
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this Prospectus or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Beijing Enterprises Clean Energy Group Limited, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

A copy of each of the Prospectus Documents, together with the documents mentioned in the paragraph headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, the Stock Exchange and the Securities and Futures Commission take no responsibility as to the contents of any of these documents.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, 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 the Prospectus Documents.



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)

OPEN OFFER ON THE BASIS OF ONE (1) OFFER SHARE FOR EVERY SEVEN (7) EXISTING SHARES HELD ON THE RECORD DATE

The latest time for acceptance of and payment for the Open Offer Shares is 4:00 p.m. on Monday, 4 September 2017. The procedures for acceptance and payment or transfer of the Open Offer Shares are set out in the “Letter from the Board” of this Prospectus.

The Underwriting Agreement in respect of the Open Offer contains provisions entitling the Underwriters by notice in writing to the Company to terminate the obligations of the Underwriters thereunder on the occurrence of certain events. These events are set out in the section headed “Termination of the Underwriting Agreement” of this Prospectus.

Shareholders should note that the existing Shares have been dealt in on ex-entitlement basis from Tuesday, 8 August 2017. Any Shareholder or other person dealing in such Shares up to the date on which all conditions to which the Open Offer are fulfilled will bear the risk that the Open Offer does not become unconditional and may not proceed.

If prior to the Latest Time for Termination, the Underwriters terminate the Underwriting Agreement or if any of the other conditions of the Open Offer as set out in the paragraphs headed “Conditions of the Open Offer” contained in this Prospectus are not fulfilled, the Open Offer will not proceed. If the Underwriters terminate the Underwriting Agreement, the Open Offer will not proceed.

Any Shareholder or other person contemplating selling or purchasing Shares who is in any doubt about his/her position is recommended to consult his/her own professional adviser.

21 August 2017

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EXPECTED TIMETABLE

EXPECTED TIMETABLE FOR THE OPEN OFFER

The expected timetable for the Open Offer is set out below:

2017

Latest time for acceptance of application and payment for the Offer Shares and excess applications	4:00 p.m. on Monday, 4 September
Latest Time for Termination	4:30 p.m. on Tuesday, 5 September
Announcement of the allotment results of the Open Offer	Friday, 8 September
Share certificates for the Offer Shares and refund cheques to be despatched on or before	Monday, 11 September
Dealings in fully-paid Offer Shares commence on the Stock Exchange	9:00 a.m., Tuesday, 12 September
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	9:00 a.m., Tuesday, 12 September
Last day for the designated broker to provide matching services for odd lots of Shares	4:00 p.m. Tuesday, 3 October

Dates stated in this Prospectus for events in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Open Offer will be announced by the Company as and when appropriate.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Monday, 4 September 2017, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or

EXPECTED TIMETABLE

- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Monday, 4 September 2017, the dates mentioned in the section headed “Expected Timetable” in this prospectus may be affected. An announcement will be made by the Company in such event.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 25 July 2017 in relation to the Open Offer
“Application Form(s)”	the application form(s) issued by the Company for use by the Qualifying Shareholders in respect of their assured entitlements under the Open Offer
“associate”	has the meaning ascribed thereto in the Listing Rules
“Bestech”	北京倍思泰科新能源科技開發有限公司 (Beijing Bestech New Energy Technology Development Co., Ltd.*), a company established in the PRC with limited liability, which holds 797,911,400 Shares as at the Latest Practicable Date
“Board”	the board of Directors
“business day”	a day (excluding Saturday or Sunday and any day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.) on which banks in Hong Kong are open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“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 person(s)”	has the meaning ascribed thereto in the Listing Rules
“Directors”	directors of the Company
“EAF(s)”	the form(s) of application issued by the Company for use by the Qualifying Shareholders who wish to apply for excess Offer Shares

DEFINITIONS

“Fast Top”	Fast Top Investment Limited, a company incorporated in the British Virgin Islands with limited liability, which is a holder of 17,721,519,000 Shares as at the Latest Practicable Date
“First Undertaking”	the irrevocable undertaking by Fast Top to the Company, details of which are set out in the section headed “Irrevocable Undertakings” of this Prospectus
“First Underwriter”	Velmar Company Limited, a company incorporated in Hong Kong with limited liability
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	24 July 2017, being the last trading day of the Shares on the Stock Exchange immediately preceding the date of the Announcement
“Latest Practicable Date”	16 August 2017, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Monday, 4 September 2017 or such other date and/or time as may be agreed between the Company and the Underwriters, being the latest time for acceptance of the application and payment for the Offer Shares
“Latest Time for Termination”	4:30 p.m. on the business day after Latest Time for Acceptance, or such later time and date as may be agreed between the Company and the Underwriters, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Mr. Hu”	Mr. Hu Xiaoyong, the chairman of the Board and an executive Director
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom in the opinion of the Directors that it is necessary or expedient to exclude such Shareholders from the Open Offer on account either of the legal restrictions under the laws or the requirements of the relevant regulatory body or stock exchange in such places
“Offer Shares”	7,820,619,687 Shares
“Open Offer”	the issue of Offer Shares by the Company on the basis of one (1) Offer Share for every seven (7) existing Shares at the Subscription Price on the terms and conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	the Shareholder(s) with registered addresses in the register of members of the Company as at the close of business on the Record Date which are outside Hong Kong
“Posting Date”	Monday, 21 August 2017 or such other date as may be agreed between the Underwriters and the Company, being the date for the despatch of the Prospectus Documents
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	a prospectus containing details of the Open Offer issued by the Company in relation to the Open Offer
“Prospectus Documents”	collectively, the Prospectus, the Application Form(s) and the EAF(s)
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholders

DEFINITIONS

“Record Date”	Tuesday, 15 August 2017
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, being Computershare Hong Kong Investor Services Limited
“Second Undertaking”	the irrevocable undertaking by Bestech to the Company, details of which are set out in the section headed “Irrevocable Undertakings” of this Prospectus
“Second Underwriter”	Moregain Amusement Park Investment Limited, a company incorporated in the British Virgin Islands with limited liability
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.17 per Offer Share
“Third Undertaking”	irrevocable undertaking by the Third Underwriter to the Company, details of which are set out in the section headed “Irrevocable Undertakings” of this Prospectus
“Third Underwriter”	Zhijia Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“Undertakings”	the First Undertaking, the Second Undertaking and the Third Undertaking
“Underwriters”	the First Underwriter, the Second Underwriter and the Third Underwriter

DEFINITIONS

“Underwriting Agreement”	the underwriting agreement dated 25 July 2017 between the Company and the Underwriters in relation to the Open Offer, as supplemented and amended by the letter agreement between the Company and the Underwriters dated 14 August 2017
“Underwritten Shares”	all of the Offer Shares less the Offer Shares undertaken to be applied for by Fast Top (2,531,645,571 Offer Shares), Bestech (113,987,342 Offer Shares) and the Third Underwriter (285,714,285 Offer Shares) pursuant to the Undertakings
“HK\$”	Hong Kong dollar
“%”	per cent.

