
CORNERSTONE INVESTORS

CORNERSTONE PLACING

We and the Joint Sponsors have entered into cornerstone investment agreements with certain investors (the “**Cornerstone Investors**”, each a “**Cornerstone Investor**”), pursuant to which the Cornerstone Investors have agreed to (subject to certain conditions) subscribe at the Offer Price for a certain number of our Offer Shares (the “**Cornerstone Placing**”).

Based on the Offer Price of HK\$5.18 (being the low end of the Offer Price range set out in this Prospectus), the total number of Shares to be subscribed for by the Cornerstone Investors will be 208,332,000 Shares (rounded down to the nearest whole board lot), representing (i) approximately 37.2% of the Offer Shares and approximately 10.4% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 32.3% of the Offer Shares and approximately 10.0% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

Based on the Offer Price of HK\$5.54 (being the mid-point of the Offer Price range set out in this Prospectus), the total number of Shares to be subscribed for by the Cornerstone Investors will be 201,279,000 Shares, representing (i) approximately 35.9% of the Offer Shares and approximately 10.1% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 31.3% of the Offer Shares and approximately 9.7% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

Based on the Offer Price of HK\$5.90 (being the high end of the Offer Price range set out in this Prospectus), the total number of Shares to be subscribed for by the Cornerstone Investors will be 194,075,000 Shares, representing (i) approximately 34.7% of the Offer Shares and approximately 9.7% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 30.1% of the Offer Shares and approximately 9.3% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

To the best knowledge of our Company, each of the Cornerstone Investors, save for Beijing Hanguang Investment Corporation and China International Capital Corporation Limited (being an asset manager that is a qualified domestic institutional investor who will subscribe for and hold the Offer Shares on behalf of China Structural Reform Fund Corporation Limited, one of our cornerstone investors), is an independent third party, is not our connected person (as defined under the Hong Kong Listing Rules) or existing shareholder, is not a close associate of any of our existing shareholders, and is independent of our connected persons and their respective close associates. Please refer to the section entitled “Waivers and Consents from Strict Compliance with the Hong Kong Listing Rules — Waivers and Consents in respect of Allocation of Shares to Connected Clients of Certain Joint Bookrunners and Close Associates of an Existing Shareholder” for details. Each of the Cornerstone

CORNERSTONE INVESTORS

Investors is independent from each other (save as disclosed below) and makes independent investment decisions.

The Cornerstone Placing will form part of the International Offering. The Offer Shares to be subscribed for by the Cornerstone Investors (i) will rank *pari passu* in all respects with the other fully paid Shares in issue upon completion of the Capitalization Issue and the Global Offering and (ii) save for the Offer Shares to be subscribed by Beijing Hanguang Investment Corporation, will be counted towards the public float of our Company. None of the Cornerstone Investors will subscribe for any Offer Shares under the Global Offering other than pursuant to the respective cornerstone investment agreements. Immediately following completion of the Capitalization Issue and the Global Offering, none of the Cornerstone Investors will have any representation on the Board, nor will any of the Cornerstone Investors become a substantial shareholder (as defined under the Hong Kong Listing Rules) of our Company. No special rights have been granted to the Cornerstone Investors pursuant to the Cornerstone Placing. The Offer Shares to be subscribed by the Cornerstone Investors will not be affected by any reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation”. Details of the allocations to the Cornerstone Investors will be disclosed in the announcement of results of allocations to be published on May 5, 2017.

CORNERSTONE INVESTORS

We have entered into cornerstone investment agreements with each of the following Cornerstone Investors. The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Asian Development Bank

Asian Development Bank (“ADB”) has agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot) which may be purchased for an aggregate amount of HK\$77,689,000 at the Offer Price but in any event shall not be more than 10% of the total issued share capital of the Company, immediately following completion of the Global Offering. Based on the Offer Price of HK\$5.90 (being the high end of the Offer Price range set out in this Prospectus), ADB will subscribe for 13,167,000 Shares, representing (i) approximately 2.4% of the Offer Shares and approximately 0.7% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 2.0% of the Offer Shares and approximately 0.6% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

ADB, headquartered in Manila, Philippines, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Founded in 1966, it is established by the Agreement Establishing the Asian Development Bank to foster economic growth and co-operation in the Asia and the Pacific region and to contribute to the acceleration of the process of economic development of the developing member countries in the region. ADB is owned by 67 members, 48 of which are from the Asia and Pacific region.

