SUMMARY

The Board is pleased to announce that, on 6 September 2019 (after the trading hours), the Vendor 1, in which the Group holds 100% interest and acts as a general partner, and the Vendor 2, a wholly-owned subsidiary of the Company, entered into the Aite Disposal Agreement with the Purchaser, pursuant to which the Vendors have agreed to sell and the Purchaser has agreed to purchase the Aite Equity Interest at the Consideration in accordance with the terms and conditions contained in the Aite Disposal Agreement.

SHANXI AITE DISPOSAL

On 6 September 2019, the Vendors entered into the Aite Disposal Agreement with the Purchaser, pursuant to which the Vendors have agreed to sell, and the Purchaser has agreed to buy, the Aite Equity Interest, representing the 95% equity interest of Shanxi Aite, at a consideration of RMB239,183,279.62. Shanxi Aite owns two wind power plants with an aggregate installed capacity of 96MW located in Shenchi County, Shanxi Province, PRC.

Upon completion of the Shanxi Aite Disposal, Shanxi Aite will cease to be a subsidiary of the Company and the financial results of Shanxi Aite will no longer be consolidated into the financial statements of the Group.
LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Shanxi Aite Disposal is more than 5% and all of them are less than 25%, the Shanxi Aite Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but is exempt from Shareholders’ approval requirement under the Listing Rules.

SUMMARY

The Board is pleased to announce that, on 6 September 2019 (after the trading hours), the Vendor 1, in which the Group holds 100% interest and acts as a general partner, and the Vendor 2, which is a wholly-owned subsidiary of the Company, entered into the Aite Disposal Agreement with the Purchaser, pursuant to which the Vendors have agreed to sell and the Purchaser has agreed to purchase the Aite Equity Interest at the Consideration in accordance with the terms and conditions contained in the Aite Disposal Agreement.

SHANXI AITE DISPOSAL

On 6 September 2019, the Vendor 1, in which the Group holds 100% interest and acts as a general partner, and the Vendor 2, an indirect wholly-owned subsidiary of the Company, entered into the Aite Disposal Agreement with the Purchaser, pursuant to which the Vendors have agreed to sell, and the Purchaser has agreed to buy, the Aite Equity Interest.

The major terms of the Aite Disposal Agreement are summarised as follows:

The Aite Disposal Agreement

Date

6 September 2019

Parties

(1) Vendor 1
(2) Vendor 2
(3) Purchaser
(4) Guarantor
To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Subject matter of the Aite Disposal Agreement

The Aite Equity Interest, representing 95% of the equity interest of Shanxi Aite.

Immediately before the completion of the Shanxi Aite Disposal, the equity interest of Shanxi Aite is owned by the Vendor 1 as to 78% and the Vendor 2 as to 22%. Immediately after the completion of the Shanxi Aite Disposal, the equity interest of Shanxi Aite will be owned by the Purchaser as to 95% and the Vendor 2 as to 5%.

Consideration

The total consideration is RMB239,183,279.62 and will be paid in cash by the Purchaser to the Vendors in three instalments as follows:

(1) within 15 Business Days from the Completion Date, the Purchaser shall pay RMB82,105,263.16 to the Vendor 1 and RMB17,894,736.84 to the Vendor 2;

(2) by no later than 15 December 2019, Purchaser shall pay RMB88,976,798 to the Vendor 1 and RMB24,906,481.62 to the Vendor 2 upon the fulfilment of certain conditions as follows:

(a) all the completion items have been completed (unless where the non-completion is not due to the default of the Vendor 1 or the Vendor 2, then this condition shall not apply);

(b) the audit report of Shanxi Aite with its benchmark date being the Completion Date (the “Completion Date Audit Report”) has been issued;

(c) the debt of the Guarantor has been fully recovered within three Business Days from payment of the first instalment of consideration under the Aite Disposal Agreement; and

(d) the Vendor 1 and the Vendor 2 have completed the quality assurance arrangements for the Aite Wind Power Plants, in particular the Second Aite Wind Power Plant;
(3) the remaining consideration of RMB25,300,000 are deposits which shall be released by the Purchaser to the Vendor 1 upon the fulfilment of certain conditions, including but not limited to the completion of inspection and commissioning, repair and maintenance and rectification of defects of the Aite Wind Power Plants as agreed by the contracting parties under the Aite Disposal Agreement.