* *for identification purpose only*

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriters shall have the right to terminate or to rescind the Underwriting Agreement with immediate effect by notice in writing given to the Company at any time prior to the Latest Time for Termination if:

- (a) there comes to the notice of the Underwriters:
 - i. any matter or event showing any of the representations and warranties or undertakings of the Company under the Underwriting Agreement was, when given, untrue or inaccurate or misleading or as having breached in any respect; or
 - ii. any breach by Fast Top, Bestech or the Third Underwriter of their respective Undertakings; or
 - iii. any statement contained in the Prospectus has become or been discovered to be untrue or inaccurate or misleading in any material respect; or
 - iv. any event, act or omission occurs which gives or is likely to give rise to any material liability of the Company pursuant to the indemnities under the Underwriting Agreement; or
 - v. permission to deal in and listing of all the Offer Shares has been withdrawn by the Stock Exchange; or
 - vi. any litigation against any member of the Group by a third party which in the reasonable opinion of the Underwriters, is (1) likely to have a material adverse effect on the Company or the Group or the Open Offer, or (2) is likely to have a material adverse effect on the success of the Open Offer or the level of Offer Shares taken up, or (3) is so material as to make it inadvisable or inexpedient for the Company to proceed with the Open Offer; or
- (b) any matter or circumstance arises as a result of which any of the conditions under the Underwriting Agreement has become incapable of satisfaction as at the required time; or
- (c) there shall develop, occur, exist or come into effect any of the following events, which in the reasonable opinion of the Underwriters, might have a materially and adversely effect on the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer:
 - i. the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) in Hong Kong or any other place that is the place of incorporation of the Company, or in which the Company conducts or carries on business; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- ii. the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets; or
- iii. the occurrence of any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities); or
- iv. any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out.

Upon the giving of the notice of termination by the Underwriters pursuant to the above, all obligations of the parties under the Underwriting Agreement shall cease and determine and no party shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save for any antecedent breaches and clauses relating to confidentiality, governing law, notices, etc).

If the Underwriters terminate the Underwriting Agreement, the Open Offer will not proceed.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Hu Xiaoyong (*Chairman*)
Mr. Shi Xiaobei
Mr. Huang Weihua (*Chief Executive Officer*)
Mr. Wang Ye
Mr. Wen Hui

Independent Non-executive Directors:

Mr. Li Fujun
Mr. Xu Honghua
Mr. Chiu Kung Chik

Registered Office:

PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman, KY1-1108
Cayman Islands

*Principal Place of Business
in Hong Kong:*

Rooms 6706-07
67th Floor, Central Plaza
18 Harbour Road, Wanchai
Hong Kong

21 August 2017

To the Qualifying Shareholders

Dear Sir or Madam,

**OPEN OFFER
ON THE BASIS OF ONE (1) OFFER SHARE FOR EVERY
SEVEN (7) EXISTING SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement in relation to the Open Offer.

On 25 July 2017, the Board announced that the Company proposed to raise approximately HK\$1,329,505,000, before expenses, by way of the Open Offer, by issuing 7,820,619,687 Offer Shares at the Subscription Price of HK\$0.17 per Offer Share on the basis of one (1) Offer Share for every seven (7) existing Shares held by the Qualifying Shareholders on the Record Date. The Open Offer will only be available to the Qualifying Shareholders. The Open Offer is fully underwritten by the Underwriters pursuant to the Underwriting Agreement.

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with further information regarding the Open Offer.

Issue Statistics

Basis of the Open Offer:	One (1) Offer Share for every seven (7) existing Shares held on the Record Date
Number of Shares in issue as at the date of the Record Date:	54,744,337,810 Shares
Number of Offer Shares:	7,820,619,687 Offer Shares
Aggregate nominal value of the Offer Shares:	HK\$7,820,619.69
Subscription Price:	HK\$0.17 per Offer Share
Number of Offer Shares to be underwritten by the Underwriters:	4,889,272,489 Offer Shares, being all the Offer Shares less the Offer Shares undertaken to be applied for by Fast Top (2,531,645,571 Offer Shares), Bestech (113,987,342 Offer Shares) and the Third Underwriter (285,714,285 Offer Shares) pursuant to the Undertakings
Number of Shares in issue immediately after completion of Open Offer:	62,564,957,497 Shares

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company does not have any outstanding derivatives, options, warrants or securities in issue which are convertible or exchangeable into Shares. The 7,820,619,687 Offer Shares to be allotted and issued which represent:

- (i) approximately 14.29% of the Company's issued share capital as at the Latest Practicable Date; and
- (ii) approximately 12.50% of the Company's issued share capital as enlarged by the allotment immediately upon completion of the Open Offer.

The Open Offer is fully underwritten. It is not subject to any Shareholders' approval and the Offer Shares are not issued under the general mandate granted to the Directors.

Subscription Price

The Subscription Price of HK\$0.17 per Offer Share will be payable in full upon application for the Offer Shares under the Open Offer. The Subscription Price represents:

- (1) a discount of approximately 10.5% to the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (2) a discount of approximately 10.5% to the average of the closing prices of approximately HK\$0.190 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (3) a discount of approximately 9.6% to the theoretical ex-entitlement price of approximately HK\$0.188 per Share, based on the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (4) a premium of approximately 109.9% over the audited consolidated net asset value per Share of approximately HK\$0.081 based on the latest audited net asset value attributable to owners of the Company as at 31 December 2016 and the Shares in issue as at the Last Trading Day; and
- (5) a discount of approximately 15.8% to the closing price of HK\$0.202 per Shares as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriters with reference to the recent market price of the Shares under the prevailing market conditions.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors and excluding Mr. Hu) consider the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Open Offer offers each Qualifying Shareholder the opportunity to maintain their respective pro rata shareholdings in the Company and enables them to participate in the future growth of the Group.

The net price (after deducting the relevant expenses) per Offer Share will be approximately HK\$0.1698.

Qualifying Shareholders

The Open Offer is available only to the Qualifying Shareholders and the Company has sent the Prospectus Documents to the Qualifying Shareholders only. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

Overseas Shareholders and Non-Qualifying Shareholders

The Prospectus will not be registered under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong.

As at the Latest Practicable Date, based on the register of members of the Company, except for certain Shareholders whose registered addresses are in the PRC and the British Virgin Islands, the Company had no Overseas Shareholders.

In accordance with Rule 13.36(2)(a) of the Listing Rules, the Company has obtained advice from legal advisers of the PRC and the British Virgin Islands and has been advised that under the applicable legislations of each of the PRC and the British Virgin Islands:

- i. there are no legal restrictions prohibiting the making of the Open Offer in the relevant jurisdiction; and
- ii. no local legal or regulatory compliance is required to be attended by the Company in the relevant jurisdiction.

Accordingly, there was no Non-Qualifying Shareholder.

LETTER FROM THE BOARD

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, shall rank *pari passu* in all respects with the then existing Shares in issue on the date of allotment and issue of the Offer Shares, including the right to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

Application for excess Offer Shares

The Offer Shares to which the Non-Qualifying Shareholders would otherwise have been entitled, any entitlement of the Offer Shares which have not been accepted by the Qualifying Shareholders, and the Offer Shares created by aggregation of fractional Offer Shares will be available for excess applications by the Qualifying Shareholders. The Qualifying Shareholders are entitled to apply for any Offer Shares in excess of their own entitlements by completing an EAF, but are not assured of being allocated any Offer Shares in excess of their entitlements under the Application Form.

The basis of allocation is as follows:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings;
- (ii) subject to availability of excess Offer Shares, the excess Offer Shares will be allocated to the Qualifying Shareholders who have applied for excess application on a pro-rata basis based on the excess Offer Shares applied for by them; and
- (iii) any remaining Offer Shares not applied for by the Qualifying Shareholders will be taken up by the Underwriters.

No preference will be given to topping-up odd lots to whole board lots as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Offer Shares than they would receive if such preference is not given, which is an unintended and undesirable result. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to excess applications. Any Offer Shares not applied for by the Qualifying Shareholders and not taken by excess applications will be taken up by the Underwriters.

