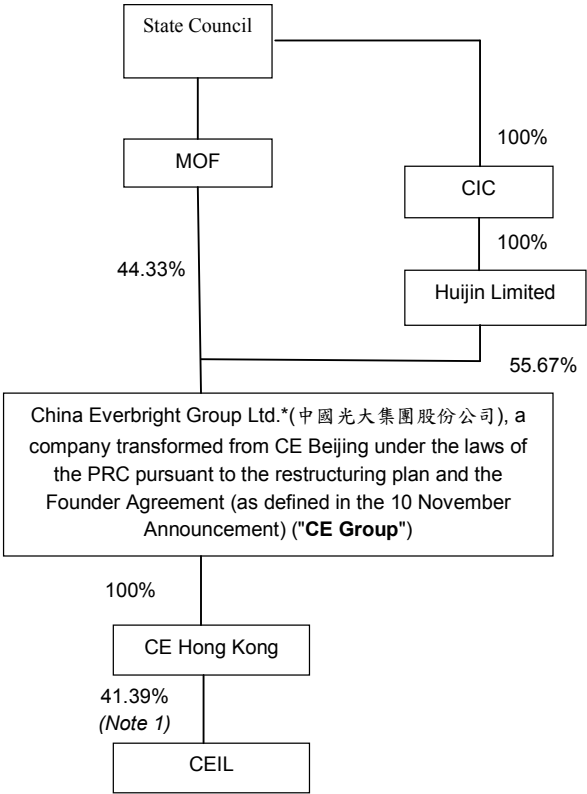
\*for identification purposes only

#### Notes:

1 CE Hong Kong was funded by the State Council of the People's Republic of China (excluding, for the purpose of the 10 November Announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan) (the "PRC"). As at the date of the 10 November Announcement, Mr. Tang Shuangning and Mr. Zang Qiutao are the nominal shareholders of CE Hong Kong and hold the entire issued share capital of CE Hong Kong for the benefit of the State Council.

2 CE Hong Kong holds (1) 100% of the issued shares of Datten Investments Limited, a BVI company, which in turn holds 55% of the issued shares of Guildford Limited ("Guildford"), a BVI company, (2) 100% of the issued shares of Everbright Investment & Management Limited ("Everbright Investment & Management"), a Hong Kong company, and (3) 45% of the issued shares of Guildford, respectively. As Guildford holds approximately 39.21% and Everbright Investment & Management holds approximately 2.18% of the issued shares of CEIL respectively, CE Hong Kong is deemed to be interested in approximately 41.39% of the issued shares of CEIL under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

b) Immediately after completion of the Proposed Restructuring:



\*for identification purposes only

Note 1: Same as Note 2 above.