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CHINA SUNTIEN GREEN ENERGY CORPORATION LIMITED*
新天綠色能源股份有限公司

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

(Stock Code: 00956)

CONNECTED TRANSACTION
ACQUISITION OF 25% EQUITY INTEREST OF
HECIC YANSHAN (GUYUAN) WIND POWER

The Board of Directors is pleased to announce that HECIC New-energy, a wholly-owned subsidiary of the Company entered into an equity transfer agreement with Hebei Green Energy on 28 March 2011 to acquire 25% of the equity interest of HECIC Yanshan (Guyuan) Wind Power. After the Acquisition, HECIC New-energy will hold 100% equity interest of HECIC Yanshan (Guyuan) Wind Power.

Hebei Green Energy is an indirect wholly-owned subsidiary of HECIC, the controlling shareholder of the Company, and an associate of HECIC. Therefore, pursuant to Rule 14A.11(4) of the Listing Rules, Hebei Green Energy is a connected person of the Company, and the Equity Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Since all the applicable percentage ratios (other than the profits ratio) stipulated by the Listing Rules regarding the Acquisition are less than 5%, pursuant to Chapter 14A of the Listing Rules, the Acquisition is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement.

BACKGROUND

Reference is made to the disclosure in the section "Relationship with HECIC – HECIC's interests in HECIC Yanshan (Guyuan) Wind Power" of the prospectus of the Company dated 30 September 2010. HECIC New-energy, a wholly-owned subsidiary of the Company entered into the Equity Transfer Agreement with Hebei Green Energy on 28 March 2011 to acquire 25% of the equity interest of HECIC Yanshan (Guyuan) Wind Power. Upon completion of the Acquisition, HECIC New-energy will hold 100% equity interest of HECIC Yanshan (Guyuan) Wind Power.

EQUITY TRANSFER AGREEMENT

- Date : 28 March 2011
- Parties : (a) HECIC New-energy, as buyer; and
(b) Hebei Green Energy, as seller.
- Interests to be acquired : HECIC New-energy will acquire 25% equity interest of HECIC Yanshan (Guyuan) Wind Power held by Hebei Green Energy. After the Acquisition, HECIC New-energy will hold 100% equity interest of HECIC Yanshan (Guyuan) Wind Power.
- Consideration : The transfer price is RMB46,685,771.39 (approximately HKD55,462,092.98), which is agreed by the parties based on the valuation of HECIC Yanshan (Guyuan) Wind Power by Zhong Ming (Beijing) Assets Appraisal International Co., Ltd. (中銘國際資產評估(北京)有限責任公司), a valuer jointly appointed by the parties, with the benchmark date of 31 December 2010. The consideration will be paid by internal resources of the Group.
- The consideration for the Acquisition will be paid by the buyer to the seller within 30 days upon the effectiveness of the Equity Transfer Agreement.
- Conditions Precedent for the Equity Transfer Agreement : The Equity Transfer Agreement will take effect after the following conditions are satisfied:
1. The legal representatives or authorized representatives of both parties have executed the Equity Transfer Agreement and affixed the common seals;
 2. Both parties have carried out their internal approval procedures and approved the Acquisition ;
 3. The Company has obtained the necessary approvals in accordance with the requirements of the Listing Rules; and
 4. Approval of the Acquisition has been obtained from the relevant approving authorities in the PRC, including but not limited to the approval by Zhangjiekou Department of Commerce.
- Transfer of equity interest : Any and all rights attached to the Target Interest, including all rights, interests and legal entitlements attached to the Target Interest shall belong to HECIC New-energy from the day following December 31, 2010.

HECIC YANSHAN (GUYUAN) WIND POWER

HECIC Yanshan (Guyuan) Wind Power is a sino-foreign joint venture jointly set up by HECIC New-energy and Hebei Green Energy in Zhangjiakou city, Hebei province, the PRC on 3 March 2009 in cooperation for the development of the Wuhuaping Wind Farms 49.5MW project in Guyuan county, Hebei province. The project was completed and production commenced in December 2009, and on 1 January 2010, it officially started commercial operation.

Financial information

Based on the audited financial statements of HECIC Yanshan (Guyuan) Wind Power prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, as of 31 December 2010, the net assets of HECIC Yanshan (Guyuan) Wind Power totaled RMB 180,330,935.29, of which the net assets attributable to the Target Interest totaled RMB 45,082,733.82.

Based on the audited financial statements of HECIC Yanshan (Guyuan) Wind Power prepared in accordance with the Accounting Standards for Business Enterprises of the PRC, the audited net profits before tax and extraordinary items and after tax and extraordinary items for the two years ended 31 December 2009 and 31 December 2010 respectively were as follows:

	For the Year ended 31 December 2009 (RMB)	For the Year ended 31 December 2010 (RMB)
Audited net profit (before tax and extraordinary items)	0	19,770,403.97
Audited net profit (after tax and extraordinary items)	0	19,770,403.97

Investment in HECIC Yanshan (Guyuan) Wind Power by Hebei Green Energy

The investment in HECIC Yanshan (Guyuan) Wind Power by Hebei Green Energy amounted to RMB43 million, of which injection of registered capital was RMB43 million. No shareholders' loans were provided.

