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(the “...”) this circular, together with the enclosed form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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中國水發興業
(incorporated in the People's Republic of China)

A letter from the Board is set out on pages 3 to 17 of this circular.

The transaction being the subject matter of this circular has been approved by a written shareholder's approval pursuant to the Listing Rules and this circular is being despatched to the Shareholders for information only.

26 October 2022



In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Announcement”	the announcement of the Company dated 30 May 2022 in relation to the formation of Limited Partnership and deemed disposal of the Target Companies
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“China Cinda”	中國信達資產管理股份有限公司 (China Cinda Asset Management Co., Ltd.), a company established in the PRC, the H shares of which are listed on the Stock Exchange
“Cinda Capital”	信達資本管理有限公司 (Cinda Capital Management Co., Ltd.), a company established in the PRC
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	China Shuifa Singyes Energy Holdings Limited (中國水發興業能源集團有限公司), 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: 750)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hunan Green Energy”	湖南水發興業綠色能源股份有限公司 (Hunan Shuifa Singyes Green Energy Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Latest Practicable Date”	25 October 2022
“Limited Partnership”	南京信發能股權投資合夥企業(有限合夥)(Nanjing Xinfaneng Equity Investment Partnership (Limited Partnership)*), a limited partnership established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Partnership Agreement”	the partnership agreement entered into between Hunan Green Energy and China Cinda (both as limited partner), and Cinda Capital (as general partner) on 30 May 2022 in respect of the establishment of the Limited Partnership
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	Xinjiang Xingye and Wuwei Dongrun
“RMB”	Renminbi, the lawful currency of the PRC
“Water Development”	Water Development (HK) Holding Co., Limited (水發集團(香港)控股有限公司), the controlling Shareholder of the Company
“Wuwei Dongrun”	武威東潤太陽能開發有限公司 (Wuwei Dongrun Solar Energy Development Co., Ltd.*), a company established in the PRC with limited liability. It is wholly-owned by Hunan Green Energy and is an indirect wholly-owned subsidiary of the Company as at the date of this circular
“Xinjiang Xingye”	新疆興業新能源有限公司 (Xinjiang Xingye New Energy Co., Ltd.*), a company established in the PRC with limited liability. It is wholly-owned by Hunan Green Energy and is an indirect wholly-owned subsidiary of the Company as at the date of this circular
“%”	per cent.

In this circular, if there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC or Chinese government authorities or departments and their English translations, the Chinese names shall prevail.

中國水發興
(incorporated)

Executive Directors:

Mr. Zheng Qingtao (Chairman)
Mr. Liu Hongwei (Vice Chairman)
Mr. Chen Fushan
Mr. Wang Dongwei

Registered Office:

4th Floor North Cedar House
41 Cedar Avenue
Hamilton
Bermuda

Non-executive Directors:

Mr. Xie Wen
Ms. Li Li

*and principal place of
business in Hong Kong:*

31st Floor
Merchants Tower
Centre
Connaught Road Central
Hong Kong
April 2022

Independent

Dr. Wang
Mr. Yick
Dr. Tan Hongwei

To the Shareholders

Dear Sirs,

Reference is made to the Announcement. On 30 May 2022, Hunan Green Energy, an indirect wholly-owned subsidiary of the Company, entered into the Partnership Agreement with China Cinda and Cinda Capital for the establishment of the Limited Partnership. According to the Partnership Agreement, the total amount of capital commitments of the Limited Partnership is RMB1.251 billion, of which Cinda Capital (as general partner) will contribute RMB1.00 billion, while Hunan Green Energy and China Cinda (as limited partners) will contribute RMB750 million and RMB500 million, respectively.

Under the Partnership Agreement, the capital commitment of RMB750 million responsible by Hunan Green Energy will be paid by cash and the transfer of 99% equity interest in the Target Companies, including Xinjiang Xingye and Wuwei Dongrun, to the Limited Partnership. The Target Companies principally develop and engage in several photovoltaic power generation projects and own certain photovoltaic assets. The Target Companies are wholly-owned by Hunan Green Energy and are indirect wholly-owned subsidiaries of the Company as at the date of this circular. Following the establishment of the Limited Partnership, the Limited Partnership will further invest into the equity interest in Xinjiang Xingye and 99.48% equity interest in Wuwei Dongrun.

The transfer of equity interest in the Target Companies from Hunan Green Energy to the Limited Partnership and the further capital injection into the Target Companies by the Limited Partnership constitute deemed disposal of subsidiaries by the Company as the effective interest held by the Company will be reduced from 100% to 60.20% in Xinjiang Xingye and from 100% to 60.16% in Wuwei Dongrun.

Upon the [redacted] of the [redacted] of the Limited Partnership and the Target Companies [redacted] and for as [redacted] the Company, and the results will be [redacted]

As one or more of the [redacted] percentage [redacted] under Rule 14.07 of the Listing Rules) in respect of the [redacted] Partnership Agreement (including the [redacted] of the Limited Partnership) disposal of subsidiaries by the Company [redacted] but less than [redacted] Partnership Agreement constitutes a major [redacted] Company [redacted] for the Listing Rules is therefore subject to reporting [redacted] circular [redacted] [redacted] Chapter 14 of the Listing [redacted]

The [redacted] [redacted] along other things [redacted] information in respect [redacted] Partnership Agreement and (ii) other information [redacted]

al terms of the [redacted] agreement are summarised below.