LETTER FROM THE BOARD

The Application Form and the EAF are enclosed with this Prospectus entitling the Qualifying Shareholders to whom they are addressed to accept the Offer Shares as shown in them subject to payment in full by the Latest Time for Acceptance. Excess applications may be made only by the Qualifying Shareholders by completing an EAF and lodging the same with a separate remittance for the excess over their entitlements being applied for.

Shareholders whose Shares are held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of excess applications will not be extended to beneficial owners of the Shares individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

The Company has been informed by Fast Top, Bestech and the Third Underwriter that, as at the Latest Practicable Date, none of them had any intention to apply for any excess Offer Shares.

Fractions of Offer Shares

The Company will not allot, and will not accept applications for any fractions of Offer Shares. All fractions of the Offer Shares will be aggregated (and rounded down to the nearest whole number). Any Offer Shares created from the aggregation of fractions of the Offer Shares will be available for excess application by the Qualifying Shareholders. Should there be no excess applications by the Qualifying Shareholders, those Offer Shares created from the aggregation of fractions of the Offer Shares will be taken up by the Underwriters.

Arrangement for odd lot tradings

In order to facilitate the trading of odd lots (if any) of the new Shares arising from the Open Offer, the Company has appointed Computershare Hong Kong Investor Services Limited to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the new Shares to make up a full board lot, or to dispose of their holding of odd lots of the new Shares during the period from 9:00 a.m. on Tuesday, 12 September 2017 to 4:00 p.m. on Tuesday, 3 October 2017 (both days inclusive).

Shareholders who wish to take advantage of this service should contact Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or at telephone number (852) 2862 8555 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period.

LETTER FROM THE BOARD

Shareholders should note that successful matching of the sale and purchase of odd lots of the new Shares is not guaranteed. Shareholders who are in doubt about this service are recommended to consult their professional advisers.

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, the trading fee of the Stock Exchange and any other applicable fees and charges in Hong Kong.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Offer Shares on the Stock Exchange may be settled through CCASS. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

The Offer Shares shall have the same board lot size as the Shares, i.e. 20,000 Shares.

No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

All necessary arrangements will be made to enable the Offer Shares to be admitted into CCASS.

Stamp duty and other applicable fees and charges

Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty in Hong Kong, Stock Exchange trading fees, the Securities and Futures Commission transaction levy and other applicable fees and charges in Hong Kong.

LETTER FROM THE BOARD

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or dealing in the Offer Shares. It is emphasised that none of the Company, the Directors, the Underwriters or any other parties involved in the Open Offer accept responsibility for any tax effects or liability of holders of the Offer Shares resulting from the accepting, holding or disposal of, or dealing in the Offer Shares.

Share certificates for Offer Shares and refund cheques

Subject to the fulfilment of the conditions of the Open Offer as set out in the section headed “Conditions of the Open Offer” in this Prospectus, share certificates for all Offer Shares (including the excess Offer Shares, if any) are expected to be posted on or before Monday, 11 September 2017 by ordinary post to the Qualifying Shareholders who have validly accepted and (where applicable) applied for, and paid for the Offer Shares at their own risk. Refund cheques in respect of wholly or partially unsuccessful applications for Offer Shares (including the excess Offer Shares, if any) are also expected to be posted on or before Monday, 11 September 2017 by ordinary post at their own risk.

UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are summarised as follows:

Date: 25 July 2017

Underwriters: The First Underwriter, the Second Underwriter and the Third Underwriter, of which their respective ordinary course of businesses do not include underwriting.

The First Underwriter is a company incorporated in Hong Kong and is an investment holding company wholly-owned by Kerry Holdings Limited. Kerry Holdings Limited holds diverse investments, including in real estate, hotels and logistic services through its interests in Kerry Properties Limited, Shangri-La Asia Limited and Kerry Logistics Network Limited respectively, all of which are listed on the Stock Exchange. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the First Underwriter is a third party independent of the Company and connected persons of the Company.

LETTER FROM THE BOARD

The Second Underwriter is a direct wholly-owned subsidiary of Reignwood International Investment (Group) Company Limited, which is principally engaged in investment holding. It is ultimately controlled by Mr. Chanchai Ruayrungruang. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Second Underwriter and Mr. Chanchai Ruayrungruang is a third party independent of the Company and connected persons of the Company.

The Third Underwriter is a company wholly-owned by Mr. Hu. It is principally engaged in investment holding. As at the Latest Practicable Date, the Third Underwriter holds 2,000,000,000 Shares.

Number of Underwritten Shares: 4,889,272,489 Offer Shares, being all the Offer Shares less the Offer Shares undertaken to be applied for by Fast Top (2,531,645,571 Offer Shares), Bestech (113,987,342 Offer Shares) and the Third Underwriter (285,714,285 Offer Shares) pursuant to the Undertakings.

The underwriting obligations of the Underwriters are several and not joint (nor joint and several) and are in the following order of priority and maximum underwriting commitment amount:

Order of priority	Underwriter	Maximum underwriting commitment
First	the First Underwriter	up to 882,352,941 Shares
Second	the Second Underwriter	up to 588,235,294 Shares
Third	the Third Underwriter	the balance of the Underwritten Shares

Commission: Nil

Termination: Please refer to the section headed "Termination of the Underwriting Agreement" of this Prospectus

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors and excluding Mr. Hu) consider the terms of the Underwriting Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

CONDITIONS OF THE OPEN OFFER

The obligations of the Underwriters under the Underwriting Agreement are conditional on the following conditions precedent having been fulfilled:

- (1) the issue of the Announcement within one business day (or such longer period as the Company and the Underwriters may agree) from the date of the Underwriting Agreement;
- (2) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Board (and all other documents required to be attached thereto) in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) on or before the Posting Date;
- (3) the Stock Exchange issuing a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong, the filing with the Registrar of Companies in Hong Kong of the Prospectus Documents (and all other required documents) and the Registrar of Companies in Hong Kong registering the Prospectus Documents on or before the Posting Date in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
- (4) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus marked “For Information Only” to the Non-Qualifying Shareholders, if any, on the Posting Date, provided, however, that the Prospectus shall not be despatched to Non-Qualifying Shareholders who have registered addresses, or whom the Company knows to be residents, in the United States;
- (5) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Offer Shares not later than the first day of their dealings;
- (6) the Underwriters receiving from the Company all conditions precedent documents as set out in the Underwriting Agreement in accordance with the times specified therein;

LETTER FROM THE BOARD

- (7) the Shares remaining listed on the Stock Exchange at all times up to and including the Latest Time for Termination and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a period of more than seven (or such longer period as the Company and the Underwriters may agree) consecutive business days (other than suspension pending clearance of the Announcement or for any inside information or transactions pursuant to Chapter 14 or Chapter 14A of the Listing Rules) and no indication being received before the Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Open Offer or in connection with the terms of the Underwriting Agreement for any other reason;
- (8) the obligations of the Underwriters under the Underwriting Agreement not being terminated by the Underwriters in accordance with the terms therein;
- (9) fulfilment by each of Fast Top, Bestech and the Third Underwriter under each of their respective Undertakings; and
- (10) all necessary approvals, permits, waivers, consents and authorisations having been obtained for the Open Offer and allotment of the Offer Shares.

To the extent permitted under the applicable laws and the Listing Rules, the Underwriters will be entitled to waive the conditions above by agreement in writing with the Company. If the conditions are not satisfied or waived on or before the respective dates aforesaid, the Underwriting Agreement shall terminate and all obligations and liabilities of the parties to the Underwriting Agreement shall cease and terminate and no party shall have any claim against the other parties (save for any antecedent breaches and clauses relating to confidentiality, governing law, notices, etc).