The consideration was determined after arm’s length negotiations between the Vendor 1, the Vendor 2 and the Purchaser with reference to the audited net assets value of Shanxi Aite as at 31 July 2019, which was approximately RMB252 million. The Directors are of the view that the consideration is fair and reasonable and in the interests of the Group and the Shareholders as a whole.

**Conditions precedent**

The completion of the Shanxi Aite Disposal is conditional upon the fulfilment or waiver of all the following conditions:

(i) the consolidation and arrangement in respect of the creditor claims and debts of Shanxi Aite which should be completed before the Completion Date having been completed before the Completion Date;

(ii) the Vendor 1 has obtained approval from its partners’ meeting in respect of entering into and performance of the Aite Disposal Agreement in accordance with the laws, regulations and the partnership agreement; and

(iii) the Vendor 2 has obtained approval of its shareholders’ meeting in respect of entering into and performance of the Aite Disposal Agreement in accordance with the laws, regulations and its articles of association.

The Vendor 1 and the Vendor 2 undertake to ensure that all of the above conditions precedent shall be fulfilled on or before 15 September 2019 (the “Long Stop Date”). If the Vendor 1 and the Vendor 2 anticipate that certain condition(s) precedent cannot be fulfilled by the Long Stop Date, they shall notify the Purchaser in writing within three Business Days in advance from the Long Stop Date with reasons and expected time limit for fulfilment of such condition precedent.

The Vendor 1 and the Vendor 2 shall ensure that Shanxi Aite shall not incur any loss or bear any liability as a result of their failure to fulfil the conditions precedent, or else the Vendor 1 and the Vendor 2 shall compensate Shanxi Aite for all the losses suffered as a result.
**Completion**

Within five Business Days (or any other period of time as agreed by the Vendor 1, the Vendor 2 and the Purchaser) from the date of fulfilment or waiver of all the conditions precedent, the Vendor 1, the Vendor 2 and the Purchaser shall jointly complete the registration or filing for the transfer of the Aite Equity Interest, including but not limited to having obtained approval for the change in registration or filing for the transfer of the Aite Equity Interest and a new business licence for Shanxi Aite.

The date on which the above business licence is issued shall be the Completion Date.

Within 15 Business Days from the Completion Date, the Vendor 1 and the Vendor 2 shall be responsible for transfer of the information of Shanxi Aite and, if it involves the registration of state-owned property rights, shall facilitate the Purchaser to complete the corresponding registration procedures of state-owned property rights.

Within 30 Business Days from the Completion Date, all the completion items shall be completed.

**Arrangement of existing creditor claims and debts of Shanxi Aite**

The Vendor 1 and the Vendor 2 shall procure that Shanxi Aite consolidates and make arrangements of its existing creditor claims and debts before the Completion Date.

In particular, the Vendor 1 and the Vendor 2 shall ensure that, before the Completion Date, all the creditor claims and debts that were payable by Shanxi Aite to the Vendor 1 and the Vendor 2 will become creditor claims and debts that are payable by Shanxi Aite to the Purchaser. Save and except for the debts payable by Shanxi Aite to the Guarantor in the amount of RMB2,473,176.83, the other creditor claims and debts payable by Shanxi Aite to the Vendors and related parties shall be recovered or extinguished in accordance with applicable law. The Vendor 1 and the Vendor 2 further undertake that, subsequent to the Completion Date, they shall not assign to any third parties the debts payable by Shanxi Aite to them, in the absence of written consent of the Purchaser.

Subsequent to the Completion Date, the liabilities of Shanxi Aite as stated in the Completion Date Audit Report shall continue to be borne by Shanxi Aite.
According to the Aite Disposal Agreement, the Vendors are also required to ensure, among others, (i) the current bankers or financial institutions of Shanxi Aite agree to the transfer of the Aite Equity Interest and that the current loans advanced to Shanxi Aite will not be withdrawn; (ii) the outstanding amount due from Shanxi Aite in relation to construction works as at the Completion Date will not be larger than a specified sum; (iii) Shanxi Aite will have no creditor claims or debt as at the Completion Date other than those agreed by the Purchaser and that all debts (other than the loans from financial institutions) are not subject to interest; and (iv) all receivables due from unrelated parties (except for those electricity fee and national subsidies or those agreed by the Purchaser) have been recovered as at the Completion Date. The Vendors are also responsible for the contingent liabilities resulting from any events that arose before the Completion Date.

