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

**(Stock Code: 01250)**

## **MAJOR TRANSACTION IN RELATION TO DISPOSALS OF TWO SUBSIDIARIES**

### **THE EQUITY TRANSFER AGREEMENTS**

On 8 May 2020, (i) the XSHN Equity Transfer Agreement was entered into by and among the Vendor, an indirect non wholly-owned subsidiary of the Company, the Purchaser and XSHN in relation to the XSHN Disposal at a total consideration of RMB438,000,000; and (ii) the XSYN Equity Transfer Agreement was entered into by and among the Vendor, the Purchaser and XSYN in relation to the XSYN Disposal at a total consideration of RMB100,000,000.

Upon completion of the Disposals, the Target Companies will cease to be non wholly-owned subsidiaries of the Company and their financial results will no longer be consolidated in the Group's financial statements.

### **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios in respect of the Equity Transfer Agreements exceeds 25% and all of them are less than 75%, the Equity Transfer Agreements constitute a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement, circular and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Disposals. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving the Disposals. As at the date of this announcement, the Relevant Shareholders, being a closely allied group of Shareholders, control an aggregate of 35,443,037,981 Shares, which represents approximately 55.79% of the Company's issued share capital and voting rights in the Company's general meeting and written Shareholders' approval for the Disposals has been obtained from the Relevant Shareholders. Accordingly, pursuant to Rule 14.44 of the Listing Rules, such written Shareholders' approval may be accepted in lieu of holding a general meeting of the Company to approve the terms of, and the transactions contemplated under, the Equity Transfer Agreements upon satisfaction of the conditions set out under Rule 14.44 of the Listing Rules.

A circular containing, among other information, further details of the Disposals and other information as required under the Listing Rules will be despatched to the Shareholders on or before 29 May 2020.

**Since each of XSHN Completion and XSYN Completion is subject to the fulfilment of the XSHN Conditions Precedent and XSYN Conditions Precedent, respectively, the Disposals may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **THE EQUITY TRANSFER AGREEMENTS**

### **(A) The XSHN Equity Transfer Agreement**

On 8 May 2020, the XSHN Equity Transfer Agreement was entered into by and among the Vendor, an indirect non wholly-owned subsidiary of the Company, the Purchaser and XSHN in relation to the XSHN Disposal at the XSHN Consideration, subject to adjustment based on the Transition Period Audit report of XSHN.

## **The XSHN Consideration**

The initial XSHN Consideration is RMB438,000,000, which shall be payable by the Purchaser to the Vendor in cash in the following manner:

- (i) within ten (10) Business Days after the fulfilment of conditions (1) to (5) of the XSHN Conditions Precedent, an amount of RMB394,200,000 (the “**XSHN Deposit**”), representing 90% of the initial XSHN Consideration, shall be paid into the Escrow Account;
- (ii) within ten (10) Business Days of the later of the issuance of the Transition Period Audit report of XSHN and the issue of the payment notice by the Vendor, an amount equivalent to the agreed adjusted Vendor’s Indebtedness shall be released from the Escrow Account to a bank account designated by the Vendor for the simultaneous repayment of the Vendor’s Indebtedness to XSHN;
- (iii) within five (5) Business Days of the later of the full repayment of the Vendor’s Indebtedness and the issue of the payment notice by the Vendor, an amount equal to 90% of the adjusted XSHN Consideration less the Vendor’s Indebtedness shall be released from the Escrow Account to a bank account designated by the Vendor;
- (iv) in the event (i) if the adjusted XSHN Consideration is less than the initial XSHN Consideration, an amount equal to 90% of the difference shall be returned to the Purchaser from the Escrow Account within ten (10) Business Days from the day of the payment (iii) above; or (ii) if the adjusted XSHN Consideration is more than the initial XSHN Consideration, an amount equal to 90% of the excess shall be paid by the Purchaser to a bank account designated by the Vendor within ten (10) Business Days from the day of the payment (iii) above; and
- (v) within ten (10) Business Days of the first anniversary of the day after the Completion Date and subject to the Vendor having completed certain rectification work required by the Purchaser and the Vendor having complied with its representation and warranties under the XSHN Equity Transfer Agreement, the remaining amount of RMB43,800,000 or 10% of the adjusted XSHN Consideration (if applicable) shall be paid by the Purchaser to a bank account designated by the Vendor.

