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熊猫绿能
Panda Green

PANDA GREEN ENERGY GROUP LIMITED

熊猫绿色能源集团有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

**(1) RESULTS OF EXCHANGE OFFER FOR THE
COMPANY’S OUTSTANDING US\$350,000,000 8.25%
SENIOR NOTES DUE 2020**

AND

**(2) PROPOSED ISSUE OF US\$112,308,000 8%
GUARANTEED SENIOR NOTES DUE 2022**

(1) RESULTS OF THE EXCHANGE OFFER FOR THE EXISTING NOTES

The Exchange Offer expired at 4:00 p.m., London time, on 14 January 2020. As at the exchange expiration deadline, US\$107,980,000 of the Existing Notes, representing approximately 30.85% of the total aggregate principal amount of the outstanding Existing Notes, had been validly tendered for exchange and accepted pursuant to the Exchange Offer.

(2) PROPOSED ISSUE OF US\$112,308,000 8% GUARANTEED SENIOR NOTES DUE 2022

Upon completion of the Exchange Offer, the Company will issue the Exchange Notes in the aggregate principal amount of US\$112,308,000 to Eligible Holders of the Existing Notes validly accepted and exchanged in the Exchange Offer as part of the Exchange Consideration.

The Company will apply for the listing of the Exchange Notes on the Stock Exchange. Admission of the Exchange Notes should not be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Exchange Notes. The Exchange Notes are expected to be listed on the Stock Exchange on or about 21 January 2020.

The Exchange Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Exchange Notes are being offered only outside of the United States to non-U.S. persons in compliance with Regulation S.

Shareholders, holders of the Existing Notes and potential investors should note that completion of the Exchange Offer remains subject to all general conditions being satisfied or waived, including, among other things, the fulfilment or waiver of the conditions precedent to the Exchange Offer and market conditions. No assurance can be given that the Exchange Offer will be completed and the Company has the right to withdraw or terminate the Exchange Offer. As the Exchange Offer may or may not proceed, shareholders of the Company, holders of the Existing Notes and potential investors should exercise caution when dealing in the Existing Notes, shares and/or other securities of the Company. Potential investors shall not engage in any secondary market trading until the settlement of the Exchange Offer and the issuance of the Exchange Notes are effectuated.

Reference is made to the announcements of the Company dated 16 December 2019 and 2 January 2020 in respect of the Exchange Offer.

(1) RESULTS OF THE EXCHANGE OFFER FOR THE EXISTING NOTES

The Exchange Offer expired at 4:00 p.m., London time, on 14 January 2020. As at the exchange expiration deadline, US\$107,980,000 of the Existing Notes, representing approximately 30.85% of the total aggregate principal amount of the outstanding Existing Notes, had been validly tendered for exchange and accepted pursuant to the Exchange Offer. The Company has accepted all the Existing Notes tendered for exchange in the Exchange Offer. Upon completion of the Exchange Offer, US\$242,020,000 of the aggregate principal amount of the Existing Notes will remain outstanding.

With respect to the Existing Notes submitted for exchange, subject to the fulfilment or waiver of the conditions precedent to the Exchange Offer, Eligible Holders of the Existing Notes validly accepted and exchanged in the Exchange Offer will receive the Exchange Consideration on the date of settlement, which is expected to be on or about 20 January 2020.

(2) PROPOSED ISSUE OF US\$112,308,000 8% GUARANTEED SENIOR NOTES DUE 2022

Upon completion of the Exchange Offer, the Company will issue US\$112,308,000 in aggregate principal amount of 8% guaranteed senior notes due 2022 (i.e. the Exchange Notes).

Ranking of the Exchange Notes

The Exchange Notes constitute direct, unsubordinated, unconditional and unsecured obligations of the Company and shall at all times rank *pari passu* and without preference or priority among themselves. The payment obligations of the Company under the Exchange Notes will, save for certain exceptions, at all times rank at least rank *pari passu* with all other present and future unsecured and unsubordinated obligations of the Company.

The Exchange Notes and the Subsidiary Guarantees in respect of the Exchange Notes are effectively subordinated to all of the secured obligations of the Company and the Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor; and the Exchange Notes are effectively subordinated to all existing and future obligations of subsidiaries of the Company which are not Subsidiary Guarantors.

Covenants

Pursuant to the terms of the Exchange Notes, the Company and its restricted subsidiaries under the terms and conditions of the Exchange Notes are subject to certain restrictions in respect of, among other things, declaring dividends, incurring further indebtedness, selling assets, issuing shares or selling shares in the restricted subsidiaries.

Redemption

Optional redemption

At any time prior to 20 January 2022, the Company may at its option redeem the Exchange Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Exchange Notes redeemed plus the Applicable Premium (as defined in the Exchange Offer Memorandum) as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to 20 January 2022, the Company may at its option redeem up to 35% of the aggregate principal amount of the Exchange Notes with the net cash proceeds of one or more sales of shares of the Company in an equity offering at a redemption price of 108% of the principal amount of the Exchange Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Exchange Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

Redemption upon the completion of the Beijing Energy Transaction

At any time following the later of (i) the Transaction Completion Event (as defined in the Exchange Offer Memorandum in respect of the Beijing Energy Transaction, whether prior to, on or after 31 March 2020) and (ii) 20 July 2020, the first coupon payment date, the Company may at its option redeem the Exchange Notes, in whole but not in part, at a redemption price equal to 100.5% of the principal amount of the Exchange Notes redeemed plus the accrued and unpaid interest, if any, to (but not including) the redemption date.

