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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO THE PROVISION OF GUARANTEE

PROVISION OF GUARANTEE

On 14 September 2016, the Company, as guarantor, entered into the Guarantee in favour of CITIC Leasing pursuant to which the Company agreed to guarantee the due performance of the payment obligations of Nanchang Lvchuan under the Principal Contracts involving rental fees, administrative fees and consulting fees in an amount of up to RMB1,232,691,546.02.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect to the provision of the guarantee under the Guarantee are more than 5% and all of such ratios are less than 25%, the entering into of the Guarantee constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

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PRINCIPAL TERMS OF THE GUARANTEE

Date: 14 September 2016

Parties: (1) the Company; and
(2) CITIC Leasing.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, CITIC Leasing and its ultimate beneficial owners are independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

Guarantee: the Company, as guarantor, agreed to provide guarantee in favour of CITIC Leasing for the due performance of the payment obligations of Nanchang Lvchuan under the Principal Contracts involving rental fees, administrative fees and consulting fees in an amount of up to RMB1,232,691,546.02. The Guarantee covers all the obligations of Nanchang Lvchuan under the Principal Contracts including but not limited to rental fees, interests, default interests, damages, liquidated damages, compound interests and expenses for enforcing the guarantee (including but not limited to litigation cost, legal fees and travel expenses) and all other expenses that need to be paid

Term of the Guarantee: from the effective date of the Guarantee to the date falling two years after the last tranche of the guaranteed obligations under the Principal Contracts is fulfilled

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

Nanchang Lvchuan entered into the Principal Contracts with CITIC Leasing for the purposes of financing the Project held by Nanchang Lvchuan. The Group plays a part in the Project as one of the EPC contractors. The Directors consider that the provision of the Guarantee will assist Nanchang Lvchuan in obtaining financing for the Project and facilitate the Group in completing the construction of the Power Plant together with the other EPC contractor. The provision of the Guarantee would also provide the Company with a potential opportunity to acquire the Power Plant, which is located in Nanchang County, Jiangxi Province, PRC, a location considered by the Company to be favourable for the development of its photovoltaic business, which will expand its portfolio of photovoltaic power plants in the PRC.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Guarantee are on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION RELATING TO THE COMPANY, CITIC LEASING AND NANCHANG LVCHUAN

Information relating to the Company

The principal business activity of the Company is investment holding. The Group is 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.

Information relating to CITIC Leasing

CITIC Leasing is a financial leasing company established in the PRC.

Information relating to Nanchang Lvchuan

Nanchang Lvchuan is a company established in the PRC and is principally engaged in the development and construction of photovoltaic power generation project.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“CITIC Leasing”	CITIC Financial Leasing Co., Ltd.* (中信金融租賃有限公司), a financial leasing company established in the PRC
“Company”	Beijing Enterprises Clean Energy Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Directors”	directors of the Company
“EPC”	engineering, procurement and construction

“Guarantee”	the guarantee dated 14 September 2016 entered into between the Company and CITIC Leasing pursuant to which the Company agreed to guarantee the due performance of the payment obligations of Nanchang Lvchuan under the Principal Contracts
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	Megawatts, which is equal to 1,000,000 watts
“Nanchang Lvchuan”	Nanchang County Lv Chuan New Energy Company Limited* (南昌縣綠川新能源有限公司), a company established in the PRC with limited liability
“Power Plant”	a 150MW photovoltaic power plant under construction in Nanchang County, Jiangxi Province, the PRC
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Principal Contracts”	the finance lease agreement, asset management consulting agreement and consulting service agreement, in each case dated 14 September 2016 entered into between CITIC Leasing and Nanchang Lvchuan, under which Nanchang Lvchuan has payment obligations towards CITIC Leasing involving rental fees, administrative fees and consulting fees
“Project”	the project involving the construction of the Power Plant
“Shares”	ordinary shares of HK\$0.001 each in the share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 14 September 2016

As at the date of this announcement, the Board comprises seven Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Liang Yongfeng and Mr. Wang Ye as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non-executive Directors.

* For identification purposes only