CORNERSTONE INVESTORS

Our Company and ADB entered into a policy agreement (the “**Policy Agreement**”) on April 10, 2017 whereby we agreed, amongst others, to adopt certain corporate governance measures, namely (a) not to engage in certain sanctionable practices; (b) to comply with environmental and social requirements and implement the environmental and social management system; and (c) to comply with disclosure requirements under applicable law and regulations. ADB will not have any special right after the Listing.

(a) Sanctionable Practices

We undertake not to engage in sanctionable practices (including corrupt, fraudulent, coercive and collusive practices) and will institute, maintain and comply with internal procedures and controls following international best practice standards applicable to the Group.

(b) Environmental and Social Policy

We will comply with applicable laws pertaining to the Group relating to environment, pollution, health and safety, indigenous peoples, and/or involuntary resettlement, and the relevant requirements set out in ADB’s Safeguard Policy Statement (2009), Social Protection Strategy (2001) and the ADB Policy on Gender and Development (1998) (collectively, the “**E&S Requirements**”). We will also implement our environmental and social management system to identify, assess and manage the social and environmental risks and impacts in respect of our operations on an ongoing basis in accordance with the E&S Requirements.

(c) Others

Under the Policy Agreement, we have also granted ADB with rights to access our operating facilities, books and records (except for non-public inside information), and employees and agents of the Group to enable ADB solely to ascertain our compliance with our obligations under the Policy Agreement. If any information requested or accessed by ADB under the Policy Agreement constitutes non-public inside information, we will as soon as reasonably practicable disclose such information to both ADB and the public and/or its shareholders for the purpose of ensuring equal dissemination of information in accordance with, and as required by, applicable laws and regulations (including the Hong Kong Listing Rules, the SFO and the Companies Ordinance). ADB has also acknowledged in the Policy Agreement that, if ADB knows that it is in possession of any non-public inside information regarding the Company pursuant to the Policy Agreement, for the purpose of the relevant requirements under the SFO, ADB will comply with the relevant requirements under the SFO in relation to its dealings in the Shares.

Beijing Hanguang Investment Corporation

Beijing Hanguang Investment Corporation (北京漢廣投資有限責任公司) (“**Beijing Hanguang**”) has agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot) which may be purchased for an aggregate amount of US\$10 million at the Offer Price. Based on the Offer Price of HK\$5.90 (being the high end of the Offer Price range set out in this Prospectus), Beijing Hanguang will subscribe for 13,171,000 Shares, representing (i) approximately 2.4% of the Offer Shares and approximately 0.7% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 2.0% of the Offer Shares and approximately 0.6% of the Shares in issue immediately

CORNERSTONE INVESTORS

upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

Beijing Hanguang is a wholly-owned subsidiary of CIC Capital Corporation (中投海外直接投資有限責任公司), which in turn is wholly owned by China Investment Corporation (中國投資有限責任公司) (“CIC”). Headquartered in Beijing, CIC was founded on September 29, 2007 as a wholly state-owned company incorporated in accordance with the Company Law of the People’s Republic of China. CIC invests on a commercial basis, with an objective to seek long-term, risk-adjusted financial returns.

As CIC controls 100% of the equity interests of Central Huijin, Beijing Hanguang is a close associate of Central Huijin (an indirect controlling shareholder of China Everbright Green Holdings, the existing Shareholder of the Company). As CIC controls 100% of the equity interests of Central Huijin (who indirectly controls the equity interests of the Joint Bookrunners (except China Merchants Securities (HK) Co., Limited)), Beijing Hanguang is also a “connected client” of the Joint Bookrunners (except China Merchants Securities (HK) Co., Limited). As such, the participation of Beijing Hanguang as a cornerstone investor is subject to a waiver from Rule 10.04 of the Hong Kong Listing Rules and a consent under paragraphs 5(1) and 5(2) of Appendix 6 to the Hong Kong Listing Rules from the Stock Exchange. Please refer to the section entitled “Waivers and Consents from Strict Compliance with the Hong Kong Listing Rules — Waivers and Consents in respect of Allocation of Shares to Connected Clients of Certain Joint Bookrunners and Close Associates of an Existing Shareholder.”

China Structural Reform Fund Corporation Limited

China Structural Reform Fund Corporation Limited (中國國有企業結構調整基金股份有限公司) (“China Structural Reform Fund”) has agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot) which may be purchased for an aggregate amount of US\$75 million at the Offer Price, but in any event shall not be more than 99,800,000 Offer Shares. Based on the Offer Price of HK\$5.90 (being the high end of the Offer Price range set out in this Prospectus), China Structural Reform Fund will subscribe for 98,788,000 Shares, representing (i) approximately 17.6% of the Offer Shares and approximately 4.9% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 15.3% of the Offer Shares and approximately 4.7% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

China Structural Reform Fund is a company incorporated in the PRC in which the State-owned Assets Supervision and Administration Commission of the State Council, via a number of state-owned enterprises, indirectly holds approximately 58% of its equity interest. The remaining shareholding of China Structural Reform Fund is mainly held by certain other state-owned enterprises. China Structural Reform Fund is mainly engaged in business including private fund-raising, equity investment, investment consulting, project investment and asset management and business management consultation.

