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Blue Sky Power Holdings Limited
藍天威力控股有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 6828)

(Singapore Stock Code: UQ7)

MAJOR TRANSACTION
IN RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF FOX SMART LTD.

THE ACQUISITION AGREEMENT

The Board is pleased to announce that on 11 December 2015 (after trading hours), the Company, the Purchaser (which is a direct wholly-owned subsidiary of the Company) and the Vendor entered into the Acquisition Agreement pursuant to which the Purchaser conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Share at the Consideration of HK$136,000,000, of which HK$40,000,000 shall be settled by cash, HK$20,000,000 shall be settled by the Promissory Note and the balance of HK$76,000,000 shall be satisfied by the allotment and issue of 158,333,333 Consideration Shares at the Issue Price.

The Consideration Shares will be issued pursuant to the Specific Mandate. An application will be made to the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

The Sale Share represents the entire issued share capital of the Target which, through its subsidiaries, is principally engaged in the investment of LNG refuelling stations for vehicles and vessels and LNG trading business in the PRC.

Given that the Target, through Shenzhen Jiashi, will hold 40% equity interest in Hainan Zhongyou Jiarun upon completion of the Reorganisation, Hainan Zhongyou Jiarun Group shall become associated companies of the Target. Upon Completion, the Target shall become a wholly-owned subsidiary of the Company. Accordingly, the financial results of the Target and its subsidiaries will be consolidated into the financial statements of the Group, of which Hainan Zhongyou Jiarun Group shall be accounted as associated companies in the consolidated financial statements of the Company using the equity method.

LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules in respect of the Proposed Acquisition are above 25% but less than 100%, the Proposed Acquisition constitutes a major transaction of the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company will seek approval for, among other things, the Proposed Acquisition and the Specific Mandate from the Shareholders at the SGM. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Proposed Acquisition and the issuance of the Consideration Shares. As such, no Shareholder is required to abstain from voting under the Listing Rules on the resolutions to be proposed at the SGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Proposed Acquisition; (ii) the accountant's report on the Target Group; (iii) the unaudited pro forma financial information of the Enlarged Group; and (iv) other information as required under the Listing Rules together with a notice of the SGM and a form of proxy will be despatched to the Shareholders in compliance with the Listing Rules.

Pursuant to Rule 14.41 of the Listing Rules, the Company is required to despatch to the Shareholders a circular in relation to the Proposed Acquisition within 15 business days after the publication of this announcement, that is on or before 4 January 2016. The Company expects to despatch the circular on or before 29 February 2016 due to the time required to prepare the relevant information (including but not limited to the accountants' report on the Target Group) to be included in the circular under the Listing Rules.

As Completion is subject to the fulfillment of a number of conditions precedent, the Proposed Acquisition may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

The Board is pleased to announce that on 11 December 2015 (after trading hours), the Company, the Purchaser and the Vendor entered into the Acquisition Agreement pursuant to which the Company conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Share for a Consideration of HK$136,000,000, to be settled by the Company by a combination of cash, Promissory Note and the allotment and issue of Consideration Shares at the Issue Price.

Set out below are the major terms of the Acquisition Agreement.

THE ACQUISITION AGREEMENT

Date

11 December 2015

Parties

(i) the Company;

(ii) the Purchaser; and

(iii) the Vendor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

Assets to be acquired

Pursuant to the Acquisition Agreement, the Purchaser conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Share, representing the entire issued share capital of the Target.

The Target through its subsidiaries are principally engaged in the investment of LNG refuelling stations for vehicles and vessels and LNG trading business in the PRC. Shenzhen Haoyun, an indirect wholly-owned subsidiary of the Target, is in the process of completing the Reorganisation, which involves the acquisition of the entire equity interest of Shenzhen Jiashi, which is in the process of acquiring the Hainan Zhongyou Jiarun Group. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Hainan Zhongyou Jiarun Group currently (1) operates two LNG refuelling stations for vehicles and one gasification station using LNG in Hainan Province; (2) operates three LNG refuelling stations for vehicles and two movable LNG refuelling equipment for vehicles, which will be converted into LNG refuelling stations, in Hefei, Anhui Province; (3) engages in LNG trading business in Anhui Province; and (4) constructs one LNG refuelling station for vessels in Wuhu, Anhui Province. The Reorganisation is expected to be completed before Completion.

