SKY EARTH LIMITED
(a company incorporated in the BVI with limited liability)

Shenyang Public Utility Holdings Company Limited
瀋陽公用發展股份有限公司
(a joint stock limited company incorporated in the PRC)
(Stock Code: 747)

CLARIFICATION ANNOUNCEMENT

(1) UPDATE ON DISCLOSURE OF SHAREHOLDINGS IN SHENYANG PUBLIC UTILITY HOLDINGS COMPANY LIMITED OF PARTIES ACTING IN CONCERT WITH SKY EARTH LIMITED AND (2) UPDATE ON POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER BY KINGSTON SECURITIES LIMITED ON BEHALF OF SKY EARTH LIMITED TO ACQUIRE ALL THE ISSUED H SHARES (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY SKY EARTH LIMITED AND PARTIES ACTING IN CONCERT WITH IT) IN SHENYANG PUBLIC UTILITY HOLDINGS COMPANY LIMITED

Reference is made to the joint announcement of Sky Earth Limited (the "**Offeror**") and Shenyang Public Utility Holdings Company Limited (the "**Company**") dated 28 September 2012 (the "**Joint Announcement**"). Terms defined in the Joint Announcement shall have the same meanings when used herein unless the context otherwise requires.

The Directors were informed by the Offeror that its sole director and sole shareholder, Mr. Chim Kim Lun Ricky, was advised on 30 November 2012 by his spouse, Ms. Li Oi Kay Clara ("**Mrs. Chim**"), that she currently holds 1,282,000 H Shares (the "**Shareholding**"). Mrs. Chim acquired the Shareholding at the price ranges of HK$0.67 to HK$1.19 per H Share between 2010 and 2011. Given that such Shareholding was last purchased by Mrs. Chim over six months prior to the date of the Joint Announcement, it will not affect the Offer or any terms thereto. In light of the foregoing, the Joint Announcement should be revised in accordance with the descriptions herein below.

The first sentence in the second paragraph under the summary section headed "Possible Mandatory Unconditional Cash Offer" in the Joint Announcement should be deleted and replaced by the following:

"As at the date of this joint announcement, the outstanding Shares other than those already owned or agreed to be acquired by Jinma and parties acting in concert with it amount to 419,118,000 H Shares issued, representing approximately 41.07% of the issued share capital of the Company."

Further, the fourth paragraph under the summary section headed "Possible Mandatory Unconditional Cash Offer" in the Joint Announcement should be deleted and replaced by the following:

"Based on the 419,118,000 H Shares subject to the Offer, the Offer is valued at approximately HK$89.70 million based on the Offer Price."

Further, the following paragraph should be inserted after the second paragraph under the section headed "Possible Mandatory Unconditional Cash Offer" in the Joint Announcement:

"Mrs. Chim, spouse of the Offeror's sole director and sole shareholder, Mr. Chim Kim Lun Ricky, currently holds 1,282,000 H Shares which were acquired at the price ranges of HK$0.67 to HK$1.19 per H Share between 2010 and 2011."

Further, the following paragraph should be inserted after the second paragraph under the sub-section of "Principal terms of the Offer" under the section headed "Possible Mandatory Unconditional Cash Offer" in the Joint Announcement:

"Given that the 1,282,000 H Shares held by Mrs. Chim were acquired over six months prior to the date of this joint announcement, it will not affect the Offer or any terms thereto including the Offer Price."

Further, the first paragraph under the sub-section of "Dealing and interests in the Company's securities" under the section headed "Possible Mandatory Unconditional Cash Offer" in the Joint Announcement should be deleted and replaced by the following:

"Save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, none of the Offeror, Jinma or parties acting in concert with any of them has dealt in the Shares, warrants, options, derivatives or other securities convertible into the Shares during the period commencing from the date falling six months before the date of this joint announcement. Save for the 1,282,000 H Shares held by Mrs. Chim and the Sale Shares to be acquired by Jinma under the Sale and Purchase Agreement, the Offeror, Jinma and parties acting in concert with any of them have not held, owned or controlled any Shares, warrants, options, derivatives or other securities convertible into the Shares as at the date of this joint announcement."

Further, the first paragraph under the sub-section of "Total consideration" under the section headed "Possible Mandatory Unconditional Cash Offer" in the Joint Announcement should be deleted and replaced by the following:

"There are 419,118,000 H Shares subject to the Offer. The Offer is valued at approximately HK$89.70 million based on the Offer Price."

Further, the section headed "Shareholding Structure of the Company" in the Joint Announcement should be deleted and replaced by the following:

"The shareholding structure of the Company as at the date of this joint announcement and immediately after Completion but before the Offer (and assuming there are no changes in the issued share capital of the Company) is as follows:

	As at the date of this joint announcement		**Immediately after Completion and before the Offer**	
	Number of Shares	*Approximate percentage (%)*	*Number of Shares*	*Approximate percentage (%)*
Domestic Shares				
Beijing Mingde	600,000,000 (representing all issued Domestic Shares in the share capital of the Company)	58.80	0	0.00
Jinma	0	0.00	600,000,000	58.80
H Shares				
Offeror and parties acting in concert with it *(Note 1)*	1,282,000	0.13	1,282,000	0.13
Public	419,118,000	41.07	419,118,000	41.07
Total	1,020,400,000	100.00	1,020,400,000	100.00

Notes:

1. These H Shares are held by Mrs. Chim, who is presumed to be acting in concert with the Offeror in accordance with class 2 of the definition of "acting in concert" in the Takeovers Code. Under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Chim Kim Lun Ricky is deemed to be interested in the same number of Shares in which Mrs. Chim is interested."

In addition, the section headed "Definitions" in the Joint Announcement should include the following definition before the definition of "Offer":

""Mrs. Chim"	Li Oi Kay Clara, spouse of Mr. Chim Kim Lun Ricky"

Save as disclosed above, all other information contained in the Joint Announcement remains unchanged.

By order of the sole director of
Sky Earth Limited
Chim Kim Lun Ricky
Director

By order of the Board of
Shenyang Public Utility Holdings Company Limited
An Mu Zong
Chairman

Hong Kong, 6 December 2012

As at the date of this joint announcement, the sole director of the Offeror is Mr. Chim Kim Lun Ricky.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the executive Directors are Mr. An Mu Zong, Mr. Wang Zai Xing, Mr. Chow Ka Wo Alex and Mr. Wang Hui, the non-executive Directors are Mr. Bao Yi Qiang and Mrs. Zhang Lei Lei, and the independent non-executive Directors are Mr. Cai Lian Jun, Mr. Wong Kai Tat, Mr. Chan Ming Sun Jonathan and Mr. Wei Jie Sheng.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offer and the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.