南京信發能源投資合夥企業(有限合夥)(Nanjing Xinfaneng Equity Investment Partnership (Limited Partnership)*)

General partner: Cinda Capital

- Limited partners: (1) China Cinda
(2) Hunan Green Energy

the Directors' knowledge, information and belief
reasonable enquiries, each of Cinda Capital and
ment of the Company and its connected persons.

Limited Partnership is to invest into the
panies and manage and utilise the assets of the Target
The Target Companies, including Xinjiang Xingye
Dongrun, principally develop and engage in several
power generation projects and own certain photovoltaic

Limited Partnership shall be five (5) years
commencing from the date of issue of the business licence of the
Limited Partnership. Subject to any extension of the term to be
agreed by the partners, the Limited Partnership will be terminated
upon expiration of the term.

The Limited Partnership shall be terminated under the following
events:

- (1) consent of all partners in the Limited Partnership to dissolve;
- (2) the term of the Limited Partnership has been expired and no
extension of the term has been agreed by the partners;
- (3) the general partner is removed or withdraws from the
Limited Partnership and no new general partner is brought in
accordance with the Partnership Agreement;
- (4) breach of the Partnership Agreement by one or more of the
limited partners;
- (5) the business licence of the Limited Partnership has been
revoked or the Limited Partnership has been ordered to be
closed or dissolved according to law;
- (6) the objectives of the Limited Partnership have already been
achieved and the investments of the partners have been
withdrawn; and
- (7) any legal or other reasons to dissolve under the Partnership
Agreement.

amount of capital commitments of the partners to the Limited Partnership under the Partnership Agreement is RMB1.251 billion.

Cinda Capital (as general partner) will be contributing RMB1 million (representing approximately 0.08% of the total commitments). Pursuant to the Partnership Agreement, Cinda Capital shall make the contribution of RMB1 million by way of cash before 19 April 2024. As at the Latest Practicable Date, the contribution of RMB1 million has been fully paid by Cinda Capital.

China Cinda (as limited partner) will be contributing RMB500 million (representing approximately 39.97% of the total commitments). Pursuant to the Partnership Agreement, China Cinda shall make the contribution of RMB500 million by way of cash before 19 April 2024. As at the Latest Practicable Date, the contribution of RMB500 million has been fully paid by China Cinda.

Hunan Green Energy (as limited partner) will be contributing RMB750 million (representing approximately 59.95% of the total transfer of 99% equity interest in Xinjiang Xingye to the Limited Partnership, RMB147.51 million will be satisfied by the transfer of 99% equity interest in Wuwei Dongrun to the Limited Partnership, and the remaining RMB31.26 million will be paid by cash. Pursuant to the Partnership Agreement, Hunan Green Energy shall make the contribution of RMB750 million before 19 April 2024.

The consideration of RMB571.23 million for the transfer of 99% equity interest in Xinjiang Xingye and RMB147.51 million for the transfer of 99% equity interest in Wuwei Dongrun, which were at approximately 7% and 1.3% discount to their respective net asset value as at 31 December 2021, were determined after arm's length negotiation among the parties, where the Company has taken into account factors including that (i) the formation of the Limited Partnership will greatly enhance the business prospects of the Target Companies with the management experience and resources provided by Cinda Capital and China Cinda which will be beneficial to the financial position of the Group; (ii) the collaboration with Cinda Capital and China Cinda will enable the Group to build up business connections with them which are sizable asset management and financial services firms owned by the Ministry of Finance of the PRC and the Group will be able to expand their business in the future with potential new investment opportunities introduced by Cinda Capital and China Cinda, which is beneficial to the business

operation of the Group; (iii) the Company has conducted an internal assessment based on a research of several transactions in the market involving companies with similar assets and business operations to the Target Companies. The Company has selected three similar transactions for comparison with selection criteria for the comparable companies including (a) the business of the comparable companies, where they were mainly engaged in the construction and operation of photovoltaic power generation projects; (b) the completeness of transaction data available in the public domain; (c) the timing of the transactions of the comparable companies, which were within five years prior to the date of entering into of the Partnership Agreement; and (d) the financial data of the comparable companies, which were similar and comparable to the Group. Based on the market information, the Company has made reference to the transaction values of the three comparable companies and compared several factors.

In light of the above basis and reasons, the Board considers that the considerations for the transfer of the Target Companies to the Limited Partnership are fair and reasonable, given they were at 7% and 1.3% discount to their respective net asset value as at 31 December 2021.

The amount of capital contribution by each partner are determined after arm's length negotiations among Cinda Capital, China Cinda and Hunan Green Energy having taken into account, among other things, the business prospect of the Target Companies and the proposed amount of investment into the Target Companies as agreed between the partners. The total cash portion of the capital contribution of RMB532.26 million by the partners will be used as working capital for the expansion of the photovoltaic power generation business of the Target Companies. It was expected that the Target Companies will implement the expansion plan by 2024 at the latest

capital contribution, i.e. by April 2024, as stipulated under the Partnership Agreement. As at the Latest Practicable Date, the capital contribution by Cinda Capital and China Cinda has been fully paid up. As such, it is expected that RMB100 million, RMB200 million will be utilised by the Target Companies in 2023 and 2024, respectively, for the construction and operation of photovoltaic power generation infrastructure.