The XSHN Consideration shall be adjusted on a dollar for dollar basis upon the occurrence of any of the following events during the period from the Reference Date to the Completion Account Date:

- (i) the amount of the decrease of the net assets value of XSHN as at the Completion Account Date as compared with that of the Reference Date if XSHN distributes dividends to the Vendor before the Completion Account Date which results in such decrease;
- (ii) the amount of any increase or decrease in the registered capital of XSHN;
- (iii) the value of assets which are sold, disposed, leased or transferred outside the ordinary course of business of XSHN;
- (iv) the amount of capital expenditure incurred outside the ordinary course of business of XSHN;
- (v) the amount of any debt, security or encumbrance created over the asset of XSHN;
- (vi) the amount of losses resulting from any action that would cause a material delay in the XSHN Completion; or
- (vii) the amount of losses resulting from the entering of an agreement or undertaking to any of the above events.

The Vendor and the Purchaser shall agree upon the amount on the XSHN Consideration to be adjusted based on the Transition Period Audit report of XSHN within ten (10) Business Days after the Completion Account Date. If no agreement can be reached, the Vendor and the Purchaser shall enter into negotiation to agree on a later deadline to agree on such adjusted amount.

As at the date of this announcement, neither the events mentioned in (i) to (vii) above has occurred nor there is any plan and/or agreement being contemplated in relation to the events mentioned in (i) to (vii) above.

## **The XSHN Conditions Precedent**

The XSHN Completion is conditional upon the satisfaction of the following conditions:

- 1) CITIC Leasing having provided the written consent to the XSHN Disposal;
- 2) the Company having obtained the Shareholders' approval for the XSHN Equity Transfer Agreement and the transactions contemplated thereunder in accordance with the Listing Rules;
- 3) the Vendor, certain of its related parties, XSHN and the previous shareholder of XSHN having entered into the debt confirmation agreements in respect of the restructuring and offset of the outstanding debts among the parties;
- 4) XSHN and the designated party of the Vendor having entered into the three-year operation and maintenance service agreement regarding the maintenance of the XSHN Project in the form to the satisfaction of the Purchaser;
- 5) the existing entrusted operation agreement between XSHN and the Group being terminated;
- 6) each party to the XSHN Equity Transfer Agreement having completed the handover procedures including numbering the properties and collating the handover documents of XSHN; and
- 7) the XSHN Deposit having been paid into the Escrow Account.

Parties to the XSHN Equity Transfer Agreement may waive the above XSHN Conditions Precedent (except for conditions (1) and (2)) by unanimous consent. As at the date of this announcement, the condition (2) of the XSHN Conditions Precedent has been satisfied.

## **(B) The XSYN Equity Transfer Agreement**

On 8 May 2020, the XSYN Equity Transfer Agreement was entered into by and among the Vendor, an indirect non wholly-owned subsidiary of the Company, the Purchaser and XSYN in relation to the XSYN Disposal at the XSYN Consideration, subject to adjustment based on the Transition Period Audit report of XSYN.

### **The XSYN Consideration**

The initial XSYN Consideration is RMB100,000,000, which shall be payable by the Purchaser to the Vendor in cash in the following manner:

- (i) within ten (10) Business Days after the fulfilment of conditions (1) to (5) of the XSYN Conditions Precedent, an amount of RMB89,000,000 (the “**XSYN Deposit**”), representing 90% of the initial XSYN Consideration less RMB1,000,000 (the “**Holding Amount**”), shall be paid into the Escrow Account;
- (ii) within ten (10) Business Days of the later of the issuance of the Transition Period Audit report of XSYN and the issue of the payment notice by the Vendor, an amount equal to 90% of the adjusted XSYN Consideration less the Holding Amount shall be released from the Escrow Account to a bank account designated by the Vendor;
- (iii) in the event (i) if the adjusted XSYN Consideration is less than the initial XSYN Consideration, an amount equal to 90% of the difference shall be returned to the Purchaser from the Escrow Account within ten (10) Business Days from the day of the payment (ii) above; or (ii) if the adjusted XSYN Consideration is more than the initial XSYN Consideration, an amount equal to 90% of the excess shall be paid by the Purchaser to a bank account designated by the Vendor within ten (10) Business Days from the day of the payment (ii) above;
- (iv) within ten (10) Business Days of the later of the issuance of the Transition Period Audit report of XSYN and the issue of the payment notice by the Vendor to the Purchaser after the Vendor provides the Purchaser with the relevant immovable property certificates, the Holding Amount shall be paid to a bank account designated by the Vendor; and

