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## **Enviro Energy International Holdings Limited**

**環能國際控股有限公司**

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

**(Stock Code: 1102)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO INVESTMENT IN THE FUND**

The Board is pleased to announce that on 26 January 2016 (after trading hours), the Subscriber, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with GHGI, pursuant to which the Subscriber has conditionally agreed to subscribe for, subject to the acceptance of GHGI and the satisfaction of the Conditions, the Class A Shares of the Fund in an aggregate amount of HK\$100,000,000.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Subscription are more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

**Shareholders and potential investors should be aware that completion of the Subscription is subject to the acceptance of GHGI and the satisfaction of the Conditions and consequently the Subscription may or may not proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Board is pleased to announce that on 26 January 2016 (after trading hours), the Subscriber, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with GHGI, pursuant to which the Subscriber has conditionally agreed to subscribe for, subject to the acceptance of GHGI and the satisfaction of the Conditions, the Class A Shares of the Fund in an aggregate amount of HK\$100,000,000. For the information of the Fund, please refer to the paragraph headed “INFORMATION ON THE FUND” below.

## **THE SUBSCRIPTION AGREEMENT**

Principal terms of the Subscription Agreement are set out below:

Date : 26 January 2016 (after trading hours)

Parties : (i) Subscriber; and  
(ii) GHGI

As at the date of this announcement, the Subscriber is an indirect wholly-owned subsidiary of the Company.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, GHGI and its respective ultimate beneficial owners are Independent Third Parties.

Assets Acquired : Class A Shares.

Subscription Amount : Pursuant to the terms and conditions of the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for the Class A Shares in an aggregate amount of HK\$100,000,000.

Conditions Precedent : The subscription money will not be sent to the Administrator, and Class A Shares will not be issued, until (a) if applicable, the Administrator has obtained any licenses required under any applicable jurisdictions in order to perform its services in respect of GHGI; and (b) all relevant documentation required by the Fund and/or the Administrator has been provided to the satisfaction of the Fund and/or the Administrator, as the case may be.

## INFORMATION ON GHGI

Name	:	Global High Growth Industries Fund Series SPC
Investment Manager	:	Sheng Yuan Asset Management Limited
Administrator	:	Maples Fund Services (Cayman) Limited
Custodian	:	Sheng Yuan Securities Limited

As advised by GHGI, GHGI is a Cayman Islands exempted segregated portfolio company incorporated with limited liability on 13 February 2014 to operate as a private investment fund. GHGI is structured as an open-ended umbrella fund with segregated liability between sub-funds as a matter of Cayman Islands laws. GHGI may issue shares representing interests in different sub-funds. More than one class of shares may be issued in relation to a sub-fund. All shares of each class in a sub-fund of GHGI will rank *pari passu*. As advised by GHGI, as a matter of Cayman Islands laws, all shares of a class must have equal rights. A separate portfolio of assets will be maintained for each sub-fund (and accordingly not for each class of shares of GHGI) and will be invested in accordance with the investment objective and policy applicable to such sub-fund.

The directors of GHGI will delegate the performance of day-to-day operations of GHGI to service providers including the Investment Manager, Custodian and Administrator. The directors of GHGI will procure investment advisory, administrative, custodial, legal, accounting and other required services for GHGI. The directors of GHGI will review the performance of the Investment Manager for each sub-fund, the Administrator and other service providers on a periodic basis. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Investment Manager, the Administrator, the Custodian and their respective ultimate beneficial owners are Independent Third Parties.

## INFORMATION ON THE FUND

- Name of the Fund : China Huacai Finance Equity Investment Fund SP
- Investment Objective and Policy : The principal investment objective of the Fund is to seek to achieve capital appreciation through investing in a portfolio consisting primarily of listed securities of companies established or operating in Hong Kong, Mainland China and Taiwan, as well as investing in various types of private funds, private equities and private debt products.
- The Investment Manager utilizes a top-down and bottom-up investment process driven by intensive fundamental research to determine the optimal asset allocation for the Fund.
- The business of the Fund includes its management and administration and shall include the realization and distribution of the Fund's assets to its shareholders, including in a wind down of the Fund's operations.
- Management Fee : The Fund pays to the Investment Manager a quarterly management fee equal to 1% (annualized) of the total subscription amount of the issued and outstanding Class A Shares as at the end of each calendar quarter commencing on the completion date of the Subscription.
- The Investment Manager may, in its sole discretion, reduce, rebate or waive any management fees at any time, including in particular during any wind-down of the Fund's business.
- The Investment Manager will not be entitled to receive any incentive fees.
- If the investment management service is terminated other than at the end of a calendar quarter, the management fee will be calculated to such date on a pro-rata basis and payable within 30 days of such date.
- Term of the Fund : The Fund will be wound up and terminated (a) if, the directors of GHGI upon receiving the advice of the Investment Manager so determine, or (b) if the net asset value of the Fund falls below HK\$10,000,000.

