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CHINA TECHNOLOGY SOLAR POWER HOLDINGS LIMITED
中 科 光 電 控 股 有 限 公 司 *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8111)

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO
ACQUISITION OF THE REMAINING 40% EQUITY INTEREST
IN TIANJIN HENGQING
AND
ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE**

THE ACQUISITION

The Board is pleased to announce that on 20 December 2019 (after trading hours), the Company and the Vendor entered into the Equity Interest Transfer Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of the Sale Shares (representing 40% equity interests in Tianjin Hengqing) at a consideration of RMB26,500,000. Tianjin Hengqing is the legal and beneficial owner of the entire equity interests in Xizang Lineng. Upon Completion, the Sale Shares will be transferred from the Vendor to Million Keen as the designated holder of the Sale Shares of the Company. The Consideration shall be satisfied by the allotment and issue of the Consideration Shares at the Issue Price to the Vendor (or its nominee(s)) within a reasonable period of time after date on which the new business license of Tianjin Hengqing as a wholly foreign owned enterprise is issued.

ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

The Consideration Shares will be issued by the Company under the Specific Mandate. The Company will seek the grant of the Specific Mandate from the independent Shareholders at the EGM. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, Tianjin Hengqing is an indirect 60%-owned subsidiary of the Company, and the remaining 40% equity interests in Tianjin Hengqing is held by the Vendor. Therefore, the Vendor is a substantial shareholder of Tianjin Hengqing and a connected person of the Company at the subsidiary level under Chapter 20 of the GEM Listing Rules. As (i) the Board has approved the Acquisition; and (ii) the independent non-executive Directors have confirmed that the terms of the Acquisition are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Acquisition is exempt from the circular, independent financial advice and independent shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules. As the Vendor is a connected person to the Company, the issue of Consideration Shares of the Company to it will be subject to the announcement, reporting and shareholders' approval requirements unless otherwise exempted under Chapter 20 of the GEM Listing Rules.

Further, as one or more of the applicable percentage ratio(s) in respect of the Acquisition exceed 5% but none of the ratios exceeds 25%, the Acquisition also constitutes a discloseable transaction for the Company and is subject to announcement requirement under Chapter 19 of the GEM Listing Rules.

The EGM will be convened for the independent Shareholders to consider and, if thought fit, approve the Specific Mandate for the allotment and issue of the Consideration Shares. Given that none of the Shareholders has a material interest in the Acquisition and the Equity Interest Transfer Agreement, none of them would be required to abstain from voting in the EGM. The Independent Board Committee comprising all independent non-executive Directors, namely Ms. Ma Xingqin, Mr. Meng Xianglin and Mr. Dong Guangwu, has been established to advise the independent Shareholders on matters in relation to the issue of the Consideration Shares pursuant to the Specific Mandate. Giraffe Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders on the issue of the Consideration Shares pursuant to the Specific Mandate. A circular containing, among other things, (i) further details regarding the Specific Mandate; (ii) the recommendation from the Independent Board Committee and the advice of the independent financial adviser on the Specific Mandate; and (iii) notice of the EGM, will be despatched to the Shareholders on or before 15 January 2020.

Shareholders and potential investors should note that the Acquisition contemplated under the Equity Interest Transfer Agreement is subject to satisfaction of certain conditions precedent and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

Reference is made to the announcements issued by the Company dated 5 May 2015 and 22 May 2015 in relation to, among other things, the acquisition by City Max, a wholly-owned subsidiary of the Company, of the entire issued share capital of Million Keen, which in turn held 60% equity interests in Tianjin Hengqing. Upon completion of the Previous Acquisition, each of Tianjin Hengqing and Xizang Lineng became a 60%-owned subsidiary of the Company.

The Board is pleased to announce that on 20 December 2019 (after trading hours), the Company and the Vendor entered into the Equity Interest Transfer Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of the Sale Shares (representing 40% equity interests in Tianjin Hengqing) at a consideration of RMB26,500,000. Tianjin Hengqing is the legal and beneficial owner of the entire equity interests in Xizang Lineng. Upon Completion, the Sale Shares will be transferred from the Vendor to Million Keen as the designated holder of the Sale Shares of the Company. The Consideration shall be satisfied by the allotment and issue of the Consideration Shares at the Issue Price to the Vendor (or its nominee(s)) within a reasonable period of time after date on which the new business license of Tianjin Hengqing as a wholly foreign owned enterprise is issued.