For the purpose of this cornerstone investment, China Structural Reform Fund has engaged China International Capital Corporation Limited, an asset manager that is a qualified domestic institutional

CORNERSTONE INVESTORS

investor as approved by the relevant PRC authority (the “**QDII Manager**”), to subscribe for and hold such Offer Shares on a non-discretionary basis on behalf of the China Structural Reform Fund.

The QDII Manager acts in accordance with the instructions from China Structural Reform Fund in order to facilitate the participation by China Structural Reform Fund in the Global Offering of the Company. Other than being a client of the QDII Manager, China Structural Reform Fund is an independent third party of the Joint Bookrunners. As the QDII Manager and the Joint Bookrunners (except China Merchants Securities (HK) Co., Limited) (the “**Relevant Brokers**”) are members of a group of companies controlled by Central Huijin, the QDII Manager is a “connected client” of the Relevant Brokers under paragraph 13(7) of Appendix 6 to the Hong Kong Listing Rules. As the QDII Manager is controlled by Central Huijin, the QDII Manager is a close associate (as defined under the Hong Kong Listing Rules) of Central Huijin (an indirect controlling Shareholder of China Everbright Green Holdings, the existing Shareholder of the Company). As such, the participation of China Structural Reform Fund as a cornerstone investor through the QDII Manager is subject to a waiver from Rule 10.04 of the Hong Kong Listing Rules and a consent under paragraphs 5(1) and 5(2) of Appendix 6 to the Hong Kong Listing Rules from the Stock Exchange. The Offer Shares to be allocated and issued to China Structural Reform Fund under the Global Offering will be held by the QDII Manager on a non-discretionary basis on behalf of China Structural Reform Fund. It is confirmed by the Company that the cornerstone investment agreement of China Structural Reform Fund does not contain any material terms which are more favorable to China Structural Reform Fund or the QDII Manager than those in the other cornerstone investment agreements. In addition, apart from the preferential treatment of assured entitlement under a cornerstone investment, (i) each of the Company and the Relevant Brokers has also confirmed that, no preferential treatment has been, nor will be, given to the QDII Manager by virtue of its relationship with each of the Relevant Brokers; (ii) the QDII Manager has confirmed that, to the best of its knowledge and belief, it has not received and will not receive preferential treatment in the allocation of the Global Offering on behalf of China Structural Reform Fund as a cornerstone investor by virtue of its relationship with each of the Relevant Brokers; (iii) each of the Joint Bookrunners has confirmed no preferential treatment has been, nor will be, given to the QDII Manager by virtue of its relationship with each of the Relevant Brokers and (iv) each of the Joint Sponsors has confirmed that, it has no reason to believe that the QDII Manager received any preferential treatment in the allocation of the Global Offering as a cornerstone investor on behalf of China Structural Reform Fund by virtue of its relationship with each of the Relevant Brokers. An application has been made to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 10.04 of the Hong Kong Listing Rules and a consent under Paragraphs 5(1) and 5(2) of Appendix 6 to the Hong Kong Listing Rules to allow Offer Shares to be allocated to the QDII Manager (to be held on behalf of China Structural Reform Fund) as a “connected client” of each of the Relevant Brokers and a close associate of Central Huijin (an indirect controlling shareholder of China Everbright Green Holdings, the existing Shareholder of the Company).

GGHY (Xiamen) Asset Management Co.,Ltd.

GGHY (Xiamen) Asset Management Co.,Ltd. (硅谷惠銀 (廈門) 資產管理有限公司) (“**GGHY**”) has agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot) which may be purchased for an aggregate amount of RMB90 million at the Offer Price. Based on the Offer Price of HK\$5.90 (being the high end of the Offer Price range set out in the Prospectus), GGHY

CORNERSTONE INVESTORS

will subscribe for 17,189,000 Shares, representing (i) approximately 3.1% of the Offer Shares and approximately 0.9% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 2.7% of the Offer Shares and approximately 0.8% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

GGHY is a company established in the PRC, mainly engaged in asset management. Its ultimate controlling shareholder is Xiamen Rural Commercial Investment Group Company Limited (廈門農商投資集團有限責任公司), and the other two shareholders are Zhejiang Silicon Paradise Hengyu Venture Investment Company Limited (浙江天堂硅谷恒裕創業投資有限公司) (wholly owned by TTGG (as defined below)) and Xiamen Qingyue Investment Management Partnership L.P. (廈門清樾投資管理合夥企業(有限合夥)). GGHY will subscribe for the Shares through GGHY Everbright Greentech Private Equity Fund (硅谷惠銀光大綠色環保私募投資基金).