**Undertakings by the Vendors**

The Vendor 1 and the Vendor 2 give the following undertakings, among others, to the Purchaser:

1. to rectify all outstanding defects in relation to certain agreed construction technologies stipulated in the Aite Disposal Agreement as soon as possible upon signing the Aite Disposal Agreement;

2. that equipment used in the power stations at the Second Aite Wind Power Plant will meet requisite standards of quality as required by such equipment manufacturers;

3. up to the Completion Date, the First Aite Wind Power Plant has been admitted into the Catalogue of National Subsidies, of which the duration of the national subsidies shall not be less than 20 years starting from the date when the First Aite Wind Power Plant achieves grid connection and starts generating electricity. Vendor 1 and Vendor 2 undertake that, from the date of signing the Aite Disposal Agreement and up to the Completion Date (“Aite Disposal Agreement Transition Period”), they will ensure the First Aite Wind Power Plant continues to receive national subsidies, and will provide necessary assistance to Shanxi Aite if its application for national subsidies concerns matters before the Completion Date;

4. during the Aite Disposal Agreement Transition Period and after the Completion Date, the Vendor 1 and the Vendor 2 shall ensure the Second Aite Wind Power Plant is admitted into the Catalogue of Additional Subsidies for Renewable Electricity Prices. The Vendor 1 and the Vendor 2 shall provide necessary assistance to Shanxi Aite if its application for national subsidies concerns matters before the Completion Date;
(5) if for any reason before the Completion Date, the First Aite Wind Power Plant becomes ineligible for national subsidies or is not entitled to national subsidies for a term of at least 20 years from the date when it achieves grid connection and starts generating electricity, or where the Second Aite Wind Power Plant is not admitted into the latest Catalogue of Additional Subsidies for Renewable Electricity Prices or is unable to enjoy national subsidies for a term of at least 20 years from the date when it achieves grid connection and starts generating electricity, then Purchaser may elect to (i) terminate the Aite Disposal Agreement; or (ii) require the Vendor 1 and the Vendor 2 to reimburse it for the difference in price between the actual and projected electricity tariffs, to be calculated on a monthly basis or on a one-off basis;

(6) If for any reason before the Completion Date, Shanxi Aite ceases its production or operations, the Vendor 1 and the Vendor 2 undertake to ensure that, within 30 days from the cessation of production or operations, Shanxi Aite shall be reinstated to the status before the cessation of production or operations, otherwise the Purchaser or Shanxi Aite shall be entitled to (i) terminate the Aite Disposal Agreement; or (ii) require the Vendor 1 and the Vendor 2 to pay the full amount of compensation to the Purchaser or Shanxi Aite on a daily basis during the period of cessation of production or operation of Shanxi Aite, with reference to the daily power generation volume and the target electricity price of the Aite Wind Power Plants; and

(7) where Shanxi Aite suffers any loss or incurs any expenses arising from, among other matters, (i) fulfilment of any applicable undertakings in the Aite Disposal Agreement; (ii) the construction costs of Shanxi Aite exceeding the budgets; (iii) prior to the Completion Date, failure of Shanxi Aite to make timely report and full payment of taxes to the relevant competent authorities; (iv) breach of relevant laws, regulations or binding contracts by Shanxi Aite prior to the Completion Date, and the related third parties’ claim against Shanxi Aite; (v) breach of the Aite Disposal Agreement by the Vendors or Shanxi Aite prior to the Completion Date; or (vi) expenses or debts incurred by Shanxi Aite before the Completion Date as a result of matters not provided for or reflected in the Completion Date Audit Report, the Vendor 1 and the Vendor 2 shall be responsible for all such loss and expenses, and shall pay compensation to the Purchaser and Shanxi Aite such sums within 5 Business Days.