I. EQUITY INTEREST TRANSFER AGREEMENT

Principal terms of the Equity Interest Transfer Agreement are set out below:

Date

20 December 2019 (after trading hours)

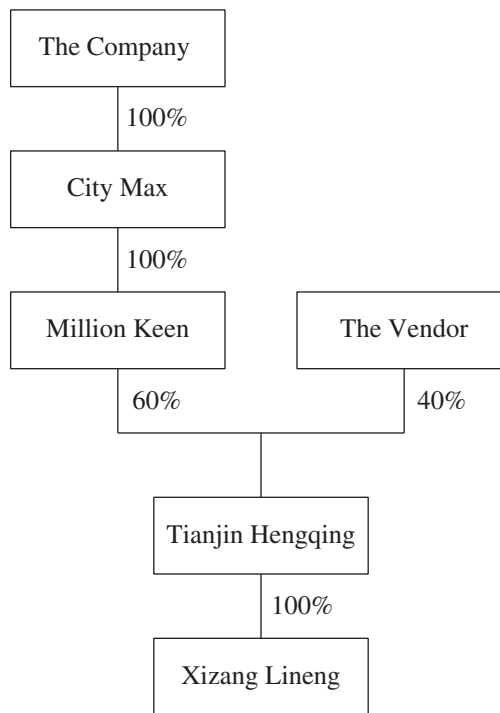
Parties

- (i) the Company as the purchaser
- (ii) 天津市新慶光伏科技有限公司 (Tianjin Xinqing Solar Photovoltaic Technology Company Limited*) as the vendor, a substantial shareholder of Tianjin Hengqing, which is an indirect 60%-owned subsidiary of the Company. Accordingly, the Vendor is a connected person of the Company at subsidiary level under the Listing Rules.

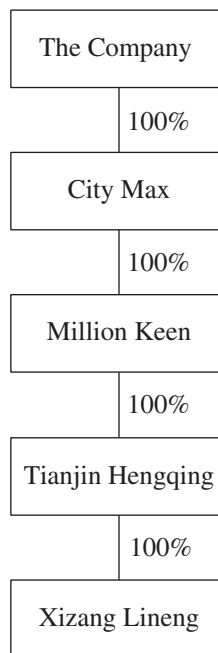
Assets to be acquired

Pursuant to the Equity Interest Transfer Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of the Sale Shares (representing 40% of the equity interests in Tianjin Hengqing). Upon Completion, the Sale Shares will be transferred from the Vendor to Million Keen as the designated holder of the Sale Shares of the Company. The ownership structure of Tianjin Hengqing and Xizang Lineng before and immediately after the Acquisition are as follows:

Before the Acquisition



Immediately after the Acquisition



Consideration

The Consideration for the Sale Shares is RMB26,500,000 (equivalent to approximately HK\$29,547,203.10), which will be satisfied by way of the allotment and issue of 295,472,031 Consideration Shares to the Vendor (or its nominee(s)) at the Issue Price and credited as fully paid. Pursuant to the Equity Interest Transfer Agreement, the Consideration Shares will be issued to the Vendor (or its nominee(s)) within a reasonable period of time after date on which the new business license of Tianjin Hengqing as a wholly foreign owned enterprise is issued. The Consideration has been arrived at after arm's length negotiations between the Company and the Vendor with reference to the preliminary valuation of 40% of the equity interests of Tianjin Hengqing prepared by Flagship Appraisals and Consulting Limited, an independent valuer, of RMB26,500,000 as at 31 October 2019. The independent valuer has adopted cost approach for the valuation of Tianjin Hengqing and market approach for the valuation of Xizang Lineng. The Directors consider that the Consideration is fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

Consideration Shares

The Consideration Shares comprise a total of 295,472,031 Shares, which represent approximately 16.10% of the existing issued share capital of the Company as at the date of this announcement and approximately 13.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares. The number of Shares to be allotted and issued as Consideration Shares shall be subject to adjustment, as to be agreed between the Company and the Vendor, but the number of Shares comprising the Consideration Shares shall not be reduced by more than 30,000,000 Shares. In the event of such adjustment, the Company and the Vendor shall enter into a supplemental agreement.

