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(Formerly known as 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)*

**(1) DISCLOSEABLE TRANSACTION IN RELATION
TO THE ACQUISITION OF THE TARGET COMPANIES; AND
(2) THE ISSUANCE OF
CONSIDERATION SHARES UNDER GENERAL MANDATE**

THE ACQUISITION

The Board is pleased to announce that on 3 May 2016 (after trading hours), the Vendor and the Purchaser (a wholly owned subsidiary of the Company) entered into the SPA, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares at the Consideration of HK\$122,628,579, which shall be satisfied by the Purchaser by cash and the Consideration Shares.

The Consideration Shares shall be allotted and issued pursuant to the General Mandate, and shall rank *pari passu* with the Shares currently in issue. The Consideration Shares represent (i) approximately 11% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.91% of the issued share capital of the Company as enlarged by the allotment and issuance of the Consideration Shares. An application will be made to the Stock Exchange by the Company for the listing of, and permission to deal in, the Consideration Shares.

* For identification purpose only

LISTING RULES IMPLICATIONS

Since certain applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements but exempt from the circular and Shareholder's approval under the Listing Rules.

The Board wishes to emphasise that the Proposed Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

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THE SPA

Date

3 May 2016 (after trading hours)

Parties

- (1) Purchaser: Vitop Bioenergy Limited
- (2) Vendor: ECrent Holdings Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties.

Assets to be acquired

Pursuant to the SPA, the Vendor has agreed to sell, and the Purchaser has agreed to acquire, the Sale Shares, subject to the terms and conditions therein.

Consideration

The Consideration in the amount of HK\$122,628,579 shall be satisfied by the Purchaser in the manner as set out below:

- (a) the Purchaser shall pay to the Vendor HK\$5,000,000 in cash within five Business Days upon the signing of the SPA as a refundable deposit;
- (b) the Purchaser shall further pay to the Vendor HK\$5,000,000 in cash upon Completion; and
- (c) upon Completion, the Purchaser shall satisfy the remaining balance of the Consideration in the sum of HK\$112,628,579 by procuring the Company to allot and issue the Consideration Shares credited as fully paid to the Vendor (or his nominee(s)).

Issuance of the Consideration Shares

As part of the Consideration, the Purchaser shall procure the Company to issue 487,992,111 Consideration Shares to the Vendor or its nominee(s) at the Issue Price. The Consideration Shares shall be allotted and issued pursuant to the General Mandate, and shall rank *pari passu* with the Shares currently in issue. The Consideration Shares represents:

- (i) approximately 11% of the existing issued share capital of the Company of 4,436,291,922 Shares as at the date of this announcement; and
- (ii) approximately 9.91% of the issued share capital of the Company of 4,924,284,033 Shares as enlarged after the issuance of Consideration Shares.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

Issue Price

The Issue Price of HK\$0.2308 per Share represents:

- (i) a premium of approximately 15.40% to the closing price of approximately HK\$0.2000 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) the average closing price of approximately HK\$0.2308 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Date; and
- (iii) a premium of approximately 4.58% to the average closing price of approximately HK\$0.2207 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the Last Trading Date.

The Issue Price was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the recent closing prices of the Shares as quoted on the Stock Exchange.

Basis of the Consideration

The cash portion of the Consideration to be paid by the Company to the Vendor will be financed by the internal resources of the Group. The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to, among other things, (i) the financial and operating conditions of the Target Companies; and (ii) the Valuation Report to be prepared based on the prospects of the Target Companies.

As discounted cash flow method will be applied in the Valuation Report, further announcement will be made by the Company in compliance with Rule 14.60A and Rule 14.62 of the Listing Rules upon the issuance of the final Valuation Report.

The Directors consider that the terms and conditions (including the Consideration) of the SPA are fair and reasonable and on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

Conditions Precedent

Completion is subject to the satisfaction of the following conditions precedent:

- (a) each of the boards of directors of the Vendor and the Purchaser having approved the SPA (including the warranties and undertakings therein) and the transactions contemplated thereunder and duly grant of licence by the Vendor to the Target Companies for free and exclusive use of the brand "ECrent" in respective countries and/or regions, IT system, operation model and intellectual property rights;
- (b) the Purchaser being satisfied with the results of its due diligence on the Target Companies and the Sale Shares;
- (c) the Stock Exchange having granted approval for the listing of, and permission to deal in, the Consideration Shares;
- (d) the Valuation Report, where the valuation of the Sale Shares shall be not less than HK\$122,628,579 and the valuation of each of YSK 1860 Investment Company Limited and ECrent (Hong Kong) Limited shall be not less than HK\$15,877,132 and HK\$106,751,447, respectively;
- (e) increase of the issued share capital of the Target Companies and the due operation of the business of the Target Companies in accordance with the Vendor's business plan;

- (f) the ultimate beneficial owner of the Vendor having executed a personal guarantee in favour of the Purchaser to guarantee that, inter alia, the Vendor will refund the deposit in the amount of HK\$5,000,000 to the Purchaser in the event that the conditions precedent under the SPA are not satisfied; and
- (g) all necessary consents, approvals, authorizations and licenses in relation to the transactions contemplated under the SPA having been obtained.

If any of the above conditions precedent has not been satisfied (or waived in the case of condition precedent (b)) on or before the Long Stop Date, the Vendor and the Purchaser shall be released from their respective obligations under the SPA, and the Vendor shall forthwith refund the deposit to the Company without interest, and none of the parties will have any claim against the other in respect of any matter or thing arising out of or in connection with the SPA, save for negligence or antecedent breaches.

Completion

In the premise of all conditions precedent under the SPA having been satisfied on or before the Long Stop Date, Completion shall take place at a time and place mutually agreed by the Vendor and the Purchaser.

Upon Completion, ECrent (Hong Kong) Limited will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated in the accounts of the Group.

INFORMATION OF THE VENDOR AND THE TARGET GROUP

The Vendor is a company incorporated the BVI with limited liability. It is principally engaged in the business of investment holding.

The Target Companies

The Target Companies are all incorporated in the BVI and each of them is an investment holding company.

YSK 1860 Investment Company Limited

YSK 1860 Investment Company Limited was established in the BVI in March 2016 for the sole purpose of investment holding. As at the date of this announcement, YSK 1860 Investment Company Limited owns the entire equity interest in ECrent (USA) Company Limited (a company incorporated

in the USA principally engaged in internet information business). Set out below is the unaudited consolidated financial information of YSK 1860 Investment Company Limited for the period from the date of its incorporation (i.e. 9 March 2016) to 31 March 2016:

	From the date of Incorporation to 31 March 2016
	<i>(US\$)</i>
Revenue	–
Net (loss) before taxation	(51,983)
Net (loss) after taxation	(51,983)

The unaudited net assets of YSK 1860 Investment Company Limited were approximately US\$268,017 (equivalent to approximately HK\$2,090,532) as at 31 March 2016.

Upon Completion, YSK 1860 Investment Company Limited will be re-organised and be diluted to about 0.34% of interests in the United States operations, and as such will be treated as an investment of the Group.

ECrent (Hong Kong) Limited

ECrent (Hong Kong) Limited was established in the BVI in March 2016 for the sole purpose of investment holding. As at the date of this announcement, ECrent (Hong Kong) Limited owns all the issued share capital in ECrent (HK) Company Limited (a company incorporated in Hong Kong principally engaged in internet information business). Set out below is the unaudited consolidated financial information of ECrent (Hong Kong) Limited for the period from the date of incorporation (i.e. 17 March 2016) to 31 March 2016:

	From the date of Incorporation to 31 March 2016
	<i>(US\$)</i>
Revenue	0
Net (loss) before taxation	(48,932)
Net (loss) after taxation	(48,932)

The unaudited net assets of ECrent (Hong Kong) Limited were approximately US\$112,920 (equivalent to approximately HK\$880,776) as at 31 March 2016.

Upon Completion, ECrent (Hong Kong) Limited will become a wholly owned subsidiary of the Company, and as such its financial results will be consolidated in the accounts of the Group.

REASON FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in manufacturing and trading of Bioenergy products, healthcare food products, multi-functional water generators, other healthcare products and letting properties for rental income. As mentioned in the interim report of the Company for the six months period ended 31 December 2015, the Group will continue to develop its existing business and will also from time to time seek for new investment opportunity in different industries that could enhance corporate development and broaden the income base of the Group. The Group is optimistic about the development of the global online sharing platform business and considers that the Target Group, being well-positioned in the online rental platform business in the USA and Hong Kong, represents an investment opportunity to enhance corporate development and broaden the income base of the Group.

As advised by the Vendor, the Target Group has been carrying on business as an internet information provider. Founded on the theory of sharing economy, the Target Group aims to promote the concept of environment protection at a global level and advocates a sustainable sharing platform. Since its establishment, the platform business of the Target Group has expanded its coverage to different countries and regions in the world, with over 250 million pageviews and more than 40 millions visitors monthly, with visitors posting and uploading at liberty rental information and requests on products and services. With an aim to cater for the 7.3 billion global population and to provide better and more efficient services, not only does the Target Group provide various languages and user-friendly platform interfaces, services can also be accessed via various internet platform on electronic devices such as computers and handsets. As the business of the Target Group is developing rapidly, the group of YSK 1860 Investment Company Limited will be re-organised and is aiming to apply for listing on the Nasdaq this year, from which the Company will be greatly benefited.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets forth the shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon allotment and issuance of the Consideration Shares (assuming Completion having occurred, any outstanding share options not having been exercised and the number of Shares owned by each of the Shareholders below between the date of this announcement and the date of issue of the Consideration Shares remain unchanged):

Shareholders	As at the date of this announcement		Immediately after the allotment and issuance of the Consideration Shares	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Zhou Wei	500,000,000	11.27	500,000,000	10.15
Ma Jianchun	466,590,000	10.52	466,590,000	9.48
Du Yonghong	411,610,000	9.28	411,610,000	8.36
Cheung Kwan (<i>Note 1</i>)	318,680,000	7.18	318,680,000	6.47
Vendor	–	–	487,992,111	9.91
Other public shareholders	<u>2,739,411,922</u>	<u>61.75</u>	<u>2,739,411,922</u>	<u>55.63</u>
Total	<u>4,436,291,922</u>	<u>100</u>	<u>4,924,284,033</u>	<u>100</u>

Note 1: As at the date of this announcement, Ms. Cheung Kwan is personally interested in 60,000,000 Shares. Meanwhile, she is interested in 258,680,000 Shares through her wholly-owned company City Winner Holdings Limited. As such, Ms. Cheung Kwan is deemed to be interested in 318,680,000 Shares in total.

Save as disclosed above, as at the date of this announcement, the Directors are not aware of any person who has an interest or short position in the Shares, or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was recorded in the register kept by the Company under section 336 of the SFO.

THE LISTING RULES IMPLICATIONS

Since certain applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements but exempt from the circular and Shareholders' approval under the Listing Rules. The Consideration Shares will be allotted and issued under the General Mandate.

The Board wishes to emphasise that the Proposed Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of Sale Shares as contemplated under the SPA
“AGM”	the annual general meeting of the Company held on 31 December 2015
“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays and Sundays)
“BVI”	British Virgin Islands
“Company”	Vitop Bioenergy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on main board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the SPA
“Consideration”	the total consideration in the sum of HK\$122,628,579 payable by the Purchaser to the Vendor for the Acquisition
“Consideration Shares”	an aggregate of 487,992,111 new Shares to be allotted and issued by the Company to the Vendor (or its nominees) at the Issue Price credited as fully paid for the purpose of the settlement of the Consideration
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the AGM to issue, allot and deal with additional shares of the Company not exceeding 20% of the total nominal amount of the then issued share capital of the Company as at date of the AGM

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Issue Price”	the issue price of HK\$0.2308 for each Consideration Share
“Last Trading Date”	3 May 2016, being the last trading day of the Shares immediately prior to the date of the SPA
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 May 2016 or such other later date as the Parties hereto may agree in writing
“Purchaser”	Vitop Bioenergy Limited, a limited company incorporated in the BVI and wholly-owned by the Company
“Sale Shares”	the shares of two Target Companies, collectively, and made up of: 1) 407,106 issued shares of YSK 1860 Investment Company Limited at Completion (representing approximately 0.34% of the issued share capital thereof at Completion); and 2) the entire issued share capital of ECrent (Hong Kong) Limited at Completion
“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SPA”	the sale and purchase agreement dated 3 May 2016 entered into between the Vendor and the Purchaser in relation to the Acquisition
“Target Companies”	the two target companies, namely 1) YSK 1860 Investment Company Limited, a company incorporated with limited liability in the BVI; and 2) ECrent (Hong Kong) Limited, a company incorporated with limited liability in the BVI
“Target Group”	Target Companies and their respective subsidiaries

“USA”	the United States of America
“US\$”	US dollar(s), the lawful currency of the USA
“Valuation Report”	a valuation report regarding the Target Companies to be finalized by a Hong Kong qualified independent valuer
“Vendor”	ECrent Holdings Limited, a company incorporated in the British Virgin Islands and wholly owned by an Independent Third Party
“%”	percentage

By Order of the Board
Vitop Bioenergy Holdings Limited
Xu Zhifeng
Executive Director

Hong Kong, 3 May 2016

For the purpose of this announcement, unless otherwise stated, the conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 to HK\$7.80. The exchange rate has been used, where applicable, for the purposes of illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rate or at all.

As at the date of this announcement, the Board comprises Mr. Xu Zhifeng, Mr. Chan Shun Yee, Mr. Liu Min as executive Directors; Mr. Chau Yu-Lung Jimmy as non-executive Director; and Mr. Su Rujia, Mr. Wong Tat Yan Paul and Ms. Zhu Yanzhou as independent non-executive Directors.