Unilateral termination of the Aite Disposal Agreement

A party with the requisite contractual right may unilaterally terminate the Aite Disposal Agreement upon the occurrence of, among others, any of the following events:

(1) the matters in relation to the eligibility to receive national subsidies or admission into Catalogue of National Subsidies as set out in paragraph (5) under the section headed “Undertakings by the Vendors” in this announcement;
(2) the matters in relation to the cessation of production or operations of Shanxi Aite as set out in paragraph (6) under the section headed “Undertakings by the Vendors” in this announcement; and

(3) for any reason which occurred prior to the Completion Date, any annualised loss or fees incurred by Shanxi Aite for an aggregate amount of which reaches 10% or more of Shanxi Aite’s total assets as at 31 July 2019, the Purchaser may unilaterally terminate the Aite Disposal Agreement.

Post-termination arrangement

In the event that the Aite Disposal Agreement is terminated, the Purchaser shall be entitled to issue an unwind notice to the Vendor 1, the Vendor 2 and Shanxi Aite, upon which the Vendor 1, the Vendor 2 and Shanxi Aite shall pay the unwind amount to the Purchaser within the period as stated in the unwind notice on a one-off basis. Upon receipt of the unwind amount from the Vendor 1 and the Vendor 2, the Purchaser shall re-transfer the equity interests held by it in Shanxi Aite back to the Vendor 1 and the Vendor 2. The unwind amount equals to the sum of (i) the equity investment costs incurred by the Purchaser in Shanxi Aite; (ii) the liabilities payable by Shanxi Aite to the Purchaser and its related parties; and (iii) the amount of the cost of capital calculated on the basis of interest rate of 8.5% per annum in respect of the aforementioned equity investment costs and the liabilities payable, after deducting the earnings distribution (if any) that have been received by the Purchaser or Shanxi Aite.

If the Vendor 1 and the Vendor 2 are unable to pay the unwind amount in full on a one-off basis, the Vendor 1 and the Vendor 2 shall pay the unwind amount in the following descending order: (i) the capital cost incurred by the Purchaser in respect of the equity investment cost for Aite Equity Interest; (ii) the other amount that shall be borne by the Vendor 1 and the Vendor 2; (iii) the equity investment cost incurred by the Purchaser in the Aite Equity Interest; (iv) the capital cost in respect of Shanxi Aite’s liabilities payable to the Purchaser and its related parties that shall be borne by the Vendor 1 and the Vendor 2; and (v) the principal amount of Shanxi Aite’s liabilities payable to the Purchaser and its related parties that shall be borne by the Vendor 1 and the Vendor 2.

If the above unwinding of the Purchaser’s equity investment in the Aite Equity Interest is subject to the relevant state-owned assets supervision procedures, the Vendor 1, the Vendor 2, the Purchaser and Shanxi Aite shall cooperate with each other to obtain the approval by the state-owned assets supervision authorities in accordance with the procedures stipulated under the Aite Disposal Agreement. In the event of termination of the Aite Disposal Agreement, the Company will make further announcement in accordance with the Listing Rules and perform other procedures as required under the Listing Rules.
Guarantees in relation to the Aite Disposal Agreement

With effect from the Completion Date, the Vendor 2 shall use its entitlement to earnings from its remaining equity interest in Shanxi Aite to perform its guarantee under the Aite Disposal Agreement. The scope of the guarantee comprises (i) the amount payable by the Vendor 1 and the Vendor 2 as a result of their breach of the Aite Disposal Agreement; (ii) all the amounts required to be paid or transferred back by the Vendor 1 and the Vendor 2 to the Purchaser or Shanxi Aite pursuant to the terms and conditions of the Aite Disposal Agreement; (iii) the expenses related to the realisation of the creditor claims by the Purchaser; and (iv) the other obligations of the Vendor 1 and the Vendor 2 towards the Purchaser and Shanxi Aite.

The Guarantor shall provide a joint and several guarantee in favour of the Vendor 1 and the Vendor 2 in respect of their acquisition of all the equity interests held by the Purchaser in Shanxi Aite in accordance with the provisions regarding unwind amount and unwind procedures as set out under the Aite Disposal Agreement. The Guarantor acknowledged that the scope of its guarantee comprises (i) all the amounts required to be paid or transferred back by the Vendor 1 and the Vendor 2 to the Purchaser (including the unwind amount) pursuant to the terms and conditions of the Aite Disposal Agreement, as well as all the amount payable as a result of the breach of such re-transfer obligations; and (ii) the expenses related to the realisation of the creditor claims by the Purchaser.