The capital commitment payable in cash by Hunan Green Energy will be funded by internal resources of the Group.

The Limited Partnership and the Target Companies will be accounted for as subsidiaries of the Company, and their results will be

China Cinda, as the general partner, will be the executive partner of the Limited Partnership and will be responsible for the operation and management of the Limited Partnership and act on behalf of the Limited Partnership externally.

The executive partner will be entitled to receive a management fee payable quarterly from the Limited Partnership calculated at the annual rate of 0.3% of the balance of the paid-up capital contribution of China Cinda, i.e. the original amount of paid-up capital contributed by China Cinda minus the amount of fund returned or distributed from the Limited Partnership to China Cinda from time to time.

The executive partner has the sole right to decide and direct the Limited Partnership to execute or act on certain corporate affairs in respect of the Limited Partnership, including (i) the change of name of the Limited Partnership; (ii) the engagement of professional advisers to provide services for the Limited Partnership; (iii) the handling of banking, audit and tax matters for the Limited Partnership; (iv) the dispute resolution procedures for any dispute where the Limited Partnership is involved; (v) the signing and execution of documents on behalf of the Limited Partnership; (vi) the monitoring of the operation of the Target Companies and the exercise of any shareholder's rights in the Target Companies as directed by the investment decision committee of the Limited Partnership; (vii) the distribution of profits to the partners; and (viii) any further action to obtain or maintain the legal rights of the Limited Partnership.

The other partners shall have the authority to monitor and supervise the execution of the affairs in the Limited Partnership by the executive partner.

The partners' meeting shall be composed of all partners in the Limited Partnership. The partners' meeting shall be convened at least once a year and presided over by the executive partner. At the partners' meeting, the partners shall exercise their voting rights in accordance with the proportion of their paid-up capital contributions. Certain matters shall be discussed at the partners' meeting and shall be decided by the partners with 50% or more of the actual paid-up capital contributed by all partners to the Limited Partnership, including (i) the dissolution or extension of the Limited Partnership; (ii) the appointment or replacement of the general partner; (iii) the creation or provision of guarantees to any third parties; (iv) the distribution of profits to the partners on any non-cash basis; and (v) the entry into any transactions by the Limited Partnership with their related parties.

Upon the establishment of the Limited Partnership and the transfer of the interest in the Target Companies to the Limited Partnership by Hunan Green Energy as part of the capital commitments, the Limited Partnership shall make the following further investment in the Target Companies:

-
-
- (1) The Limited Partnership shall make an additional capital contribution of RMB360 million in Xinjiang Xingye to subscribe for an increased registered capital of RMB273.44 million in Xinjiang Xingye. The increased registered capital of RMB273.44 million in connection with the capital contribution of RMB360 million was calculated with reference to the total value of 100% equity interest of Xinjiang Xingye at RMB577 million (based on the consideration of RMB571.23 million for the transfer of 99% equity interest in Xinjiang Xingye from Hunan Green Energy to the Limited Partnership) and the total registered capital of Xinjiang Xingye at RMB438.27 million before the capital injection. After the capital injection, the registered capital of Xinjiang Xingye will be increased from RMB438.27 million to RMB711.71 million and the Limited Partnership will effectively own 99.38% equity interest in Xinjiang Xingye, which was calculated based on the sum of 99% of the registered capital of Xinjiang Xingye before the capital injection and the increased registered capital of RMB273.44 million under the capital injection. The remaining 0.62% equity interest will be owned by Hunan Green Energy

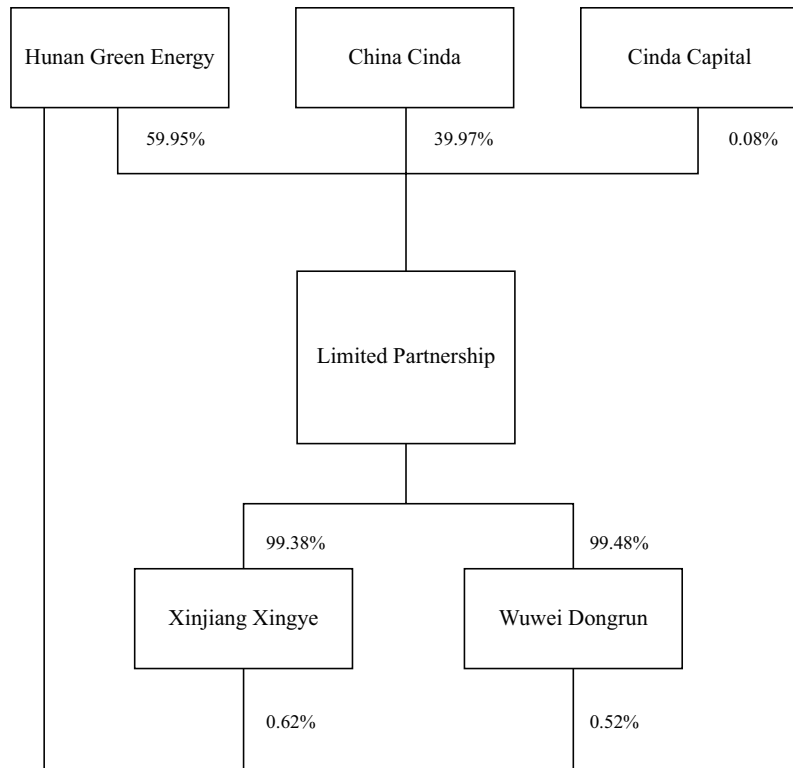
interest in Xinjiang Xingye owned by the Company (through Hunan Green Energy) after the capital injection was the sum of the equity interest of 0.62% owned directly by Hunan Green Energy and the equity interest of 59.58% owned by Hunan Green Energy through the Limited Partnership as calculated based on the percentage of the capital commitments made by Hunan Green Energy to the Limited Partnership (59.95%) to the total commitments by the partners.