Consideration

Pursuant to the Acquisition Agreement, the Consideration shall be HK$136,000,000, of which

(a) HK$40,000,000 shall be payable by cash;

(b) HK$20,000,000 shall be payable by the Promissory Note; and

(c) and the balance of HK$76,000,000 shall be satisfied by the allotment and issue of 158,333,333 Consideration Shares at the Issue Price.

Basis of Consideration

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor, having regards to the (i) financial position and the prospects and potential of the business of the Target Group; and (ii) the valuation of the Target Group prepared by Roma Appraisals Limited, an independent valuer.

The number of Consideration Shares to be allotted and issued to the Vendor is calculated by dividing HK$76,000,000 (being the non-cash component of the Consideration) with the Issue Price. The Issue Price per Consideration Share is determined with reference to the prevailing market price of the Shares.

The Issue Price represents:

(i) a discount of approximately 5.88% to the closing price of HK$0.51 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 10.11% to the average closing price of HK$0.534 per Share as quoted on the Stock Exchange in the last five consecutive trading days up to and including the Last Trading Day; and

(iii) a discount of approximately 6.25% to the average closing price of HK$0.512 per Share as quoted on the Stock Exchange in the last ten consecutive trading days up to and including the Last Trading Day.

Consideration Shares

The Consideration Shares represent (i) approximately 2.60% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 2.54% of the enlarged issued share capital of the Company.

The Consideration Shares shall rank pari passu in all respects with the Shares in issue on the date of allotment and issuance, including the rights to all dividends, distributions and other payments made or to be made for which the record date falls or after the date of such allotment and issuance.

The Consideration Shares shall be allotted and issued under the Specific Mandate. Application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consideration Shares.

Conditions precedent

Completion is subject to the following Conditions being fulfilled and/or waived (as the case may be):

(a) the Reorganisation having been completed to the Purchaser's satisfaction, Shenzhen Haoyun having been registered as the holder of the entire equity interest of Shenzhen Jiashi and Shenzhen Jiashi having been registered as the holder of 40% and 30% equity interest of Hainan Zhongyou Jiarun and Hefei Kunlun, respectively, by the relevant PRC authorities and satisfactory evidence to this effect having been delivered to the Purchaser;

(b) the Acquisition Agreement and the transactions contemplated thereunder having been approved by the Board and the board of directors of the Purchaser, respectively;

(c) to the extent required by the Listing Rules, the approval of the Acquisition Agreement and the transactions contemplated thereunder by the Shareholders having been obtained;

(d) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Consideration Shares (either unconditionally or subject only to conditions to which the Purchaser have no reasonable objection);

(e) the Vendor having delivered to the Purchaser (i) a registered agent certificate with respect to the Target issued by the registered agent of the Target in the BVI; and (ii) a certificate of good standing with respect to Target issued by the Registrar of Corporate Affairs of the BVI, both of which to be dated no more than two weeks before the date of Completion;

(f) the warranties given by the Vendor under the Acquisition Agreement not being untrue, inaccurate and misleading at Completion by reference to the facts and circumstances subsisting at that date;

(g) the Purchaser being satisfied with the results of its legal and financial due diligence in respect of the Reorganisation, the Target Group and the Sale Share, and having notified the Vendor in writing;

(h) there not having occurred, in the sole opinion of the Purchaser and to its satisfaction only, a Material Adverse Change to any member of the Target Group;

(i) all necessary waivers, consents and approvals being granted by third parties (including any governmental authority) to implement the transactions contemplated under the Acquisition Agreement;

(j) no statute, regulation or decision which would prohibit, restrict or materially delay the transactions contemplated under the Acquisition Agreement having been proposed, enacted or taken by any governmental authority; and

(k) the delivery of a PRC legal opinion in respect of members of the Enlarged Target Group located in the PRC, issued by the Vendor's PRC lawyers as of the Completion Date, in form and substance satisfactory to the Purchaser.

