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北控水務集團有限公司
BEIJING ENTERPRISES WATER GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 371)



北控清潔能源集團有限公司
BEIJING ENTERPRISES CLEAN ENERGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01250)

VOLUNTARY JOINT ANNOUNCEMENT STRATEGIC COOPERATION FRAMEWORK AGREEMENT

This is a voluntary announcement jointly made by Beijing Enterprises Water Group Limited (“**BEWG**”) and Beijing Enterprises Clean Energy Group Limited (“**BECE**”).

On 5 May 2016, BEWG and BECE entered into a strategic cooperation framework agreement (the “**Framework Agreement**”), pursuant to which BEWG and BECE agreed to have strategic cooperation in relation to the development, construction, operation and maintenance of distributed photovoltaic power stations (the “**Project**”).

Pursuant to the terms of the Framework Agreement, BEWG will provide suitable plant pools, rooftops, greenbelts and other unused space in its water plants for the investment, construction and operation of distributed photovoltaic power stations by BECE. BEWG has over 340 water plants with coverage extended to 19 provinces, 2 autonomous regions and 4 municipalities all across the People’s Republic of China (the “**PRC**”) and overseas. Furthermore, the parties agreed to fully cooperate in areas including micro-grid energy storage and energy performance contracting. BEWG will assist BECE in handling the compliance procedures that are required at the initial stage of the Project. Upon completion of the construction of the power stations and when the relevant conditions are met, BECE will sell electricity to BEWG. BEWG agreed not to cooperate with parties other than BECE in relation to the Project or complete the Project on its own.

BEWG and BECE jointly believe that the Project provides a valuable opportunity to leverage their respective resources, brings mutual benefits and complementary advantages to each party and is in the interest of both BEWG, BECE and their respective shareholders as a whole.

Information of BEWG

As at the date of this joint announcement, BEWG is a controlling shareholder of BECE.

BEWG and its subsidiaries are principally engaged in construction of sewage and reclaimed water treatment and seawater desalination plants, and provision of construction services for comprehensive renovation projects in the PRC, the Republic of Singapore and Malaysia; provision of sewage and reclaimed water treatment services in the PRC and Portuguese Republic (“**Portugal**”); distribution and sale of piped water in the PRC and Portugal; provision of technical and consultancy services and sale of machineries related to sewage treatment and construction services for comprehensive renovation projects in the PRC; and the licensing of technical know-how related to sewage treatment in the PRC.

Information of BECE

The principal business activity of BECE is investment holding. BECE and its subsidiaries are principally engaged in the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses and the design, printing and sale of cigarette packages in the PRC.

Shareholders and investors of BEWG and BECE should note that this joint announcement is published as a voluntary disclosure to allow the public to understand the latest development of BEWG and BECE. The transactions contemplated under the Framework Agreement remain subject to the entering into of definitive agreements and may or may not materialize as described or at all. In the event any definitive agreement is entered into, BEWG and BECE will comply with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in respect thereof and make further announcement(s) as and when appropriate. Shareholders and investors of BEWG and BECE should exercise caution when dealing in the shares of BEWG and BECE.

By Order of the Board
Beijing Enterprises Water Group Limited
Li Yongcheng
Chairman

By Order of the Board
Beijing Enterprises Clean Energy Group Limited
Hu Xiaoyong
Chairman

Hong Kong, 5 May 2016

As at the date of this joint announcement, the board of directors of BEWG comprises ten executive directors, namely Mr. Li Yongcheng (Chairman), Mr. E Meng (Vice Chairman), Mr. Jiang Xinhao, Mr. Zhou Min (Chief Executive Officer), Mr. Li Haifeng, Mr. Zhang Tiefu, Ms. Qi Xiaohong, Mr. Ke Jian, Mr. Tung Woon Cheung Eric and Mr. Li Li and six independent non-executive directors, namely Mr. Shea Chun Lok Quadrant, Mr. Zhang Gaobo, Mr. Guo Rui, Ms. Hang Shijun, Mr. Wang Kaijun and Mr. Yu Ning.

As at the date of this joint announcement, the board of directors of BECE comprises four executive directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Liang Yongfeng and Mr. Wang Ye and three independent non-executive directors, namely Mr. Tam Tak Kei Raymond, Professor Lam Sing Kwong Simon and Mr. Xu Honghua.