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China Singyes Solar Technologies Holdings Limited

中國興業太陽能技術控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 750)

PROPOSED SHARE PREMIUM REDUCTION AND DISTRIBUTION OF FINAL DIVIDEND OUT OF CONTRIBUTED SURPLUS ACCOUNT

As announced by the Company in its announcement dated 28 March 2014 regarding the final results of the Company and its subsidiaries for the year ended 31 December 2013, the Directors recommended a final dividend of HK\$0.09 per Share. The final dividend is intended to be declared through the Share Premium Reduction.

The Directors propose to put forward to the Shareholders to reduce the share premium of the Company. The Share Premium Reduction involves cancellation of the amount of RMB50,000,000 standing to the credit of the Share Premium Account and transferring the credit arising therefrom to the Contributed Surplus Account. The declaration of final dividend is subject to the approval of Shareholders by way of an ordinary resolution.

To determine the Shareholders who are entitled to the final dividend, the register of members will be closed from Wednesday, 4 June 2014 to Thursday, 5 June 2014, both days inclusive, during which period no transfers of Shares will be registered.

As announced by the Company in its announcement dated 28 March 2014 regarding the final results of the Company and its subsidiaries for the year ended 31 December 2013, the Directors recommended a final dividend of HK\$0.09 per Share. The final dividend is intended to be declared through the Share Premium Reduction.

THE SHARE PREMIUM REDUCTION

The Directors propose to put forward to the Shareholders to reduce the share premium of the Company pursuant to the law of Bermuda and the Company's bye-laws. The amount standing to the credit of the Share Premium Account of the Company as at 31 December 2013, based on the audited consolidated financial statement of the Company was RMB678,024,000. It is proposed that the amount of RMB50,000,000 standing to the credit of the Share Premium Account be cancelled and that the credit arising therefrom be transferred to the Contributed Surplus Account.

REASONS FOR THE SHARE PREMIUM REDUCTION

The Directors consider that it is unnecessary to maintain the Share Premium Account at its current level. The Company is subject to the restrictions under Bermuda law on the use of the funds standing to the credit of the Share Premium Account which, in summary, is limited to application towards crediting as fully paid bonus shares to be issued and paying the costs arising on the issue of shares. The Contributed Surplus Account is a distributable reserve which is available to be applied by the Company in a more general manner as the Board may think fit, including but not limited to, payment of dividends to Shareholders and elimination of accumulated losses, if any. The Directors believe that the Share Premium Reduction is beneficial to the Company and its Shareholders as a whole.

EFFECT OF THE SHARE PREMIUM REDUCTION

The implementation of the Share Premium Reduction does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares.

The implementation of the Share Premium Reduction will not affect the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders, other than related expenses incurred which are immaterial. Save as the aforesaid expenses, the Directors consider that the Share Premium Reduction will not cause any loss in the Shareholders' funds of the Company and will not have a material adverse effect on the financial position of the Company.

CONDITIONS OF THE SHARE PREMIUM REDUCTION

The Share Premium Reduction is conditional upon, inter alia, the following being fulfilled:—

1. the passing of a special resolution by the Shareholders to approve the Share Premium Reduction at the Annual General Meeting;
2. compliance with section 46(2) of the Companies Act 1981 of Bermuda, including the publication of a notice of the Share Premium Reduction in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the Effective Date; and
3. the Director having satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Effective Date will be, unable to pay its liabilities as they become due.

FINAL DIVIDEND FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors recommended a final dividend of HK\$0.09 per Share for the year ended 31 December 2013, payable to Shareholders whose names appear on the register of members of the Company on Thursday, 5 June 2014. The final dividend is intended to be declared through the Share Premium Reduction.

The declaration of final dividend is subject to the approval of Shareholders at the Annual General Meeting by way of an ordinary resolution.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Wednesday, 4 June 2014 to Thursday, 5 June 2014, both days inclusive, during which period no transfers of Shares will be registered. In order to qualify for the final dividend, all completed transfer of Shares, accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Tuesday, 3 June 2014.

Cheques for the final dividend (subject to approval of Shareholders of the Share Premium Reduction) will be dispatched to the Shareholders on or before Friday, 11 July 2014.

GENERAL

Further information in relation to the Share Premium Reduction and the notice convening the Special General Meeting will be contained in a circular to be dispatched to Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the respective meanings set out opposite them:

“Annual General Meeting”	the annual general meeting of the Company to be held on Wednesday, 28 May 2014, for approving, inter alia, the Share Premium Reduction and transferring the credit therefrom to the Contributed Surplus Account
“Company”	China Singyes Solar Technologies Holdings Limited
“Contributed Surplus Account”	the contributed surplus account of the Company
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Share Premium Reduction shall become effective, being the next business day immediately following the date of the Annual General Meeting at which the relevant special resolution approving the Share Premium Reduction will be considered by the Shareholders

“Share(s)”	ordinary share(s) of US\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) for the time being of the Share(s) of the company
“Share Premium Account”	the share premium account of the Company
“Share Premium Reduction”	the proposed cancellation of the amount of RMB50,000,000 standing to the credit of the Share Premium Account to be approved by Shareholders at the Special General Meeting

By order of the Board
China Singyes Solar Technologies Holdings Limited
Liu Hongwei
Chairman

Hong Kong, 25 April 2014

As at the date of this announcement, the executive Directors are Mr. Liu Hongwei (Chairman), Mr. Sun Jinli and Mr. Xie Wen, the non-executive Directors are Mr. Li Huizhong and Mr. Cao Zhirong and the independent non-executive Directors are Mr. Wang Ching, Mr. Yick Wing Fat, Simon and Mr. Cheng Jinshu.