The Purchaser may waive, in part or in full, all or any of the Conditions set out in paragraphs (e) to (k) above, to the extent permitted by law, by written notice to the Vendor any time before Completion.

Termination

The Acquisition Agreement shall be terminated under the following circumstances:

(a) any of the Conditions has not been fulfilled (or waived) on or before the Long Stop Date;

(b) the Vendor fails or is unable to perform any of his material obligations required to be performed by him on or before Completion and the Purchaser elects to terminate the Acquisition Agreement; or

(c) by mutual agreement in writing among the parties to the Acquisition Agreement.

Upon the termination of the Acquisition Agreement, other than the provisions in the Acquisition Agreement which are specifically identified to survive termination, including but not limited to provisions relating to confidentiality, costs and notices, and save in respect of claims arising out of any antecedent breach of the Acquisition Agreement, the Acquisition Agreement shall cease to be of any effect.

Completion

Subject to the fulfilment and/or waiver of the Conditions described above, Completion shall take place on the Completion Date.

Post-Completion Undertakings

Pursuant to the terms of the Acquisition Agreement, the Vendor irrevocably undertakes to the Company and the Purchaser that he shall use his best endeavours to procure the following:

(a) the successful grant of all legal, regulatory and other approvals prior to 31 December 2016 for (i) two (2) movable LNG refueling equipment for vehicles currently owned by Hefei Kunlun to be successfully converted into LNG refueling stations and (ii) two (2) LNG refueling stations for vehicles currently owned by Hefei Kunlun which are in the process of applying for the required approvals;

(b) Hainan Zhongyou Jiarun to construct and commence operating no less than five (5) new LNG refueling stations in Hainan Province, one (1) new LNG refueling station in Hefei and one (1) new LNG refueling station in Wuhu in each of the three years ending 31 December 2018;

(c) the average monthly revenue of Hainan Zhongyou Jiarun and Hefei Kunlun for the period between 1 July 2015 to 31 December 2016 (both dates inclusive) to be the same or higher than their respective average monthly revenue for the period between 1 January 2014 to 30 June 2015 (both dates inclusive); and

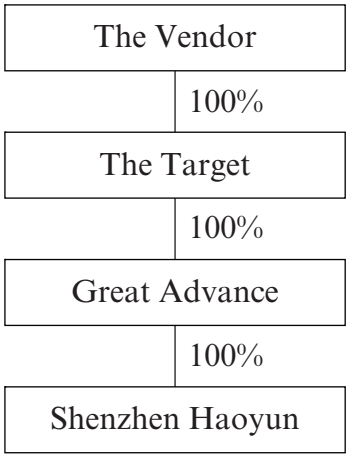
(d) Anhui Zhongyou Jiarun to complete the construction of the LNG refuelling station for vessels in Wuhu with the grant of all legal, regulatory and other approvals prior to 30 June 2016.

INFORMATION ON THE TARGET

The Target

The Target was incorporated in the BVI with limited liability on 18 June 2015. The issued share capital of the Target as at the date of this announcement is US$1.00. To the best knowledge of the Company, after making reasonable enquiry, each member of the Target Group is an investment holding company that does not engage in any business activities. Upon the completion of the Reorganisation, the principal asset of the Target is the Hainan Zhongyou Jiarun Group.

