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## **BEIJING GAS BLUE SKY HOLDINGS LIMITED**

**北京燃氣藍天控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Hong Kong Stock Code: 6828)**

**(Singapore Stock Code: UQ7)**

### **(1) SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE AND (2) STRATEGIC COOPERATION AGREEMENT**

#### **Joint Arrangers**

**BMI Securities Limited**  
(邦盟滙駿證券有限公司)

**Fortune Financial Capital Limited**  
(富強金融資本有限公司)

#### **(1) SUBSCRIPTION AGREEMENT**

On 24 January 2018 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for the Subscription Shares at the Subscription Price of HK\$0.57 per Subscription Share.

The Subscription Shares, which will be issued under the General Mandate, represent (a) approximately 1.52% of the issued share capital of the Company as at the date of this Announcement; and (b) approximately 1.50% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

#### **(2) STRATEGIC COOPERATION AGREEMENT**

On 24 January 2018 (after trading hours), the Company also entered into a non-binding Strategic Cooperation Agreement with GPS to create a strategic cooperation relationship between the parties.

## **LISTING RULES IMPLICATIONS**

By a resolution of the Shareholders passed at the AGM, the Company granted the General Mandate to the Directors to allot and issue up to 20% of the then total number of Shares of the Company in issue as at 9 June 2017, i.e. 1,963,663,976 Shares. As at the date of this announcement, the General Mandate has not been utilized since it was granted. As such, the General Mandate will be sufficient for, and no further Shareholders' approval is required for, the allotment and issue of the Subscription Shares.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of listing of, and permission to deal in the Subscription Shares.

**Shareholders and potential investors should note that the completion of the Subscription is subject to fulfillment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **SUBSCRIPTION AGREEMENT**

On 24 January 2018 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for the Subscription Shares at the Subscription Price of HK\$0.57 per Subscription Share.

### **Date**

24 January 2018 (after trading hours)

### **Parties**

Issuer : The Company

Subscriber : Mrs. Surangrat Chirathivat

To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Subscriber and her associate(s) are Independent Third Parties.

### **Number of Subscription Shares to be subscribed for**

Subject to the terms and conditions of the Subscription Agreement, the Company has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for 150,000,000 new Shares, representing (a) approximately 1.52% of the issued share capital of the Company as at the date of this Announcement; and (b) approximately 1.50% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

## **Subscription Price**

The Subscription Price of HK\$0.57 per Subscription Share, representing:

- (a) a premium of approximately 3.64% to the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on the Last Trading Date; and
- (b) a premium of approximately 4.78% over the average of the closing prices of HK\$0.544 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately proceeding to and including the Last Trading Date.

The Subscription Price was negotiated on an arm's length basis between the Company and Subscriber and is determined with reference to the prevailing market price of the Shares.

The Company has engaged the Joint Arrangers to provide the related services in respect of the Subscription for an arranger fee equivalent to 2% of the aggregate amount of funds actually raised and received by the Company.

## **Issue the Subscription Shares under the General Mandate**

By a resolution of the Shareholders passed at the AGM, the Company granted the General Mandate to the Directors to allot and issue up to 20% of the then total number of Shares of the Company in issue as at 9 June 2017, i.e. 1,963,663,976 Shares. As at the date of this announcement, no Shares have been issued pursuant to the General Mandate. As the Subscription Shares will be allotted and issued under the General Mandate, the Subscription and the issue of Subscription Shares are not subject to Shareholders' approval.

Application will be made by the Company to the Stock Exchange for the grant of listing of and permission to deal in the Subscription Shares.

## **Ranking**

The Subscription Shares, when issued and fully paid, will rank *pari passu* among themselves and with all other Shares presently in issue and at the time of issue and allotment of the Subscription Shares.

## **Conditions**

The Subscription is conditional upon the following conditions being fulfilled on or before Conditions Fulfillment Date:–

- (a) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares;
- (b) the Executive has consented to the dilution of Beijing Gas HK's shareholding in the Company as a result of the issue of the Subscription Shares pursuant to paragraph 3(b) of Schedule VI of the Takeovers Code; and
- (c) the Completion of the entire amount of the Subscription Shares to take place simultaneously.

## Completion

The Completion shall be taken place within fifteen (15) Business Days after the date on which the last Condition has been fulfilled. The aggregate sum of the Subscription Price for the Subscription Shares shall be payable by the Subscriber to the Company in cash or by way of cashier order on the Completion Date.

**The completion of the Subscription is subject to the satisfaction of the conditions in the Subscription Agreement, and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 9,844,945,694 Shares in issue. The shareholding structure of the Company as at (i) as at the date of this announcement; (ii) immediately upon the issue and allotment of the Subscription Shares; (iii) immediately upon the issuance of the Subscription Shares and Jingtang Consideration Shares but before the issuance of the Teng County Consideration Shares and conversion of the Convertible Bonds, including the 2016 CBs; (iv) immediately upon the issuance of the Subscription Shares and Jingtang Consideration Shares, Teng County Consideration Shares and full conversion of the 2016 CBs but before the conversion of the other Convertible Bonds; and (v) immediately upon the issuance of the Subscription Shares and Jingtang Consideration Shares, Teng County Consideration Shares and full conversion of the Convertible Bonds, including the 2016 CBs are as follows:

Shareholders	Note	As at the date of this announcement		Immediately upon the issue and allotment of the Subscription Shares		Immediately upon the issuance of the Subscription Shares and Jingtang Consideration Shares but before the issuance of the Teng County Consideration Shares and conversion of the Convertible Bonds, including the 2016 CBs		Immediately upon the issuance of the Subscription Shares and Jingtang Consideration Shares, Teng County Consideration Shares and full conversion of the 2016 CBs but before the conversion of the other Convertible Bonds		Immediately upon the issuance of the Subscription Shares and Jingtang Consideration Shares, Teng County Consideration Shares and full conversion of the Convertible Bonds, including the 2016 CBs	
		Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
<b>Substantial Shareholders</b>											
Beijing Gas HK Grand Powerful Group Limited	1	2,644,444,443	26.86%	2,644,444,443	26.46%	5,052,153,243	40.73%	5,678,819,909	43.58%	5,678,819,909	40.11%
Cheng Ming Kit	2	1,082,862,256	11.00%	1,082,862,256	10.83%	1,082,862,256	8.73%	1,082,862,256	8.31%	1,082,862,256	7.65%
Lee Tsz Hang	3	132,645,040	1.35%	132,645,040	1.33%	132,645,040	1.07%	132,645,040	1.02%	132,645,040	0.94%
		789,181,000	8.02%	789,181,000	7.90%	789,181,000	6.36%	789,181,000	6.06%	789,181,000	5.57%
<b>Other Directors</b>											
Sze Chun Lee	4	111,800,000	1.14%	111,800,000	1.12%	111,800,000	0.90%	111,800,000	0.86%	111,800,000	0.79%
Hung Tao	5	37,682,730	0.38%	37,682,730	0.38%	37,682,730	0.30%	37,682,730	0.29%	37,682,730	0.27%
<b>Public Shareholders</b>											
Subscriber		–	–	150,000,000	1.50%	150,000,000	1.21%	150,000,000	1.15%	150,000,000	1.06%
Holders of other Convertible Bonds		–	–	–	–	–	–	–	–	1,130,478,854	7.98%
Public Shareholders		5,046,330,225	51.26%	5,046,330,225	50.49%	5,046,330,225	40.69%	5,046,330,225	38.73%	5,046,330,225	35.64%
<b>Total</b>		<b>9,844,945,694</b>	<b>100.00%</b>	<b>9,994,945,694</b>	<b>100.00%</b>	<b>12,402,654,494</b>	<b>100.00%</b>	<b>13,029,321,160</b>	<b>100.00%</b>	<b>14,159,800,014</b>	<b>100.00%</b>

*Notes:*

1. Beijing Enterprises Group indirectly controls Beijing Gas HK through Beijing Enterprises Holdings Limited and Beijing Gas Group and is deemed to be interested in 2,644,444,443 Shares. Beijing Gas HK is also the holder of the convertible bonds in an aggregate principal amount of HK\$130,000,000 at the conversion price of HK\$0.45 per conversion share issued by the Company pursuant to a subscription agreement dated 5 January 2016 entered into between the Company and Beijing Gas Group which will be converted into 288,888,888 Shares upon conversion. Mr. Zhi Xiaoye, the non-executive Director and co-chairman of the Board, is currently a vice president of Beijing Enterprises Holdings Limited and a director and general manager of Beijing Gas Group.
2. Mr. Cheng Ming Kit holds 100% interest in Grand Powerful Group Limited and is deemed to be interested in 1,082,862,256 Shares held by Grand Powerful Group Limited. Mr. Cheng Ming Kit also personally holds 132,645,040 Shares and 9,962,690 share options. Further, Mr. Cheng Ming Kit shall purchase up to 163,750,000 Shares upon request from an option holder.
3. Mr. Lee Tsz Hang holds 100% interest in Win Ways Investment Limited and is deemed to be interested in 223,856,000 Shares held by Win Ways Investment Limited. Mr. Lee Tsz Hang personally holds 565,325,000 Shares.
4. Mr. Sze Chun Lee holds 43.75% interest in China Print Power Limited and is deemed to be interested in 110,000,000 Shares held by China Print Power Limited. Mr. Sze Chun Lee personally holds 1,800,000 Shares.
5. Mr. Hung Tao personally holds 37,682,730 Shares and 6,000,000 share options.

## **STRATEGIC COOPERATION AGREEMENT**

On 24 January 2018 (after trading hours), the Company also entered into a non-binding Strategic Cooperation Agreement with GPS to create a strategic cooperation relationship between the parties. The Subscriber is a key shareholder of GPS and serves as its president.

Pursuant to the Strategic Cooperation Agreement, the parties have agreed, among other things, the followings:

- (a) In view of the encouraging energy related business development opportunities and collaborations in the South East Asia, Northeast Asia (including the People's Republic of China) and Oceania, subject to the specific contracts to be entered between the parties, the parties would like to cooperate in selected projects, in the following aspects:
  - (i) sourcing and trading of liquefied nature gas (“LNG”) for buyers in Southeast Asia and Northeast Asia;
  - (ii) supplying of LNG to power plants and/or other infrastructure in Thailand and Southeast Asia;
  - (iii) increasing natural gas usage in Thailand; and
  - (iv) utilizing from each Party's competitive advantages to enhance business opportunities and development of this cooperation.
- (b) The geographic focus of the business will be Southeast Asia, Northeast Asia and Oceania.

The Strategic Cooperation Agreement sets out the framework for the cooperation between the parties, which does not create any legal and binding obligations on the parties unless and until a separate definitive agreement has been entered into by the parties for each project.

The entering into of the Strategic Cooperation Agreement by the Company does not constitute any notifiable transaction of the Company under Chapter 14 of the Listing Rules or a connected transaction of the Company under Chapter 14A of the Listing Rules.

## **INFORMATION OF THE SUBSCRIBER**

As advised by the Subscriber, the Subscriber is a businesswoman and a citizen of Thailand, the president of GPS which is principally engaged in investment holding in energy aiming to strengthen electricity security for the nation. GPS was solely funded and established by Mrs. Surangrat Chirathivat and her husband, family members of Central Group in Thailand. Central Group consists of a variety of diverse investments in various corporations, each of which has become the leader in the retail, property development, brand management, hospitality, and food and beverage industries in Thailand. In total, the Central Group runs more than 4,800 locations/branches of store network with net saleable area of over 4.5 million sq.m. and revenue of 2016 over US\$9.17 billion.

As at the date of this announcement, to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

## **REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

The Group is principally engaged in (i) natural gas for transportation; (ii) trading and distribution of natural gas; and (iii) city gas and other related products.

In view of the current market, the Directors considered that the Subscription represents an ideal opportunity for the Company to raise additional capital for its future business developments, to enhance its capital base and broaden its shareholders' base at reasonable cost. It is also expected that business synergy could be realized by welcoming the Subscriber via the subscription of shares in the Company. Assuming all Subscription Shares are successfully subscribed for, the net proceeds of the Subscription shall be approximately HK\$83,000,000 and the net price per Subscription Share will be approximately HK\$0.553. It is expected that the net proceeds will be used to finance the expansion of the natural gas business and as the general working capital of the Group. Furthermore, the Directors considered the entering into of the Strategic Cooperation Agreement will create a strategic cooperation relationship between the Company and GPS and potentially realize more business opportunities for the Group.

The Directors consider that the terms of the Subscription Agreement and the Strategic Cooperation Agreement, which were arrived at after arm's length negotiations between the Company and the Subscriber and GPS respectively, are fair and reasonable and are in the interests of the Company and the Shareholder as a whole.

## EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has conducted the following equity fund raising activities for the 12 months immediately before the date of this announcement:

Date of announcement	Event	Approximate net proceeds	Intended use of net proceeds as stated in the relevant announcements and/or circular of the Company	Actual use of net proceeds/Remark
13 April 2017	Issue of convertible bonds	Approximately HK\$167.6 million	Financing the expansion of natural gas business and general working capital of the Group	HK\$167.6 million was used for mergers and acquisitions of natural gas projects
18 April 2017	Issue of convertible bonds	Approximately HK\$123.3 million	Financing the expansion of the natural gas business and the general working capital of the Group	(i) HK\$74.6 million was used for mergers and acquisitions of natural gas projects, (ii) HK\$48.7 million was used for general working capital

Apart from above fundraising activity, the Company did not conduct any other fundraising on issue of equity securities in the last 12 months immediately preceding the date of this announcement.

## LISTING RULES IMPLICATIONS

By a resolution of the Shareholders passed at the AGM, the Company granted the General Mandate to the Directors to allot and issue up to 20% of the then total number of Shares of the Company in issue as at 9 June 2017, i.e. 1,963,663,976 Shares. As at the date of this announcement, the General Mandate has not been utilized since it was granted. As such, the General Mandate will be sufficient for, and no further Shareholders' approval is required for, the allotment and issue of the Subscription Shares.

