

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.



BOER POWER HOLDINGS LIMITED

博耳電力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1685)

FURTHER ANNOUNCEMENT

PROFIT FORECAST IN RELATION TO DISCLOSEABLE TRANSACTION FOR DISPOSAL OF THE TARGET COMPANY

We refer to the announcement of Boer Power Holdings Limited (the “**Company**”) dated 21 October 2019 in relation to the disposal of the entire issued share capital of the Target Company (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Valuer, namely Wanlong (Shanghai) Assets Valuation Co. Ltd.* (萬隆(上海)資產評估有限公司), has relied primarily on the income method with reference to the discounted free cash flow of the Target Company to determine the value of the entire shareholders’ equity in the Valuation Report.

Accordingly, the Valuation Report constitutes a profit forecast under Rule 14.61 of the Listing Rules. This announcement is therefore subject to the requirements under Rules 14.60A and 14.62 of the Listing Rules in relation to profit forecast.

ASSUMPTIONS OF VALUATION

For details of the principal assumptions, including commercial assumptions, upon which the Valuation Report was based, please refer to the Announcement.

CONFIRMATIONS

BDO Limited (“**BDO**”), acting as the Company’s reporting accountants, has reviewed and reported to the Directors on the arithmetical accuracy of the calculations of the discounted free cash flows in which the Valuation Report was based, which does not involve the adoption of accounting policies.

The Directors confirm that the valuation of the value of the entire shareholders' equity has been made after due and careful enquiry.

The letters issued by BDO and the Board are set forth in Appendix I and Appendix II respectively to this announcement.

EXPERTS AND CONSENTS

The qualifications of the experts who have given their statements in this announcement are as follows:

Name	Qualification	Date of conclusion or opinion
Wanlong (Shanghai) Assets Valuation Co. Ltd.* (萬隆(上海)資產評估有限公司)	Professional Valuer	5 September 2019
BDO Limited	Certified Public Accountants	1 November 2019

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, each of the Valuer and BDO is a third party independent of the Group and is not a connected person of the Group. As at the date of this announcement, neither the Valuer nor BDO has any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each of the Valuer and BDO has given and has not withdrawn its respective written consent to the issue of the Announcement and/or this announcement with inclusion of its name, statements and all references to its name (including its qualification) in the form and context in which they are included.

By order of the Board
Boer Power Holdings Limited
Qian Yixiang
Chairman

Hong Kong, 11 November 2019

As at the date hereof, the Board comprises of (i) four executive Directors: Mr. Qian Yixiang, Ms. Jia Lingxia, Mr. Zha Saibin and Mr. Qian Zhongming; and (ii) three independent non-executive Directors: Mr. Yeung Chi Tat, Mr. Tang Jianrong and Mr. Qu Weimin.

* English translations of the names of the Chinese companies or entities for which no official English translation exists, and are provided for identification purposes only.

APPENDIX I – LETTER FROM THE COMPANY’S REPORTING ACCOUNTANTS

The following is the text of the letter dated 1 November 2019 prepared by BDO Limited, Certified Public Accountants, for inclusion in this announcement.

INDEPENDENT ASSURANCE REPORT ON THE ARITHMETICAL ACCURACY OF THE CALCULATIONS OF THE DISCOUNTED FREE CASH FLOWS IN CONNECTION WITH THE VALUATION OF ANDA ZHONGJU NEW ENERGY TECHNOLOGY CO., LTD

1 November 2019

To the Board of Directors of Boer Power Holdings Limited (the “**Company**”)

We refer to the discounted free cash flows on which the valuation (“**Valuation**”) dated 5 September 2019 prepared by Wanlong (Shanghai) Assets Valuation Co., Ltd, with respect to the valuation of 100% equity interest in Anda Zhongju New Energy Technology Co., Ltd (the “**Target Company**”) as at 30 June 2019 is based. The Valuation is prepared based in part on discounted free cash flows and is regarded as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Directors’ Responsibility for the Discounted Free Cash Flows

The directors of the Company (the “**Directors**”) are solely responsible for the preparation of the discounted free cash flows in accordance with the bases and assumptions adopted by the Directors and set out in the Valuation. This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted free cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements”, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

It is our responsibility to report, as required by paragraph 14.62(2) of the Listing Rules, on the arithmetical accuracy of the calculations of the discounted free cash flows used in the Valuation.

We conducted our work in accordance with the terms of our engagement and Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the HKICPA. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the discounted free cash flows in accordance with the bases and assumptions as set out in the Valuation. We performed procedures on the arithmetical accuracy and compilation of the discounted free cash flows in accordance with the bases and assumptions. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Conclusion

In our opinion, so far as the arithmetical accuracy of the calculations are concerned, the discounted free cash flows have been properly compiled in accordance with the bases and assumptions adopted by the Directors as set out in the Valuation.

Other Matters

Without qualifying our opinion, we draw your attention that we are not reporting on the appropriateness and validity of the bases and assumptions on which the discounted free cash flows are based and our work does not constitute any valuation of the Target Company or an expression of an audit or review opinion on the Valuation.

The discounted free cash flows do not involve the adoption of accounting policies. The discounted free cash flows depend on future events and on a number of assumptions which cannot be confirmed and verified in the same way as past results and not all of which may remain valid throughout the period. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.62(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of, arising out of or in connection with our work.

Yours faithfully

BDO Limited

APPENDIX II – LETTER FROM THE BOARD

The following is the text of the letter dated 11 November 2019 prepared by the Board for inclusion in this announcement.

11 November 2019

Listing Division
The Stock Exchange of Hong Kong Limited
12/F, Two Exchange Square,
8 Connaught Place, Central, Hong Kong

Dear Sir/Madam,

Discloseable Transaction – Disposal of the entire issued share capital of Anda Zhongju New Energy Technology Co., Ltd.* (安達中聚新能源科技有限公司)

We refer to the announcement of Boer Power Holdings Limited (the “**Company**”) dated 21 October 2019 in relation to the disposal (the “**Disposal**”) of the entire issued share capital of the Target Company (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

We have reviewed and discussed the Valuation Report, which forms the basis for determining the Transfer Price for the Disposal. We note that the Valuer has relied primarily on the income method with reference to the discounted free cash flow of the Target Company to determine the value of the entire shareholders’ equity in the Valuation Report and accordingly the Valuation Report is regarded as a profit forecast under Rule 14.61 of the Listing Rules. Pursuant to Rule 14.62 of the Listing Rules, we have engaged BDO, acting as the Company’s reporting accountants, to examine the arithmetical accuracy of the calculations of the discounted free cash flow in the Valuation Report in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the Hong Kong Institute of Certified Public Accountants.

On the basis of the above, we confirm that the value of the entire shareholders’ equity as contained in the Valuation Report has been made after due and careful enquiry.

Yours faithfully,
For and on behalf of the board of directors of
Boer Power Holdings Limited

Qian Yixiang
Chairman