- (v) within ten (10) Business Days of the first anniversary of the day after the Completion Date and subject to the Vendor having completed certain rectification work required by the Purchaser and the Vendor having complied with its representation and warranties under the XSYN Equity Transfer Agreement, the remaining amount of RMB10,000,000 or 10% of the adjusted XSYN Consideration (if applicable) shall be paid by the Purchaser to a bank account designated by the Vendor.

The XSYN Consideration shall be adjusted on a dollar for dollar basis upon the occurrence of any of the following events during the period from the Reference Date to the Completion Account Date:

- (i) the amount of the decrease of the net assets value of XSYN as at the Completion Account Date as compared with that of the Reference Date if XSYN distributes dividends to the Vendor before the Completion Account Date which results in such decrease;
- (ii) the amount of any increase or decrease in the registered capital of XSYN;
- (iii) the value of assets which are sold, disposed, leased or transferred outside the ordinary course of business of XSYN;
- (iv) the amount of capital expenditure incurred outside the ordinary course of business of XSYN;
- (v) the amount of any debt, security or encumbrance created over the asset of XSYN;
- (vi) the amount of losses resulting from any action that would cause a material delay in the XSYN Completion; or
- (vii) the amount of losses resulting from an agreement or undertaking to any of the above events.

The Vendor and the Purchaser shall agree upon the amount on the XSYN Consideration to be adjusted based on the Transition Period Audit report of XSYN within ten (10) Business Days after the Completion Account Date. If no agreement can be reached, the Vendor and the Purchaser shall enter into negotiation to agree on a later deadline to agree on such adjusted amount.

As at the date of this announcement, neither the events mentioned in (i) to (vii) above has occurred nor there is any plan and/or agreement being contemplated in relation to the events mentioned in (i) to (vii) above.

### **Shareholder's Loan**

As at the Reference Date, the Shareholder's Loan was in the amount of approximately RMB3,555,873. The Shareholder's Loan as at the Completion Account Date shall be determined based on the Transition Period Audit report of XSYN and agreed between the Purchaser and the Vendor. The Shareholder's Loan shall be repaid by XSYN to a bank account designated by the Vendor within ten (10) Business Days of the later of the issuance of the Transition Period Audit report of XSYN and the entering into the supplemental debt confirmation agreement between, among others, the Vendor and XSYN (if applicable).

### **The XSYN Conditions Precedent**

The XSYN Completion is conditional upon the satisfaction of the following conditions:

- 1) CITIC Leasing having provided the written consent to the XSYN Disposal;
- 2) the Company having obtained the Shareholders' approval for the XSYN Equity Transfer Agreement and the transactions contemplated thereunder in accordance with the Listing Rules;
- 3) the Vendor, certain of its related parties, XSYN and the previous shareholders of XSYN having entered into the debt confirmation agreements in respect of the restructuring and offset of the outstanding debts among the parties;
- 4) XSYN and the designated party of the Vendor having entered into the three-year operation and maintenance service agreement regarding the maintenance of the XSYN Project in the form to the satisfaction of the Purchaser;



- 5) the existing entrusted operation agreement between XSYN and the Group being terminated;
- 6) each party to the XSYN Equity Transfer Agreement having completed the handover procedures including numbering the properties and collating the handover documents of XSYN; and
- 7) the XSYN Deposit having been paid into the Escrow Account.

Parties to the XSYN Equity Transfer Agreement may waive the above XSYN Conditions Precedent (except for conditions (1) and (2)) by unanimous consent. As at the date of this announcement, the condition (2) of the XSYN Conditions Precedent has been satisfied.