As at the Latest Practicable Date, except for condition (1), none of the conditions have been satisfied.

IRREVOCABLE UNDERTAKINGS

(i) the First Undertaking

As at the Latest Practicable Date, Fast Top holds 17,721,519,000 Shares.

LETTER FROM THE BOARD

Under the First Undertaking, Fast Top has irrevocably undertaken to the Company that:

- i. it will subscribe, or procure its associates to subscribe, for 2,531,645,571 Offer Shares which represent the full acceptance of its provisional entitlement;
- ii. 17,721,519,000 Shares will remain legally and beneficially owned by it on the Record Date; and
- iii. it will lodge its acceptance of the Offer Shares with the Registrar, by no later than the Latest Time for Acceptance in accordance with the instructions set out in the Prospectus Documents.

(ii) the Second Undertaking

As at the Latest Practicable Date, Bestech holds 797,911,400 Shares.

Under the Second Undertaking, Bestech has irrevocably undertaken to the Company that:

- i. it will subscribe, or procure its associates to subscribe, for 113,987,342 Offer Shares which represent the full acceptance of its provisional entitlement;
- ii. 797,911,400 Shares will remain legally and beneficially owned by it on the Record Date; and
- iii. it will lodge its acceptance of the Offer Shares with the Registrar, by no later than the Latest Time for Acceptance in accordance with the instructions set out in the Prospectus Documents.

(iii) the Third Undertaking

As at the Latest Practicable Date, the Third Underwriter holds 2,000,000,000 Shares.

LETTER FROM THE BOARD

Under the Third Undertaking, the Third Underwriter has irrevocably undertaken to the Company that:

- i. it will subscribe, or procure its associates to subscribe, for 285,714,285 Offer Shares which represent the full acceptance of its provisional entitlement;
- ii. 2,000,000,000 Shares will remain legally and beneficially owned by it on the Record Date; and
- iii. it will lodge its acceptance of the Offer Shares with the Registrar, by no later than the Latest Time for Acceptance in accordance with the instructions set out in the Prospectus Documents.

Except as disclosed above, the Board has not received any information or irrevocable undertaking from any other substantial Shareholders of their intention to take up the Offer Shares to be offered to them under the Open Offer.

Undertaking by the Company

Except for (i) the Offer Shares to be allotted and issued pursuant to the Open Offer and (ii) any shares or other securities or rights issued or granted to the Shareholders by way of bonus or under any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the Shares in accordance with its articles of association or on the exercise of any other rights existing at the date of the Underwriting Agreement, the Company has undertaken to the Underwriters that, it will not, for a period from the date of the Underwriting Agreement and up to 45 days after the first day of trading of the Offer Shares on the Stock Exchange, without the prior written consent of the Underwriters:

- (i) allot or issue or sell or offer to allot or sell or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for any Shares or which carry rights to subscribe for or purchase Shares; or
- (ii) offer or agree or announce any intention to enter into or effect any such transaction described above.

LETTER FROM THE BOARD

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY UPON COMPLETION OF THE OPEN OFFER

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

	As at		Immediately after completion of		Immediately after completion of	
	the Latest Practicable Date		the Open Offer (assuming that all		the Open Offer (assuming that	
	Number of Share	Approx. %	of the Shareholders are	Approx. %	none of the Qualifying	Approx. %
	Number of Share	Approx. %	Qualifying Shareholders	Approx. %	Shareholders (other than	Approx. %
			which fully take up		Fast Top, Bestech and	
			their respective entitlements of		the Third Underwriter)	
			the Offer Shares)		take up the respective	
					entitlements of the Offer Shares)	
	Number of Share	Approx. %	Number of Share	Approx. %	Number of Share	Approx. %
Fast Top	17,721,519,000	32.37%	20,253,164,571	32.37%	20,253,164,571	32.37%
CTSL Green Power Investment Limited ("Green Power")	7,594,936,710	13.87%	8,679,927,668	13.87%	7,594,936,710	12.14%
CTSL New Energy Investment Limited ("New Energy")	7,594,936,700	13.87%	8,679,927,657	13.87%	7,594,936,700	12.14%
Bestech (Note 1)	797,911,400	1.46%	911,898,742	1.46%	911,898,742	1.46%
The First Underwriter	-	-	-	-	882,352,941	1.41%
The Second Underwriter	-	-	-	-	588,235,294	0.94%
The Third Underwriter	2,000,000,000	3.65%	2,285,714,285	3.65%	5,704,398,539	9.12%
Ocean Ahead International Limited (Note 2)	2,279,580,000	4.16%	2,605,234,285	4.16%	2,279,580,000	3.64%
Other public Shareholders	<u>16,755,454,000</u>	<u>30.62%</u>	<u>19,149,090,289</u>	<u>30.62%</u>	<u>16,755,454,000</u>	<u>26.78%</u>
Total	<u>54,744,337,810</u>	<u>100%</u>	<u>62,564,957,497</u>	<u>100%</u>	<u>62,564,957,497</u>	<u>100%</u>

Note 1: It is a company controlled by Mr. Wang Ye, an executive Director.

Note 2: It is a company wholly and beneficially owned by Ms. Huang Li, who was a director of certain subsidiaries of the Company prior to 12 August 2017.

LETTER FROM THE BOARD

EQUITY FUND-RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE ANNOUNCEMENT

Except for the following, the Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of the Announcement:

Date(s) of announcement/ circular	Activity	Net proceeds (HK\$ million)	Intended use of proceeds	Actual use of proceeds
20 July 2016 and 22 August 2016	Issue of 4,045,000,000 Shares under general mandate and completion took place on 22 August 2016	687.7 (approximately RMB615.2 million [#])	the development of photovoltaic power-related businesses and for general working capital purposes	approximately RMB177.2 million and RMB398 million were used for the acquisition of the entire equity interests in 穎上聚安光伏發電有限公司 (Yingshang Ju An PV Power Generation Co., Ltd.*) and 河南日升光伏電力發展有限公司 (Henan Risheng Photovoltaic Power Development Co., Ltd.*) respectively, and the remaining balance of approximately RMB40 million was used as general working capital.
2 February 2015, 10 April 2015 and 8 November 2016	Issue of 9,499,867,560 convertible preference shares and completion took place on 7 November 2016	750.5 (approximately RMB671.3 million [#])	the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses	approximately RMB357.3 million and RMB314 million were used for the acquisition of the entire equity interests in 靖邊縣東投能源有限公司 (Jingbian Dongtou Energy Corporation Limited*) and 榆林協合太陽能發電有限公司 (Yulin Century Concord Solar Power Co., Ltd.*) respectively.
2 February 2015 and 10 April 2015	Issue of 4,749,933,780 convertible preference shares and completion took place on 8 May 2017	375.2 (approximately RMB335.6 million [#])	the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses	Approximately RMB150 million was used for the self-development of distributed photovoltaic power projects located in Shandong Province and Henan Province, and the remaining balance of approximately RMB185.6 million was used for the self-development and acquisition of centralised photovoltaic power projects located in Anhui Province, Shandong Province, Hebei Province, Henan Province and Shaanxi Province.

[#] for illustration purposes only, the exchange rate of HK\$1.1179 to RMB1 has been used as the exchange rate between RMB and HK\$.

LETTER FROM THE BOARD

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

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, photovoltaic power-related businesses and wind power-related businesses, and the design, printing and sale of cigarette packages in the PRC.

