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CHINA SUNTIEN GREEN ENERGY CORPORATION LIMITED*

新天綠色能源股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00956)

**DISCLOSEABLE TRANSACTION
PROVISION OF GUARANTEES TO SUNTIEN GUOHUA**

PROVISION OF THE GUARANTEES

The Board announces that the Company will provide guarantees to Suntien Guohua (which is owned as to 50% by each of the Company and Shanxi Guohua) in proportion to its capital contribution, including:

- (1) on 31 January 2018, the Company (as the guarantor), Sinopec Finance (as the creditor) and Suntien Guohua (as the debtor) entered into the Guarantee Contract 1, pursuant to which the Company agreed to guarantee the due performance by Suntien Guohua of its obligations under the principal loan contract, with an estimated guarantee amount of approximately RMB124.9 million (including the principal amount and interest payable); and
- (2) the Company (as the guarantor) and Everbright Bank (as the creditor) will enter into the Guarantee Contract 2, pursuant to which the Company will guarantee the due performance by Suntien Guohua of its obligations under the principal loan contract, with an estimated guarantee amount of approximately RMB31.5 million (including the principal amount and interest payable).

LISTING RULES IMPLICATIONS

As one or more of the highest applicable percentage ratios in respect of the provision of the Guarantees (in aggregate with the Existing Guarantee) are more than 5% but less than 25%, it constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Thus, the provision of Guarantees is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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1. THE PRINCIPAL TERMS OF THE GUARANTEE CONTRACTS

The key terms of the Guarantee Contracts are as follow:

	Guarantee Contract 1	Guarantee Contract 2
Parties	Guarantor: the Company Creditor: Sinopec Finance Debtor: Suntien Guohua	Guarantor: the Company Creditor: Everbright Bank
Date of execution	31 January 2018	Considered and approved by the Board and will be signed soon
Corresponding principal loan contract	the “Fixed Assets Loan Contract” dated 29 January 2018 entered into between Suntien Guohua (as the debtor) and Sinopec Finance (as the creditor), in a principal amount of RMB200 million with a term of five years.	the “Fixed Assets and Project Financing Loan Contract” to be entered into between Suntien Guohua (as the debtor) and Everbright Bank (as the creditor), in a principal amount of RMB50 million with a term of five years.
Scope of guarantee	<p>The principal, interest, compound interest, penalty interest, default penalty, compensation for damages and expenses for the realization of creditors’ rights under the principal loan contract.</p> <p>The Company expected that the total guarantee amount shall be approximately RMB124.9 million (including the principal and interest payable).</p>	<p>The principal, interest (including statutory interest, contracted interest and penalty interest), compound interest, handling fee, default penalty, compensation for damages, expenses for the realization of creditors’ rights (including but not limited to litigation costs, lawyers’ fees, notary fees, execution fees etc.) and all other payable fees that Suntien Guohua shall repay or pay to Everbright Bank under the principal loan contract.</p> <p>The Company expected that the guarantee amount shall be a total of approximately RMB31.5 million (including the principal and interest payable).</p>

Means of guarantee	Joint and several liability guarantee	Joint and several liability guarantee
Term of the Guarantee	From the effective date of the principal loan contract to two years after the due date of the principal loan repayment (or to two years after the early due date or extended due date if part or all of the debt becomes due earlier or has its term extended).	From the effective date of the principal loan contract to two years after the due date of the principal loan repayment (or to two years after the early due date if the principal loan contract becomes due earlier due to any legal requirement or the occurrence of any event specified in the principal loan contract).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Sinopec Finance, Everbright Bank and their ultimate beneficial owners are independent from the Company and its connected persons (as defined in the Listing Rules); Suntien Guohua is an affiliate of the Company, and its another shareholder, Shanxi Guohua (together with its ultimate beneficial owners), are independent from the Company and its connected persons (as defined in the Listing Rules).

2. REASONS FOR AND BENEFITS OF THE PROVISION OF THE GUARANTEES

Suntien Guohua is a company jointly established by the Company and Shanxi Guohua with each contributing 50% to the registered capital. It is primarily engaged to the construction of the Licheng-Shahe Coalbed Methane Pipeline Project. Suntien Guohua has secured loans from independent third party financial institutions and a loan with a total amount of RMB400 million from an independent third party bank in June 2014 was guaranteed by the Company and Shanxi Guohua in proportion of their shareholdings. As at 31 December 2017, the balance of such loan was RMB180 million. The total guarantee amount undertaken by the Company under the Existing Guarantee was approximately RMB223.2 million, which is 50% of the total amount of the principal and interest of the loan, and the current balance of the Existing Guarantee was approximately RMB93.9 million.