### **Basis of determining the considerations for the Disposals**

The initial considerations for the XSHN Disposal and the XSYN Disposal were determined upon arm's length negotiations between the Vendor and the Purchaser with reference to the unaudited net asset values of the Target Companies as at the Reference Date.

### **Completion of the Disposals**

Within five (5) Business Days of the satisfaction of the foregoing conditions precedent and/or waived (as the case may be), each party to the XSHN Equity Transfer Agreement and the XSYN Equity Transfer Agreement shall effect the industrial and commercial registration of the entire equity interest of the Target Companies in the name of the Purchaser. Completion will take place on the date upon completion of such registration.

Upon completion of the Disposals, the Target Companies will cease to be non wholly-owned subsidiaries of the Company and their financial results will no longer be consolidated in the Group's financial statements.

### **Default Penalty**

If the Purchaser fails to fulfil its obligation to pay the relevant consideration pursuant to the terms of the relevant Equity Transfer Agreement, the Purchaser will be liable to pay to the Vendor a daily default payment of 0.01% of the relevant amount due.

Failure of the Purchaser to perform its obligation to pay the consideration or the default interest rate pursuant to the relevant Equity Transfer Agreement constitutes an event of default on the part of the Purchaser and the Purchaser is liable for losses incurred thereunder. Upon which, the Vendor is entitled to commence litigation against the Purchaser in the PRC court with competent jurisdiction and claim restitution in accordance with the PRC law.

If the Purchaser refuses to perform the court decision in favour of the Vendor, the Vendor may seek enforcement by the court. Under this circumstance, the Purchaser may be added into 失信執行人名錄 (the List of Untrustworthy Executors\*) (an effective enforcement machinery in the PRC), which may have a material adverse effect on the assessment of the Purchaser's credit rating and reputation.

Taking into consideration of the general market practice in the solar industry as well as the background of the Purchaser, the Directors are of the view that the settlement and completion mechanism is sufficient to safeguard the Company's right to receive the full consideration and the possibility of the Purchaser would not honour its contractual commitment is relatively low.

#### **Termination of the guarantee and the CITIC Finance Lease**

As at the Reference Date, the total amount (including, among others, principal lease cost, interests, handling fees and consultancy service fees) payable by each of XSHN and XSYN under the CITIC Finance Lease was approximately RMB531,563,000 and RMB101,250,000, respectively. Pursuant to the Equity Transfer Agreements, by no later than 6 months after the Completion Date, the Purchaser shall (i) provide necessary financing facilities to the Target Companies for their repayment of the outstanding amount under the CITIC Finance Lease and terminate the CITIC Finance Lease; and (ii) procure for the release of the guarantee provided by the Vendor and its affiliates to secure the borrowings of the Target Companies.

In the event that the obligations under the guarantee provided by the Vendor and its affiliates are triggered after the Completion Date, the Vendor and its affiliates shall be entitled to seek for damages from the Target Companies for any losses incurred thereunder.

## **INFORMATION ON THE COMPANY AND THE VENDOR**

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.

The Vendor is an indirect non wholly-owned subsidiary of the Company and is principally engaged in the provision of consultancy services in relation to photovoltaic power business.

## **INFORMATION ON THE PURCHASER**

The Purchaser is a company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 600886.SH). It is principally engaged in the construction, operation and management of energy projects mainly based on power generation; and development and operation of power supporting products and information and consulting services.

As at the date of this announcement, the Purchaser is held as to 49.18% by 國家開發投資集團有限公司 (State Development & Investment Corporation Ltd.\*), which is in turn wholly-owned by 國務院國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the State Council).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are independent of the Company and its connected persons.

## **INFORMATION ON THE TARGET COMPANIES**

The Target Companies are established in the PRC with limited liability and are wholly owned by the Vendor as at the date of this announcement. Each of XSHN and XSYN is principally engaged in the investment, development and operation of the XSHN Project and the XSYN Project, respectively.

Based on the unaudited financial accounts of the Target Companies, as at 31 December 2019, the net asset values of XSHN and XSYN are approximately RMB438,728,000 and approximately RMB85,956,000, respectively.

