
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt

If you have sold or transferred

China Shuifa Singyes Energy Holdings Limited

Company



China Shuifa Singyes Energy Holdings Limited
中國水發興業能源集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 750)

**DISCLOSEABLE AND CONNECTED TRANSACTIONS
IN RELATION TO THE ACQUISITION OF THE TARGET COMPANIES
AND
NOTICE OF SGM**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



CONTENTS

Pages

PRECAUTIONARY MEASURES FOR THE SGM

DEFINITIONS

LETTER FROM THE BOARD

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

LETTER FROM RED SUN CAPITAL

APPENDIX I — VALUATION REPORT

APPENDIX II — GENERAL INFORMATION

NOTICE OF SGM

PRECAUTIONARY MEASURES FOR THE SGM

DEFINITIONS

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

業能源集團有限公司

中國水發興

賃有限公司

中電投融和融資租

DEFINITIONS

澤新能源科技有限公司

東營天

華潤租賃有限公司

DEFINITIONS

公司

江蘇金融租賃股份有限

尤尼泰振青會計師事務所(特殊普通合夥)

股份有限公司

湖南興業綠色能源

DEFINITIONS

水發能源集團有限公司

山東省國有資產監督管理

委員會

水發集團有限公司

澤開發區水發光耀新能源有限公司

荷

DEFINITIONS

水發清潔能源科技有限公司

山東

市中穆新能源科技有限公司

新泰

DEFINITIONS

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.

Unless otherwise specified in circular, translations of RMB into HK\$ are made in this circular, for illustration only, at the rate of RMB1.0 = HK\$1.2. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at that rate or at any other rate.

LETTER FROM THE BOARD



China Shuifa Singyes Energy Holdings Limited

中國水發興業能源集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 750)

Executive Directors:

(Chairman)

(Vice Chairman)

Registered Office:

Non-executive Directors:

*Head office and principal place of
business in Hong Kong:*

Independent non-executive Directors:

To the Shareholders

**DISCLOSEABLE AND CONNECTED TRANSACTIONS
IN RELATION TO THE ACQUISITION OF THE TARGET COMPANIES
AND
NOTICE OF SGM**

INTRODUCTION

LETTER FROM THE BOARD

THE ACQUISITIONS

(i) **Shuifa Guangyao Sale and Purchase Agreement**

湖南興業綠色能源股份有限公司

有限公司

能源有限公司

山東水發清潔能源科技

荷澤開發區水發光耀新

LETTER FROM THE BOARD

Instalment	Amount	Due date
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(RMB)

LETTER FROM THE BOARD

Guangyao CPs

Shuifa

LETTER FROM THE BOARD

Shuifa Guangyao Completion Date

LETTER FROM THE BOARD

LETTER FROM THE BOARD

LETTER FROM THE BOARD

(ii) Xintaishi Zhongmu Sale and Purchase Agreement

湖南興業綠色能源股份有限公司

有限公司

山東水發清潔能源科技

有限公司

新泰市中穆新能源科技

LETTER FROM THE BOARD

Amount

Due date

慶春

王

新泰市石萊鎮西石萊四村民委員會

新泰市石萊

鎮劉志園村村民委員會

LETTER FROM THE BOARD

天合新能源投資有限公司

LETTER FROM THE BOARD

LETTER FROM THE BOARD

《關於對中穆新泰
明的函》

并網光伏發電項目水保設施自主驗收報備證
新泰市水利局

Xintaishi Zhongmu CPs

LETTER FROM THE BOARD

Xintaishi Zhongmu Completion Date

LETTER FROM THE BOARD

LETTER FROM THE BOARD

LETTER FROM THE BOARD

LETTER FROM THE BOARD

(iii) Dongying Tianze Sale and Purchase Agreement

湖南興業綠色能源股份有限公司

有限公司

山東水發清潔能源科技

限公司

東營天澤新能源科技有

LETTER FROM THE BOARD

Instalment	Amount	Due date
-------------------	---------------	-----------------

(RMB)