- (2) The Limited Partnership shall make an additional capital contribution of RMB140 million in Wuwei Dongrun to subscribe for an increased registered capital of RMB4.70 million in Wuwei Dongrun. The increased registered capital of RMB4.70 million in connection with the capital contribution of RMB140 million was calculated with reference to the total value of 100% equity interest of Wuwei Dongrun at RMB149 million (based on the consideration of RMB147.51 million for the transfer of 99% equity interest in Wuwei Dongrun from Hunan Green Energy to the Limited Partnership) and the total registered capital of Wuwei Dongrun at RMB5 million before the capital injection. After the capital injection, the registered capital of Wuwei Dongrun will be increased from RMB5 million to RMB9.70 million and the Limited Partnership

will effectively own 99.48% equity interest in Wuwei Dongrun, which was calculated based on the sum of 99% of the registered capital of Wuwei Dongrun before the capital injection and the increased registered capital of RMB4.70 million under the capital injection. The remaining 0.52% equity interest will be owned by Hunan Green Energy and the

Energy) in Wuwei Dongrun will be 60.16%. The effective interest in Wuwei Dongrun owned by the Company (through Hunan Green Energy) after the capital injection was the sum of the equity interest of 0.52% owned directly by Hunan Green Energy and the equity interest of 59.64% owned by Hunan Green Energy through the Limited Partnership as calculated based on the percentage of the capital commitments made by Hunan Green Energy to the Limited Partnership (59.95%) to the total commitments by the partners.

The following diagram sets forth a structure chart of the Limited Partnership and the Target Companies immediately after completion of the above further investment:



The above amount represents the investment commitment of the Limited Partnership and the percentage of the partnership interest owned by the Limited Partnership and the percentage of the partnership interest owned by the Limited Partnership and the percentage of the partnership interest owned by the Limited Partnership after completion of the above investment. The following table sets forth the details of the investment commitment of the Limited Partnership and the percentage of the partnership interest owned by the Limited Partnership and the percentage of the partnership interest owned by the Limited Partnership:

	RMB750 million	RMB500 million	RMB1 million
Capital commitments in the Limited Partnership			
Percentage of capital commitments in the Limited Partnership	59.95%	39.97%	0.08%
Equity interest in Xinjiang Xingye	60.2%	39.72%	0.08%
	(59.58% through the Limited Partnership and 0.62% owned directly)		
Equity interest in Wuwei Dongrun	60.16%	39.76%	0.08%
	(59.64% through the Limited Partnership and 0.52% owned directly)		

The Limited Partnership will establish an investment decision committee to decide and direct the Limited Partnership to exercise any shareholder's rights of the Limited Partnership as a shareholder of the Target Companies.

The investment decision committee will consist of five members, of which one member will be appointed by Cinda Capital, one member will be appointed by China Cinda and three members will

to exercising any shareholder's rights in the Target Companies shall be approved by more than 50% of votes from the members of the committee.

A total of RMB500 million will be utilised by the Limited Partnership for the above further capital contribution into the Target Companies. The remaining RMB32.26 million out of the total cash portion of the capital contribution of RMB32.26 million by the partners to the Limited Partnership will be utilised by 2024 subject to the direction of the investment decision committee.

_____ has the shareholder's right to appoint any _____ of the Target Companies, and the directors of the Target Companies shall be responsible for the general operation of the Target Companies' generation business of the Target Companies.

_____ Investment decision committee shall be made by the _____ The executive partner of the Limited Partnership shall hold _____ equity interest held by the Limited Partnership in the Target Companies every half year.

_____ Partnership will be distributed or shared according to the proportion of their paid-up capital contributions to the Limited Partnership.

In the event the Limited Partnership incurs losses, the losses shall be borne by the assets of the Limited Partnership and shared among the partners according to the proportion of their paid-up capital contributions to the Limited Partnership. Any liability incurred by the

Partners' personal any outstanding liability shall be borne by the limited liability partner at amount up to their total capital contributions and the general partner with unlimited liability.

_____ Partnership Agreement, a partner may withdraw its interests from the Limited Partnership in accordance with the Partnership Business Law of the PRC, where a partner may withdraw its interest (i) with the unanimous consent of all partners; (ii) when there is an occurrence of any event that triggers the partner difficult to continue to participate in the Limited Partnership; or (iii) when the other partners have seriously violated the obligations stipulated in the Partnership Agreement.

