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順風國際清潔能源有限公司

SHUNFENG INTERNATIONAL CLEAN ENERGY LIMITED

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

**(Stock Code: 1165)**

## **INSIDE INFORMATION**

This announcement is made by Shunfeng International Clean Energy Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors (the “**Board**”) of the Company announces that, on 17 April 2017, Suniva Inc., a company incorporated in the state of Delaware and a joint venture entity of the Group in which the Group holds a 63.13% equity interest (“**Suniva**”), has filed a voluntary Chapter 11 petition (the “**Petition**”) for relief under Title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court in the District of Delaware (the “**Bankruptcy Court**”). As part of the Petition, SQN Gamma, LLC (“**SQN**”), a creditor of Suniva, has agreed to provide certain debtor-in-possession financing to Suniva subject to the approval of the Bankruptcy Court.

As disclosed in the announcement of the Company dated 23 March 2017, the competition of the solar product market has become fierce in the United States (where Suniva principally operates its business) and the business of Suniva has been severely impacted due to the continuous import of solar modules from other photovoltaic manufacturers in southeast Asia at a decreasing cost. As a result, Suniva recorded a loss for the financial year ended 31 December 2016. The Group has recognized an impairment loss of approximately RMB259 million on the Group’s investment in Suniva and a provision of approximately RMB228 million in relation to certain potential financial liabilities of Suniva for the financial year ended 31 December 2016. As a joint venture entity of the Group, Suniva’s revenue and assets are not consolidated into the Group’s financial statements and the Group only shares the profit or loss of Suniva. The Group shared a loss of RMB83 million for the year ended 31 December 2016.

Suniva has been in discussions with one of its creditors, SQN, and a decision has been reached for SQN or its affiliates to provide financial support to Suniva by way of debtor-in-possession financing under the Bankruptcy Code. Pursuant to the Petition filed with the Bankruptcy Court, the financing to be provided by SQN or its affiliates will be available to support (i) the securement and protection of the assets and equipment of Suniva, (ii) the grant of relief from the creditors of Suniva and (iii) the employment of key staff and advisors to facilitate the implementation of the relief to be granted by the Bankruptcy Court.

The Company is currently taking legal advice and all necessary actions in relation to the Petition and will make further announcement and undertake all necessary actions as and when required in compliance with the Listing Rules.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Shunfeng International Clean Energy Limited**  
**Zhang Yi**  
*Chairman*

Hong Kong, 17 April 2017

*As at the date of this announcement, the executive Directors are Mr. Zhang Yi, Mr. Luo Xin, Mr. Shi Jianmin, Mr. Wang Yu and Mr. Lu Bin; and the independent non-executive Directors are Mr. Tao Wenquan, Mr. Zhao Yuwen and Mr. Kwong Wai Sun Wilson.*