LETTER FROM THE BOARD

Dongying Tianze CPs

LETTER FROM THE BOARD

Dongying Tianze Completion Date

LETTER FROM THE BOARD

LETTER FROM THE BOARD

LETTER FROM THE BOARD

FINANCIAL LEASE AGREEMENTS

- (i) Jiangsu Financial Lease Agreement**

LETTER FROM THE BOARD

(ii) **Cpi Ronghe Financial Lease Agreement 2016**

LETTER FROM THE BOARD

(iii) **Cpi Ronghe Financial Lease Agreement 2017**

LETTER FROM THE BOARD

(iv) **Huarun Financial Lease Agreement**

LETTER FROM THE BOARD

XINTAISHI ZHONGMU TRANSFER OF RIGHTS AGREEMENT

LETTER FROM THE BOARD

LETTER FROM THE BOARD

DONGYING TIANZE TRANSFER OF RIGHTS AGREEMENT

源開發有限公司 **Shandong Landi**

天融瑞麟新能源有限公司 **Shandong Tianrong Ruilin**

Partnership

山東藍迪新能
山東

濟南瑞璞投資合夥企業(有限合夥) **Jinan Ruipu**

LETTER FROM THE BOARD

天澤光伏电站

東九

LETTER FROM THE BOARD

Year

Annual electricity generation
(ten thousand Watts)

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE ACQUISITIONS

LETTER FROM THE BOARD

INFORMATION ON THE VENDOR

理委員會
會保障基金理事會

山東省國有資產監督管
山東省社

INFORMATION ON THE TARGET COMPANIES

Information on Shuifa Guangyao

荷澤眾興水環境有限公司 Heze Zhongxing

LETTER FROM THE BOARD

Financial information of Shuifa Guangyao

PRC GAAP

For the six months ended 30 June 2021	For the financial year ended 31 December	
	2020	2019
<i>RMB</i>	<i>RMB</i>	<i>RMB</i>

Information on Xintaishi Zhongmu

LETTER FROM THE BOARD

LETTER FROM THE BOARD

Information on Dongying Tianze

紅
崔雲玲
鄭國貞
曹玉剛
高玉生
秦萍萍
苗青
牟瑞玲
李

東營市發展和改革委員

國網山東省電力公司

東營市發展和改革委員

LETTER FROM THE BOARD

Financial information of Dongying Tianze

For the six months ended 30 June 2021	For the financial year ended 31 December	
	2020	2019
<i>RMB</i>	<i>RMB</i>	<i>RMB</i>

INFORMATION ON THE PURCHASER AND THE REASONS FOR AND BENEFITS OF THE ACQUISITIONS

LETTER FROM THE BOARD

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

LETTER FROM THE BOARD

GENERAL

SGM

LETTER FROM THE BOARD

RECOMMENDATION

FURTHER INFORMATION

Shareholders and potential investors should note that the Completions are subject to the fulfilment or waiver (as the case may be) of a number of conditions precedent as set out in the Sale and Purchase Agreements and the Acquisitions may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

China Shuifa Singyes Energy Holdings Limited
Zheng Qingtao
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of advice from the Independent Board Committee setting out its recommendation to the Independent Shareholders for the purpose of incorporation in this circular.



China Shuifa Singyes Energy Holdings Limited

中國水發興業能源集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 750)