Redemption : Class A Shares may generally be redeemed on a monthly basis on the first Business Day of each month (a “**Redemption Day**”) after the expiry of the Lock-Up Period, as defined below, subject to any Redemption Restriction, as defined below, applicable to the Class A Shares or any other class of ordinary shares in the capital of GHGI with respect to the Fund, as set out below. Written notice of redemption must be received by the Administrator at least 20 Business Days prior to the Redemption Day (each, a “**Redemption Deadline**”). The directors of GHGI may waive notice of redemption requirements or permit redemptions under such other circumstances and on such conditions as they, in their sole and absolute discretion, deem appropriate.

The Fund will not charge any redemption fee.

Lock-Up : Class A Shares must be held (and may not be redeemed) during the 6 month period commencing from the completion of the Subscription (“**Lock-Up Period**”), although additional Class A Shares may be purchased or subscribed within the Lock-Up Period.

After the expiry of the Lock-Up Period, redemptions shall be permitted. Notwithstanding the foregoing, no lock-up shall apply in the case of any redemption in connection with a termination of the Fund.

If, immediately after a redemption, the value of any shareholders’ Class A Shares would be less than the Minimum Holding, as defined below, then all such remaining Class A Shares held by the relevant holder will be compulsorily redeemed.

Class A Shares will be redeemed at a per Class A Share price based on the net asset value per Class A Share (less payment of any fiscal charges with respect to the redeemed Class A Shares) as at the Valuation Day immediately prior to the applicable Redemption Day. Payment of the redemption proceeds for redeemed Class A Shares will be made as soon as possible but, in any event, within 10 Business Days of the Redemption Day, or upon finalization of the net asset value calculation, if later.

Class A Shares held by or for the account of anyone who is not a Qualifying Investor or where the value of the Class A Shares is below the Minimum Holding, as defined below, may be subject to compulsory redemption and in respect of such compulsory redemption all applicable management fee will be charged.

“Minimum Holding” for purposes of the Fund means HK\$500,000.

Redemption Restriction : GHGI and Investment Manager may from time to time apply restrictions (“**Redemption Restriction**”) on the redemption of ordinary shares in the capital of the Fund (whether designated as Class A Shares or other class of ordinary shares in the capital of GHGI with respect to the Fund).

Furthermore, the Fund may suspend or delay the redemption of the Class A Shares where (i) the Investment Manager determines that a redemption would not be feasible (such as when the Fund’s investments are subject to a lock-up period or other restrictions or disposals) or (ii) the determination of the net asset value of the Fund or the Class A Shares is suspended in accordance with the memorandum and articles of association of GHGI.

Dividends : Subject to all applicable laws, the directors of GHGI may declare dividends after consultation with the Investment Manager.

The Fund is a sub-fund of GHGI. The Fund is not a separate legal entity. All actions and discretions are exercised by GHGI for the account of and on behalf of the Fund. The assets of one sub-fund will not be available to satisfy the liabilities of another sub-fund under Cayman Islands law.

#### **INFORMATION ON SHENG YUAN ASSET MANAGEMENT LIMITED**

Sheng Yuan Asset Management Limited, a limited liability company incorporated in Hong Kong on 20 January 2011, is the Investment Manager to the Fund. It is licensed with Securities and Futures Commission of Hong Kong to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities.

#### **GENERAL INFORMATION ON THE COMPANY AND THE SUBSCRIBER**

The Group is principally engaged in investment holding, property investment, natural resources and information technology related businesses.

The Subscriber is incorporated in Hong Kong and is an indirect wholly-owned subsidiary of the Company principally engaged in investment holding and trading of information technology related products.