As at the date of this announcement, the shareholding structure of the Target Group is as follow:



The Reorganisation

The Reorganisation involves a two-step process. The First Step Reorganisation involves Shenzhen Jiashi, an Independent Third Party as at the date of this announcement, acquiring 40% and 30% equity interest in Hainan Zhongyou Jiarun and Hefei Kunlun, respectively. Hainan Zhongyou Jiarun in turn currently holds 70% and 100% equity interest in Hefei Kunlun and Anhui Zhongyou Jiarun, respectively. Following the completion of the First Step Reorganisation, the Second Step Reorganisation involves Shenzhen Haoyun, an indirect wholly-owned subsidiary of the Target, acquiring the entire equity interest of Shenzhen Jiashi.

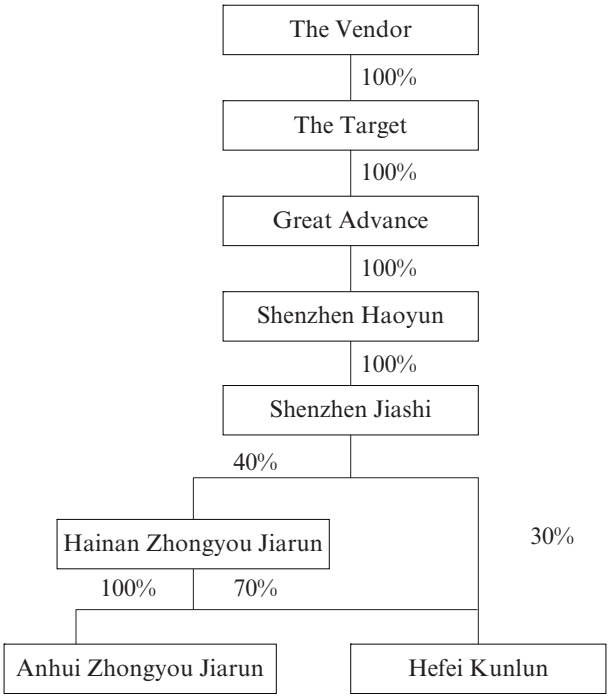
Accordingly, upon the completion of the Reorganisation, the Hainan Zhongyou Jiarun Group, through Shenzhen Jiashi, shall become associated companies of the Target and the Target will have an effective interest of 40%, 40% and 58% in Hainan Zhongyou Jiarun, Anhui Zhongyou Jiarun and Hefei Kunlun, respectively. It is expected that the Reorganisation will be completed before Completion.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Hainan Zhongyou Jiarun Group currently (1) operates two LNG refuelling stations for vehicles and one gasification station using LNG in Hainan Province; (2) operates three LNG refuelling stations for vehicles and two movable LNG refuelling equipment for vehicles, which will be converted into LNG refuelling stations, in Hefei, Anhui Province; (3) engages in LNG trading business in Anhui Province; and (4) constructs one LNG refuelling station for vessels in Wuhu, Anhui Province.