To the Independent Shareholders

**DISCLOSEABLE AND CONNECTED TRANSACTIONS
IN RELATION TO THE ACQUISITION OF THE TARGET COMPANIES**

Circular

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

China Shuifa Singyes Energy Holdings Limited

Dr. Wang Ching
Independent non-executive Director

Mr. Yick Wing Fat, Simon
Independent non-executive Director

Dr. Tan Hongwei
Independent non-executive Director

LETTER FROM RED SUN CAPITAL

II. THE INDEPENDENT BOARD COMMITTEE

LETTER FROM RED SUN CAPITAL

IV. BASIS OF OUR ADVICE

Management

LETTER FROM RED SUN CAPITAL

V. PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Information of the Group

LETTER FROM RED SUN CAPITAL

2020 Annual Report

2021 Interim Report

	For the year ended 31 December		For the six months ended 30 June	
	2019 <i>RMB'000</i> <i>(audited)</i>	2020 <i>RMB'000</i> <i>(audited)</i>	2020 <i>RMB'000</i> <i>(unaudited</i> <i>and restated)</i>	2021 <i>RMB'000</i> <i>(unaudited)</i>
Revenue	3,306,519	5,400,999	2,069,847	2,330,811
—				
—				
—				
—				
—				
Gross profit/(loss)	28,270	684,691	273,655	326,445
Profit/(loss) attributable to owners of the Company	(995,228)	301,418	228,023	96,458

LETTER FROM RED SUN CAPITAL

LETTER FROM RED SUN CAPITAL

提升產業鏈供應鏈現代化水準
發展戰略性新興產業
加快發展現代服務業
統籌推進基礎設施建設
加快數位化發展

3. Information of the Target Companies

LETTER FROM RED SUN CAPITAL

Zhongxing

荷澤眾興水環境有限公司 Heze

PRC GAAP

For the six months ended	For the financial year ended	
30 June 2021	31 December	31 December
<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<i>RMB</i>	<i>RMB</i>	<i>RMB</i>

LETTER FROM RED SUN CAPITAL

慶春

王

LETTER FROM RED SUN CAPITAL

For the six months ended 30 June 2021	For the financial year ended 31 December	
<i>(audited)</i>	2020	2019
<i>RMB</i>	<i>(audited)</i>	<i>(audited)</i>
	<i>RMB</i>	<i>RMB</i>

	曹玉剛	秦萍萍	
	崔雲玲	鄭國貞	牟瑞玲
苗青	李紅	高玉生	

LETTER FROM RED SUN CAPITAL

委員

東營市發展和改革

國網山東省電力公司

營市發展和改革委員

東

LETTER FROM RED SUN CAPITAL

For the six months ended 30 June 2021	For the financial year ended 31 December	
<i>(audited)</i>	2020	2019
<i>RMB</i>	<i>(audited)</i>	<i>(audited)</i>
	<i>RMB</i>	<i>RMB</i>

4. Reasons for and benefits of the Acquisitions

LETTER FROM RED SUN CAPITAL

5. Principal terms of the Sale and Purchase Agreements

i. Date

LETTER FROM RED SUN CAPITAL

ii. Parties

湖南興業綠色能源股
份有限公司

山東水發清
潔能源科技有限公司

水發光耀新能源有限公司
荷澤開發區

iii. Subject Matter

iv. Consideration

Instalment	Amount	Due date
	(RMB)	

LETTER FROM RED SUN CAPITAL

LETTER FROM RED SUN CAPITAL

vi. *Completion*

vii. *Consideration Adjustment*

viii. *Special Agreement and Undertakings*

LETTER FROM RED SUN CAPITAL

i. *Date*

ii. *Parties*

份有限公司

潔能源科技有限公司

湖南興業綠色能源股

山東水發清

LETTER FROM RED SUN CAPITAL

新泰市中

穆新能源科技有限公司

iii. *Subject Matter*

iv. *Consideration*

Instalment	Amount (RMB)	Due date
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王慶春