To ensure that Suntien Guohua has sufficient working capital to satisfy the capital need for the development of its natural gas business, Suntien Guohua planned to borrow a total loan of RMB250 million from Sinopec Finance and Everbright Bank to replace the Existing Loan and to settle part of the project construction costs. The new loan arrangement is scheduled to be guaranteed by the Company and Shanxi Guohua in proportion of their respective capital contribution and on the same terms and conditions.

The Directors are of the view that the provision of the guarantees to Suntien Guohua under the Guarantee Contracts was to fulfill the Company's obligation as a shareholder. It can facilitate Suntien Guohua to obtain sufficient capital, satisfying its financial need for working capital for the development of its natural gas business. The above arrangement would be materially beneficial to the development of the Company's principal business and in line with its business strategy and interests as a whole.

The Directors (including the independent non-executive Directors) are of the view that the provision of the Guarantees will not constitute any material adverse effect on the Group's profit and loss and assets and liabilities, and the Guarantee Contracts are entered into on normal commercial terms, are fair and reasonable and in the interests of the Group and its shareholders as a whole.

3. INFORMATION OF THE COMPANY, SUNTIEN GUOHUA, EVERBRIGHT BANK AND SINOPEC FINANCE

The Company is one of the leading clean energy companies in Northern China, which is mainly engaged in new energy projects such as wind power, solar power and investment in exploration and utilization projects of natural gas, coalbed methane and coal-made natural gas.

Suntien Guohua is a company established in the PRC, which is mainly engaged in oil and gas storage and transportation and natural gas work projects construction, natural gas wholesaling business.

Everbright Bank is a financial institution established in the PRC, which is mainly engaged in absorption of public deposit and release of loans.

Sinopec Finance is a company established in the PRC, which is mainly engaged in deposits and loans of members companies.

4. LISTING RULES IMPLICATIONS

As one or more of the highest applicable percentage ratios in respect of the provision of the Guarantees (in aggregate with the Existing Guarantee) are more than 5% but less than 25%, the provision of the Guarantees constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Thus, the provision of Guarantees is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

5. DEFINITIONS

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

“Company”	China Suntien Green Energy Corporation Limited (新天綠色能源股份有限公司), a joint stock company incorporated in the PRC with limited liability on 9 February 2010, whose H shares are listed on the Main Board of the Stock Exchange
“Group”	the Company and its subsidiaries

“Existing Guarantee”	the guarantee provided by the Company for the loan with a total amount of RMB400 million that Suntien Guohua secured from an independent third party bank in June 2014 in proportion to its capital contribution, and the estimated total guarantee amount is approximately RMB223.2 million, representing 50% of the total amount of the principal and interest of the loan
“Guarantee Contracts”	the Guarantee Contract 1 or Guarantee Contract 2, or both of them, as the context requires
“Guarantee Contract 1”	the Guarantee Contract dated 31 January 2018 entered into between the Company, Sinopec Finance and Suntien Guohua
“Guarantee Contract 2”	the Guarantee Contract to be entered into between the Company and Everbright Bank
“Everbright Bank”	China Everbright Bank Co., Ltd., Handan Branch (中國光大銀行股份有限公司邯鄲分行), a company established in the PRC with limited liability and an independent third party
“Shanxi Guohua”	Shanxi Guohua Energy Co., Ltd. (山西國化能源有限責任公司), a company established in the PRC with limited liability and an independent third party
“Suntien Guohua”	Hebei Suntien Guohua Gas Co., Ltd. (河北新天國化燃氣有限責任公司), a company established in the PRC with limited liability, which is owned as to 50% by each of the Company and Shanxi Guohua
“Sinopec Finance”	Sinopec Finance Co., Ltd., Zhengzhou Branch (中國石化財務有限責任公司鄭州分公司), a company established in the PRC with limited liability and an independent third party
“Guarantee(s)”	the guarantees provided by the Company under the Guarantee Contracts
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

By order of the Board of
China Suntien Green Energy Corporation Limited
Mei Chun Xiao
Executive Director/President

Shijiazhuang, Hebei Province, the PRC, 31 January 2018

As at the date of this announcement, the non-executive Directors of the Company are Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang, Ms. Sun Min and Mr. Wu Hui Jiang; the executive Directors of the Company are Mr. Mei Chun Xiao and Mr. Wang Hong Jun; and the independent non-executive Directors of the Company are Mr. Qin Hai Yan, Mr. Ding Jun, Mr. Wang Xiang Jun and Mr. Yue Man Yiu Matthew.

** For identification purpose only*