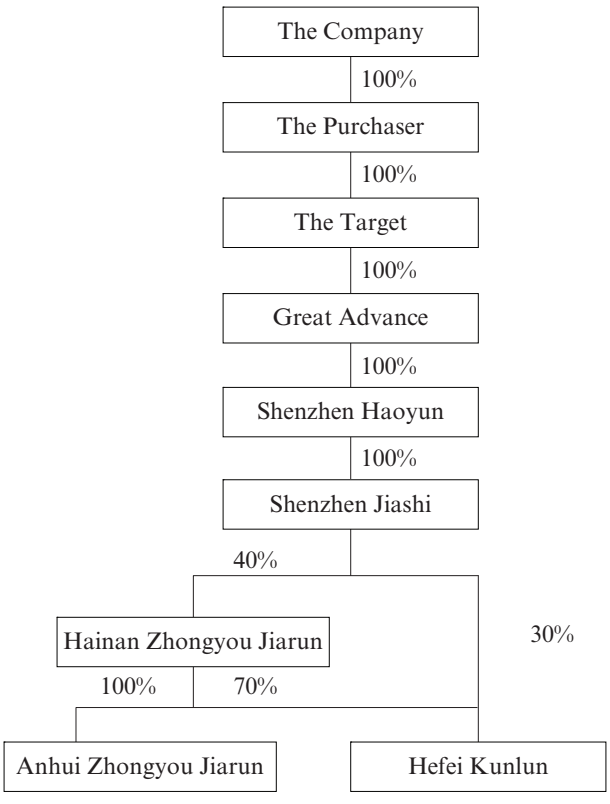
Shareholding Structure of the Target

Set out below is the shareholding structure of the Target upon the completion of the Reorganisation and after Completion:

(i) Immediately after the completion of the Reorganisation:



(ii) Immediately after Completion:



—— means legal and beneficial interests

Financial Information on the Hainan Zhongyou Jiarun Group

The unaudited consolidated financial information of the Hainan Zhongyou Jiarun Group for the last two financial years as follows:

	For the year ended 31 December 2014 (Unaudited) *RMB'000*	For the year ended 31 December 2013 (Unaudited) *RMB'000*
Turnover	152,305	78,270
Loss before taxation	(1,451)	(4,141)
Loss after taxation	(2,234)	(3,262)

	As at 31 December 2014 (Unaudited) *RMB'000*	As at 31 December 2013 (Unaudited) *RMB'000*
Total assets	58,975	69,526
Total liabilities	(47,759)	(56,030)
Net assets	11,216	13,496

Given that the Target, through Shenzhen Jiashi, will hold 40% equity interest in Hainan Zhongyou Jiarun upon completion of the Reorganisation, the Hainan Zhongyou Jiarun Group shall become associated companies of the Target. Upon Completion, the Target shall become a wholly-owned subsidiary of the Company. Accordingly, the financial results of the Target Group will be consolidated into the financial statements of the Group, of which the Hainan Zhongyou Jiarun Group shall be accounted as associated companies in the consolidated financial statements of the Company using the equity method.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Board considers that the Proposed Acquisition represents a good potential investment for the Group after taking into account the following:

1. LNG refuelling stations for vehicles

Upon the completion of the Reorganisation, the Target Group, through the Hainan Zhongyou Jiarun Group, will principally be engaged in the operation of LNG refuelling stations for vehicles in Hainan Province and Anhui Province, both of which are major transportation and communication hubs in the PRC. The customers of the Hainan Zhongyou Jiarun Group are mainly logistics and transportation companies with heavy trucks, coaches and buses in their fleet of vehicles. The Hainan Zhongyou Jiarun Group has entered into exclusive supply contracts with some of these customers, whereby all the vehicles operated by such customers shall source LNG only from the Hainan Zhongyou Jiarun Group. The LNG refuelling stations of the Hainan Zhongyou Jiarun Group are strategically located near the entrances of highways or long-distance passenger transportation stations or toll stations.

Through its associated companies, the Group owns 17 refuelling stations for vehicles using mainly CNG in Hainan Province. The Proposed Acquisition is expected to enable the Group to expand its market share in Hainan Province and broaden its business focus from existing CNG refuelling stations to LNG refuelling stations. As more and more heavy trucks, coaches and buses are switching from diesel-fuelled vehicles to LNG-fuelled vehicles, the Directors believe that the number of LNG refuelling stations will grow significantly and LNG refuelling stations will become one of important business segments of the Group in the future.

2. LNG refuelling stations for vessels

In February 2014, the Hainan Zhongyou Jiarun Group obtained a government approval to construct a LNG refuelling station for vessels in Wuhu, Anhui Province. The station is under construction and is expected to complete by end of 2016. The Hainan Zhongyou Jiarun Group has obtained a concession right to operate the station. Because of the significant amount of vessels travelling on the Yangtze River and which pass through Wuhu, and the presence of favourable policies to encourage vessels to use LNG, the Directors believe that the Proposed Acquisition will broaden its income streams by supplying LNG to LNG vessels.

3. LNG trading business

As disclosed in the annual report of the Company for the year ended 31 December 2014, the Company is exploring the opportunities to identify certain LNG sources with competitive pricing, which will allow the Company to venture into LNG trading business in the PRC. The Proposed Acquisition enables the Group to carry out its development plan and readily tap into the LNG trading business operated by the Hainan Zhongyou Jiarun Group in Anhui Province.

INFORMATION ON THE PARTIES

The Company

The Company is a company incorporated in Bermuda with limited liability. The principal activity of the Company is investment holding and its subsidiaries are principally engaged in (i) sales and distribution of natural gas and other related products; (ii) sales of book products; and (iii) sales of specialised products.

The Purchaser

The Purchaser is a company incorporated in the BVI with limited liability. The principal activity of the Purchaser is investment holding.

The Vendor

The Vendor is a citizen of the PRC who is an Independent Third Party.

SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purpose only, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issue of the Consideration Shares, assuming there is no other changes in the shareholding structure of the Company after the date of this announcement and before the Completion Date:

		As at the date of this announcement		**Immediately after the allotment and issue of the Consideration Shares**	
	Notes	*Number of Shares*	*Approx. %*	*Number of Shares*	*Approx. %*
Directors					
Cheng Ming Kit	1	929,579,256	15.27	929,579,256	14.88
Sze Chun Lee	2	198,288,480	3.26	198,288,480	3.18
Chung Oi Ling, Stella	3	206,340,000	3.29	206,340,000	3.30
Kwok Shek San	4	7,296,000	0.12	7,296,000	0.12
Hu Xiaoming	5	2,640,000	0.04	2,640,000	0.04
Public shareholders					
The Vendor		—	—	158,333,333	2.54
Public		4,742,605,880	77.92	4,742,605,880	75.94
Total		6,086,749,616	100.00	6,245,082,949	100.00

Notes:

1. Mr. Cheng Ming Kit (an executive Director) holds 100% interest in Grand Powerful Group Limited and is deemed to be interested in 684,174,256 Shares held by Grand Powerful Group Limited. Mr. Cheng Ming Kit personally holds 245,405,000 Shares.

2. Mr. Sze Chun Lee (an executive Director) holds 43.75% interest in China Print Power Limited and is deemed to be interested in 196,488,480 Shares held by China Print Power Limited. Mr. Sze Chun Lee personally holds 1,800,000 Shares.

3. Ms. Chung Oi Ling, Stella (a non-executive Director) holds 100% interest in Flame Capital Limited and is deemed to be interested in 206,340,000 Shares held by Flame Capital Limited.

4. Mr. Kwok Shek San is an executive Director and personally holds 7,296,000 Shares.

5. Mr. Hu Xiaoming is an executive Director and personally holds 2,640,000 Shares.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios calculated under Chapter 14 of the Listing Rules in respect of the Proposed Acquisition are above 25% but less than 100%, the Proposed Acquisition constitutes a major transaction of the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company will seek approval for, among other things, the Proposed Acquisition and the Specific Mandate from the Shareholders at the SGM. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Proposed Acquisition and the issuance of the Consideration Shares. As such, no Shareholder is required to abstain from voting under the Listing Rules on the resolutions to be proposed at the SGM.

BOARD'S APPROVAL

The Directors (including the independent non-executive Directors) consider that the Acquisition Agreement and its terms are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

No Directors has a material interest in the Proposed Acquisition and the Board has approved the Acquisition Agreement and the transactions contemplated thereunder.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Proposed Acquisition; (ii) the accountant's report on the Target Group; (iii) the unaudited pro forma financial information of the Enlarged Target Group; and (iv) other information as required under the Listing Rules together with a notice of the SGM and a form of proxy will be despatched to the Shareholders in compliance with the Listing Rules.