LETTER FROM RED SUN CAPITAL

LETTER FROM RED SUN CAPITAL

v. *Conditions Precedent*

LETTER FROM RED SUN CAPITAL

vi. *Completion*

vii. *Consideration Adjustment*

viii. *Special Agreement and Undertakings*

LETTER FROM RED SUN CAPITAL

LETTER FROM RED SUN CAPITAL

LETTER FROM RED SUN CAPITAL

ix. Xintaishi Zhongmu Transfer of Rights Agreement

LETTER FROM RED SUN CAPITAL

i. Date

ii. Parties

份有限公司

湖南興業綠色能源股

潔能源科技有限公司

山東水發清

能源科技有限公司

東營天澤新

iii. Subject Matter

LETTER FROM RED SUN CAPITAL

iv. *Consideration*

Instalment	Amount (RMB)	Due date
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LETTER FROM RED SUN CAPITAL

v. *Conditions Precedent*

vi. *Completion*

vii. *Consideration Adjustment*

LETTER FROM RED SUN CAPITAL

viii. *Special Agreement and Undertakings*

LETTER FROM RED SUN CAPITAL

ix. Dongying Tianze Transfer of Rights Agreement

山東藍迪新能源開發有限公司 **Shandong Landi**
山東天融瑞麟新能源有
限公司 **Shandong Tianrong Ruilin**
濟南瑞璞投資合夥企業 有限合夥 **Jinan**
Ruipu Partnership

LETTER FROM RED SUN CAPITAL

6. Assessment of the consideration

LETTER FROM RED SUN CAPITAL

Comparable Companies

EV/EBIT Multiple

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Control Premium Study

LETTER FROM RED SUN CAPITAL

MD

Stout Study

LETTER FROM RED SUN CAPITAL

LETTER FROM RED SUN CAPITAL

VI. OPINION AND RECOMMENDATION

Red Sun Capital Limited
Jimmy Chung
Managing Director

Mr. Jimmy Chung is a Responsible Officer of Red Sun Capital to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and permitted to undertake work as sponsor. He has over 20 years of experience in corporate finance industry in Greater China.

** For identification purposes only*

The following is extracted from the report prepared for the purpose of incorporation in this circular by Roma Appraisals Limited, an independent valuer, in connection with its valuation as at 30 April 2021.



1. PURPOSE OF VALUATION

Roma Appraisals

2. SCOPE OF WORK

4. BASIS OF VALUATION

market value

5. INVESTIGATION

6. VALUATION METHODOLOGY

6.4 Business Valuation

Company Name	Stock Code	Listing Location	Business Description
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Company Name	Stock Code	Listing Location	Business Description
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Source: Bloomberg

Company Name	Stock Code	EV/EBIT Multiple
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Median		18.52
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Source: Bloomberg

EBIT

6.5 Marketability Discount and Control Premium

Research

Study

6.6 Calculation Details**Shuifa Guangyao***RMB***Market Value of 100% Equity Interests (Rounded)****11,000,000***Note:***Xintaishi Zhongmu***RMB***Market Value of 86% Equity Interests (Rounded)****175,000,000***Note:*

Dongying Tianze

RMB

Market Value of 68% Equity Interests (Rounded)

118,000,000

Note:

7. MAJOR ASSUMPTIONS

8. INFORMATION REVIEWED

9. LIMITING CONDITIONS

10. REMARKS

11. OPINION OF VALUE

30 April 2021
RMB

Roma Appraisals Limited

1. RESPONSIBILITY STATEMENT

2. DISCLOSURE OF INTERESTS

Interests in the Company

Notes:

Name of Shareholder	Capacity	Long position/ short position	Number of Shares held	Approximate % of issued share capital of the Company (Note 1)
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(Note 2)

(Note 3)

(Note 3 and 4)

(Note 4)

Notes:

員會
基金理事會

山東省國有資產監督管理委
山東省社會保障

3. DIRECTORS' SERVICE CONTRACTS

4. OTHER INTERESTS OF THE DIRECTORS

5. COMPETING INTERESTS**6. OTHER INTERESTS OF THE SHAREHOLDERS****7. MATERIAL ADVERSE CHANGE**

8. EXPERT'S QUALIFICATION AND CONSENT**Name****Qualification**

9. DOCUMENTS ON DISPLAY

NOTICE OF SGM

NOTICE OF SGM

THAT

THAT

China Shuifa Singyes Energy Holdings Limited
Zheng Qingtao
Chairman

NOTICE OF SGM

Notes: