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*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01250)**

## **SHARE TRANSACTION**

### **ISSUE OF SHARES UNDER GENERAL MANDATE AND ACQUISITION OF THE SALE SHARES AND THE SALE LOAN**

#### **THE ACQUISITION**

On 5 September 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Vendors in relation to the Acquisition.

#### **IMPLICATIONS UNDER THE LISTING RULES**

As all the application percentage ratios in respect of the Acquisition are less than 5% and the consideration will be satisfied by the allotment and issue of the Consideration Shares, the Acquisition constitutes a share transaction under Chapter 14 of the Listing Rules.

The Consideration Shares will be issued under the general mandate granted by the Shareholders to the Directors at the annual general meeting held by the Company on 31 May 2017. The issue of the Consideration Shares under the general mandate is not subject to the approval of the Shareholders.

**As the Completion is subject to the satisfaction and/or waiver, where applicable, of the conditions precedent set out in the Agreement, the Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares of the Company.**

## **THE ACQUISITION**

On 5 September 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Vendors in relation to the Acquisition. The principal terms of the Agreement are set out below.

### **Subject matter**

- i. the Sale Shares, representing the entire issued share capital in the Target Company; and
- ii. the Sale Loan.

### **Consideration**

HK\$174,800,000 in aggregate for the Sale Shares and the Sale Loan, which will be settled by the allotment and issue of the Consideration Shares at the Completion at the Issue Price credited as fully paid.

The consideration was determined after arm's length negotiations between the Vendors and the Purchaser with reference to (i) the market value of similar properties in nearby location of the Property; and (ii) the principal amount of the Sale Loan. The Directors consider that the consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### **The Consideration Shares**

The Consideration Shares represent approximately (i) 1.75% of the issued share capital of the Company as at the date of this announcement; and (ii) 1.72% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares.

## **Application for listing**

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares will rank pari passu in all respects with the Shares in issue at the date of issue including in respect of all dividends and distributions declared, made or paid on or after such date of issue.

## **The Issue Price**

The Issue Price of the Consideration Shares represents:

- (i) a discount of approximately 16.5% to the closing price of HK\$0.218 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 9.5% to the average of the closing prices of approximately HK\$0.201 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
- (iii) a discount of approximately 9.0% to the average of the closing prices of approximately HK\$0.200 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day.

## **General Mandate**

The Consideration Shares will be issued under the general mandate granted by the Shareholders to the Directors at the annual general meeting held by the Company on 31 May 2017, which authorised the Directors to issue up to 10,860,984,834 Shares (representing 20% of the number of issued Shares on that date). As at the date of this announcement, no Shares have been issued under the general mandate. The issue of the Consideration Shares under the general mandate is not subject to the approval of the Shareholders.

## **Conditions precedent**

The Completion will take place on the Completion Date. The Completion is conditional upon:

- (i) completion of satisfactory due diligence on the Target Company by the Purchaser;
- (ii) the Vendors proving and giving good title (including but not limited to the discharge of the related mortgage) to the Property and the Carparks;
- (iii) completion of the sale of the Disposed Property by the Target Company, the novation of an existing tenancy agreement in connection with the Disposed Property and the discharge of all existing liabilities (if any) in connection with the Disposed Property by the Vendors;
- (iv) the Listing Committee of the Stock Exchange the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange; and
- (v) all the representations, undertakings and warranties given by the Vendors under the Agreement are and shall remain true, accurate, correct and complete and not misleading in all respects up to the Completion.

If any of the foregoing conditions is not fulfilled (or waived by the Purchaser except that condition (iv) cannot be waived) on or before 30 Business Days (as defined in the Agreement) from the date of the Agreement, the Purchaser shall be entitled to terminate the Agreement.

## INFORMATION OF THE TARGET COMPANY

The Target Company is principally engaged in investment holding. It holds the Property, the Carparks and the Disposed Property.

Based on the unaudited financial statements of the Target Company, the financial information of the Target Company for the two years ended 31 March 2017 is as follows:

|                     | <b>For the years ended 31 March</b> |                        |
|---------------------|-------------------------------------|------------------------|
|                     | <b>2017</b>                         | <b>2016</b>            |
|                     | <i>(approximately)</i>              | <i>(approximately)</i> |
| Net loss before tax | HK\$4,472,000                       | HK\$4,341,000          |
| Net loss after tax  | HK\$4,472,000                       | HK\$4,341,000          |

The unaudited net liabilities of the Target Company as at 31 August 2017 was approximately HK\$16,913,000.