Repurchase upon the non-completion of the Beijing Energy Transaction

If the completion of the Beijing Energy Transaction has not occurred on or prior to 31 March 2020, the Company shall, prior to 20 July 2020, the first coupon payment date, make an offer to purchase all outstanding Exchange Notes (the “**Transaction Non-completion Offer**”), in whole but not in part, at a purchase price equal to 100% of the principal amount repurchased plus the accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

Repurchase in connection with change of control of the Company

Not later than 30 days following a change of control triggering event as set forth in the Exchange Offer Memorandum, the Company shall make an offer to purchase all outstanding Exchange Notes (a “**Change of Control Offer**”) at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

Events of default

Events of default under the Exchange Notes include (without limitation) default in payment, default in the performance or breach of certain covenants, failure of the Company to make or consummate an offer to purchase in accordance with the terms of the Exchange Notes (including the Change of Control Offer and the Transaction Non-completion Offer). If any of the aforesaid events of default occurs and is continuing, the Trustee or holders of at least 25% in aggregate principal amount of the then outstanding Exchange Notes may declare the principal of, premium, if any, and accrued and unpaid interest on the Exchange Notes to be immediately due and payable.

LISTING

The Company will apply for the listing of the Exchange Notes on the Stock Exchange. Admission of the Exchange Notes should not be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Exchange Notes.

Subject to all general conditions being satisfied or waived including, among others, obtaining the consent letters to waive the restrictions on the Exchange Offer under certain existing financing agreements of the Company or its subsidiaries, and obtaining approval for the listing of the Exchange Notes on the Stock Exchange, the Exchange Notes are expected to be listed on the Stock Exchange on or about 21 January 2020.

OTHER INFORMATION

Upon completion of the Exchange Offer, US\$242,020,000 of the aggregate principal amount of the Existing Notes will remain outstanding. As at the date of this announcement, the Company is exploring options including but not limited to loans and/or bonds (whether on terms similar to those of the Exchange Notes or not) from third parties to finance the repayment of outstanding Existing Notes which have not been validly tendered for exchange and accepted pursuant to the Exchange Offer.

Documents relating to the Exchange Offer are available on the website set up by D. F. King Ltd., the information and exchange agent for the Exchange Offer, at <https://sites.dfkingltd.com/pandagreen>.

The Exchange Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Exchange Notes are being offered only outside of the United States to non-U.S. persons in compliance with Regulation S.

Shareholders, holders of the Existing Notes and potential investors should note that completion of the Exchange Offer remains subject to all general conditions being satisfied or waived, including, among other things, the fulfilment or waiver of the conditions precedent to the Exchange Offer and market conditions. No assurance can be given that the Exchange Offer will be completed and the Company has the right to withdraw or terminate the Exchange Offer. As the Exchange Offer may or may not proceed, shareholders of the Company, holders of the Existing Notes and potential investors should exercise caution when dealing in the Existing Notes, shares and/or other securities of the Company. Potential investors shall not engage in any secondary market trading until the settlement of the Exchange Offer and the issuance of the Exchange Notes are effectuated.

DEFINITIONS

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| “Beijing Energy Transaction” | means the conditional subscription of 7,176,943,498 shares of the Company by Beijing Energy Investment Holding (Hong Kong) Co., Limited (北京能源投資集團(香港)有限公司), details of which are set out in the Company’s announcement dated 19 November 2019 |
| “Capitalized Interest” | accrued but unpaid interest on the Existing Notes which will be exchanged for US\$1.00 in principal amount of the Exchange Notes elected to be received by the Eligible Holder |
| “Clearstream” | Clearstream Banking S.A. |
| “Company” | Panda Green Energy Group Limited (熊貓綠色能源集團有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 686) |
| “Director(s)” | director(s) of the Company |
| “Eligible Holders” | each of the or all holders of the Existing Notes who are non-U.S. persons (as those terms are defined in Regulation S) located outside the United States in exchange for their Existing Notes through Euroclear or Clearstream or certain fiduciaries holding accounts for the benefit of non-U.S. persons (as those terms are defined in Regulation S) outside the United States with the Existing Notes held through Euroclear or Clearstream |
| “Exchange Consideration” | consideration for tendering the Existing Notes for exchange under the Exchange Offer as set out in the Exchange Offer Memorandum, comprising Exchange Notes and cash (details of which are set out in the announcement of the Company dated 16 December 2019) |
| “Exchange Notes” | the new 8% guaranteed senior notes due 2022 proposed to be issued by the Company under the Exchange Offer |
| “Exchange Offer” | the exchange offer made by the Company subject to the terms and conditions as set out in the Exchange Offer Memorandum |
| “Exchange Offer Memorandum” | the exchange offer memorandum dated 16 December 2019 in relation to the Exchange Offer |

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| “Existing Notes” | US\$350,000,000 in aggregate principal amount of 8.25% guaranteed senior notes due 25 January 2020 issued by the Company |
| “Group” | the Company and its subsidiaries |
| “Listing Rules” | Rules Governing the Listing of Securities on the Stock Exchange |
| “SGX-ST” | Singapore Exchange Securities Trading Limited |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subsidiary Guarantees” | the guarantees to be provided by the Subsidiary Guarantors in respect of the Exchange Notes |
| “Subsidiary Guarantors” | certain subsidiaries of the Company which are required to guarantee the Company’s payment obligations under the Exchange Notes |
| “U.S.” or “United States” | United States of America |
| “US\$” | United States dollar(s), the lawful currency of the United States |
| “%” | per cent |

For and on behalf of
Panda Green Energy Group Limited
Lu Zhenwei
Chairman of the Board

Hong Kong, 15 January 2020

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.