

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.



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

DISCLOSEABLE TRANSACTION THE PROVISION OF THE GUARANTEE

THE PROVISION OF THE GUARANTEE

On 1 November 2019, the Company and BEWP, as guarantors, entered into the Guarantee in favour of CDB Leasing, pursuant to which the Company agreed to guarantee the due performance of the payment obligations of SQND under the Principal Contract comprising the lease payments and administrative fee in an amount of up to RMB885,331,575.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the provision of the guarantee under the Guarantee exceeds 5% but all of them 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 therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE PROVISION OF THE GUARANTEE

On 1 November 2019, the Company and BEWP, as guarantors, entered into the Guarantee in favour of CDB Leasing, pursuant to which the Company agreed to guarantee the due performance of the payment obligations of SQND under the Principal Contract comprising the lease payments and administrative fee in an amount of up to RMB885,331,575.

THE GUARANTEE

Date: 1 November 2019

Parties: (1) the Company
(2) BEWP
(3) CDB Leasing

The material terms of the Guarantee are as follows:

Subject matter: the Company and BEWP, as guarantors, agreed to provide guarantee in favour of CDB Leasing for the due performance of the payment obligations of SQND under the Principal Contract. The Guarantee covers all the obligations of SQND under the Principal Contract including but not limited to the lease payments and administrative fee

Term of the Guarantee: from the effective date of the Guarantee to the date falling three years after the last tranche of the payment obligations under the Principal Contract is fulfilled

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, CDB Leasing, SQND and their ultimate beneficial owners are Independent Third Parties.

INFORMATION OF THE COMPANY, THE GROUP, BEWP, CDB LEASING AND SQND

The principal activity of the Company is investment holding. The Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses, wind power businesses and clean heat supply businesses in the PRC.

BEWP is an indirect 70%-owned subsidiary of the Company which is principally engaged in the investment, development, construction, operation and management of wind power businesses.

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

SQND is a company established in the PRC and is principally engaged in the development of the Power Plant.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE GUARANTEE

SQND entered into the Principal Contract with CDB Leasing for the purposes of financing the Project held by SQND. The Group plays a part in the Project as the engineering, procurement and construction contractor and has taken appropriate measures to safeguard the receivable arising from these services and secure the guaranteed obligations of the Company under the Guarantee. The Directors consider that the provision of the Guarantee will assist SQND in obtaining financing for the completion of the Project and provide the Group a potential opportunity to invest in the Project to expand its portfolio of wind power plants in the PRC.

The Directors are of the view that the terms of the Guarantee are under normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the provision of the guarantee under the Guarantee exceeds 5% but all of them 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 therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“BEWP”	北控風力發電有限公司 (Beijing Enterprises Wind Power Generation Company Limited*), a company established in the PRC with limited liability and an indirect 70%-owned subsidiary of the Company as at the date of this announcement
“Board”	the board of Directors
“CDB Leasing”	國銀金融租賃股份有限公司 (China Development Bank Financial Leasing Co., Ltd.*), a company established in the PRC with limited liability
“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
“Connected Persons”	has the meaning ascribed to it under the Listing Rules
“Directors”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Guarantee”	two guarantees dated 1 November 2019 entered into by the Company and BEWP respectively with CDB Leasing pursuant to which both the Company and BEWP agreed to guarantee the due performance of the payment obligations of SQND under the Principal Contract
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the Connected Persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatts, which is equal to 1,000,000 watts
“Power Plant”	a 100MW wind power plant in Henan 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 Contract”	the finance lease agreement dated 1 November 2019 entered into between CDB Leasing and SQND, under which SQND has payment obligations towards CDB Leasing comprising the lease payments and administrative fee
“Project”	the project involving the construction of the Power Plant
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“SQND”	商丘寧電新能源有限公司 (Shangqiu Ningdian New Energy Company Limited*), a company established in the PRC with limited liability
“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, 1 November 2019

As at the date of this announcement, the Board comprises eight Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Huang Weihua, Mr. Tan Zaixing and Ms. Huang Danxia as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non- executive Directors.

** For identification purposes only*