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**VITOP BIOENERGY HOLDINGS LIMITED**

**(天年生物控股有限公司)\***

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

**(Stock Code: 1178)**

**PLACING OF NEW SHARES UNDER GENERAL MANDATE  
AND  
RESUMPTION OF TRADING**

**Placing Agent**



**PLACING OF NEW SHARES**

On 22 April 2014, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has agreed on a best effort basis to procure, as agent of the Company, Placees to subscribe for up to 278,000,000 Placing Shares who and whose ultimate beneficial owners are third parties independent of and not connected with the Company or any of its connected persons at a Placing Price of HK\$0.1121.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares. The Placing Shares will be allotted and issued under the General Mandate.

On the assumption that the maximum number of 278,000,000 Placing Shares are allotted and issued in full, the net proceeds from the Placing will be approximately HK\$30,200,000. The Company intends to use the net proceeds from the Placing for the general working capital of the Group and potential investments to be identified.

\* *For identification purpose only*

**Completion of the Placing is subject to the satisfaction of the condition precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted from 9:00 a.m. on 22 April 2014 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company from 9:00 a.m. on 23 April 2014.

## **THE PLACING AGREEMENT**

### **Date**

22 April 2014

### **Issuer**

The Company

### **Placing Agent**

The Placing Agent has agreed on a best effort basis to procure, as agent of the Company, Placees to subscribe for the Placing Shares at the Placing Price. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent is a third party independent of and not connected with the Company or any of its connected persons or their respective associates.

### **Placees**

The Placing Agent will place, on a best effort basis, the Placing Shares to not less than six Placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Company or any of its connected persons or their respective associates.

If the number of Placees shall be less than six, the Company will issue a further announcement in accordance with the Listing Rules.

## **Number of Placing Shares**

As at the date of this announcement, the Company has 1,390,407,948 Shares in issue. The maximum number of 278,000,000 Placing Shares represents approximately (i) 19.99% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.66% of the issued share capital of the Company as enlarged by the issue of the Placing Shares. The aggregate nominal value of the Placing Shares will be HK\$6,950,000.

The Placing Shares are to be allotted as issued under the General Mandate.

## **Placing Price and commissions to the Placing Agent**

The Placing Price of HK\$0.1121 per Placing Share represents:

- (i) a discount of approximately 19.93% to the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 14.43% to the average closing price of approximately HK\$0.131 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (iii) a discount of approximately 32.43% to the average of the closing price of approximately HK\$0.1659 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The Placing Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Placing Agent on the date of the Placing Agreement. The Directors consider that the terms of the Placing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placing Agent will receive a placing commission of 2.5% on the gross proceeds of the Placing upon completion of the Placing. The net placing price under the Placing is approximately HK\$0.1093 per Placing Share.

The Directors are of the view that the placing commission of 2.5%, which was arrived at after arm's length negotiations, is on normal commercial terms and is fair and reasonable.

## **Ranking of Placing Shares**

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue as at the date of the allotment and issue of the Placing Shares.

## **Condition and completion of the Placing**

Completion of the Placing is conditional upon the Listing Committee granting the listing of and permission to deal in the Placing Shares and subject to the Placing Agreement not being terminated in accordance with the terms of conditions therein and shall take place on the third Business Day immediately after the condition precedent is fulfilled (or other date agreed between the Company and the Placing Agent).

If the condition precedent above is not fulfilled on the Long Stop Date, the Placing Agreement shall lapse automatically and become null and void.

## **Termination of the Placing Agreement**

The Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company if at any time on or prior to the Long Stop Date there shall have been:–

- (i) any material adverse change since the date of the Placing Agreement in national or international financial, political or economic conditions which, in the reasonable opinion of the Placing Agent, (a) is or will or is likely to be materially adverse to the business, financial or other condition or prospects of the Group or its operation or, to any present or prospective shareholder in his capacity as such; or (b) has or will or is likely to have a material adverse effect on the success of the Placing or the level of Placing Shares being applied for or accepted or the distribution of Placing Shares or otherwise makes it inadvisable or inexpedient to proceed with the Placing; or
- (ii) any material breach of any of the representations and warranties by the Company set out in Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue, incorrect or misleading in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (iii) any material adverse change or prospective material adverse change in the business or in the financial or trading position of any member of the Group.

In the event that the Placing Agent terminates the Placing Agreement, all obligations of each of the parties shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation and the payment by the Company of all costs, charges and expenses pursuant to the Placing Agreement.

## **General Mandate**

The Placing is not subject to Shareholders' approval as the Placing Shares will be allotted and issued under the General Mandate granted to the Directors by the Shareholders at the AGM subject to the limit of up to 20% of the issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorized to issue up to 278,081,590 new Shares.

Up to the date of this announcement, no Shares have been issued under the General Mandate.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Group is principally engaged in the manufacturing and trading of multifunctional water generators, bioenergy products, healthcare food products and other healthcare products in the PRC, excluding Hong Kong and Macau.

The Directors have considered various ways to raise funds and consider that the Placing represents an attractive opportunity to raise capital and to broaden the Shareholders base and capital base of the Company. Accordingly, the Directors consider that the Placing Agreement is in the interest of the Company and the Shareholders as a whole.

On the assumption the Placing Shares are fully allotted, the gross proceeds and net proceeds from the Placing (after deducting the commission payable to the Placing Agent and other expenses incurred in the Placing) are expected to be approximately HK\$31,164,000 and approximately HK\$30,200,000 respectively. The Company intends to use the net proceeds from the Placing for the general working capital of the Group and potential investments to be identified.

## **FUND RAISING EXERCISES DURING THE PAST 12 MONTHS**

The Company has not conducted any other fund raising exercises in the past twelve months before the date of this announcement.

## SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement, and (ii) immediately after completion of the Placing, are as follows:

Shareholders	As at the date of this announcement		Immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Wide Cosmos International Holding Company Limited (Note 1)	181,843,836	13.08	181,843,836	10.90
Beijing Securities Limited (Note 2)	104,760,925	7.53	104,760,925	6.28
Placees	–	–	278,000,000	16.66
Others	<u>1,103,803,187</u>	<u>79.39</u>	<u>1,103,803,187</u>	<u>66.16</u>
Total	<u><u>1,390,407,948</u></u>	<u><u>100.00</u></u>	<u><u>1,668,407,948</u></u>	<u><u>100.00</u></u>

Notes:

1. Wide Cosmos International Holding Company Limited is beneficially owned by Mr. Han Qingyun, the chairman of the Company as at the date of this announcement.
2. The 104,760,925 shares are held by Beijing Securities Limited, which is a wholly-owned subsidiary of Premium Castle Limited. The issued share capital of Premium Castle Limited is held as to 39.00% by Suen Cho Hung, Paul and as to 36.28% by Lo Ming Chi, Charles as at the date of this announcement.

## GENERAL

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of approval for the listing of, and permission to deal in, the Placing Shares.

## RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted from 9:00 a.m. on 22 April 2014 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company from 9:00 a.m. on 23 April 2014.

**Completion of the Placing is subject to the satisfaction of the condition precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **DEFINITION**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“AGM”	the annual general meeting of the Company held on 17 December 2013
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday or days on which a typhoon signal 8 or above or black rainstorm signal is hoisted in Hong Kong at 10:00 a.m.) on which licensed banks are generally open for business in Hong Kong;
“Company”	Vitop Bioenergy Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the Stock Exchange
“Director”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the Listing Committee of the board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Last Trading Day”	17 April 2014, being the trading day of the Shares on the Stock Exchange immediately before the date of the Placing Agreement
“Long Stop Date”	5:00 p.m. (Hong Kong time) on 22 May 2014 or such later time or date as the parties may agree in writing
“Placees”	professional, institutional and/or individual professional investors whom the Placing Agent or its agent(s) have procured to subscribe any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by the Placing Agent pursuant to the terms of the Placing Agreement
“Placing Agent”	Qilu International Capital Limited, a corporation licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) of the regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 22 April 2014 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.1121 per Placing Share
“Placing Shares”	a total of up to 278,000,000 new Shares to be issued by the Company under the Placing
“PRC”	the People’s Republic of China
“Share(s)”	shares with a par value of HK\$0.025 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$ and cents”	Hong Kong dollars and cents, the lawful currency of Hong Kong

“%”

per cent.

By order of the Board  
**Vitop Bioenergy Holdings Limited**  
**Zhang Wen**  
*Executive Director*

Hong Kong, 22 April 2014

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Han Qingyun as chairman; Dr. Han Xiaoyue as joint chairman; Mr. Zhang Wen, Mr. Xu Nianchun, Ms. Guo Yanni and Mr. Long Mingfei as executive directors; and Ms. Zhu Jinghua, Mr. Deng Zhiqiang and Mr. Li Xinzhong as independent non-executive directors.*