

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**瀋陽公用發展股份有限公司**

**Shenyang Public Utility Holdings Company Limited**

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

**(Stock code: 747)**

**ISSUANCE OF NEW DOMESTIC SHARES UNDER  
GENERAL MANDATE**

**ISSUANCE OF NEW DOMESTIC SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that on 22 May 2015 (after trading hours), the Company entered into the conditional Subscription Agreements with six individual subscribers respectively pursuant to which the Company has conditionally agreed to allot and issue an aggregate of 120,000,000 Subscription Shares to the Subscribers at a price of RMB1 (equivalent to approximately HK\$1.268 <sup>(Note)</sup>) per Subscription Share.

An aggregate of 120,000,000 Subscription Shares are to be allotted and issued to the Subscribers, representing (i) approximately 20% and 10.86%, respectively, of the existing issued Domestic Shares and the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% and 9.80%, respectively, of the issued Domestic Shares and the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, assuming no further new Shares will be issued or repurchased before the completion of the Subscription.

The Subscription price of RMB1 (equivalent to approximately HK\$1.268 <sup>(Note)</sup>) per Subscription Share represents (a) a premium of approximately 3.93% to the closing price of HK\$1.220 per H-Share as quoted on the Stock Exchange on the date of the Subscription Agreements; (b) a premium of 6.20% to the average closing price of HK\$1.194 per H-Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements; and (c) a premium of approximately 6.11% to the average closing price of approximately HK\$1.195 per H-Share for the last ten consecutive trading days prior to the date of the Subscription Agreements.

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, the Subscribers are Independent Third Parties and are not connected persons of the Company as defined under the Listing Rules.

The Subscription Shares will be allotted and issued under the General Mandate and is conditional and subject to conditions as set out below under the heading “Conditions of the Subscription”.

The net proceeds from the Subscription, after deducting relevant expenses, will be approximately RMB119,500,000 (equivalent to approximately HK\$151,526,000 <sup>(Note)</sup>). The Company intends to use such net proceeds for business development and general working capital of the Group.

**Since the completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreements, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

On 22 May 2015 (after trading hours), the Company entered into the conditional Subscription Agreements with the Subscribers pursuant to which the Company has conditionally agreed to allot and issue an aggregate of 120,000,000 Subscription Shares to the Subscribers at a price of RMB1 (equivalent to approximately HK\$1.268 <sup>(Note)</sup>) per Subscription Share.

## **THE SUBSCRIPTION AGREEMENTS**

### **Date**

22 May 2015 (after trading hours)

### **Parties**

- (i) The Company; and
- (ii) Six individual subscribers

### **Subscribers**

To the best of the Directors’ knowledge, information and belief, and after making all reasonable enquiries, each of the Subscribers is an Independent Third Party and is not connected persons of the Company as defined under the Listing Rules.

### **Number of Subscription Shares**

The Subscription Shares to be allotted and issued comprising an aggregate of 120,000,000 new Domestic Shares, represented (i) approximately 20.00% and 10.86%, respectively, of the existing issued Domestic Shares and the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% and 9.80%, respectively, of the issued Domestic Shares and the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, assuming no further new Shares will be issued or repurchased before the completion of the Subscription.

The Subscription Shares are to be allotted and issued under the General Mandate and the issue of the Subscription Shares will not be subject to further Shareholders' approval. According to the General Mandate, the Directors are authorised to allot, issue and deal with each of the H-Shares and Domestic Shares with an aggregate nominal amount of up to but not exceeding 20% of the then aggregate nominal amount of H-Shares and Domestic Shares, respectively. As at the date of this announcement, no Domestic Shares have been allotted and issued pursuant to the General Mandate. The aggregate nominal value of the Subscription Shares will be RMB120,000,000 (equivalent to approximately HK\$152,160,000 <sup>(Note)</sup>). The Subscription Shares to be allotted and issued will fully utilize the General Mandate for Domestic Shares. The Company has not repurchased any Shares within the last 30 days prior to the date of this announcement.

### **Subscription Price**

The Subscription price of RMB1 (equivalent to approximately HK\$1.268 <sup>(Note)</sup>) per Subscription Share was arrived at after arm's length negotiations between the Company and the Subscribers with reference to the par value and the prevailing market price of the Shares and represents:

- (a) a premium of approximately 3.93% to the closing price of HK\$1.22 per H-Share as quoted on the Stock Exchange on the date of Subscription Agreements;
- (b) a premium of 6.20% to the average closing price of HK\$1.194 per H-Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of Subscription Agreements; and
- (c) a premium of approximately 6.11% to the average closing price of approximately HK\$1.195 per H-Share for the last ten consecutive trading days prior to the date of Subscription Agreements.

The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreements are fair and reasonable based on the current market conditions and that the Subscription is in the interests of the Company and the Shareholders as a whole.

### **Ranking of the Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the existing Domestic Shares and H-Shares in issue on the date of allotment and issue of Subscription Shares.