#### **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION**

The Board considers that the Subscription is in line with the Group’s objective to grow its investment return by adopting a proactive but prudent approach in its investments. Considering that the Fund will be well-managed by investment professionals, the Board expects that the Subscription will diversify the Group’s securities investment risk and further enhance the rate of return of the Group’s core business of securities investment through efficient access to a wider variety of investment channels to which the Group may not have access at present. The Subscription also provides the Group with an opportunity to manage

its excess liquidity while giving the Group flexibility to redeem the Class A Shares, subject to the Redemption Restriction and the Lock-Up Period, as and when the Board considers it to be beneficial to the Group.

The Group intends to hold the Class A Shares for investment purpose and will realize the Subscription on terms that the Board considers appropriate. The Board will redeem the Class A Shares, in part or in full, according to its funding need should any other more suitable investment opportunities arise.

The Directors are of the view that the Subscription is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Company intends to fund the aggregate amount of the Subscription from its internal resources and other financial resources, if necessary.

Based on the above, the Directors consider that the terms of the Subscription Agreement, including the initial issue price of HK\$10,000 per Class A Share, are fair and reasonable and on normal commercial terms, and the transactions contemplated under the Subscription Agreement are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Subscription calculated are more than 5% but less than 25%, the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

**Shareholders and potential investors should be aware that completion of the Subscription is subject to the acceptance of GHGI and the satisfaction of the Conditions and consequently the Subscription may or may not proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

## **TERMS USED IN THIS ANNOUNCEMENT**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings given to them as below:

“Administrator”	Maples Fund Services (Cayman) Limited, the administrator of GHGI;
“Board”	the board of Directors;

“Business Day(s)”	any day other than Saturday or Sunday on which banks in Hong Kong are open for normal banking business or such other day as the directors of GHGI may determine from time to time as a Business Day, provided that where as a result of Number 8 or higher Typhoon Signal, Black Rainstorm Warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Business Day unless the directors of GHGI otherwise determine;
“Class A Share(s)”	Class A Shares of the Fund which will be subscribed at the initial issue price of HK\$10,000 per Class A Share;
“Company”	Enviro Energy International Holdings Limited (Stock Code: 1102), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“Condition(s)”	the conditions precedent of the completion of the Subscription, details of which are set out in the paragraph headed “THE SUBSCRIPTION AGREEMENT” of this announcement;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Custodian”	Sheng Yuan Securities Limited, the custodian to hold GHGI’s assets in respect of each relevant fund;
“Director(s)”	the director(s) of the Company;
“Fund”	China Huacai Finance Equity Investment Fund SP, a sub-fund, which is a segregated portfolio, of GHGI;
“GHGI”	Global High Growth Industries Fund Series SPC (全球高增長行業系列基金獨立投資組合公司), a Cayman Islands exempted company registered as a segregated portfolio company incorporated with limited liability on 13 February 2014;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and its connected person(s);

“Investment Manager”	Sheng Yuan Asset Management Limited, the investment manager to the Fund, as advised by GHGI, which is a company incorporated in Hong Kong as a limited liability company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC” or “Mainland China”	the People’s Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“Qualifying Investor”	a person who is eligible to acquire or hold Class A Shares, directly or indirectly, in accordance with applicable laws and regulations;
“Shareholders”	the holders of Shares;
“Shares”	ordinary share(s) of HK\$0.0025 each in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber”	Enviro Energy Information Technology Limited (環能資訊科技有限公司), a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company;
“Subscription”	the subscription of the Class A Shares in relation to the Fund pursuant to the terms and conditions of the Subscription Agreement;
“Subscription Agreement”	the subscription agreement dated 26 January 2016 entered into between the Company and GHGI in relation to the Subscription;
“subsidiaries”	has the meaning ascribed thereto under the Listing Rules;
“Valuation Day”	the last Business Day of each calendar month on which the net asset value of the Fund, the net asset value of GHGI, the net asset value per Class A Share is to be calculated, and/or such other Business Day or Business Days as the Investment Manager may from time to time determine;

“%” per cent;

“HK\$” Hong Kong Dollar, the lawful currency of Hong Kong.

By Order of the Board  
**Enviro Energy International Holdings Limited**  
**Zhang Yuanqing**  
*Chief Executive Officer and Executive Director*

Hong Kong, 26 January 2016

*As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Suen Cho Hung, Paul (Chairman), Mr. Zhang Yuanqing (Chief Executive Officer), Mr. Lai Ming Wai, Mr. Zhu Lijia and three Independent Non-executive Directors, namely Mr. David Tsoi, Mr. Chiang Bun and Ms. Leung Pik Har, Christine.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*