The Consideration Shares, when allotted and issued, will be credited as fully paid and will rank *pari passu* in all respects with the Shares then in issue including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of such allotment and issue.

The Consideration Shares will be issued by the Company under the Specific Mandate. The Company will seek the grant of the Specific Mandate from the independent Shareholders at the EGM. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

The Issue Price represents:

- (i) a premium of approximately 29.87% to the closing price of HK\$0.077 per Share as quoted on the Stock Exchange on 19 December 2019, being the last trading date prior to the date of the Equity Interest Transfer Agreement;

- (ii) a premium of approximately 26.58% to the average closing price of HK\$0.079 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the last trading date prior to the date of the Equity Interest Transfer Agreement; and
- (iii) a premium of approximately 30.21% to the average closing price of HK\$0.0768 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the last trading date prior to the date of the Equity Interest Transfer Agreement.

Conditions precedent

Completion of the Acquisition is conditional upon the following conditions being satisfied or otherwise waived on or before the Long Stop Date:

- (i) Tianjin Hengqing having passed board resolutions approving, among other things, (a) the transfer of the Sale Shares; (b) the change of Tianjin Hengqing's status from a Sino-foreign equity joint venture to a wholly foreign owned enterprise; and (c) termination of the joint venture agreement and articles of association;
- (ii) the Vendor and Million Keen having duly executed an agreement terminating the joint venture agreement and the articles of association of Tianjin Hengqing;
- (iii) the approval for the listing of, and permission to deal in, all the Consideration Shares (as adjusted) on GEM having been granted by the Listing Committee of the Stock Exchange;
- (iv) the independent Shareholders having approved the Specific Mandate at the EGM;
- (v) if the number of Consideration Shares is adjusted pursuant to the Equity Interest Transfer Agreement, such adjustment having been approved by the Board;
- (vi) the warranties given by the Vendor in the Equity Interest Transfer Agreement remaining true, accurate and not misleading in all respects before and on the date of Completion;
- (vii) the Vendor having delivered to the Company all documents required to be signed or otherwise executed by the Vendor for the purpose of completing the relevant procedures for the transfer of the Sale Shares by the SAMR or its local branch, in form and substance satisfactory to the Company;
- (viii) no material adverse change having occurred to Tianjin Hengqing and enterprises controlled by it; and

- (ix) the performance and compliance by the Vendor of each agreement, covenant, undertaking and obligation as required to be performed or complied by the Vendor with prior to or at the date of Completion under the Equity Interest Transfer Agreement, and no material breach by the Vendor of the Equity Interest Transfer Agreement having occurred.

All conditions precedent may be waived by the Company at any time in writing. In the event that any of the abovementioned conditions are not fulfilled or otherwise waived by the Company on or before the Long Stop Date, the Company may elect to terminate the Equity Interest Transfer Agreement. The Equity Interest Transfer Agreement shall cease and determine (save and except certain clauses under the Equity Interest Transfer Agreement which will continue to have full force and effect) and thereafter neither party to the Equity Interest Transfer Agreement shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Lock-up undertaking

The Vendor has undertaken to the Company that, during the Lock-Up Period, it will not (and will procure its nominee(s) not to), in respect of the Consideration Shares, offer, lend, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of any of the Consideration Shares. The Vendor has further undertaken to the Company that, in the event it shall transfer or dispose of the Consideration Shares after the Lock-Up Period, the Vendor shall take all steps to ensure that any such transfer or sale will not create a false market in the equity securities of the Company.