The term of each of the above-mentioned guarantees shall be two years from the expiry of the period during which the obligation(s) by the Vendor 1 and the Vendor 2 must be performed.

Call option in relation to the remaining 5% equity interest in Shanxi Aite

During the 30-day period from the Completion Date to the date on which the Second Aite Wind Power Plant is admitted into the latest Catalogue of Additional Subsidies for Renewable Electricity Prices, the Purchaser shall be entitled to issue a written notice of acquisition to the Vendor 2 to initiate the procedures for the acquisition of the Vendor 2’s remaining equity interest in Shanxi Aite at the acquisition price equivalent to the actual capital contribution amount by the Vendor 2 to Shanxi Aite, being RMB12,500,000. Within 30 days from the receipt of the written notice from the Purchaser, the Vendor 2 shall facilitate the Purchaser in order to execute the legal instruments in relation to such transfer of equity interest and to perform the procedures related to the approval and filing of state-owned assets.
INFORMATION OF VENDOR 1, VENDOR 2, PURCHASER AND GUARANTOR

The Vendor 1 is a limited liability partnership established in the PRC, in which the Group holds 100% interest and acts as a general partner. It is principally engaged in investment management, investment consulting and industrial investment in new energy sector.

The Vendor 2 is a limited liability company established in the PRC, which is a wholly-owned subsidiary of the Company. It is principally engaged in development, construction, mergers and acquisitions and operations management of new energy power stations.

The Guarantor is a limited liability company established in the PRC, which is a wholly-owned subsidiary of the Company. It is principally engaged in the development, mergers and acquisitions, construction, operation, maintenance and management of solar and wind power plants.

The Purchaser is a limited liability company established in the PRC, which is an independent third party of the Company. It is principally engaged in, among others, the investment and development of clean energy.

INFORMATION OF SHANXI AITE

Shanxi Aite is a limited liability company established in the PRC, which mainly engages in the construction, installation and operation and management of wind power plants, and it is an indirect wholly-owned subsidiary of the Company. As at the date of this announcement, Shanxi Aite is owned as to 78% by the Vendor 1 and 22% by the Vendor 2. Shanxi Aite currently owns two wind power plants with a total installed capacity of 96 MW.

The unaudited net assets of Shanxi Aite as at 31 December 2018 was approximately RMB55 million.

The unaudited net profit of Shanxi Aite for the two years ended 31 December 2017 and 2018 are set out as follows:

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<th>For the year ended 31 December</th>
<th>For the year ended 31 December</th>
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<td>2017</td>
<td>2018</td>
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<td>Net profit before taxation and extraordinary items</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Net profit after taxation and extraordinary items</td>
<td>4</td>
<td>7</td>
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FINANCIAL EFFECT OF THE SHANXI AITE DISPOSAL

It is expected that the Group will recognise a net loss attributable to the Shanxi Aite Disposal of approximately RMB40 million, being the difference between (i) the Consideration; (ii) the total net assets value of Shanxi Aite as recorded in the Group’s financial statement as at the Completion Date; and (iii) the estimated expenses to be incurred from the Shanxi Aite Disposal. However, the calculations are only estimates provided for illustrative purposes. Shareholders should note that the actual amount of loss on the Shanxi Aite Disposal to be recorded by the Company will be subject to review by the auditors of the Company. The expected loss was mainly attributable to the reversal of a non-cash purchase price allocation adjustments of approximately RMB60 million recognised at the time of acquisition in Group’s level.

Upon completion of the Aite Disposal Agreement, the results of Shanxi Aite will no longer be consolidated into the consolidated financial statements of the Group.

USE OF PROCEEDS

The Board intends to apply the net proceeds from the Shanxi Aite Disposal (after deducting relevant costs and expenses in connection with the Shanxi Aite Disposal) for the purpose of the repayment of indebtedness owned by the Group and general working capital of the Group.

INFORMATION OF THE GROUP

The Company is an investment holding company and operates its businesses through its subsidiaries. The Group is principally engaged in development, investment, operation and management of renewable energy power plants.