Pursuant to Rule 14.41 of the Listing Rules, the Company is required to despatch to the Shareholders a circular in relation to the Proposed Acquisition within 15 business days after the publication of this announcement, that is on or before 4 January 2016. The Company expects to despatch the circular on or before 29 February 2016 due to the time required to prepare the relevant information (including but not limited to the accountants' report on the Target Group) to be included in the circular under the Listing Rules.

As Completion is subject to the fulfillment of a number of conditions precedent, the Proposed Acquisition may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following terms have the following meanings:

"Acquisition Agreement"	the sale and purchase agreement dated 11 December 2015 entered into among the Company, the Purchaser and the Vendor in respect of the Proposed Acquisition (as may be amended or varied from time to time by an agreement in writing duly executed by the parties to the Acquisition Agreement)
"Anhui Zhongyou Jiarun"	安徽中油嘉潤有限公司 (Anhui Zhongyou Jiarun Co., Limited*), a company established under the laws of the PRC with limited liability on 6 April 2011 which is wholly owned by Hainan Zhongyou Jiarun
"Board"	the board of Directors of the Company
"Business Day"	any day (excluding a Saturday, a Sunday and a public holiday) on which banks are open for business in Hong Kong and the PRC
"BVI"	British Virgin Islands
"CNG"	compressed natural gas

"Company"	Blue Sky Power Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6828) and secondary listed on the Singapore Exchange Securities Trading Limited (stock code: UQ7)
"Completion"	the completion of the sale and purchase of the Sale Share
"Completion Date"	the fifth Business Day following the date on which all of the Conditions having been fulfilled or waived or such other date as the parties to Acquisition Agreement may agree in writing, such date not being later than the Long Stop Date
"Conditions"	the conditions precedent to Completion, details of which are set out in this announcement
"Consideration"	the total consideration for the Sale Share
"Consideration Share"	the new Shares to be allotted and issued at the Issue Price by the Company to the Vendor (or his nominee(s)) as part of the Consideration at the Issue Price by the Company
"Director(s)"	director(s) of the Company
"Enlarged Target Group"	the Target Group after the completion of the Reorganisation, comprising the Target, its subsidiaries (including Shenzhen Jiashi) and the Hainan Zhongyou Jiarun Group and "member of the Enlarged Target Group" shall mean any or a specific one of them
"First Step Reorganisation"	the first step of the Reorganisation involving Shenzhen Jiashi acquiring 40% and 30% equity interest in Hainan Zhongyou Jiarun and Hefei Kunlun, respectively
"Great Advance"	Great Advance Limited, a company incorporated under the laws of Hong Kong with limited liability on 9 March 2015 and a direct wholly-owned subsidiary of the Target
"Group"	the Company and its subsidiaries
"Hainan Zhongyou Jiarun"	海南中油嘉潤天然氣有限公司 (Hainan Zhongyou Jiarun Natural Gas Co., Limited*), a company established under the laws of the PRC with limited liability on 30 March 2006 which will be held as to 40% equity interest by Shenzhen Jiashi and as to 60% equity interest by 海南中油深南石油技術開發有限公司 (Hainan Zhongyou Shennan Technology Development Co., Ltd*), an Independent Third Party, upon the completion of the Reorganisation
"Hainan Zhongyou Jiarun Group"	Hainan Zhongyou Jiarun, Anhui Zhongyou Jiarun and Hefei Kunlun, which will become associated companies of the Target and the Company upon the completion of the Reorganisation