Non-competition and non-solicitation undertakings by the Vendor

For a period of three years following Completion, the Vendor shall not, and shall procure that its Affiliates shall not, whether on its own behalf or as an agent for any person or entity, directly or indirectly:

- (i) undertake or engage in any business in the PRC which may compete with the business of Tianjin Hengqing or own a material interest in any such business;
- (ii) establish any enterprise (whether by itself or by a joint venture with any other entity or person) in the PRC which may compete with the business of Tianjin Hengqing, or cooperate, commence business with, or provide assistance to any entity or person which may compete with the business of Tianjin Hengqing;

- (iii) save as with the prior written agreement of the Company, develop, manufacture and sell any products that are similar to or compete with the products of Tianjin Hengqing, and provide after-sale services or otherwise operate a business with respect to any such products, in any countries other than the PRC;
- (iv) do any such acts or make any such statements that may do harm to Tianjin Hengqing's goodwill, or cause any person to reduce its scale of operations with Tianjin Hengqing, or cause any person to seek to improve its terms of trade with Tianjin Hengqing;
- (v) save as with the prior written agreement of the Company, solicit or entice or endeavour to solicit or entice any employee of Tianjin Hengqing to terminate his/her employment with Tianjin Hengqing and offer him/her employment or otherwise persuade any employee of Tianjin Hengqing to terminate his/her employment with Tianjin Hengqing; or
- (vi) save as with the prior written agreement of the Company, compete with the Company in the employment, engagement or endeavour to employ or engage any employee of Tianjin Hengqing to undertake the same or a similar role in the same or a similar field of work.

Completion

Completion shall take place on a date designated by the Company after following satisfaction or waiver of the conditions set out in the paragraph headed "*I. Equity Interest Transfer Agreement – Conditions precedent*" above.

Upon Completion, each of Tianjin Hengqing and Xizang Lineng will become an indirect wholly-owned subsidiary of the Company, and the financial results of Tianjin Hengqing and Xizang Lineng will remain consolidated into the consolidated financial statements of the Group.

II. REASONS AND BENEFITS FOR THE ACQUISITION

The Group is principally engaged in (i) sales of solar power related products; (ii) new energy power system integration business; (iii) sales of self-service automatic teller machine systems and printing systems; and (iv) provision of hardware and software technical support services in the PRC.

Tianjin Hengqing has been a profitable business, and as the majority shareholder of Tianjin Hengqing, the financial performance of the Group has benefitted from the positive earnings contributed by Tianjin Hengqing. Furthermore, given the principal business of Tianjin Hengqing and its subsidiaries includes engaging in the research and development, sales and provision of other relevant technology consultation services of photovoltaic mounting brackets, solar trackers, the guardrail of the solar power stations and other solar-related products, the Directors considered that the Acquisition creates synergy with the existing business of the Group, and will enhance the competitive advantages of the Group in the solar energy industry.

Upon Completion, the Group will gain further control over Tianjin Hengqing, which will enable the Group to further benefit from the positive earnings contribution generated from Tianjin Hengqing and its subsidiaries. As a 100% shareholder of Tianjin Hengqing, the Group will also have a greater influence over the development of Tianjin Hengqing and its subsidiaries, and the Acquisition is therefore in line with the long term business strategy of the Group. The Directors considered that the Acquisition will provide an opportunity to enhance the Group's financial performance and return to the Shareholders in the long run.

Since the consideration for the Acquisition is satisfied by the allotment and issue of the Consideration Shares, there is no cash outflow from the Group and the Acquisition will not affect the liquidity position of the Group.

In view of the above, the Board (including the independent non-executive Directors) consider the Acquisition has been made on normal commercial terms and that the Consideration and the terms in the Equity Interest Transfer Agreement are fair and reasonable as far as the Company and the Shareholders are concerned and that the Acquisition is in the interests of the Company and the Shareholders as a whole.

III. INFORMATION OF THE VENDOR, MILLION KEEN AND TIANJIN HENGQING

Information of the Vendor

The Vendor is established in the PRC with limited liability and is an investment holding company with the 40% equity interests in Tianjin Hengqing as its principal assets.

Information of Million Keen

Million Keen is incorporated in the BVI on 2 January 2013 with limited liability and is wholly owned by the Company through City Max. Million Keen is an investment holding company and the principal assets of which is its 60% equity interests in Tianjin Hengqing.