With the increasing social awareness of environmental protection and resources utilisation and substantial supportive efforts from the Chinese government, clean energy businesses in the PRC have been developing rapidly in recent years.

Since May 2015, the Group actively explores opportunities on high quality clean energy businesses to further expand the Group's source of revenue and enhance the Group's profitability, so as to enhance the long-term benefits of the Company and the Shareholders as a whole. As at 31 December 2015, the Group had been developing photovoltaic power projects with an aggregate installed capacity of approximately 500MW. Through self-development, joint-development and acquisition of high quality assets and projects, as at 31 December 2016, the Group's total photovoltaic power and wind power on-grid capacity was 993.88MW. The Group's development direction is highly in line with China's strategic planning and the Company believes such strategy will continue and is determined to ride such trends to maximise the Shareholders' value.

After considering alternative fund raising methods such as placement of new Shares and rights issue, the Board believes that it would be in the best interests of the Company and the Shareholders as a whole to raise long-term equity capital through the Open Offer to finance its future expansion plan. The Board has considered, among other things, that:-

- i. placement of new Shares will preclude existing Shareholders from participating in the capital raising exercise which inevitably result in dilution to the equity interest of the existing Shareholders; and
- ii. rights issue will require more administrative work in particular in relation to the trading arrangements of the nil-paid rights which will increase the cost compared to an open offer.

Concurrent with equity fund raising via the Open Offer, the Company, from time to time, also adopts debt financing including the obtaining of bank loans and entering into finance leases to satisfy its funding needs. However, excessive debt financing will result in additional interest burden, higher gearing level of the Group and subject the Group to additional repayment obligations. As at 28 June 2017, based on the information available to the Company, the gearing ratio of the Group (excluding the Cigarette Packaging Business as defined in Appendix I-1 of this prospectus) was not less than 170%. The Open Offer, on the other hand, will strengthen the Company's capital base including its gearing level and enhance its financial position and net asset base, and provide an equal opportunity to the Qualifying Shareholders to participate in this fund-raising transaction on fair terms. Alongside the debt financing, the Open Offer will enable the Company to raise additional funding to meet the growing investment needs in the clean energy businesses.

LETTER FROM THE BOARD

As at 31 July 2017, the Group (excluding the subsidiaries engaged in the Cigarette Packaging Business as defined in Appendix I-1 of this prospectus) had cash and cash equivalent of approximately HK\$1.7 billion and would be mainly used for the operation of the Group, repayment of debts due and settlement of part of the capital expenditures.

The gross proceeds of the Open Offer will be approximately HK\$1,329,505,000. It is expected that the estimated net proceeds, being approximately HK\$1,328,000,000 (equivalent to approximately RMB1,141,776,000[#]) from the Open Offer, will help strengthen the Company's capital base and provide greater financial flexibility for the Company to fund the expansion needs on clean energy businesses. The Company intends to apply the net proceeds as to 50% for organic growth (i.e. self-development of photovoltaic power plants projects) and 50% for acquisitions (including the potential acquisitions of established project companies in relation to photovoltaic and wind power businesses). In relation to organic growth, the proceeds will be used for the construction and development of centralised photovoltaic power plants projects (i.e. power plants that are ground-mounted and connected to the grid), as at the Latest Practicable Date, the Company plans to utilise the proceeds from the Open Offer as follows:

Location of existing photovoltaic power plants projects	Timeline	Use of proceeds
Henan Province	before the end of 2017	approximately RMB140 million for the construction and development of a centralised photovoltaic power plant
Hubei Province	before the end of 2017	approximately RMB133 million for the construction and development of a centralised photovoltaic power plant
Anhui Province	before the end of 2017	approximately RMB297 million for the construction and development of centralised photovoltaic power plants

[#] *for illustration purposes only, the exchange rate of HK\$1.1631 to RMB1 has been used as the exchange rate between RMB and HK\$.*

LETTER FROM THE BOARD

In relation to potential acquisitions, as at the Latest Practicable Date, the Company is considering:

- (i) further acquisitions of wind power plants located in Shandong Province, Hebei Province, Jiangsu Province and Anhui Province within 2017; and
- (ii) the expansion of the Group's portfolio of centralised photovoltaic power plants located in but not limited to Hebei Province and Anhui Province which under the Group's existing geographical coverage while exploring new locations including Jiangxi Province and Guizhou Province which the Group is optimistic about the development of its photovoltaic power business and in line with its strategy of focusing on projects located in "photovoltaic resource areas "2" and "3"" designated by the National Development and Reform Commission of the PRC in 2017.

As at the Latest Practicable Date, no definitive acquisition agreements have been entered into. The Directors (including the independent non-executive Directors and excluding Mr. Hu) consider that the Open Offer is in the interests of the Company and the Shareholders as a whole.

In identifying the potential underwriters for the Open Offer, the Company considered that (i) Kerry Holdings Limited, the holding company of the First Underwriter, to be a well-established conglomerate with diverse business holdings and investments in hotels, real estate and logistics services, and (ii) Reignwood International Investment (Group) Company Limited, the holding company of the Second Underwriter, to be a well-established multinational conglomerate with significant presence in the PRC and holds major business investments and operations including for example the Red Bull Energy Drink. In the event that the First Underwriter and the Second Underwriter become Shareholders of the Company as a result of the performance of their obligations under the Underwriting Agreement, the shareholder base of the Company will be strengthened and is in the interest of the Company and the Shareholders as a whole. Furthermore, the participation of the Third Underwriter, which is a company wholly-owned by Mr. Hu who is the chairman of the Board and an executive Director, provides unambiguous positive message and confidence to the Shareholders of his support and commitment towards the Group and its development.

GENERAL

As the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the date of the Announcement, the Open Offer itself is not subject to the Shareholders' approval under Rule 7.24(5) of the Listing Rules.

The Third Underwriter is wholly-owned by Mr. Hu, an executive Director and hence is a connected person of the Company under the Listing Rules.

LETTER FROM THE BOARD

Given that (i) no underwriting commission is payable by the Company to the Third Underwriter pursuant to the Underwriting Agreement; and (ii) the Company will allocate the Offer Shares in excess of assured allotments at its discretion on a fair and equitable basis, and on a pro-rata basis based on the excess applications by the Qualifying Shareholders, the issue of Offer Shares to the Third Underwriter is fully exempt from the connected transaction requirements under Rule 14A.92 of the Listing Rules.

WARNING OF THE RISKS OF DEALING IN THE SHARES

The Open Offer is conditional upon, among others, the Underwriting Agreement becoming unconditional and the Underwriters not terminating the Underwriting Agreement in accordance with its terms. The Open Offer may or may not proceed.

Shareholders should also note that the Shares have been dealt in on an ex-entitlement basis commencing from Tuesday, 8 August 2017 and that dealings in such Shares have taken and will take place while the conditions to which the Underwriting Agreement remain unfulfilled. Any Shareholder or other person dealing in such Shares up to the date on which all conditions to which the Open Offer are fulfilled will bear the risk that the Open Offer does not become unconditional and may not proceed.

Shareholders and potential investors are advised to exercise due caution when dealing with the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

PROCEDURE FOR ACCEPTANCE AND PAYMENT OF THE OFFER SHARES

Qualifying Shareholders will find enclosed with this Prospectus, an Application Form which entitles the Qualifying Shareholder(s) to accept the allotment of such number of Offer Shares which is equal to or less than the assured allotment as shown therein.

If a Qualifying Shareholder wishes to exercise his/her/its rights to accept the allotment of the Offer Shares specified in the Application Form, the Qualifying Shareholder must duly complete and lodge the whole of the Application Form intact in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by no later than the Latest Time for Acceptance.

