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## **Shunfeng Photovoltaic International Limited**

**順風光電國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01165)**

### **ANNOUNCEMENT OF CERTAIN INVESTMENT INITIATIVES**

This announcement is made by Shunfeng Photovoltaic International Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

#### **INVESTMENT INITIATIVES**

The Company has always been exploring opportunities to further expand the Group’s businesses and scope of operation as well as striving to establish the Group as a fully-integrated clean energy enterprise. In addition to various acquisition initiatives which the board of directors of the Company (the “**Board**”) has previously announced to the shareholders and investors, the Board hereby wishes to present a number of acquisition initiatives currently being considered by the Group and provide further information updates.

It is the Company’s goal to become a distinguished supplier, manufacturer and operator of clean energy. Currently, the acquisitions under negotiation include the operation of solar power generation projects, new energies and power storage technologies. The details are as follows:

#### **1. About the acquisition of an integrated service provider of solar energy**

In order to become a fully-integrated solar energy enterprise, the Group has, since 2013, expanded its businesses to the construction and operation of solar power plant projects, and the Group is continuing to pursue this strategy. As part of the plan of full integration, the Group is currently in advanced negotiation in relation to a possible acquisition of an integrated service provider of specialized solar power generation projects. The target company is an established and reputable service provider engaging in the operation and supervision of downstream solar power generation projects in Europe. The transaction currently contemplated involves the acquisition of 100% interests of the target company by the Group.

It is expected that, if materialised, this acquisition, would at least constitute a major acquisition of the Company under Chapter 14 of the Listing Rules.

**2. About the acquisition of an enterprise engaging in geothermal heat pump technology and the provision of management solutions for new energy**

Apart from the strategy of integrating the solar energy industry chain, the Group is also taking appropriate measures to develop new energy businesses relating to solar power generation. Currently, the Group is in discussion with an enterprise which is a provider of China's leading fully-integrated management solutions for new energy and utilizes advanced geothermal heat pump technologies, and a non-binding framework agreement has been entered into in relation to the investment in the enterprise. The transaction currently contemplated involves the acquisition of the majority interests of the target company by the Group.

It is expected that, if materialised, this acquisition would constitute a very substantial acquisition of the Company under Chapter 14 of the Listing Rules.

**3. About the acquisition of an enterprise possessing power storage technology for lithium-battery**

In order to become a fully-integrated solar energy enterprise, the Group is currently in negotiation with a U.S. enterprise possessing power storage technology for lithium-battery for possible acquisition. The enterprise mainly engages in the development of power storage technology for lithium-battery. The charge/discharge rate of its lithium-battery exceeds 80%, and can be used in public utility power grid, retail power grid, transportation and commercial applications. The transaction currently contemplated involves the acquisition of the minority interests of the target company in the initial stage.

It is expected that, if materialised, this acquisition would not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

**4. About the acquisition of an enterprise engaging in hydrogen power storage and hydrogen power generation**

In order to become a fully-integrated solar energy enterprise, the Group is currently negotiating on the acquisition of a Chinese enterprise engaging in hydrogen power storage and power generation. The enterprise is a technology-oriented company owning several dozens of national and international patents and equipping with the leading technology of photovoltaic and power-storage integration. Such technology has been widely used by large-scale state-owned enterprises in China. Currently, the Group owns 28% of the equity interests of the target company and plans to increase the ownership of its equity interests to approximately 70%.

It is expected that, if materialised, this acquisition would not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

If the Company proceeds with the negotiation in relation to the above investment opportunities, the Company will make a further announcement in compliance with the Listing Rules and the Company will undertake all necessary compliance with the Listing Rules, including but not limited to, obtaining shareholders' approval where required.

**As it remains uncertain as to whether the Company will decide to proceed with the above opportunities and no binding agreement in relation to any of the above transactions has been entered into as at the date of this announcement, shareholders of the Company and potential investors should note that the above transactions may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.**

By order of the Board  
**Shunfeng Photovoltaic International Limited**  
**Zhang Yi**  
*Chairman*

Hong Kong, 12 June 2014

*As at the date of this announcement, the executive Directors are Mr. Zhang Yi, Mr. Wang Xiangfu, Mr. Shi Jianmin and Mr. Wang Yu; the non-executive Directors are Mr. Lu Bin and Mr. Yue Yang; and the independent non-executive Directors are Mr. Tao Wenquan, Mr. Zhao Yuwen and Mr. Siu Wai Keung Francis.*