The table below sets forth the unaudited net profits before and after taxation of the Target Companies for the two financial years ended 31 December 2019:

	<b>Year ended 31 December 2018 <i>RMB'000</i> (unaudited)</b>	<b>Year ended 31 December 2019 <i>RMB'000</i> (unaudited)</b>
<b>XSHN:</b>		
Profit before taxation	26,906	40,164
Profit after taxation	25,068	35,144
<b>XSYN:</b>		
Profit before taxation	10,577	12,935
Profit after taxation	10,178	11,364

As a result of the Disposals, subject to audit, it is expected that there will be a net gain of approximately RMB380,000 for the XSHN Disposal and approximately RMB1,270,000 for the XSYN Disposal accrued to the Group, being the difference between the XSHN Consideration and the XSYN Consideration from the Disposals and (i) the net asset values of XSHN and XSYN of approximately RMB437,620,000 and approximately RMB98,730,000, respectively, based on the unaudited financial information of the Target Companies as at 30 April 2020; and (ii) the related transaction costs, taxes and expenses of the Disposals.

The proceeds from the Disposals will be approximately RMB538,000,000. It is intended that such proceeds will be used for repayment of indebtedness owed by the Group and/or general working capital purposes of the Group.

## **REASONS FOR AND BENEFITS OF THE EQUITY TRANSFER AGREEMENTS**

The Directors consider that it is a good opportunity for the Group to realise its investments in the Target Companies so as to better allocate the Group's resources to develop other more favourable clean energy projects and optimise its clean energy power station assets portfolio.

In addition, the net proceeds from the Disposals will enhance the Group's financial position for improving the Group's gearing ratio and generating an immediate cash inflow for the development of clean energy projects and/or general working capital purposes of the Group. Meanwhile, the repayment of the existing indebtedness can lower the associated finance costs, effectively reducing the financial risks.

In view of the above, the Board is of the view that the terms of the Equity Transfer Agreements were entered into on normal commercial terms, and are fair and reasonable and in the interests of the Shareholders as a whole. None of the Directors has any material interest in the transactions contemplated under the Equity Transfer Agreements, and therefore none of them is required to abstain from voting for the relevant board resolution(s) to approve the Equity Transfer Agreements and the transactions contemplated thereunder.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios in respect of the Equity Transfer Agreements exceeds 25% and all of them are less than 75%, the Equity Transfer Agreements constitute a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting, announcement, circular and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Disposals. As such, no Shareholders would be required to abstain from voting in favour of the resolution approving the Disposals. As at the date of this announcement, the Relevant Shareholders, being a closely allied group of Shareholders, control an aggregate of 35,443,037,981 Shares, which represents approximately 55.79% of the Company's issued share capital and voting rights in the Company's general meeting and written Shareholders' approval for the Disposals has been obtained from the Relevant Shareholders. Accordingly, pursuant to Rule 14.44 of the Listing Rules, such written Shareholders' approval may be accepted in lieu of holding a general meeting of the Company to approve the terms of, and the transactions contemplated under, the Equity Transfer Agreements upon satisfaction of the conditions set out under Rule 14.44 of the Listing Rules.

Name	No. of Shares held	Approximate percentage shareholding (%) <i>(Note 1)</i>
Fast Top	20,253,164,571	31.88
CTSL Green Power	7,594,936,710	11.96
CTSL New Energy	<u>7,594,936,700</u>	<u>11.95</u>
Total	<u><u>35,443,037,981</u></u>	<u><u>55.79</u></u>

*Note:*

- The percentage was calculated based on 63,525,397,057 issued Shares as at the date of this announcement.

A circular containing, among other information, further details of the Disposals and other information as required under the Listing Rules will be despatched to the Shareholders on or before 29 May 2020.

**Since each of XSHN Completion and XSYN Completion is subject to the fulfilment of the XSHN Conditions Precedent and XSYN Conditions Precedent, respectively, the Disposals may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

“associate”	has the meanings ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	day(s) on which commercial banks are open for business in the PRC (excluding Saturdays, Sundays and public holidays)
“CITIC Finance Lease”	the finance lease agreements dated 27 June 2018 entered into by and among the Target Companies and CITIC Leasing
“CITIC Leasing”	中信金融租賃有限公司 (CITIC Financial Leasing Co., Ltd.*), a company incorporated 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
“Completion Account Date”	the date falling on the last calendar day of the relevant calendar month when XSHN Completion or XSYN Completion (as the case may be) occurs
“Completion Date”	the date of XSHN Completion or XSYN Completion (as the case may be)
“connected person”	has the meanings ascribed to it under the Listing Rules
“CTSL Green Power”	CTSL Green Power Investment Limited, a company incorporated in the British Virgin Islands which is a substantial shareholder of the Company holding 7,594,936,710 Shares as at the date of this announcement