Information of Tianjin Hengqing

Tianjin Hengqing is a Sino-foreign equity joint venture enterprise established in the PRC, the entire issued share capital of which is owned as to 60% indirectly by the Company and 40% by the Vendor. Tianjin Hengqing is principally engaged in the research and development, sales and provision of other relevant technology consultation services of photovoltaic mounting brackets, solar trackers, the guardrail of the solar power stations and solar related product. Tianjin Hengqing is also the sole beneficial owner of Xizang Lineng, which is a company incorporated in the PRC with limited liability and its principal business is the processing and sales of solar equipment; wind power-related business operations; and provision of related technical support services.

The Sale Shares are, as at the date of this announcement, held by the Vendor. The Sale Shares were obtained by the Vendor at an original investment amount of RMB800,000.

The following is a summary of the unaudited financial results of Tianjin Hengqing and its subsidiaries (based on PRC generally accepted accounting principles):

	For the year ended		For the
	31 December	31 December	ten months
	2017	2018	ended
	RMB	RMB	ended
			31 October
			2019
			RMB
Net profit before tax	10,047,116.81	3,988,232.63	6,988,427.58
Net profit after tax	9,111,291.40	3,621,489.67	6,329,755.19

The market value of 40% of the equity interest in Tianjin Hengqing appraised by the independent valuer engaged by the Company is RMB26,500,000.

IV. CHANGE IN SHAREHOLDING STRUCTURE OF THE COMPANY

The following illustrates the Company's shareholding structure, assuming there is no further change to the share capital of the Company: (i) as at the date this announcement; and (ii) immediately upon the allotment and issuance of the Consideration Shares:

Shareholders	As at the date of		Immediately after the	
	this announcement		allotment and issue of the	
	Number	%	Consideration Shares	
	of Shares		Number	%
			of Shares	
Mr. Huang Bo	217,766,038	11.87	217,766,038	10.22
Creation Moral Limited	216,363,636	11.79	216,363,636	10.15
Mr. Hou Hsiao Bing	131,140,000	7.15	131,140,000	6.15
Vendor	–	–	295,472,031	13.87
Public	1,269,963,176	69.19	1,269,963,176	56.60
	<u>1,835,232,850</u>	<u>100.0</u>	<u>2,130,704,881</u>	<u>100.0</u>

V. GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, Tianjin Hengqing is an indirect 60%-owned subsidiary of the Company, and the remaining 40% equity interests in Tianjin Hengqing is held by the Vendor. Therefore, the Vendor is a substantial shareholder of Tianjin Hengqing and a connected person of the Company at the subsidiary level under Chapter 20 of the GEM Listing Rules. As (i) the Board has approved the Acquisition; and (ii) the independent non-executive Directors have confirmed that the terms of the Acquisition are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole, the Acquisition is exempt from the circular, independent financial advice and independent shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules. As the Vendor is a connected person to the Company, the issue of Consideration Shares of the Company to it will be subject to the announcement, reporting and shareholders' approval requirements unless otherwise exempted under Chapter 20 of the GEM Listing Rules.

Further, as one or more of the applicable percentage ratio(s) in respect of the Acquisition exceed 5% but none of the ratios exceeds 25%, the Acquisition also constitutes a discloseable transaction for the Company and is subject to announcement requirement under Chapter 19 of the GEM Listing Rules.

The EGM will be convened for the independent Shareholders to consider and, if thought fit, approve the Specific Mandate for the allotment and issue of the Consideration Shares. Given that none of the Shareholders has a material interest in the Acquisition and the Equity Interest Transfer Agreement, none of them would be required to abstain from voting in the EGM. The Independent Board Committee comprising all independent non-executive Directors, namely Ms. Ma Xingqin, Mr. Meng Xianglin and Mr. Dong Guangwu, has been established to advise the independent Shareholders on matters in relation to the issue of the Consideration Shares pursuant to the Specific Mandate. Giraffe Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders on the issue of the Consideration Shares pursuant to the Specific Mandate. A circular containing, among other things, (i) further details regarding the Specific Mandate; (ii) the recommendation from the Independent Board Committee and the advice of the independent financial adviser on the Specific Mandate; and (iii) notice of the EGM, will be despatched to the Shareholders on or before 15 January 2020.