GENERAL INFORMATION

Information of the Group

The Company is one of the leading clean energy companies in Northern China. It owns and operates natural gas transmission and distribution facilities in Hebei Province and sells natural gas through the natural gas distribution channels of the Group. The Group was one of the largest operators of natural gas transmission and distribution facilities in Hebei province, measured by sales volume in 2007 and 2008. In addition, the Group is also engaged in the planning, development and operation of wind farms, and sells the electricity generated by the wind farms of the Group to local grid companies. It owns a large portfolio of operating and developing wind farms concentrated in wind farms in Northern China. The Group was among the top ten largest wind power operating companies in the PRC as of 31 December 2010 in terms of consolidated installed capacity.

HECIC and Hebei Green Energy

HECIC is a state-owned enterprise under the direct supervision of Hebei Province State-owned Assets Supervision and Administration Commission. It is primarily engaged in the business of investment in and development of projects in energy, transportation and water supply sectors, as well as other pillar industries of Hebei Province. Hebei Green Energy is a company incorporated in Hong Kong on 15 August 2007, which is an indirectly wholly-owned subsidiary of HECIC, and is engaged in trading, manufacturing and investment businesses.

Reasons for the Acquisition

Prior to the completion of the Acquisition, the Company holds 75% equity interest of HECIC Yanshan (Guyuan) Wind Power, and the remaining 25% is indirectly held by HECIC through Hebei Green Energy. Pursuant to the Non-Competition Agreement entered into by the Company and HECIC, the Company may exercise its option to acquire 25% of the equity interest of HECIC Yanshan (Guyuan) Wind Power. As at the date of this announcement, HECIC has approved the Acquisition in principle. The completion of the Acquisition will provide clearer business delineation between the Company and HECIC in wind power business, and will facilitate the reduction of connected transactions of the Company and enhance the independence of the Company in its business operation.

The Directors of the Company (including the independent non-executive directors) are of the view that the Equity Transfer Agreement and the transactions contemplated therein were entered into on normal commercial terms, and that the terms (including the considerations) are fair, reasonable and for the interests of the Group and the shareholders of the Company as a whole. None of the Directors of the Company have any substantial interests in the Acquisition.

IMPLICATION UNDER THE LISTING RULES

Hebei Green Energy is an indirect wholly-owned subsidiary of HECIC, the controlling shareholder of the Company, therefore is an associate of HECIC. Pursuant to Rule 14A.11(4) of the Listing Rules, Hebei Green Energy is a connected person of the Company, and the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Since all the applicable percentage ratios (other than the profits ratio) stipulated by the Listing Rules regarding the Acquisition are less than 5%, pursuant to Chapter 14A of the Listing Rules, the Acquisition is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition ”	the acquisition of 25% equity interest of HECIC Yanshan (Guyuan) Wind Power from Hebei Green Energy by HECIC New-energy pursuant to the Equity Transfer Agreement;
“associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Company”	China Suntien Green Energy Corporation Limited, a joint stock company incorporated in the PRC with limited liability on 9 February 2010, and its H-shares are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Equity Transfer Agreement”	the equity transfer agreement entered into by HECIC New-energy and Hebei Green Energy on 28 March 2011;
“Group”	the Company and its subsidiaries;
“Hebei Green Energy”	Hebei Green Energy Limited (燕山新能源有限公司), a company incorporated on 15 August 2007 in Hong Kong, and an indirectly wholly-owned subsidiary of HECIC and Connected Person of the Company;
“HECIC”	Hebei Construction & Investment Group Co., Ltd. (河北建設投資集團有限責任公司), a company incorporated in the PRC and the controlling shareholder of the Company, which invests in the energy and transportation infrastructure industries;

“HECIC New-energy”	HECIC New-energy Co., Ltd. (河北建投新能源有限公司), a wholly-owned subsidiary of the Company;
“HECIC Yanshan (Guyuan) Wind Power “	HECIC Yanshan (Guyuan) Wind Power Co., Ltd. (建投燕山(沽源)风能有限公司), a company incorporated in the PRC;
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	shareholders who do not need to abstain from voting in the approval of resolutions in relation to the Acquisition pursuant to the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“MW”	unit of power, megawatt. 1MW = 1,000 kW. The installed capacity of power plants is generally expressed in MW;
“Non-Competition Agreement”	the non-competition agreement dated 19 September 2010 entered into between HECIC and the Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed thereto in Schedule 23 to the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Target Interest”	the 25% equity interest of HECIC Yanshan (Guyuan) Wind Power to be transferred from Hebei Green Energy to HECIC New-energy pursuant to the Equity Transfer Agreement.

By order of the board of
China Suntien Green Energy Corporation Limited
Zhao Hui
Executive Director/Joint Company Secretary

Hong Kong, 28 March 2011

As at the date of this announcement, the non-executive directors of the Company are Dr. Li Lian Ping, Mr. Zhao Hui Ning and Mr. Xiao Gang; the executive directors of the Company are Dr. Cao Xin, Mr. Gao Qing Yu, Mr. Zhao Hui and Mr. Sun Xin Tian; and the independent non-executive directors of the Company are Mr. Qin Hai Yan, Mr. Ding Jun, Mr. Wang Xiang Jun and Mr. Yue Man Yiu Matthew.

* for identification purpose only

Unless otherwise specified, the exchange rate (being the mid price of the RMB exchange rate on 28 March 2011 announced by the People's Bank of China) of HKD1 to RMB0.84176 was adopted wherever appropriate in this announcement. Such conversion is for illustration purposes only, and does not constitute any statement that any sums have been, may have been or may be converted at that or any other exchange rate or at all.