## REASONS FOR THE ACQUISITION

The Company intends that the Property and the Carparks will be investment properties, which will generate rental income to the Group when leased out.

The Agreement has been agreed under normal commercial terms and after arm's length negotiations between the parties. The Directors consider that the terms of the Agreement (including the consideration) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As all the application percentage ratios in respect of the Acquisition are less than 5% and the consideration will be satisfied by the allotment and issue of the Consideration Shares, the Acquisition constitutes a share transaction under Chapter 14 of the Listing Rules.

The Consideration Shares will be issued under the general mandate granted by the Shareholders to the Directors at the annual general meeting held by the Company on 31 May 2017. The issue of the Consideration Shares under the general mandate is not subject to the approval of the Shareholders.

## **INFORMATION OF THE PARTIES**

The Purchaser is an investment holding Company. The Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power plants, photovoltaic power-related businesses and wind power-related business in the PRC. It also had a non-core business in the design, printing and sale of cigarette packages in the PRC.

The Vendors together own 100% of the Target Company. As at the date of this announcement, the Vendors and their respective associates own 223,280,000 Shares, representing approximately 0.41% of the issued share capital of the Company. Except for their shareholding in the Company as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendors is a third party independent of the Company and connected persons of the Company.

**As the Completion is subject to the satisfaction and/or waiver, where applicable, of the conditions precedent set out in the Agreement, the Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares of the Company.**

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

|                        |   |
|------------------------|---|
| “Acquisition”          | the acquisition of the Sale Shares and the Sale Loan by the Purchaser from the Vendors  |
| “Agreement”            | the agreement dated 5 September 2017 entered into between the Purchaser and the Vendors in relation to the Acquisition  |
| “associates”           | has the meaning ascribed to it under the Listing Rules  |
| “Board”                | the board of Directors  |
| “Carparks”             | four parking spaces on the second floor of Rykadan Capital Tower, No. 135 Hoi Bun Road, Kowloon, Hong Kong  |
| “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 |
| “Completion”           | completion of the Acquisition   |
| “Completion Date”      | the third Business Day (as defined in the Agreement) after the fulfilment of the conditions precedent as set out in the paragraphs headed “Conditions precedent” of this announcement       |
| “connected person”     | has the meanings ascribed to it under the Listing Rules   |
| “Consideration Shares” | 960,439,560 new Shares to be allotted and issued by the Company   |

|                     |   |
|---------------------|---|
| “Director(s)”       | the director(s) of the Company  |
| “Disposed Property” | a property and a parking space registered under the name of the Target Company, which will be disposed of by the Target Company on or before the Completion   |
| “Group”             | the Company and its subsidiaries  |
| “HK\$”              | Hong Kong dollar, the lawful currency of Hong Kong  |
| “Hong Kong”         | the Hong Kong Special Administrative Region of the People’s Republic of China   |
| “Issue Price”       | HK\$0.182   |
| “Last Trading Day”  | 5 September 2017, being the last trading day of the Shares before the signing of the Agreement  |
| “Listing Rules”     | the Rules Governing the Listing of Securities on the Stock Exchange   |
| “PRC”               | the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Property”          | 17th Floor, Rykadan Capital Tower, No. 135 Hoi Bun Road, Kowloon, Hong Kong with a gross area of approximately 12,195 square feet                             |
| “Purchaser”         | New Channel (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company            |



|                  |   |
|------------------|---|
| “Sale Shares”    | the 10 ordinary shares of the Target Company, representing the entire issued share capital of the Target Company  |
| “Sale Loan”      | all the loans due from and owing by the Target Company to the Vendors as at the Completion, which amount stands at approximately HK\$64,128,000 as at the date of the Agreement |
| “Shares”         | ordinary shares of HK\$0.001 each in the share capital of the Company   |
| “Shareholder(s)” | holder(s) of the Shares   |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited   |
| “Target Company” | Top Cheers Industrial Limited, a company incorporated in Hong Kong with limited liability   |
| “Vendors”        | two individuals that are independent of the Company and its connected persons   |
| “%”              | per cent.   |

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

Hong Kong, 5 September 2017

*As at the date of this announcement, the Board comprises eight Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Huang Weihua, Mr. Wang Ye and Mr. Wen Hui as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non-executive Directors.*