**Shareholders and potential investors should note that the completion of the Subscription is subject to fulfillment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

“2016 CBs” the outstanding convertible bonds held by Beijing Gas HK in an aggregate principal amount of HK\$130,000,000 at the conversion price of HK\$0.45 per conversion share, which are convertible into 288,888,888 Shares, issued by the Company pursuant to a subscription agreement dated 5 January 2016 entered into between the Company and Beijing Gas Group. For details, please refer to the Company's announcement dated 6 January 2016 and 11 May 2016 and circular dated 29 February 2016 and the Company's next day disclosure return dated 30 December 2016



“AGM”	the annual general meeting of the Company held on 9 June 2017
“Beijing Gas Group”	Beijing Gas Group Company Limited* (北京市燃氣集團有限責任公司), a company incorporated in the Peoples’ Republic of China with limited liability
“Beijing Gas HK”	Beijing Gas Company Limited (北京燃氣有限公司), a company incorporated in Hong Kong with limited liability and a substantial shareholder of the Company
“Board”	the board of Directors
“Business Day”	a day other than Saturday, Sunday, public holiday in Hong Kong or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. or other day on which banks are not open for general business in Hong Kong
“Central Group”	Central Group Co. Ltd., a company incorporated in Thailand with limited liability
“Company”	Beijing Gas Blue Sky Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are primary 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)
“Conditions”	the conditions precedent to the Completion, details of which are set out in the paragraph headed “Conditions” of this announcement
“Conditions Fulfillment Date”	28 February 2018 or such later time or date as may be agreed between the Subscriber and the Company in writing
“connected persons”	has the meaning as defined in the Listing Rules
“Convertible Bonds”	outstanding convertible bonds (including but not limited to the 2016 CBs) issued by the Company to certain investors pursuant to the subscription agreements dated 13 August 2015, 30 November 2015, 4 December 2015, 5 January 2016, 16 December 2016, 13 April 2017 and 18 April 2017, respectively
“Directors”	director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any of his delegate
“GPS”	Global Power Synergy Group (Thailand) Company Limited, a company incorporated in Thailand with limited liability and wholly-owned by the Subscriber and her family members



“General Mandate”	the general mandate granted by the Shareholders at the AGM to the Directors to allot and issue up to 20% of the then total number of Shares of the Company in issue as at the date of the AGM, that is 1,963,663,976 Shares
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	the independent third party who is, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Jingtang Consideration Shares”	a total of 2,407,708,800 new Shares of the Company (at an issue price of HK\$0.50 per Share) to be issued to Beijing Gas Group or its designated wholly-owned subsidiary under an acquisition agreement dated 28 December 2017 between the Company and Beijing Gas Group. For details, please refer to the Company’s announcement dated 28 December 2017
“Joint Arrangers”	BMI Securities Limited ( 邦盟滙駿證券有限公司 ) and Fortune Financial Capital Limited ( 富強金融資本有限公司 ) , as the joint arrangers of the Subscription
“Last Trading Date”	23 January 2018, being the last trading day before the publication of this announcement
“Listing Committee”	has the same meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.055 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Cooperation Agreement”	a strategic cooperation agreement dated 24 January 2018 entered into between the Company and GPS
“Subscriber”	Mrs. Surangrat Chirathivat, a businesswoman and a citizen of Thailand, the president of Global Power Synergy Group (Thailand) Company Limited, a company incorporated in Thailand with limited liability

“Subscription”	the subscription for the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 24 January 2018 and entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Price”	HK\$0.57 per Subscription Share
“Subscription Shares”	150,000,000 new Shares to be issued by the Company to the Subscriber pursuant to the Subscription Agreement
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Teng County Consideration Shares”	a total of 337,777,778 new Shares of the Company (at an issue price of HK\$0.45 per Share) to be issued to Beijing Gas Group or its designated wholly-owned subsidiary under an acquisition agreement dated 5 January 2016 between the Company and Beijing Gas Group. For details, please refer to the Company’s announcement dated 6 January 2016 and circular dated 29 February 2016
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

By order of the Board  
**Beijing Gas Blue Sky Holdings Limited**  
**Cheng Ming Kit**  
*Co-Chairman*

Hong Kong, 24 January 2018

*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. Tam Man Kin and Mr. Li Weiqi; the non-executive director of the Company is Mr. Zhi Xiaoye; and the independent non-executive directors of the Company are Mr. Lim Siang Kai, Mr. Wee Piew, Mr. Ma Arthur On-hing and Mr. Pang Siu Yin.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*