“CTSL New Energy”	CTSL New Energy Investment Limited, a company incorporated in the British Virgin Islands which is a substantial shareholder of the Company holding 7,594,936,700 Shares as at the date of this announcement
“Director(s)”	the director(s) of the Company
“Disposals”	comprising the XSHN Disposal and the XSYN Disposal
“Equity Transfer Agreements”	comprising the XSHN Equity Transfer Agreement and the XSYN Equity Transfer Agreement
“Escrow Account”	a bank account jointly controlled by the Vendor and the Purchaser
“Fast Top”	Fast Top Investment Limited, a company incorporated in the British Virgin Islands which is a substantial shareholder of the Company holding 20,253,164,571 Shares as at the date of this announcement
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	國投電力控股股份有限公司 (SDIC Power Holdings Co., Ltd.*), a company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 600886.SH)
“Reference Date”	31 October 2019



“Relevant Shareholders”	Fast Top, CTSL Green Power and CTSL New Energy
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Shareholder’s Loan”	the outstanding loans, advances, interests (if any) and other sums provided by the Vendor to XSYN
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meanings ascribed to it under the Listing Rules
“Target Companies”	comprising XSHN and XSYN
“Transition Period Audit”	an audit to be performed by an independent auditor with respect to each of the Target Companies from the Reference Date to the Completion Account Date
“Vendor”	天津富歡企業管理諮詢有限公司 (Tianjin Clean Energy Investment Company Limited*), a company established in the PRC with limited liability and is a non wholly-owned subsidiary of the Company
“Vendor’s Indebtedness”	the outstanding loans, advances, interests (if any) and other sums owed by the Vendor to XSHN in the amount of RMB64,552,000 as at the date of this announcement
“XSHN”	響水恒能太陽能發電有限公司 (Xiangshui Hengneng Photovoltaic Power Co., Ltd.*), a company established in the PRC with limited liability and is a subsidiary of the Company as at the date of this announcement
“XSHN Completion”	completion of the XSHN Disposal

“XSHN Conditions Precedent”	the conditions precedent to XSHN Completion under the XSHN Equity Transfer Agreement
“XSHN Consideration”	the consideration payable by the Purchaser for the entire equity interest of XSHN
“XSHN Disposal”	the disposal of the entire equity interest of XSHN by the Vendor to the Purchaser under the XSHN Equity Transfer Agreement
“XSHN Equity Transfer Agreement”	the agreement dated 8 May 2020 entered into by and among the Vendor, the Purchaser and XSHN in relation to the XSHN Disposal
“XSHN Project”	a 100MW photovoltaic power plant owned by XSHN in 鹽城市 (Yancheng City*), Jiangsu Province, the PRC
“XSYN”	響水永能太陽能發電有限公司 (Xiangshui Yongneng Photovoltaic Power Co., Ltd.*), a company established in the PRC with limited liability and is a subsidiary of the Company as at the date of this announcement
“XSYN Completion”	completion of the XSYN Disposal
“XSYN Conditions Precedent”	the conditions precedent to XSYN Completion under the XSYN Equity Transfer Agreement
“XSYN Consideration”	the consideration payable by the Purchaser for the entire equity interest of XSYN
“XSYN Disposal”	the disposal of the entire equity interest of XSYN by the Vendor to the Purchaser under the XSYN Equity Transfer Agreement
“XSYN Equity Transfer Agreement”	the agreement dated 8 May 2020 entered into by and among the Vendor, the Purchaser and XSYN in relation to the XSYN Disposal

“XSYN Project”

a 20MW photovoltaic power plant owned by XSYN in 鹽城市 (Yancheng City\*), Jiangsu Province, the PRC

“%”

per cent.

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

Hong Kong, 8 May 2020

*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 purpose only*