All remittances must be by cheques or banker's cashier orders in Hong Kong dollars.

LETTER FROM THE BOARD

Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**Beijing Enterprises Clean Energy Group Limited – Open Offer Account**" and crossed "**ACCOUNT PAYEE ONLY**".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, by not later than the Latest Time for Acceptance, the assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

All cheques or banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company.

Any application in respect of which the cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected, and in that event the assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form and of any application monies received.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms by the Latest Time for Termination, the application monies will be refunded, without interest, by sending a cheque made to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company at the risk of such applicants as soon as practicable thereafter.

PROCEDURES FOR APPLICATION AND PAYMENT FOR THE EXCESS OFFER SHARES

Application for excess Offer Shares should be made by completing and signing the EAF accompanying this Prospectus and lodging the same in accordance with the instructions printed thereon, together with a separate remittance for the full amount payable in respect of such number of excess Offer Shares applied for, with the Registrar by no later than the Latest Time for Acceptance.

All remittances must be by cheques or banker's cashier orders in Hong Kong dollars.

Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**Beijing Enterprises Clean Energy Group Limited – Excess Application Account**" and crossed "**ACCOUNT PAYEE ONLY**".

LETTER FROM THE BOARD

The Company will notify the Qualifying Shareholders the allocation result of excess application for Offer Shares on Friday, 8 September 2017 by way of announcement. It should be noted that unless the duly completed EAF, together with the appropriate remittance, have been lodged with the Registrar by Latest Time for Acceptance by a Qualifying Shareholder, the EAF will be rejected. It should also be noted that the lodging of the EAF does not assure the Qualifying Shareholder of being allocated any Offer Shares in excess of those in their assured entitlements.

All cheques and banker's cashier orders accompanying duly completed EAF will be presented for payment immediately upon receipt and all interest earned on such application monies (if any) will be retained for the benefit of the Company. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any EAF in respect of which the accompanying cheque and/or banker's cashier order is dishonoured on first presentation. No receipt will be issued in respect of any EAF or any application monies received.

If no excess Offer Shares are allotted to the Qualifying Shareholders, the monies received in respect of the excess application will be returned to such Qualifying Shareholders in full without interest by means of cheques despatched by ordinary post at their own risk to their registered addresses on or before Monday, 11 September 2017.

If the number of excess Offer Shares allotted to the Qualifying Shareholders is less than that applied for, the surplus application monies will be refunded to such Qualifying Shareholders without interest by means of cheques despatched by ordinary post at their own risk to their registered addresses on or before Monday, 11 September 2017.

GENERAL

Your attention is drawn to the information contained in the appendices to this Prospectus.

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

* *for identification purpose only*

1. FINANCIAL SUMMARY

Financial information of the Group for:

- the financial year ended 31 December 2016 are disclosed on pages 54 to 136 of the 2016 annual report available at:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0426/LTN201704261053.pdf>

- the financial year ended 31 December 2015 are disclosed on pages 38 to 98 of the 2015 annual report available at:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0421/LTN20160421343.pdf>

- the financial year ended 31 December 2014 are disclosed on pages 41 to 84 of the 2014 annual report available at:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0428/LTN201504281026.pdf>

2. STATEMENT OF INDEBTEDNESS

In the following statement of indebtedness, the term “Group” excludes the subsidiaries of the Company engaged in the cigarette packaging business of the Group (the “**Cigarette Packaging Business**”), which are:

- (i) 深圳大洋洲印務有限公司 (Shenzhen Oceania Printing Company Limited*) (the “**First PRC Company**”);
- (ii) 惠州金彩印務有限公司 (Huizhou Jin Cai Printing Company Limited*) (the “**Second PRC Company**”);
- (iii) Super Future Investments Limited (the holding company of the First PRC Company);
and
- (iv) Meteor River Limited (the holding Company of Super Future Investments Limited) (collectively, the “**Cigarette Packaging Subsidiaries**”).

All of the Cigarette Packaging Business is carried out by the Cigarette Packaging Subsidiaries and the First PRC Company is the principal operating subsidiary of the Cigarette Packaging Business.

* for identification purpose only

Debts and Borrowings

As at the close of business on 28 June 2017, being the Latest Practicable Date for the purpose of this statement of indebtedness prior to the printing of this prospectus, the Group had (i) unsecured bank and other borrowings with an aggregate principal amount of approximately HK\$3,421,716,000 with an effective interest rate range of approximately 2.08% and 4.57%; and (ii) bank borrowings with an aggregate principal amount of approximately HK\$1,641,955,000 with an effective interest rate range of approximately 2.90% and 5.82% secured by pledges over certain of the Group's bank balances and trade receivables in respect of sales of electricity of certain subsidiaries. In addition, certain bank borrowings have been guaranteed by the Company and/or its subsidiaries.

Loan agreements of certain bank loans of the Group in an aggregate carrying amount of HK\$1,986,539,000 as at 28 June 2017 include covenants imposing specific performance obligations on substantial beneficial owners of the Company, among which of the following events which would constitute an event of default on the loan facilities:

- (i) Beijing Enterprises Water Group Limited ("BEWG") does not or ceases to own, directly or indirectly, at least 25% to 27% (which vary depending on the terms of bank loan agreements with relevant banks) of the beneficial shareholding carrying at least 25% to 27% of the voting rights in the Company, free from any security;
- (ii) BEWG is not or ceases to be the, direct or indirect, single largest shareholder of the Company;
- (iii) BEWG does not or ceases to supervise the Company and/or have management control over the Company;
- (vi) Beijing Enterprises Holdings Limited ("BEHL") does not or ceases to own, directly or indirectly, at least 35% of the beneficial shareholding carrying at least 35% of the voting rights in BEWG, free from any security;
- (v) BEHL is not or ceases to be the, direct or indirect, single largest shareholder of BEWG;

- (vi) BEHL does not or ceases to supervise BEWG and/or have management control over BEWG;
- (vii) Beijing Enterprises Group Company Limited (“BE Group”) does not or ceases to own, directly or indirectly, at least 40% of the beneficial shareholding carrying at least 40% of the voting rights in BEHL, free from any security;
- (viii) BE Group is not or ceases to be the, direct or indirect, single largest shareholder of BEHL and/or does not or ceases to supervise BEHL; and/or
- (ix) BE Group is not or ceases to be wholly-owned, supervised and controlled by the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality.

Finance lease commitments

Our Group’s finance leases arrangements related to photovoltaic and wind power plants. The tenure of the finance lease arrangements range from 3 to 15 years with an effective interest rate range of approximately 3.95% and 8.46%.

Certain of the finance lease arrangements are secured by (i) guarantees given by the Company and/or its subsidiaries, (ii) pledges over the Group’s leased assets and trade receivables in respect of the sales of electricity of certain subsidiaries respectively; and (iii) pledges over the Group’s equity interests in certain subsidiaries.

In addition, certain of the finance lease agreements also include conditions imposing specific performance obligations on the Company, among which of the following events would constitute events of default on the finance lease payables:

- (i) if BEWG does not hold less than 27% of the ordinary shares of the Company, directly or indirectly; and
- (ii) BEWG is not or ceases to be the, direct or indirect, single largest shareholder of the Company.