Shareholders and potential investors should note that the Acquisition contemplated under the Equity Interest Transfer Agreement is subject to satisfaction of certain conditions precedent and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Sale Shares by the Company (or its nominee) pursuant to the terms and conditions of the Equity Interest Transfer Agreement
“Affiliates”	with respect to any person or entity, any other person or entity that directly or indirectly controls or owns, or is controlled or owned by, or is under common control or ownership (directly or indirectly) with such person or entity, where “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“City Max”	City Max International Limited (邁城國際有限公司), a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“Company”	China Technology Solar Power Holdings Limited (中科光電控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition
“connected person”	has the meaning ascribed thereto under the GEM Listing Rules
“Consideration”	the consideration payable by the Company for the Sale Shares in accordance with the terms of the Equity Interest Transfer Agreement
“Consideration Shares”	295,472,031 Shares (subject to adjustment) to be allotted and issued, credited as fully paid, by the Company to the Vendor (or its nominee) pursuant to the Equity Interest Transfer Agreement, and “Consideration Share” shall be construed accordingly

“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the independent Shareholders to consider and, if thought fit, approve the grant of the Specific Mandate and the allotment and issue of the Consideration Shares
“Equity Interest Transfer Agreement”	the sale and purchase agreement dated 20 December 2019 between the Company and the Vendor in relation to the sale and purchase of the Sale Shares
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Companies and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board comprising all the independent non-executive Directors, namely Ms. Ma Xingqin, Mr. Meng Xianglin and Mr. Dong Guangwu, formed for the purpose of advising the independent Shareholders on matters in relation to the issue of the Consideration Shares pursuant to the Specific Mandate
“Independent Third Parties”	a party and, if applicable, the ultimate beneficial owner of the party who is not fallen into the definition of connected persons of the Company under Chapter 20 of the GEM Listing Rules and independent of the connected persons of the Company and their associates (as defined in the GEM Listing Rules)
“Issue Price”	HK\$0.1 per Consideration Share
“Lock-Up Period”	the period of time which is one year from the date of issue of the Consideration Shares

“Long Stop Date”	28 February 2020, or such later date as the Company may elect to extend pursuant to the Equity Interest Transfer Agreement
“Million Keen”	Million Keen Limited (萬銳有限公司), a company incorporated in the BVI and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Previous Acquisition”	the acquisition of the entire issued share capital of Million Keen pursuant to a sale and purchase agreement dated 5 May 2015 entered into between City Max as the purchaser, Creation Moral Limited (創德有限公司) as the vendor and Sun Aihui as the guarantor, as announced by the Company in its announcement dated 5 May 2015
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	the issued shares of Tianjin Hengqing representing 40% of its issued shares, which are beneficially owned by the Vendor as at the date of this announcement
“SAMR”	the State Administration for Market Regulation (國家市場監督管理總局) of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholders”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate proposed to be sought from the independent Shareholders at the EGM for the allotment and issue of an aggregate of the Consideration Shares
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

“Tianjin Hengqing”	天津恒慶光伏科技有限公司 (Tianjin Hengqing Photovoltaic Technology Limited*), a company incorporated in the PRC and a non-wholly owned subsidiary of the Company
“Vendor”	天津市新慶光伏科技有限公司 (Tianjin Xinqing Solar Photovoltaic Technology Company Limited*), a company incorporated in the PRC with limited liability
“Xizang Lineng”	西藏立能光伏科技有限公司 (Xizang Lineng Solar Photovoltaic Technology Company Limited)*, a company incorporated in the PRC with limited liability, a direct wholly-owned subsidiary of Tianjin Hengqing and an indirect 60%-owned subsidiary of the Company
“%”	Per cent

* For identification purposes only

By Order of the Board
China Technology Solar Power Holdings Limited
Chiu Tung Ping
Chairman

Hong Kong, 20 December 2019

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Chiu Tung Ping (*Chairman*)

Yuen Hing Lan

Hu Xin

Tse Man Kit Keith

Independent non-executive Directors:

Ma Xingqin

Meng Xianglin

Dong Guangwu

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its publication and on the Company’s website at www.chinatechsolar.com.