Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

COMPLETION OF THE SUBSCRIPTION OF SUBSCRIPTION SHARES AND CONVERTIBLE BOND ISSUED UNDER SPECIFIC MANDATE AND APPOINTMENT OF DIRECTOR

The Board is pleased to announce that as mutually agreed between the Company and Beijing Gas, the Closing under the Share Subscription Agreement and the CB Subscription Agreement took place on 11 May 2016, pursuant to which (1) an aggregate of 2,155,555,555 Subscription Shares were allotted and issued to the Investor at the Subscription Price of HK$0.45 per Subscription Share, and (2) an aggregate principal amount of HK$350,000,000 of the Convertible Bond was issued to the Investor.

In addition, the Board is pleased to announce that Mr. Zhi Xiaoye has been appointed a non-executive Director of the Company and the co-chairman of the Board, with effect from 11 May 2016. Mr. Cheng Ming Kit, currently an executive director and chairman of the Board, will become a co-chairman of the Board with Mr. Zhi.

After the appointment of Mr. Zhi, the number of independent non-executive directors of the Board will be less than one third of the Board as required by Rule 3.10A of the Listing Rules. The Company will use its best endeavors to ensure that the Company shall continue to comply with the relevant requirement under Rule 3.10A of the Listing Rules. Further announcement(s) will be made by the Company in this regard when appropriate.

Reference is made to the announcement of Blue Sky Power Holdings Limited (the "**Company**") dated 6 January 2016 and the circular of the Company dated 29 February 2016 (the "**Circular**") in relation to, among other things, the proposed subscription of an aggregate of 2,155,555,555 Subscription Shares and an aggregate principal amount of HK$350,000,000 of the Convertible Bond to be issued by the Company, and the appointment of Mr. Zhi Xiaoye as a non-executive Director of the Company. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meaning as defined in the Circular.

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that as mutually agreed between the Company and Beijing Gas, the Closing under the Share Subscription Agreement and the CB Subscription Agreement took place on 11 May 2016, pursuant to which (1) an aggregate of 2,155,555,555 Subscription Shares (representing approximately 25.54% of the issued Shares of the Company as enlarged by the allotment and issue of the Subscription Shares), and (2) an aggregate principal amount of HK$350,000,000 of the Convertible Bond (the Conversion Shares of which, based on the initial Conversion Price, representing approximately 11.01% of the issued share capital of the Company as enlarged by the issue of Conversion Shares), were allotted and issued by the Company to Beijing Gas Company Limited (the "Investor), a wholly-owned subsidiary of Beijing Gas and which was designated by Beijing Gas as the subscriber according to the Share Subscription Agreement and the CB Subscription Agreement, pursuant to the Specific Mandates granted by Shareholders at the SGM held on 16 March 2016.

EFFECT ON SHAREHOLDING STRUCTURES OF THE COMPANY

Following the Closing, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure in respect of the Shares and the effects on the shareholding structure in respect of the Shares (i) immediately before the date of Closing; (ii) immediately after the Closing of the Subscription and before conversion of the Convertible Bond; (iii) immediately after the Closing of the Subscription and the full conversion of the Convertible Bond; and (iv) immediately after the Closing of the Subscription and the conversion of the Convertible Bond (taking into account of the 30% conversion limit) (assuming that there is no change in the shareholding structure and in the

issued share capital of the Company after the date of Closing and before the Conversion of the Convertible Bond), are set out as below for illustration purposes only:

	Notes	Immediately before the Date of Closing		Immediately after the Closing of the Subscription and before conversion of the Convertible Bond		Immediately after the Closing of the Subscription and full conversion of the Convertible Bond		Immediately after the Closing of the Subscription and the conversion of the Convertible Bond (taking into account of the 30% conversion limit)	
		Number of Share	*Approximate %*	*Number of Shares*	*Approx %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*
Directors									
Cheng Ming Kit	*1*	952,195,256	15.15	952,195,256	11.28	952,195,256	10.33	952,195,256	10.61
Sze Chun Lee	*2*	173,288,480	2.76	173,288,480	2.05	173,288,480	1.88	173,288,480	1.93
Chung Oi Ling, Stella	*3*	206,340,000	3.28	206,340,000	2.45	206,340,000	2.24	206,340,000	2.30
Kwok Shek San	*4*	7,296,000	0.12	7,296,000	0.09	7,296,000	0.08	7,296,000	0.08
Hu Xiaoming	*5*	2,640,000	0.04	2,640,000	0.03	2,640,000	0.03	2,640,000	0.03
		1,341,759,736	21.35	1,341,759,736	15.90	1,341,759,736	14.56	1,341,759,736	14.95
The Investor		—	—	2,155,555,555	25.54	2,933,333,332	31.82 *(Note 6)*	2,692,500,000	29.99
Public Shareholders		4,942,873,720	78.65	4,942,873,720	58.56	4,942,873,720	53.62	4,942,873,720	55.06
Total		6,284,633,456	100.00	8,440,189,011	100.00	9,217,966,788	100.00	8,977,133,456	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 903,190,256 Shares held by Grand Powerful Group Limited. Mr. Cheng Ming Kit personally holds 49,005,000 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 171,488,480 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 be 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.

6. The figures on shareholding number and percentage are for illustration purposes only. The Bondholder shall not exercise the Conversion Rights under the Convertible Bond if (i) the Bondholder, its associates and parties acting in concert with it will, in aggregate, as a result of the issue of the relevant Conversion Shares upon exercise of the Conversion Rights attaching to the Convertible Bond acquire 30% or more (or such other percentage as stated in Rule 26 of the Takeovers Code in effect from time to time) of the issued share capital of the Company and trigger any mandatory offer obligations under Rule 26 of the Takeovers Code on the part of the Bondholder; or (ii) the public float of the Shares is less than 25% (or any given percentage as required by the Listing Rules) of the issued share capital of the Company at any one time in compliance with the Listing Rules.

APPOINTMENT OF DIRECTOR

In addition, the Board is pleased to announce that Mr. Zhi Xiaoye has been appointed as a non-executive Director of the Company and the co-chairman of the Board, with effect from 11 May 2016. Mr. Cheng Ming Kit, currently an executive director and chairman of the Board, will become a co-chairman of the Board with Mr. Zhi.

The biographical details of Mr. Zhi are set out below:

ZHI Xiaoye, aged 48, a non-executive Director and co-chairman of the Board of the Company. He is also a Vice President of Beijing Enterprises Holdings Limited (a company listed on the Stock Exchange) since July 2014. Mr. Zhi also serves as General Manager of Beijing Gas. Mr. Zhi graduated from Beijing University of Technology with a master degree in Management Science and Engineering, possesses the title of senior engineer, and had worked at Tokyo Gas in Japan as Researcher, at Beijing Gas as transmission branch Manager, at Beijing Dingxin New Technology Company Limited (北京市鼎新新技術有限公司) as Chairman and at Beijing Gas as Executive Deputy General Manager. Mr. Zhi has plenty of experience in pipe gas business and corporate management.

Save as disclosed above, Mr. Zhi had not held any directorship in other public companies the securities which are listed on any securities market in Hong Kong or overseas in the last three years and he has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the date of this announcement, Mr. Zhi does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures (as defined under Part XV of the Securities and Futures Ordinance, Cap.571 of the Laws of Hong Kong) of the Company.

Mr. Zhi is to sign a service agreement with the Company for a term of three years commencing from 11 May 2016. He will be subject to retirement by rotation and re-election pursuant to the Bye-laws of the Company and his appointment may be terminated with three months' notice in writing served by either party on the other. Mr. Zhi will not be entitled to remuneration.

In addition, there is no other information in relation to Mr. Zhi which is discloseable pursuant to the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is he involved in any of the matters required to be disclosed pursuant to the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the shareholders of the Company.

NON-COMPLIANCE WITH REQUIREMENT UNDER RULE 3.10A OF THE LISTING RULES

After the appointment of Mr. Zhi, the number of independent non-executive directors of the Board will be less than one third of the Board as required by Rule 3.10A of the Listing Rules. The Company will use its best endeavors to ensure that the Company shall continue to comply with the relevant requirement under Rule 3.10A of the Listing Rules. Further announcement(s) will be made by the Company in this regard when appropriate.

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

Hong Kong, 11 May 2016

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 directors of the Company are Ms. Chung Oi Ling Stella and Mr. Zhi Xiaoye; and the independent non-executive directors of the Company are Mr. Lim Siang Kai, Mr. Wee Piew and Mr. Ma Arthur On-hing.