

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.



China Lumena New Materials Corp.

中国旭光新材料集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 67)

ANNOUNCEMENT

(1) WINDING UP PETITION AGAINST THE COMPANY

(2) CLARIFICATION OF ANNOUNCEMENT DATED 2 DECEMBER 2014

AND

(3) UPDATE ON THE DEBT POSITION OF THE GROUP

This announcement is made by China Lumena New Materials Corp. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

WINDING UP PETITION AGAINST THE COMPANY

On 29 January 2015, the board (the “**Board**”) of directors (the “**Directors**”) of the Company received a winding up petition dated 19 January 2015 filed by Mega International Commercial Bank Co., Ltd. (the “**Petitioner**” or “**MICB**”) against the Company (the “**Winding Up Petition**”) with the Grand Court of the Cayman Islands (the “**Cayman Court**”) which was served at the Company’s registered office in the Cayman Islands.

It was alleged in the Winding Up Petition that the Company was indebted to and had failed to satisfy the Lenders (as defined below) of such debt in the total sum of US\$89,764,378.88 as at 16 January 2015, comprising the principal amount of a loan of US\$85,000,000 (the “**Loan**”), accrued unpaid interest thereon of US\$880,436.38 and accrued unpaid default interest thereon of US\$3,883,942.50. Pursuant to the Winding Up Petition, the aforesaid amounts were owed pursuant to a loan agreement dated 22 April 2013 (the “**Loan Agreement**”) entered into by (i) the Company (as borrower), (ii) the Petitioner, Cathay

United Bank, China Development Industrial Bank, Ta Chong Bank Ltd., Taipei Fubon Commercial Bank Co., Ltd., Taishin International Bank Co., Ltd., Taiwan Business Bank and Bank of East Asia, Limited (as lenders) (collectively, the “**Lenders**”), and (iii) the Petitioner (as arranger and agent for the Lenders) in respect of the Loan.

Under the Winding Up Petition, the Petitioner sought to wind up the Company and to appoint liquidators. The Winding Up Petition was scheduled to be heard at the Cayman Court on 25 February 2015.

The Company is currently seeking legal advice in respect of the Winding Up Petition and will keep the shareholders and the public informed of the progress of the Winding Up Petition and of its impact on the Group’s operation and financial position by way of further announcement(s) as and when appropriate.

CLARIFICATION OF ANNOUNCEMENT DATED 2 DECEMBER 2014

Reference is made to the announcement of the Company dated 2 December 2014 (the “**Announcement**”) relating to, among other things, the proposed debt restructuring of the Group. In the Announcement, it was disclosed that “the Group had not received any demand or default notice from its creditors” (the “**Statement**”). In light of the information recently made available to the Board as set forth below, the Board wishes to clarify that the Statement was made based on the then understanding and knowledge of the Directors.

Subsequent to the date of the Announcement and during the recent negotiation in relation to the proposed debt restructuring of the Group with MICB, the then newly appointed executive Director, namely Mr. Au-Yeung Kwong Wah (the “**New Executive Director**”), learnt that MICB had purportedly issued demand notices or letters to the Company. After internal investigation made with relevant management staff of the Company, the New Executive Director understood that the demand letters of MICB, were issued to the Company addressing for the attention of Mr. Zhang Zhigang (“**Mr. Zhang**”), the chairman of the Company. Therefore, such demand letters were, as in other usual correspondence addressed for the attention of Mr. Zhang, forwarded directly to the Group’s PRC office for the attention of Mr. Zhang. However, Mr. Zhang had not informed the Board about MICB’s demand letters. After the New Executive Director’s repeated enquiries and requests for copies of MICB’s demand letters from the senior management team in the People’s Republic of China (the “**PRC**”), the New Executive Director was informed of the details of MICB’s demand letters in January 2015. At or around the same time, the New Executive Director was also informed by the PRC staff of the Group that the Company received demand notices from other creditors, namely:

- (i) demand notice dated 25 April 2014 issued on behalf of Far Eastern International Bank Co., Ltd (“**FEB**”) to the Company demanding repayment of US\$4,464,370.01 and interest thereon and legal costs incurred by FEB;
- (ii) demand notice dated 9 May 2014 issued by Credit Suisse AG, Singapore Branch to the Company demanding repayment of US\$5,000,000, interests, default interest and credit fee; and

- (iii) two demand notices dated 30 September 2014 and 31 December 2014 issued by China Development Bank Corporation to the Company demanding repayment of US\$30,000,000, accrued interest of US\$11,010,000 and default interest.

As with the case of MICB's demand letters, some of the aforesaid demand notices were issued to the Company addressing for the attention of Mr. Zhang which were then forwarded to the Group's PRC office while some of them were directly delivered to the Group's PRC office. To ensure the accuracy of information to be provided to the Independent non-executive Directors, the New Executive Director together with the other new executive Director, Mr. Shi Jianping, had informed the Independent non-executive Directors of the existence of all of the aforesaid demand letters only after the receipt of the Winding Up Petition on 29 January 2015. The Board was provided with copies of the demand letters and other notices on 3 February 2015 after making repeated enquiries and requests for the same from the Group's senior management team in the PRC.

Therefore, based on the then available information and reasonable enquiries made by the Board, up to and at the time of publication of the Announcement, the two new executive Directors together with the Independent non-executive Directors were not aware of the receipt of any demand or default notice from its creditors.

The Board is currently investigating into this matter and will take such appropriate action(s) against wrongdoers within officers or employees of the Group and discussing measures to improve and strengthen the Company's internal control system (including without limitation, the restructuring of the Board). Further announcement(s) will be made as and when appropriate.

UPDATE ON THE DEBT POSITION OF THE GROUP

The Company also wishes to update its shareholders of the debt position of the Group as at the date of this announcement. To the best of the Directors' knowledge and belief based on information made available to the Board and the reasonable enquiries they made so far, the debt position of the Group is as follows:

1. All bank borrowings (of aggregate principal amount of approximately USD821,370,548) and convertible bond (of principal amount of USD120,000,000) owed or issued by the Group's non-PRC companies had either matured and not repaid or instalment payment due and not repaid.
2. As regards the updated debt position in respect of the Group's PRC subsidiaries' borrowings, the Company is coordinating with a qualified PRC law firm for a full investigation as to whether (i) any of the loans obtained by its PRC subsidiaries has become due and payable, (ii) the PRC subsidiaries have received any demand letter from the financiers, and/or (iii) any litigation, proceedings or claims have been initiated against the Company or its subsidiaries in the PRC in connection therewith.
3. The Company is still in discussions with its creditors with a view to agreeing on possible arrangements so as to facilitate the Company to meet its obligations under its loan facilities and convertible notes issued by it.

The Company will keep its shareholders informed of developments in relation to the above as well as the Group's business operations, financial position and other matters by way of further announcement(s) as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares on the Main Board of The Stock Exchange of Hong Kong Limited has been suspended with effect from 10:56 a.m. on 25 March 2014 and will remain suspended until further notice.

By Order of the Board
China Lumena New Materials Corp.
Au-Yeung Kwong Wah
Executive Director

Hong Kong, 3 February 2015

As at the date of this announcement, the Board comprises nine Directors, of which Mr. Zhang Zhigang, Mr. Zhang Daming, Mr. Gou Xingwu, Mr. Tan Jianyong, Mr. Shi Jianping and Mr. Au-Yeung Kwong Wah are executive Directors, Mr. Koh Tiong Lu, John, Mr. Wong Chun Keung and Mr. Au Kin Wah are independent non-executive Directors.