	As at 28 June 2017 <i>HK\$'000</i>
Minimum lease payments	
Within one year	674,088
In the second year	897,760
In the third to fifth years, inclusive	3,762,576
Over five years	<u>3,448,738</u>
	8,783,162
Less: amounts representing future finance charges	<u>(1,948,493)</u>
Present value of minimum lease payments	<u><u>6,834,669</u></u>
	As at 28 June 2017 <i>HK\$'000</i>
Present value of minimum lease payments	
Within one year	319,444
In the second year	539,634
In the third to fifth years, inclusive	2,981,634
Over five years	<u>2,993,957</u>
	<u><u>6,834,669</u></u>

Contingent liabilities

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, as at the latest practicable date, our Group did not have outstanding loan, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances trade receivables or acceptable credits, debentures, mortgages, charges, finance leases or hire purchases commitments, guarantees, material covenants, or material contingent liabilities.

As at the Latest Practicable Date, the Company did not have the financial information of the Cigarette Packaging Subsidiaries and therefore, was not able to determine the indebtedness of the Cigarette Packaging Business as at 28 June 2017. For further information, please refer to the announcements of the Company dated 14 August 2017 and 16 August 2017.

Based on the information available to the Company, the indebtedness of the Cigarette Packaging Business as at 31 December 2016 was RMB27,000,000, being the amount of an unsecured outstanding bank loan at an effective interest rate of 5.66%. Save as aforesaid and apart from intra-group liabilities, as at 31 December 2016, the Cigarette Packaging Business did not have outstanding loan, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances trade receivables or acceptable credits, debentures, mortgages, charges, finance leases or hire purchases, commitments, guarantees, material covenants, or material contingent liabilities.

The Board considered that the indebtedness of the Cigarette Packaging Business is immaterial relative to the indebtedness of the Group given that:

- i. the amount of the indebtedness of the Cigarette Packaging Business was insignificant (RMB27,000,000) relative to the overall indebtedness of the Group (including the Cigarette Packaging Subsidiaries) as at 31 December 2016 (approximately RMB6,829,156,000); and
- ii. as at the Latest Practicable Date, the Company and other members of the Group engaged in the Clean Energy Businesses have not provided any security and guarantee for any indebtedness, obligations or liabilities of the Cigarette Packaging Business. It is unlikely that the Cigarette Packaging Business could raise any significant sum of debt financing.

On the basis that the Board has not approved for any new loans or indebtedness in relation to the Cigarette Packaging Business since 31 December 2016, the Board believes that the indebtedness of the Cigarette Packaging Business as at 28 June 2017 would not have material deviation from 31 December 2016 and thus would not have a material impact to the indebtedness statement of the Group (including the Cigarette Packaging Subsidiaries) as at 28 June 2017.

To the best of the knowledge and belief of the Directors, the statement of indebtedness above is a reliable statement of indebtedness of the Group's Clean Energy Businesses.

3. SUFFICIENCY OF WORKING CAPITAL

The Directors confirm that, taking into consideration the financial resources presently available to us, which is primarily our internal resources, and the estimated net proceeds from the Open Offer, the Group will have sufficient working capital for its present requirements and for at least the next 12 months commencing from the date of this prospectus.

The Directors are not aware of any other factors that would have a material impact on the Group's liquidity.

4. MATERIAL ADVERSE CHANGE

As at the latest practicable date, the Directors were not aware of any material adverse change in financial or trading position of the Group since 31 December 2016, the date to which the latest published audited consolidated financial statements of the Company were made up and up to the latest practicable date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

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, photovoltaic power-related businesses and wind power-related businesses, and the design, printing and sale of cigarette packages in the PRC.

According to the published audited consolidated financial statements of the Group for the year ended 31 December 2016, the Group recorded revenue of approximately HK\$2,890.2 million for the year ended 31 December 2016, representing an increase of 900% as compared to the corresponding period of last year. The Group's profit attributable to the equity holders of the Company was approximately HK\$505.1 million, representing an increase of approximately 1,212% as compared to the corresponding period of last year. The increases were mainly due to (1) the completion of acquisition and construction of centralised photovoltaic power and wind power generation projects; and (2) the provision of engineering, procurement and construction services for photovoltaic power plants during the year ended 31 December 2016.

(1) Clean energy businesses

As at 31 December 2016, the Group's total photovoltaic power and wind power on-grid capacity was 993.88MW (2015: Nil), with 27 (2015: Nil) projects located mainly in Hebei Province, Anhui Province, Henan Province, Shandong Province and Shaanxi Province of the PRC. The increase in aggregate capacity of power generation projects has enabled the Group to broaden its assets and revenue base and has provided the Group with a stable source of income. In the first half of 2017, apart from the expansion of the aforementioned clean energy businesses, the Group has simultaneously devoted more resources to other clean energy businesses such as the distributed photovoltaic power business (which includes installation of localised small-scale grids at various locations including rooftops of buildings). As at 30 June 2017, the aggregate installed capacity of the centralised and distributed photovoltaic power generation projects, and a wind power generation project held by the Group was approximately 1,300MW. Based on the projects held by the Group and under construction up to 30 June 2017, the Group expects that the aggregate installed capacity to be achieved by the Group by the end of 2017 will not be less than approximately 1,500MW.

In addition, on 30 June 2017, the Group entered into the power purchase agreement with BEWG to provide distributed photovoltaic power generated by the distributed photovoltaic power stations in certain water plants of BEWG from 1 July 2017, details of which are set out in the Company's announcement dated 30 June 2017.

Since the Paris Agreement went into force and the formulation of the "13th Five-year Plan", China shall target the use of its non-fossil energy to be accounted for 15% of its total primary energy consumption by 2020. The Chinese government shall continue to provide huge support on the development of the clean energy industry, facilitate the low-carbon and recyclable development model, drive the energy revolution and accelerate the energy technological innovations, to build up a modern energy structure which is clean and low-carbon, and safe and effective.

The Group's development direction is highly in line with China's strategic planning, and it will continue to seize such strategic opportunities and grasp the development direction under the new series of the structural reform of China's power industry in order to write a new chapter on the clean energy development. The Group will hold on to the principles of "being responsible, having values and being sharing" and its development strategy on "focusing on the photovoltaic power business as the core business, supporting by other clean energy businesses to create synergy effects on the clean energy businesses", and leverage the Group's comprehensive capabilities to further develop the Group's asset base with high quality centralised photovoltaic power plant projects and other clean-energy assets including wind power projects. In the meantime, the Group will facilitate the development of distributed photovoltaic power business, and proactively plan on and facilitate other clean energy businesses including energy storage, micro-grid technologies, electricity sales, geothermal power generation, cold energy utilisation and regional energy systems, in order to continue contributing the Group's effort to build up a beautiful China and providing steady and growing returns to the Shareholders.

(2) The cigarette packaging business

(1) Non-core business

Since 2015, the Group has successfully diversified into the clean energy businesses sector. The Cigarette Packaging Business has become a non-core business of the Group.

The Cigarette Packaging Business has recorded significant year-on-year decrease in its contribution to the consolidated revenue of the Group (the year ended 31 December 2015: approximately 83.0%; and the year ended 31 December 2016: approximately 5.8%). With (i) the Group's effort in the expansion of the Clean Energy Businesses in the first half of 2017; and (ii) the continued competitive environment, increased labour costs and the stringent government regulations and policies with respect to smoking, it is expected that the contribution to the Group attributable to the Cigarette Packaging Business will be further reduced and insignificant.

Given that the Cigarette Packaging Business as a non-core business is expected to have a further diminished role to the Group, the Company has been assessing whether the Cigarette Packaging Business should be divested so that the Group could focus on the Clean Energy Businesses. As at the Latest Practicable Date, there is no definitive agreement regarding the potential disposal. In the event that the Company enters into any binding agreement for the disposal of the Cigarette Packaging Business, the Company will comply with the disclosure requirements under the Listing Rules.