... its interests from the Limited Partnership
... the other partners 30 days in advance. If
... the Limited Partnership, the executive
... the withdrawing partner based
... Partnership. The withdrawing
... of the assets of the Limited
... of its capital commitment
... of the Limited Partnership
... withdrawing partner and any other
... the Limited Partnership.

The Group is a company incorporated in Hong Kong with limited liability. The Group is a professional energy and green construction solution provider. Its principal businesses are the design, operation and maintenance of curtain wall, green building and renewable energy projects including Building Integrated Photovoltaic (BIPV), distributable and concentrated solar power. The Group also has certain solar power station projects,

Hunan Green Energy is an indirect wholly-owned subsidiary of the Company. Hunan Green Energy was established in February 2013. Its principal businesses are the development, investment and operation of energy projects (including photovoltaics, wind power, energy storage, etc.). It provides a full range of services for clean energy assets.

China Cinda is a company established under the laws of the PRC with limited liability and is principally engaged in the provision of private equity fund management services and consultancy services. China Cinda Capital is indirectly wholly-owned by China Cinda.

China Cinda is a joint stock company established under the laws of the PRC with limited liability, the H shares and preference shares of which are listed on the main board of the Stock Exchange (stock code: 1359 and 4607) and is principally engaged in distressed asset management, and provides customised financial solutions and differentiated asset management services to its

The ultimate beneficial owner of both Cinda Capital and China Cinda is the Ministry of Finance of the PRC.

The Target Companies principally and engaged in general photovoltaic power generation projects and own certain photovoltaic assets. The Target Companies are wholly owned by Hunan Green Energy and are indirect wholly owned subsidiaries of the Company. Details of this circular.

Xinjiang Xingye is a limited liability company established in the PRC on 7 November 2018. The financial information of Xinjiang Xingye for the six months ended 30 June 2022 is set out below:

RMB'000

RMB'000

RMB'000

The unaudited net asset value of Xinjiang Xingye as at 30 June 2022 was RMB30.9 million.

Wuwei Dongrun is a limited liability company established in the PRC on 18 November 2018. The financial information of Wuwei Dongrun for the two years ended 31 December 2021 is set out below:

RMB'000

RMB'000

RMB'000

The unaudited net asset value of Wuwei Dongrun as at 31 December 2021 was RMB150.9 million.

The transfer of the subsidiaries from the Company to the Energy to the Limited Partnership and the transfer of the Target Company to the Limited Partnership constitute deemed disposals of the Company's interest held by the Company will be 10% in Zhejiang Kaidi Energy to 60.16% in Wubei Dongren. The Company expects to incur a net disposal of approximately RMB6.5 million in the deemed disposal of the

Partnership”, including that the transfer of the subsidiaries to expand the in photovoltaic power generation and the transfer of the Target Company of attractive investment opportunities from Cinda Capital and China Cinda Capital. The entering into of the Partnership Agreement will

outweigh the loss of approximately RMB6.5 million in the deemed disposal.

The Limited Partnership will be principally engaged in equity investment. As Cinda Capital and China Cinda Capital are companies engaged in similar services to the establishment of limited partnerships in the form of preferred limited partnerships and investment into target companies in the construction industry to ensure better management and operation and to provide a direct capital injection into the target companies. The Limited Partnership and the further investment by the Limited Partnership in the companies contemplated under the Partnership Agreement will be in line with the business plan of the Group in photovoltaic

Cinda Capital and China Cinda Capital will enhance the growth and development of the Group. It is contemplated that the Limited Partnership will be a new source of capital for the Group.

In view of the above, the terms of the Partnership Agreement are on normal commercial terms and are fair and reasonable, and that the entering into of the Partnership Agreement and the deemed disposal of the subsidiaries of the Company by the Shareholders as a whole.

As one or more of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Partnership Agreement (including the establishment of the Limited Partnership and the deemed disposal of subsidiaries by the Company) exceed 25% but less than 75%, the entering into of the Partnership Agreement constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder or any of its associates has any material interest in the Partnership Agreement. As such, no Shareholder would be required to abstain from voting if a general meeting were convened to approve the entering into of the Partnership Agreement.

Pursuant to Rule 14.44 of the Listing Rules, a written shareholder's approval may be accepted

Financial information for the period ended 31 December 2021 were disclosed in the following documents on the Stock Exchange (www.hkexnews.com.hk):

- the annual report of the Group for the year ended 31 December 2021 published on 28 April 2022 (pages 92 to 100) at <https://www1.hkexnews.com.hk/2022/04/28/202119.pdf>
- the interim report of the Group for the period ended 31 August 2021 (pages 10 to 12) published on 21 August 2021 at www1.hkexnews.com.hk/2021/08/21/2021323.pdf
- the report of the Group's auditor for the year ended 31 December 2021 published on 20 August 2022 at www1.hkexnews.com.hk/2022/08/20/2022001.pdf

As at 31 August 2022, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had the following borrowings:

	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Borrowings	1,297,500,000	782,981,000	291,364,000	6,000,000	2,377,845,000
Leases	–	904,065,000	–	–	904,065,000
Borrowings	405,899,000	–	96,000,000	–	2,501,899,000
Party borrowings	–	–	–	962,587,000	962,587,000

As at 31 August 2022, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had RMB26,777,000.

As at 31 August 2022, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had no contingent liabilities.

debt securities, bank loans, bank capital, overdrafts, acceptances other than notes

with and without recourse and unsecured, guarantees. 1 August 2022.

The Director and the Company in absence of special resolution of the Board of Directors

work capital for at least of

The Group is a professional renewable energy solution provider and building main businesses of the Group are design, fabrication and installation of curtain wall, glass and solar projects. Solar projects included Building Integrated Photovoltaic System (BIPV) system, ground-mounted photovoltaic system (GMPV) system (collectively "Renewable Energy"). The Group is a professional manufacturing and installation of renewable energy generation BIPV system involving architectural design of buildings and structures and (ii) conversion of solar energy into electricity. The system allows the electricity generated from solar panels to be used by the building and the electricity generated power will be used simultaneously. The electricity storage cost is reduced. Above, the Group provides engineering and construction services and engages in the business.

The Group reported net assets of approximately RMB3,306.5 million as at 31 December 2021 and RMB6,503.4 million as at 31 December 2019, respectively. Leveraging on the track record and experience in the curtain wall business, the Group will further strengthen and develop the renewable energy business in relation to BIPV systems and GMPV systems. In the future, the Group will aspire and grow into an enterprise with a focus on the renewable energy business.

This section describes the directors' and officers' responsibilities, including the duty of care and the duty of loyalty. The directors and officers must act in the best interests of the company and its shareholders, and must provide accurate and complete information to the shareholders. The directors and officers must also act in the best interests of the company and its shareholders, and must provide accurate and complete information to the shareholders.

Directors' and Officers' Responsibilities

The directors and officers of the company are responsible for the management and control of the company. They must act in the best interests of the company and its shareholders, and must provide accurate and complete information to the shareholders. The directors and officers must also act in the best interests of the company and its shareholders, and must provide accurate and complete information to the shareholders.

(Note 1)

Mr. Liu Hongwei	Company	(Note 2) Interest of a controlled corporation (Note 3)	Long position	202,038,750	8.01%
		(Note 2)			
		(Note 2)			
		(Note 2)			
		(Note 2)			

Notes:

1. The percentage is calculated on the basis of 2,521,081,780 Shares in issue as at the Latest Practicable Date.
2. Such interest represents the shares awards granted to the respective directors under a share award plan as announced by the Company on 29 December 2020. As at the Latest Practicable Date, no share under the share award plan has been allocated to the respective directors.
3. These 202,038,750 Shares are held by Strong Eagle Holdings Limited whose share capital is 53% owned by Mr. Liu Hongwei. Mr. Liu Hongwei is deemed to be interested in these Shares under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, proposed Directors and chief executives of the Company had any interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated

to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have been taken under such provisions of the SFO); (ii) recorded in the register maintained by the Company pursuant

the Model Code.

3. Water Development is the beneficial owner of 1,687,008,585 shares of the Company and has a security interest in 180,755,472 shares of the Company. Therefore, Water Development has an aggregate interest in 1,867,764,057 shares of the Company. Water Development is directly wholly owned by Shuifa Energy Development Co., Ltd. (Shuifa Energy Development), which holds 1,867,764,057 shares of the Company (74.09% of the issued share capital of the Company). Mr. Zhen is the chairman of Shuifa Energy Development.

4. Shuifa Energy Development is directly wholly owned by Shuifa Group. Therefore, Shuifa Group is deemed to be the beneficial owner of 1,867,764,057 shares of the Company (74.09% of the issued share capital of the Company). Shuifa Group is the State-owned enterprise established by the Shandong Provincial Government. Shuifa Group is a public company listed on the Shanghai Stock Exchange.

5. The Company is a public company as defined in the Securities and Futures Ordinance (SFO) and is required to be registered as a public company as defined in the SFO.

6. No Director or proposed Director has any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or

7. No Director or proposed Director has any interest in any asset which have been acquired or proposed to be acquired or disposed of by any member of the Group since the Latest Practicable Date which was

8. No Director or proposed Director has any interest in any asset which have been acquired or proposed to be acquired or disposed of by any member of the Group since the Latest Practicable Date which was

As at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or

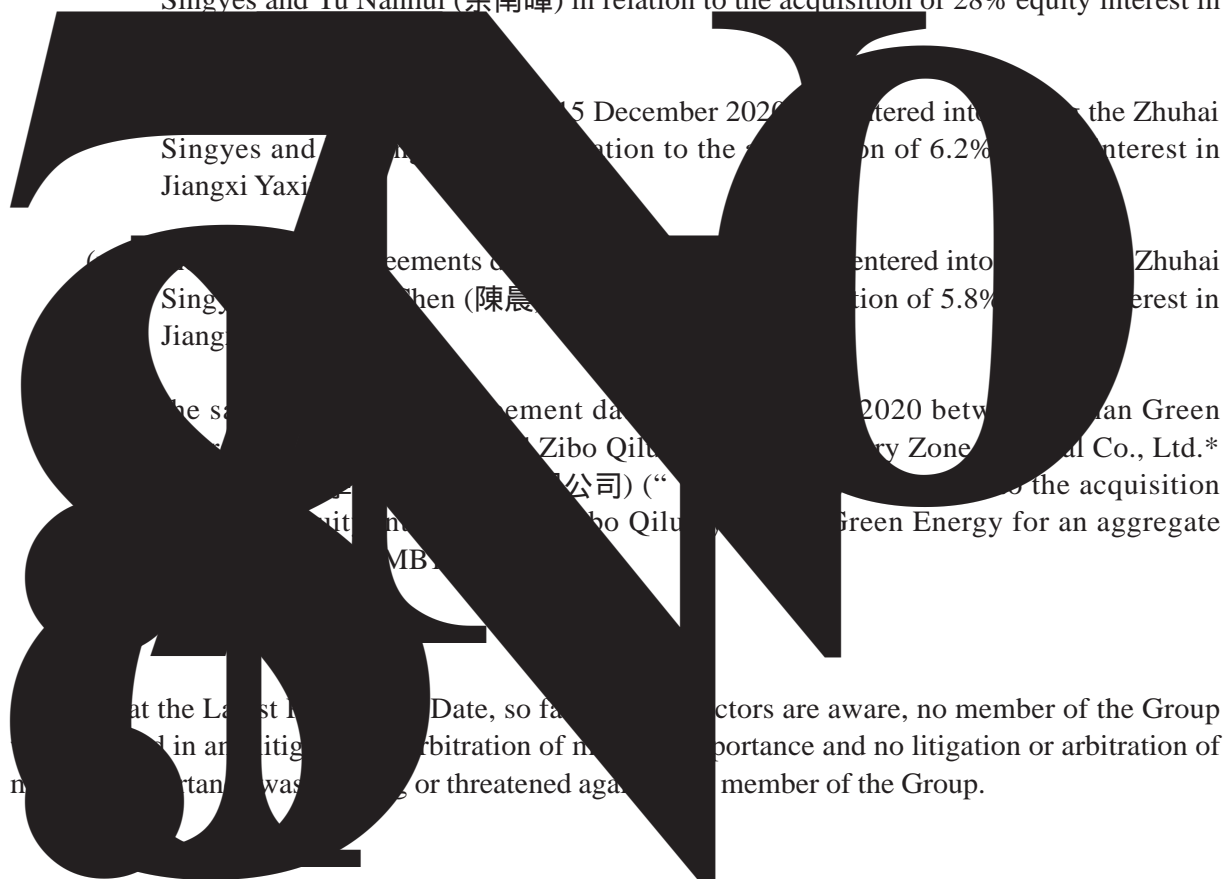
Save as disclosed below, there were no contracts (not being contracts entered into in the ordinary course of business), which are, or may be, material to the Group, which had been entered into by any member of the Group within two years immediately preceding the issue of this Circular up to the Latest Practicable Date:

- (i) the Partnership Agreement;
- (ii) the EPC agreement dated 1 December 2020 entered into among Hunan Green Energy, Shandong Aoxiang Electric Power Co., Ltd.* (山東奧翔電力工程設計諮詢有限公司), Jilin Chengyuan Electric Power Engineering Co., Ltd.* (吉林成源電力工程設計有限公司) as contractors in relation to the project located in the west of Tongyu County, Jilin Province, China with a total contract sum of RMB180,002,500;
- (iii) the sale and purchase agreement dated 30 September 2020 entered into among Hunan Green Energy, Shandong Shuifa Co., Ltd.* (山東水發清潔能源有限公司) (“Shandong Shuifa”), Heze Kaifaqu Shuifa Guangyao New Energy Co., Ltd.* (菏澤開發區水發光耀新能源有限公司) (“Heze Kaifaqu Shuifa”) with a consideration of RMB16 million in Shuifa Guangyao at a consideration of RMB16 million;
- (iv) the sale and purchase agreement dated 2 September 2020 entered into among Hunan Green Energy, Shandong Shuifa and Xintai Shuifa New Energy Technology Co., Ltd.* (新泰市中穆新能源科技有限公司) (“Xintai Shuifa”) to the acquisition of 100% equity interest in Xintai Shuifa at a consideration of RMB49.02 million;
- (v) the sale and purchase agreement dated 2 September 2020 entered into among Hunan Green Energy, Shandong Shuifa and Dongying Tianze New Energy Technology Co., Ltd.* (東營天澤新能源科技有限公司) (“Dongying Tianze”) respect to the acquisition of 100% equity interest in Dongying Tianze at a consideration of RMB51.00 million;
- (vi) the acquisition agreement dated 11 January 2021 entered into among Hunan Green Energy and Jiangxi Xinqing Photovoltaic Power Co., Ltd.* (江西鑫慶光伏電力有限公司) in relation to the acquisition of the entirety of the equity interest in the Dunhuang Anjie New Energy Co., Ltd.* (敦煌安潔新能源有限公司) by Hunan Green Energy at a total consideration of RMB147.6 million;

