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綠能國際

SINOGREEN ENERGY INTERNATIONAL GROUP LIMITED

中國綠能國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1159)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

After preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2014, the Board wishes to inform the Shareholders and potential investors that the Group is expected to record a significant decrease in profit for the year ended 31 December 2014 as compared to the profit for the year ended 31 December 2013 or even record a loss for the Current Year as a result of the absence of a one-off gain for the Current Year.

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

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

After preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2014, the board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a significant decrease in profit, or even a loss, for the year ended 31 December 2014 (the “**Current Year**”) as compared to the profit for the year ended 31 December 2013.

As disclosed in the annual report of the Company for the year ended 31 December 2013, the Group successfully unwound the acquisition of liquid crystal on silicon (“**LCoS**”) television business (“**Acquisition**”) and the convertible bonds and promissory notes issued to the vendors (“**Vendors**”) in consideration of the Acquisition, which involved (i) the disposal of the patents related to the LCoS television production to Taiwan Micro Display Corp. (“**TMDC**”), the original vendor who sold the LCoS television business to the Vendors, and the termination of several agreements with TMDC, in return TMDC had returned HK\$187,200,000 convertible bonds to the Group for cancellation; and (ii) a judgment from the High Court in Hong Kong handed down on 20 June 2013 in favour of the Group, declaring that the Group was entitled to terminate the Acquisition agreement and the return to the Group of convertible bonds in the principal amount of HK\$112,800,000 and promissory notes of HK\$87,500,000, and cash of HK\$275,000,000 from the Vendors, plus relevant interests thereof. Following the completion of the aforesaid unwinding, the Group cancelled the convertible bonds of HK\$187,200,000 issued to TMDC, as well as the convertible bonds of HK\$112,800,000 and promissory notes of HK\$87,500,000 issued to the Vendors. For accounting treatment of such cancellations, certain assets and liabilities of the Group were derecognised, resulting in a one-off gain of approximately HK\$359,400,000 for the year ended 31 December 2013.

Based on the information currently available to the Board, it is expected that the absence of the aforesaid one-off gain in the Current Year would result in a significant decrease, or even a loss, in the profit for the Current Year as compared to the profit for the year ended 31 December 2013.

As the Company is in the process of finalizing the annual results of the Group for the Current Year, the information contained in this announcement is based on the preliminary assessment of the information currently available and the preliminary unaudited consolidated management accounts of the Group for the Current Year which have not been audited or reviewed by the Company’s auditors. The annual results announcement of the Group for the Current Year is expected to be released on or before the end of January 2015.

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

By Order of the Board
Sinogreen Energy International Group Limited
Dr. Lam Yin Lok
Chairman

Hong Kong, 14 January 2015

As at the date of this announcement, our executive Directors are Dr. Lam Yin Lok, Mr. Hung Ching Fung and Mr. Chau Chit; and our independent non-executive Directors are Mr. Daniel Domingos António, Mr. Kwok Chi Chung and Mr. Chow Wing Tung.