"Hefei Kunlun"	合肥昆侖能源有限公司 (Hefei Kunlun Energy Co., Limited*), a company established under the laws of the PRC with limited liability on 1 August 2012 which will be held as to 30% equity interest by Shenzhen Jiashi and as to 70% equity interest by Hainan Zhongyou Jiarun upon the completion of the Reorganisation
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	third party(ies) who is/are independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
"Issue Price"	the issue price of HK$0.48 per Consideration Share
"Last Trading Day"	10 December 2015, the last trading day preceding the date of Acquisition Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"LNG"	liquefied natural gas
"Long Stop Date"	30 June 2016, or such other date as the parties to the Acquisition Agreement may agree in writing
"Material Adverse Change"	any change or effect, the consequence of which materially and adversely affects the condition (financial or otherwise), business, liabilities, results of operations, prospects and/or assets of any member of the Enlarged Target Group or the Enlarged Target Group as a whole
"Post-Completion Undertakings"	the post-Completion undertakings given by the Vendor to the Purchaser and the Company, details of which are set out in this announcement
"PRC"	the People's Republic of China excluding Hong Kong, the Macau Special Administration Region of the PRC and Taiwan for the purpose of this announcement
"Promissory Note"	the transferable promissory note in the principal amount of HK$20,000,000 at nil interest with maturity period of three years from the Completion Date and repayable in integral multiples of HK$1,000,000, to be issued by the Purchaser to the Vendor and/or his nominee(s) pursuant to the Acquisition Agreement
"Proposed Acquisition"	the proposed acquisition of the Sale Share by the Purchaser from the Vendor pursuant to the terms and conditions of the Acquisition Agreement
"Purchaser"	Goldlink Capital Limited, a company incorporated with limited liability under the laws of the BVI which is directly wholly-owned by the Company

"Reorganisation"	the reorganisation exercise comprising the First Step Reorganisation and the Second Step Reorganisation
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Share"	the one share with par value of US$1.00 each in the share capital of the Target, representing 100% of the issued share capital of the Target
"Second Step Reorganisation"	the second step of the Reorganisation involving Shenzhen Haoyun acquiring the entire equity interest of Shenzhen Jiashi
"SGM"	the special general meeting of the Company to be convened to approve, among other things, the Proposed Acquisition and the Specific Mandate
"Share(s)"	ordinary share(s) of HK$0.055 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Haoyun"	深圳好運順風能源有限公司 (Shenzhen Haoyun Shunfeng Energy Co., Limited*), a company established under the laws of the PRC with limited liability on 4 June 2015 and an indirect wholly-owned subsidiary of the Target which will hold the entire equity interest in Shenzhen Jiashi upon the completion of the Reorganisation
"Shenzhen Jiashi"	深圳嘉實德鑫能源投資有限公司 (Shenzhen Jiashi Dexin Energy Co., Limited*), a company established under the laws of the PRC with limited liability on 23 March 2015 which will hold 40% equity interest in Hainan Zhongyou Jiarun and 30% equity interest in Hefei Kunlun upon the completion of the Reorganisation
"Specific Mandate"	the specific mandate to be sought from the Shareholders at the SGM in relation to the allotment and issue of the Consideration Shares as part of the Consideration according to the Acquisition Agreement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target"	Fox Smart Ltd., a company incorporated under the laws of the BVI with limited liability on 18 June 2015 which holds the entire equity interest in Great Advance
"Target Group"	the Target and its subsidiaries as at the date of the Acquisition Agreement; the expression "member of the Target Group" shall mean any or a specific one of them
"Vendor"	Mr. Huang Liedan, who owns the entire issued share capital of the Target and is an Independent Third Party

"US$"	United States dollar(s), the lawful currency of the United States of America
"%"	per cent.

By order of the Board
Blue Sky Power Holdings Limited
Cheng Ming Kit
Chairman

Hong Kong, 11 December 2015

As at the date of this announcement, the executive directors of the Company are Mr. Cheng Ming Kit, Mr. Sze Chun Lee, Mr. Hung Tao, Mr. Kwok Shek San, and Mr. Hu Xiaoming; the non-executive director of the Company is Ms. Chung Oi Ling, Stella; and the independent non-executive directors of the Company are Mr. Lim Siang Kai, Mr. Wee Piew and Mr. Ma Arthur On-hing.

* *For identification purposes only.*