(vii) the acquisition agreement dated 5 January 2021 and entered into among Zhuhai Singyes Green Construction Technology Co., Ltd.* (珠海興業綠色建築科技有限公司) (“ ”), an indirect wholly-owned subsidiary of the Company as the purchaser, Zhang Jian (張建) and Zhang Yue (張越) as the vendors and Beijing Guanya Weiye Civil Construction Design Co., Ltd.* (北京冠亞偉業民用建築設計有限公司) (“ ”) in relation to the acquisition of an aggregate of 60% equity interest in Beijing Guanya at a total consideration of RMB19.80 million;

(viii) the capital injection agreement dated 15 December 2020 and entered into among Zhuhai Singyes, Yu Nanhui (余南暉), Li Peng (李鵬), Chen Chen (陳晨) and Jiangxi Yaxing Construction Co., Ltd.* (江西亞興建設有限公司) (“ ”);

(ix) the acquisition agreement dated 15 December 2020 and entered into among the Zhuhai Singyes and Yu Nanhui (余南暉) in relation to the acquisition of 28% equity interest in



... 15 December 2020 ... entered into ... the Zhuhai Singyes and ... in relation to the ... of 6.2% ... interest in Jiangxi Yaxi ...

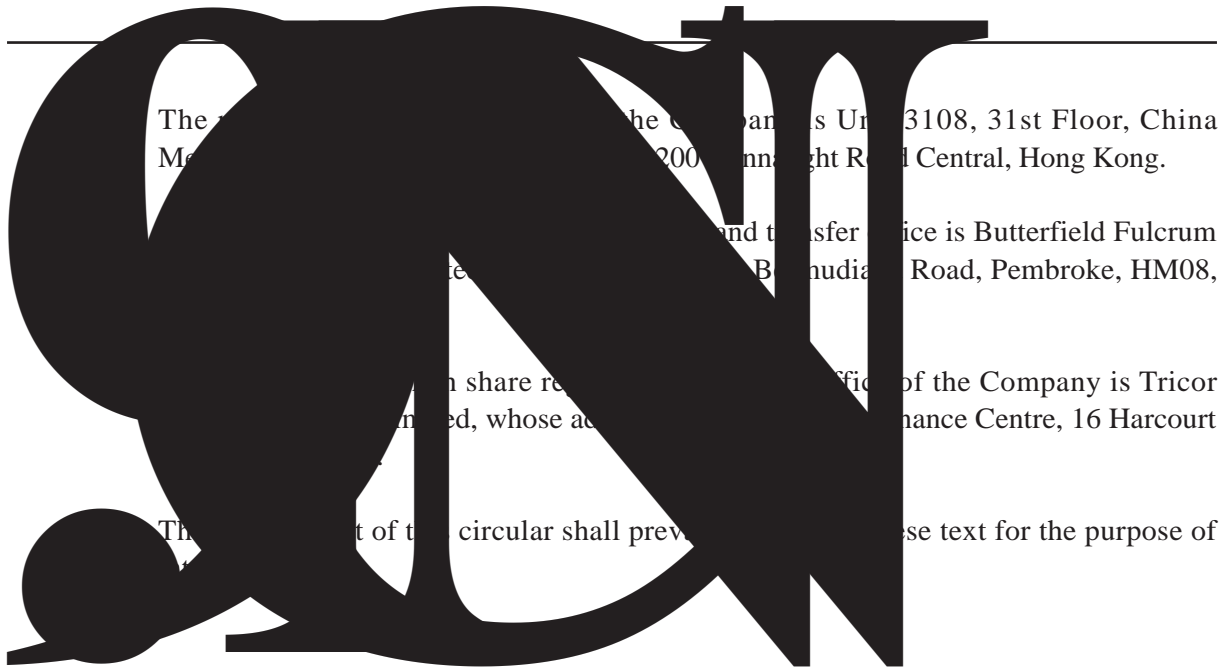
... agreements ... entered into ... Zhuhai Singyes ... Chen (陳晨) ... of 5.8% ... interest in Jiangxi Yaxi ...

... the same ... agreement dated ... 2020 between ... an Green Energy ... Zibo Qilu ... ry Zone ... al Co., Ltd.* ... 公司) (“ ... the acquisition of an aggregate of ... Green Energy for an aggregate of ... RMB ...

... at the Latest ... Date, so far ... as are aware, no member of the Group ... in an ... arbitration of ... importance and no litigation or arbitration of ... against ... or threatened against ... member of the Group.

- (i) The company secretary of the Company is Mr. CHAN Koon Leung Alexander. Mr. Chan

- (ii) The registered office of the Company is located at 4th Floor, North Cedar House, 41 Cedar Avenue, Hamilton HM 12, Bermuda.



The registered office of the Company is Unit 3108, 31st Floor, China
M&A, 200 Cantonment Road, Central, Hong Kong.

and transfer agent is Butterfield Fulcrum
Bank, 100 Boulevard Road, Pembroke, HM08,

whose share registrar is Tricor
Finance Centre, 16 Harcourt

The content of this circular shall prevail over any other text for the purpose of

A copy of the Partnership Agreement will be published on the websites of the Stock Exchange
(www.hkexnews.hk) and the Company (www.sfsyenergy.com) for a period of 14 days from the date
of this circular.