



RENEWABLE ENERGY ASIA GROUP LIMITED

(Incorporated in Bermuda)
(Company Registration No. 33437)

ENTRY INTO A MEMORANDUM OF UNDERSTANDING IN RELATION TO (1) THE PROPOSED INVESTMENT BY RAYHII INVESTMENT LIMITED AND (2) THE PROPOSED BUSINESS DIVERSIFICATION

1 INTRODUCTION

- 1.1 The Board of Directors of Renewable Energy Asia Group Limited (the “**Company**”) wishes to announce that the Company had entered into a memorandum of understanding on 28 November 2015 with Rayhii Investment Limited (“**Rayhii**”) to explore the possibility of (1) Rayhii investing in the Company (“**Proposed Investment**”) and (2) the Company diversifying into businesses such as engineering, procurement and construction of renewable energy projects, as well as investments into renewable energy projects in the Asia-Pacific region (“**Proposed Business Diversification**”) (“**Memorandum of Understanding**”).
- 1.2 Save for certain clauses of the Memorandum of Understanding regarding costs, disclosure, confidentiality, exclusivity, the non-binding nature of the terms and governing law, the Memorandum of Understanding is not intended to be legally binding on the Company and Rayhii.

2 INFORMATION ON RAYHII INVESTMENT LIMITED

Rayhii is related to Southern Raytai Equity Investment Group Co., Ltd (“**SRT Group**”), an investment holding company established in January 2008 with a registered capital of RMB200 million and headquartered in Shenzhen, People’s Republic of China. The SRT Group focuses on combining its expertise in industrial investments with financial innovation. The core businesses of the SRT Group include industry investment, investment management and internet finance, and the SRT Group has also received the relevant private equity investment fund manager licenses in China (code: P1006321, P1003612). Currently, the SRT Group’s businesses include private equity fund management, mergers and acquisitions, industrial real estate, financial leasing, bonds for small and medium-sized enterprises and supply chain financing. As of the date of this Announcement, the SRT Group has provided services to more than thirty China A-share companies and companies listed on the Hong Kong Stock Exchange.

3 EXCLUSIVITY

The Company and Rayhii shall deal exclusively with each other for 6 months from the date of the Memorandum of Understanding, and use all commercially reasonable efforts to negotiate and finalise the definitive agreements. The period of such exclusivity may be extended if the Company and Rayhii agree in writing.

4 FURTHER ANNOUNCEMENTS

As the terms of the Proposed Investment and the Proposed Business Diversification have not been finalised, the Company will release further announcements to inform shareholders of the

Company when there are material developments in respect of the Proposed Investment and the Proposed Business Diversification.

BY ORDER OF THE BOARD

Dr Zheng Lei
Chief Executive Officer and Executive Director
3 December 2015

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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