

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Jun Yang Solar Power Investments Limited**

**君陽太陽能電力投資有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 397)**

### **DISCLOSEABLE TRANSACTION – EXTENSION OF LOAN ARRANGEMENT**

Pursuant to the Loan Agreement dated 3 June 2014 made between the Lender, a wholly-owned subsidiary of the Company, and the Borrower, an Independent Third Party, the Loan in the principal amount of US\$3,970,000 (equivalent to HK\$30,767,500), bearing interest at a rate of 12% per annum for a period of six months, was advanced to the Borrower. The Original Maturity Date of the Loan fell on 3 December 2014.

Pursuant to the First Extension Agreement and the Supplemental Agreement, in each case, dated 3 December 2014 and made between the Lender and the Borrower, on the Original Maturity Date, (i) the Borrower paid the interest accrued on the Loan up to the Original Maturity Date of US\$238,852.60 (equivalent to approximately HK\$1,851,108) to the Lender; (ii) the Lender agreed to extend the Original Maturity Date to 3 February 2015 (i.e. the First Extended Maturity Date); (iii) the parties to the Loan Agreement agreed to revise the interest rate in respect of the Loan to 10.75% per annum with effect from the day immediately after the Original Maturity Date.

On 15 January 2015, the Borrower repaid a portion of the Loan in the principal amount of US\$700,000 (equivalent to HK\$5,425,000) and paid interest accrued on the entire amount of the Loan up to such date to the Lender. As a result, the principal amount of the Loan has been reduced to US\$3,270,000 (equivalent to HK\$25,342,000) (i.e. the amount of the Extended Loan) since then.

The Board announces that on 3 February 2015, the Lender entered into the Second Extension Agreement with the Borrower whereby (i) the Borrower paid the interest accrued on the Extended Loan of US\$3,270,000 (equivalent to HK\$25,342,500) up to the First Extended Maturity Date in the sum of US\$17,335.48 (equivalent to approximately HK\$134,350) on the First Extended Maturity Date; and (ii) the Lender has agreed to further extend the repayment date of the Extended Loan to 4 May 2015 (i.e. the Second Extended Maturity Date).

None of each of the advance of the Loan itself, the First Extension itself and the Second Extension itself constituted a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules.

As the applicable percentage ratios as defined under the Listing Rules in respect of the advance of the Loan, the First Extension and the Second Extension, in aggregate, exceed 5% but are lower than 25%, the advance of the Loan, the First Extension and the Second Extension as a whole constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and is subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

## **BACKGROUND**

The Lender is a wholly-owned subsidiary of the Company and is principally engaged in money lending activities in Hong Kong. In June 2014, the Lender advanced the Loan in the principal amount of US\$3,970,000 (equivalent to HK\$30,767,500) to the Borrower. Such Loan originally bore interest at a rate of 12% per annum and would mature on 3 December 2014. Pursuant to various supplemental agreement and extension agreements made between the Lender and the Borrower, the interest rate and the maturity date has been changed.

## **THE LOAN AND THE EXTENDED LOAN**

The principal terms of the Loan Agreement (as amended by the Supplemental Agreement, the First Extension Agreement and the Second Extension Agreement) are summarised as follows:

Date of the Loan Agreement	:	3 June 2014
Date of the Supplemental Agreement and the First Extension Agreement	:	3 December 2014
Date of the Second Extension Agreement	:	3 February 2015
Lender	:	E Finance Limited, a wholly-owned subsidiary of the Company. The Lender is a licensed money lender in Hong Kong under the Money Lenders Ordinance
Borrower	:	An entity organised under the laws of the Cayman Islands with limited liability. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Borrower and its ultimate beneficial owners is an Independent Third Party.

- Principal amount of the Loan : US\$3,970,000 (equivalent to HK\$30,767,500) (*for the period commencing from the Loan Agreement and up to 15 January 2015*)
- Principal amount of the Extended Loan : As a result of the repayment of a portion of the Loan in the principal amount of US\$700,000 (equivalent to HK\$5,425,000) on 15 January 2015, the principal amount of the Loan has been reduced to US\$3,270,000 (equivalent to HK\$25,342,500) (*for the period commencing from 15 January 2015 and up to the date of this announcement*)
- Maturity date : (i) the Original Maturity Date fell on 3 December 2014 pursuant to the Loan Agreement;
- (ii) the First Extended Maturity Date fell on 3 February 2015 pursuant to the First Extension Agreement; and
- (iii) the Second Extended Maturity Date shall fall on 4 May 2015 pursuant to the Second Extension Agreement
- Interest : (i) 12% per annum for the Loan up to the Original Maturity Date; and
- (ii) 10.75% per annum for the Loan and the Extended Loan, as the case may be, from the Original Maturity Date to the Second Extended Maturity Date