REASONS AND BENEFITS OF THE DISPOSAL

Having considered the Group’s current liquidity position and the higher risk of curtailment due to the insufficient consumption capacity in Shanxi, PRC, the Board is of the view that, the Shanxi Aite Disposal will be a good opportunity for the Group to realise its investment in the Aite Equity Interest, and will effectively mitigate the short-term liquidity pressure and deleverage the Group. The Board believes that the terms of the Shanxi Aite Disposal are fair and reasonable and in the interests of the Shareholders as a whole.
LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Shanxi Aite Disposal is more than 5% and all of them are less than 25%, the Shanxi Aite Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but is exempt from Shareholders’ approval requirement under the Listing Rules.

DEFINITIONS

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

“Aite Disposal Agreement” the equity transfer agreement dated 6 September 2019 entered into between the Vendor 1 and the Vendor 2, the Purchaser and the Guarantor in respect of the Shanxi Aite Disposal

“Aite Equity Interest” the 95% equity interest in Shanxi Aite

“Aite Wind Power Plants” collectively, the First Aite Wind Power Plant and the Second Aite Wind Power Plant, with a total installed capacity of 96MW

“Board” the board of Directors

“Business Day(s)” day(s) on which banks are generally open for business in the PRC and which is not a Saturday, a Sunday, a public holiday or a statutory holiday in the PRC

“Company” Panda Green Energy Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange

“Completion Date” the date of completion of the Shanxi Aite Disposal, being the date as stated on the new business license issued to Shanxi Aite stating the date on which the change of registration with the enterprise registration authorities has been completed

“Consideration” the consideration receivable by each of the Vendors under the Aite Disposal Agreement

“Director(s)” the director(s) of the Company
“First Aite Wind Power Plant” the first phase of wind power plant of Shanxi Aite, which is located in Shench Xi County, Shanxi Province, PRC and has an installed capacity of 48MW

“Group” the Company and its subsidiaries

“Guarantor” United Photovoltaics (Changzhou) Investment Group Co., Ltd.* (聯合光伏 (常州) 投資集團有限公司), an indirect wholly-owned subsidiary of the Company

“Hong Kong” the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules” the Rules Governing the Listing of Securities on the Stock Exchange

“MW” megawatts, which is equal to 1,000,000 watts

“percentage ratio(s)” has the meaning ascribed to it under the Listing Rules

“PRC” the People’s Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan

“Purchaser” Xinhua Electric Development & Investment Co., Ltd.* (新華電力發展投資有限公司), a company established in the PRC, which is an independent third party of the Company

“RMB” the local currency of the PRC

“Second Aite Wind Power Plant” the second phase of wind power plant of Shanxi Aite, which is located in Shench Xi County, Shanxi Province, PRC and has an installed capacity of 48MW

“Shanxi Aite” Shanxi Aite Technology Wind Power Limited* (山西艾特科創風電有限責任公司), a wholly-owned subsidiary of the Company immediately before the completion of the Shanxi Aite Disposal

“Shanxi Aite Disposal” the disposal of the Aite Equity Interest by the Vendor 1 and the Vendor 2 to the Purchaser pursuant to the Aite Disposal Agreement

“Shareholder(s)” the holder(s) of the ordinary shares of the Company
The Stock Exchange of Hong Kong Limited

has the meaning ascribed to it under the Listing Rules

Hangzhou Canhong Investment Management Limited Partnership

(杭州燦鴻投資管理合夥企業 (有限合夥)), a limited partnership
established in the PRC in which the Group has an interest of 100%
and acts as a general partner

Changzhou Zhaolian Lvjing New Energy Limited*

(常州市招聯綠景新能有限公司), an indirect wholly-owned subsidiary of the Company

the Vendor 1 and the Vendor 2

per cent

For and on behalf of

Panda Green Energy Group Limited

Lu Zhenwei

Chairman of the Board

Hong Kong, 6 September 2019

As at the date of this announcement, the executive directors of the Company are Mr. Lu Zhenwei (Chairman), Ms. Zhong Hui (Chief Executive Officer), Mr. Chen Qinglong and Mr. Xu Jianjun; the non-executive directors of the Company are Mr. Yu Qiuming, Mr. Li Hao, Ms. Xie Yi and Mr. Wang Heng; and the independent non-executive directors of the Company are Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Chen Hongsheng.

* For identification purposes only