

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.



KAISUN ENERGY GROUP LIMITED

凱順能源集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8203)

Current Development on Kaisun's Belt and Road Strategy: Strategic Cooperation Framework Agreement with China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd.

The board (the "Board") of the directors (the "Directors") of Kaisun Energy Group Limited (the "Company") is pleased to announce that on 25 November 2015, the Company and China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. ("NWPC") have entered into a Strategic Cooperation Framework Agreement (the "Framework Agreement"). Based on principles of cooperating in good faith under the Framework Agreement, both parties will jointly explore opportunities in electricity sectors and other infrastructure project located in countries along Belt and Road.

Parties: (a) China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. ("NWPC")
(b) Kaisun Energy Group Limited ("Kaisun")

Current development on Kaisun's Belt and Road Strategy: Strategic Cooperation Framework Agreement with China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd.

Since the launch in 2013, China's Belt and Road initiative has moved very fast. It has now become the major trans-continental spanning Europe, Asia, Africa and multi-national initiative that involve countries more than originally targeted. This initiative presents the world with an abundance of business opportunities in an unprecedented way. With this grand strategy, we envisage deepening financial integration, expanding trade flow and soaring infrastructure investment.

Under the current global economic situation, Kaisun is of the view that the Silk Road Economic has the greatest potential in which Central Asia plays an important part. Leveraging on our existing and previous operations in areas including Xinjiang and Tajikistan which Kaisun has good experience, Kaisun and our strategic partners will continue to look for opportunities in energy, financial, agriculture, logistics sectors in the Belt. This brings Kaisun's vision to a long term sustainable development Kaisun Energy is currently undergoing business reorganization in preparation for the Belt and Road initiative expansion, including business models such as Private Public Partnership (PPP), Engineering-Procurement-Construction (EPC) together with our strategic partners for success in our new business. Future fund raising activities may be required in view of the large scale of the Belt and Road projects in general.

The latest China's 13th Five-year plan mentioned strengthening Hong Kong's position as the main RMB offshore settlement centre, as well as its role in the country's economy development by collaborating with different mainland cities and companies. This 5-year plan will make a positive impact on Hong Kong companies. Because of

Hong Kong's investment environment, strengths and credibility, it is easier to attract investment from foreign and mainland investors. Kaisun's neutral and pure business nature can help avoid complications already encountered by China SOEs investing abroad totally alone by itself such as political and legal barriers. As Hong Kong possess unique competence in "One country two system", its legal system commensurate with other legal systems in the major international financial centres, which will ease helping State-owned enterprises (SOE) to implement their foreign investments. Being the only Central Asian expert possessing the unique traits as a listed company in Hong Kong and incorporated in Cayman Island, our strategic partner will rely on Kaisun's competencies to achieve success in investment in the Belt. Kaisun will not only invest alongside with our strategic partners but will also provide expertise in corporate management, fund raising, and also potential future project exit execution.

The Group's strategy is to find the right strategic partners for exploring business opportunities on Belt and Road. In addition to the strategic partners Kaisun had found – China National Technical Import and Export Corporation (wholly owned subsidiary of the Global Fortune 500 China Technology (Group) Holding Ltd.) in February 2015, OJSC Tojiksodirobank (one of the largest privately held commercial bank in Tajikistan of Central Asia) in June 2015, Kaisun has just found another strategic partner - NWPC

NWPC and Kaisun Energy signed this Framework Agreement, with aim of utilizing the unique competences of each company which complements each other. Using Engineering-Procurement-Construction (EPC), Engineering-Procurement-Construction + Financing (EPC+F), Build-Operate-Transfer(BOT), Build-Operate-Own-Transfer (BOOT) method of subcontracting, both parties will jointly explore opportunities in electricity sectors and other infrastructure project (including but not limited to thermal power, wind power, solar power ,bioelectricity, transmission and distribution of electricity) located in countries along Belt and Road. This current cooperation can raise Kaisun's negotiation power in the market of the Belt.

Competences of NWPC and Kaisun Energy

China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. belongs to China Energy Engineering Corporation Limited ("CEEC") which ranked 391st among "The Fortune Global 500" in 2015.

CEEC is one of the largest comprehensive solutions providers for the power industry in China and globally. CEEC's strong capabilities across the full industry chain, in particular survey and design, enable it to provide customers with one-stop integrated solutions and full life-cycle project management services. CEEC undertook the construction of the Three Gorges Project (which has the largest hydropower station in the world in terms of installed capacity), the AC and DC transmission lines with the highest voltage level and the largest number of 1000MW USC generation units. According to the Sullivan Report, from 2012 to 2014, CEEC engaged in the design and/or construction of power plants with a total on-grid installed capacity of more than 160GW, ranking first in the world; in terms of revenue, CEEC would have ranked 21st among "The Top 150 Global Design Firms" in 2015 for its design business and 15th among "The Top 250 Global Contractors" in 2014 for its contracting businesses respectively by ENR. CEEC business segments consist of survey, design and consultancy, construction and contracting, equipment manufacturing, civil explosives and cement production, investment and other businesses.

Kaisun Energy Group Limited is an investment holding company listed on the Growth Enterprise Market ("GEM") board of the Hong Kong Stock Exchange of Hong Kong Limited ("Stock Exchange"). Kaisun has operating experience in Hong Kong, Shenzhen, and Shandong of China and also Silk Road related regions such as Xinjiang, and Tajikistan. Not only does Kaisun have years of operating experience in Tajikistan but it has also taken on consulting roles in other Central Asian projects with their business partners. Management and directors of the Group not only has experience in energy and mining but also financial and capital markets experience in Hong Kong as well as other developed and developing nations. As a frontrunner of the Belt and Road Initiative and an advocate of the Belt , Kaisun started to invest in Tajikistan, Central Asia since 2011 before launching of China's Belt and Road initiative in 2013, and is continuing to look for business opportunities to participate in Belt and Road Initiative. With our unique position as a Hong Kong listed company, our experience in the Belt and Road region and cooperating with our strategic partners, we will be able to capture good opportunities arising from the Belt and Road Initiative.

Main points of Framework Agreement

Method of cooperation

- (1) Each party will build up its own professional team to exchange information with each other regarding the project. Under the authorization of NWPC, Kaisun can utilize information provided by NWPC, and can start related work before starting the specific project, however, Kaisun needs to observe rule of confidentiality.

- (2) The method of cooperation under the Framework Agreement should be individual project on a case by case basis. Each project under cooperation will have its own independent definitive agreement.
- (3) Expenditure arising out of development of the specific project will be based on the principle that each party will bear its own expenditure.

To attain good cooperation on specific project, each party will utilize its own unique competence so as to provide good support for the specific project

The Framework Agreement sets out the general principles of cooperation between the parties. Detailed terms of further cooperation will be subject to definitive agreements to be entered into by both parties.

The entering into of the Framework Agreement is conducted in the usual and ordinary course of business of the Company and does not constitute a notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules.

By order of the Board
Kaisun Energy Group Limited
Chan Nap Kee, Joseph
Chairman

Hong Kong, 25 November, 2015

As of the date of this announcement, the executive Directors are Mr. Chan Nap Kee Joseph, Dr. Chow Pok Yu Augustine, Mr. Yang Yongcheng. The independent non-executive Directors are Mr. Liew Swee Yean, Mr. Siu Siu Ling Robert, Dr. Wong Yun Kuen and Mr. Anderson Brian Ralph.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement in this announcement misleading or deceptive.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company's website at www.kaisunenergy.com.

** for identification purpose only*