## Condition of the Subscription

The Completion is conditional upon the satisfaction of the following conditions:

- (i) the payment of the Subscription being made by the Subscribers to a bank account of the Company on or before 20 June 2015 upon the Subscription Agreements become effective; and
- (ii) the capital verification procedures being duly completed.

The Subscription Agreements will become effective upon (i) the passing of Board resolutions approving the Subscription Agreements and the transactions contemplated thereunder and the Subscription; (ii) the Company having obtained all the necessary consents and approvals required for the issuance of new Subscription Shares and the performance of Subscription Agreements from the relevant regulatory authorities in the PRC and/or any other relevant jurisdictions, if applicable.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

During the past 12 months immediately preceding the date of this announcement, the Company has conducted the following equity fund raising activity:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
29 May 2013, 22 April 2015 and 5 May 2015	Placing of 84,080,000 H-Shares	HK\$103.6 million	general working capital of the Group	Proceeds not yet utilized

## REASONS FOR SUBSCRIPTION

The net proceeds from the Subscription, after deducting relevant expenses, will be approximately RMB119,500,000 (equivalent to approximately HK\$151,526,000 <sup>(Note)</sup>). The net proceeds raised per Share upon completion of the Subscription will be approximately HK\$1.263 per Subscription Share. The Company intends to use such net proceeds for business development and general working capital of the Group.

As at the date of this announcement, the Group is principally engaged in infrastructure and construction business in the PRC. The Directors are of the opinion that the Subscription represents a good opportunity to raise additional funds to strengthen the Group's financial position as well as broaden its capital base. Accordingly, the Directors consider that the Subscription is in the interests of the Company and its Shareholders as a whole.

## EFFECTS ON SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company as at the date of this announcement and immediately after completion of the Subscription assuming that all of the 120,000,000 new Subscription Shares are subscribed or purchased in full, and the shareholding of H-Shares remains unchanged are as follows:

	As at the date of this announcement		Upon completion of the Subscription	
	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>
<b>Domestic Shares</b>				
Shenzhen Jinma	600,000,000	54.32	600,000,000	49.00
Subscribers	–	–	120,000,000	9.80
<b>H-Shares</b>				
Public Shareholders	504,478,000	45.68	504,478,000	41.20
Subscribers ( <i>Note</i> )	2,000	–	2,000	–
<b>Total</b>	<u>1,104,480,000</u>	<u>100.00</u>	<u>1,224,480,000</u>	<u>100.00</u>

*Note:* Such Shares are held by two of the Subscribers.

**Since the completion of the Subscription is subject to the satisfaction of the conditions precedent in the Subscription Agreements, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

*Note:* The figures are calculated based on the exchange rate of RMB0.7885 to HK\$1 as quoted by The People's Bank of China as at 22 May 2015, being the date of this announcement.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“associate”	has the meaning ascribed to it under the Listing Rules
“Board	the board of Directors
“Company”	Shenyang Public Utility Holdings Company Limited, a joint stock limited company incorporated in the PRC and whose H-Shares are listed on the main board of the Stock Exchange
“Completion”	completion of the condition to Subscription pursuant to the Subscription Agreements
“connected person”	has the meaning defined by the Listing Rules

“Director(s)”	means the director(s) of the Company
“Domestic Share(s)”	ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for in RMB by PRC nationals and/or PRC incorporated entities
“Domestic Shareholder”	The holders of the Domestic Share(s)
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 27 June 2014, pursuant to which the Directors are authorised to allot, issue and deal with each of the H-Shares and Domestic Shares with an aggregate nominal amount of up to but not exceeding 20% of the then aggregate nominal amount of H-Shares and Domestic Shares, respectively
“Group”	the Company and its subsidiaries
“H-Share(s)”	overseas listed foreign ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, all of which are listed on the main board of the Stock Exchange, and subscribed for and traded in Hong Kong dollars
“H-Shareholders”	the holder of H-Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Share(s)”	H-Share(s) and Domestic Share(s)
“Shareholder(s)”	holder(s) of the H-Shares and the Domestic Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Six individual investors procured by the Company to subscribe for Subscription Shares pursuant to the Subscription Agreements

“Subscription”	the subscription of Subscription Shares by the Subscribers pursuant to the Subscription Agreements
“Subscription Agreements”	the conditional subscription agreements dated 22 May 2015 entered into between the Company and the Subscribers in relation to the Subscription respectively
“Subscription Price”	The subscription price of RMB1 per Subscription Shares
“Subscription Share(s)”	an aggregate of up to 120,000,000 new Domestic Shares to be allotted and issued pursuant to the Subscription under the General Mandate
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By Order of the Board  
**Shenyang Public Utility Holdings Company Limited**  
**Ma Zhong Hong**  
*Chairman*

Shenyang, the PRC, 22 May 2015

*As at the date of this announcement, the executive directors of the Company are Mr. Ma Zhong Hong, Mr. Deng Xiao Gang and Mr. Huang Zhen Kun, the non-executive directors are Mr. Yin Zong Chen and Ms. Zhang Lei Lei and the independent non-executive directors are Mr. Chan Ming Sun Jonathan, Mr. He Qing Jia and Mr. Yu Guan Jian.*