Zhejiang Silicon Paradise Asset Management Group Co., Ltd.

Zhejiang Silicon Paradise Asset Management Group Co., Ltd. (浙江天堂硅谷資產管理集團有限公司) (“TTGG”) has agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot) which may be purchased for an aggregate amount of RMB271 million at the Offer Price. Based on the Offer Price of HK\$5.90 (being the high end of the Offer Price range set out in the Prospectus), TTGG will subscribe for 51,760,000 Shares, representing (i) approximately 9.2% of the Offer Shares and approximately 2.6% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised, or (ii) approximately 8.0% of the Offer Shares and approximately 2.5% of the Shares in issue immediately upon completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is fully exercised.

TTGG is a company established in the PRC, mainly engaged in asset management. Its ultimate controlling shareholder, HEAVEN-SENT Capital Management Group Company Limited (硅谷天堂資產管理集團股份有限公司) was listed on the National Equities Exchange and Quotation (Stock Code: 833044) since July 2015. TTGG will subscribe for the Shares through “TTGG Environmental Protection Industry Private Equity Fund” (天堂硅谷環保產業私募投資基金).

Conditions Precedent

The subscriptions by the Cornerstone Investors are subject to the satisfaction of the following conditions precedent:

- (i) the Hong Kong Underwriting Agreement and the International Underwriting Agreement having been entered into, and having become effective and unconditional by no later than the respective times and dates specified therein;
- (ii) neither of the Hong Kong Underwriting Agreement and the International Underwriting Agreement having been terminated;
- (iii) the Listing Committee having granted the listing of, and permission to deal in, the Shares and that such approval or permission having not been revoked;

CORNERSTONE INVESTORS

- (iv) the Offer Price having been agreed upon between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters);
- (v) no laws shall have been enacted or promulgated which prohibit the consummation of the transactions contemplated in the Hong Kong Public Offering, the International Offering or in the cornerstone investment agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (vi) the respective representations, warranties and undertakings of (a) the Cornerstone Investors (other than Beijing Hanguang) are accurate and true in all respects and not misleading and that there is no breach of the cornerstone investment agreements on the part of such Cornerstone Investors; and (b) Beijing Hanguang are accurate and true in all material respects and not misleading and that there is no material breach of the cornerstone investment agreement on the part of Beijing Hanguang.

In addition, the subscription obligation of ADB is also subject to the following conditions precedent:

- (i) the issuance of the preliminary offering circular, international offering circular, Prospectus, Application Forms and any other announcements which may be issued by the Company in connection with the Global Offering (the “**Public Documents**”) and such Public Documents having not been subsequently withdrawn, repudiated or supplemented (except for (a) the pricing supplement set forth in the International Underwriting Agreement; and (b) any supplement as a result of any decrease in the low end of the Offer Price range);
- (ii) the Offer Price having been agreed at a price not more than HK\$6.67 per Share excluding the brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee; and
- (iii) ADB shall have established to its satisfaction that the government of the PRC has no objection to ADB’s purchase of the Shares pursuant to the relevant cornerstone investment agreement.

Restrictions on disposals by the Cornerstone Investors

Each of the Cornerstone Investors has agreed that it will not, and will cause its affiliates not to, whether directly or indirectly, at any time during the period of six months following the Listing Date, dispose of (as defined in the respective cornerstone investment agreement) any of the Shares to be subscribed by it pursuant to the respective cornerstone investment agreement.

Certain of the Cornerstone Investors may transfer or enter into specific transactions in relation to the Shares so subscribed for in certain limited circumstances as permitted in the relevant cornerstone investment agreement, such as transfer to a wholly-owned subsidiary of such Cornerstone Investor, provided that prior to such transfer, such wholly-owned subsidiary undertakes, and such Cornerstone Investor undertakes to procure, that such wholly owned subsidiary agrees to be bound by the Cornerstone Investor’s obligations stipulated under the relevant cornerstone investment agreement and subject to the restrictions on disposals imposed on the Cornerstone Investor.