Up to the date of the Second Extension Agreement, the Lender has received an aggregate sum of interest in respect of the Loan and, where appropriate, the Extended Loan of US\$306,465.68 (equivalent to HK\$2,375,109). All accrued but unpaid interest in respect of the Extended Loan shall be paid to the Lender on the Second Extended Maturity Date.

The Loan granted under the Loan Agreement to the Borrower was funded by internal resources of the Group.

## **REASONS FOR AND BENEFITS OF THE LOAN AND ITS EXTENSION**

The Group is principally engaged in (i) solar energy business with a current focus on development, construction, operation and maintenance of power station projects; (ii) money lending business; and (iii) assets investment.

Money lending business is currently one of the Group's principal business activities. The terms of the Loan Agreement, the Supplemental Agreement, the First Extension Agreement and the Second Extension Agreement were arrived at by the parties after arm's length negotiations with reference to the prevailing or then prevailing market conditions and practices. Having considered that grant of the Loan and each extension of the Original Maturity Date would be beneficial to the Group in terms of return (i.e. additional interest income), the Directors consider that the terms of the Loan Agreement, the Supplemental Agreement, the First Extension Agreement and the Second Extension Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

None of each of the advance of the Loan itself, the First Extension itself and the Second Extension itself constituted a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules.

As the applicable percentage ratios as defined under the Listing Rules in respect of the advance of the Loan, the First Extension and the Second Extension, in aggregate, exceed 5% but are lower than 25%, the advance of the Loan, the First Extension and the Second Extension as a whole constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules and is subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Borrower”	an entity organised under the laws of the Cayman Islands with limited liability and an Independent Third Party
“Company”	Jun Yang Solar Power Investments Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company

“Extended Loan”	the remaining amount of the Loan in the principal amount of US\$3,270,000 (equivalent to HK\$25,342,500) taking into account the repayment of US\$700,000 (equivalent to HK\$5,425,000) of the principal amount of the Loan on 15 January 2015
“First Extended Maturity Date”	being 3 February 2015 pursuant to the First Extension Agreement
“First Extension”	the extension of the term of the Loan pursuant to the First Extension Agreement
“First Extension Agreement”	the loan extension agreement dated 3 December 2014 entered into between the Lender and the Borrower to extend the term of the Loan from 3 December 2014 to 3 February 2015
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a third party independent of the Company and the connected persons of the Company
“Lender”	E Finance Limited, a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a loan in the principal amount of US\$3,970,000 (equivalent to HK\$30,767,500) granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	a loan agreement dated 3 June 2014 and entered into between the Lender and the Borrower in relation to the provision of the Loan
“Money Lenders Ordinance”	Money Lenders Ordinance, Chapter 163 of the Laws of Hong Kong

“Original Maturity Date”	being 3 December 2014 pursuant to the Loan Agreement
“Second Extended Maturity Date”	being 4 May 2015 pursuant to the Second Extension Agreement
“Second Extension”	the further extension of the term of the Extended Loan pursuant to the Second Extension Agreement
“Second Extension Agreement”	the loan extension agreement dated 3 February 2015 entered into between the Lender and the Borrower to extend the term of the Extended Loan from 3 February 2015 to 4 May 2015
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental loan agreement dated 3 December 2014 entered into between the Lender and the Borrower to vary certain terms of the Loan Agreement
“US\$”	United States dollars, the lawful currency of United States
“%”	per cent

*In this announcement, unless otherwise provided, amounts in US\$ have been converted into HK\$ at the rate of US\$1.00 to HK\$7.75. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*

On behalf of the Board  
**Jun Yang Solar Power Investments Limited**  
**Bai Liang**  
*Chairman*

3 February 2015

*As at the date of this announcement, the executive Directors are Mr. Bai Liang, Mr. Jiang You, Mr. Siu Kam Chau, Mr. Peng Libin and Mr. Liu Guangdian; and the independent non-executive Directors are Mr. Chan Chi Yuen, Mr. Chik Chi Man and Mr. Lam Wing Tai.*