(2) Latest development

As disclosed in the announcement of the Company dated 14 August 2017, the Company has reason to believe that without the knowledge or approval of the Board, the 100% equity interest in the Second PRC Company held by the First PRC Company has been transferred to a party related to Ms. Huang Li.

As disclosed in the announcement of the Company dated 16 August 2017, in the course of its preparation of the financial statements for the six months ended 30 June 2017, the Company came to know that the financial information of the First PRC Company and the Second PRC Company for 2017 was missing.

(3) Actions taken

Ms. Huang Li was removed as director of the First PRC Company and the other members of the Group of which she was a director, on 12 August 2017 with immediate effect.

The Company has engaged forensic accountants for the retrieval of the financial information from the electronic devices on which such information was stored.

The Company is in consultation with its Hong Kong and PRC legal counsel on the causes of legal action against the relevant parties that were involved for the unauthorised transfer of the Second PRC Company as disclosed in the announcement dated 16 August 2017 and the unauthorised removal of financial information from the First PRC Company and the Second PRC Company's records.

The Company will keep its shareholders informed on further development in compliance with the Listing Rules and the SFO.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets (the “Unaudited Pro Forma Financial Information”) prepared in accordance with Rule 4.29 of the Listing Rules is set out below to illustrate the effect of the Open Offer on the unaudited consolidated net tangible assets of the Group attributable to shareholders of the Company as at 31 December 2016 as if it had taken place on 31 December 2016.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, and because of its nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to holders of Shares of the Company had the Open Offer been completed as at 31 December 2016 or at any future date.

The Unaudited Pro Forma Financial Information is prepared based on the audited consolidated net tangible assets of the Group attributable to holders of Shares of the Company as at 31 December 2016, as derived from the published audited consolidated statement of financial position of the Group as at 31 December 2016 set out in the annual report of the Company for the year ended 31 December 2016, after giving effect to the pro forma adjustments described in the accompanying notes.

	Unaudited			Pro forma adjusted consolidated net tangible assets of the Group attributable to holders of Shares of the Company upon the completion of the Open Offer	
Consolidated net assets of the Group attributable to holders of Shares of the Company as at 31 December 2016 HK\$'000 (note 1)	Less: Intangible assets HK\$'000 (note 1)	Consolidated net tangible assets of the Group attributable to holders of Shares of the Company as at 31 December 2016 HK\$'000	Net proceeds from the Open Offer HK\$'000 (note 2)	HK\$'000 (note 5)	
Based on 7,820,619,687 Offer Shares at subscription price of HK\$0.17 per Offer Share	4,449,598	(537,663)	3,911,935	1,328,000	5,239,935
Unaudited consolidated net tangible assets per Share attributable to holder of Shares of the Company immediately before Open Offer (note 3)					HK\$0.071
Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to holder of Shares of the Company immediately after Open Offer (Note 4)					HK\$0.084

Notes:

1. The amounts of audited consolidated net assets attributable to holders of Shares and the Group's goodwill, operating rights and other intangible asset as at 31 December 2016 are extracted from the Group's published audited consolidated statement of financial position as at 31 December 2016, as set out in the annual report of the Company for the year ended 31 December 2016.

Intangible assets represent the amounts of approximately HK\$167,568,000, HK\$369,955,000 and HK\$2,434,000 of the Group's goodwill, operating rights and other intangible asset, respectively which are extracted from the Group's published audited consolidated statement of financial position as at 31 December 2016, as set out in the annual report of the Company for the year ended 31 December 2016, after deduction of the amounts attributable to non-controlling interests in respect of each of the above intangible assets amounted to HK\$4,000 in Group's goodwill and HK\$2,290,000 in the Group's operating rights, respectively.

2. The estimated net proceeds from the Open Offer of approximately HK\$1,328,000,000 are based on 7,820,619,687 Offer Shares to be issued at the subscription price of HK\$0.17 per Offer Share and after deduction of estimated related expenses of approximately HK\$1,505,000.
3. As at 31 December 2016, Company had 42,512,107,314 Shares and 7,482,296,716 convertible preference shares ("CPS") in issue. Subsequent to 31 December 2016, 4,749,933,780 CPS were issued by the Company and 12,232,230,496 CPS were converted into Shares. As at the Latest Practicable Date, 54,744,337,810 Shares were issued and all CPS have been converted into Shares of the Company. The calculation of the unaudited consolidated net tangible assets per Share attributable to holders of Shares of the Company immediately before the Open Offer is based on the 54,744,337,810 Shares in issue as at the Latest Practicable Date.
4. The number of Shares used for the calculation of the unaudited pro forma adjusted consolidated net tangible assets per Share attributable to holders of Shares of the Company immediately after the Open Offer is calculated based on 62,564,957,497 Shares in issue upon completion of the Open Offer, which comprise the 54,744,337,810 Shares in issue as at the Latest Practicable Date and 7,820,619,687 Shares to be issued pursuant to the Open Offer.
5. Save as the above, no adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2016.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report, prepared for the purpose of incorporation in this prospectus, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group.



22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

21 August 2017

The Board of Directors
Beijing Enterprises Clean Energy Group Limited
Rooms 6706-07
67th Floor, Central Plaza
18 Harbour Road, Wanchai
Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of Beijing Enterprises Clean Energy Group Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) by the directors of the Company (the “Directors”) for illustrative purposes only. The pro forma financial information (the “Pro Forma Financial Information”) consists of the pro forma statement of adjusted consolidated net tangible assets of the Group as at 31 December 2016, and related notes as set out in Section A of Appendix II to the prospectus of the Company dated 21 August 2017 (the “Prospectus”) issued by the Company. The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in section A of this Appendix on page II-1.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Open Offer (as defined in the Prospectus) on the Group’s financial position as at 31 December 2016 as if the transaction had taken place on 31 December 2016. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s financial statements for the year ended 31 December 2016 as set out in the annual report of the Company for the year ended 31 December 2016.

Director's responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information, in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Open Offer of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluation the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully.

Ernst & Young

Certified Public Accountants

Hong Kong

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Open Offer (assuming there is no other change in the share capital of the Company after the Latest Practicable Date) is set out as follows:

(i) as at the Latest Practicable Date:

<i>Authorised capital:</i>	<i>HK\$</i>
<u>466,637,115,100</u> Shares	<u>466,637,115.10</u>
<u>33,362,884,900</u> Preference Shares	<u>33,362,884.90</u>
 <i>Issued and fully paid or credited as fully paid:</i>	
<u>54,744,337,810</u> Shares	<u>54,744,337.81</u>

(ii) Immediately after completion of the Open Offer:

<i>Authorised capital:</i>		<i>HK\$</i>
<u>466,637,115,100</u> Shares		<u>466,637,115.10</u>
<u>33,362,884,900</u> Preference Shares		<u>33,362,884.90</u>
 <i>Issued and fully paid or credited as fully paid:</i>		
54,744,337,810	Shares as at the Latest Practicable Date	54,744,337.81
<u>7,820,619,687</u>	Offer Shares to be issued	<u>7,820,619.69</u>
<u>62,564,957,497</u>	Shares upon completion of the Open Offer	<u>62,564,957.50</u>

No part of the equity or debt securities of the Company is listed or dealt in, nor is listing or permission to deal in the Shares or loan capital of the Company being, or proposed to be, sought on any other stock exchange.

There are no arrangements under which future dividends will be waived or agreed to be waived. As at the Latest Practicable Date, no capital of any member of the Group was under option or agreed conditionally or unconditionally to be put under option.

As at the Latest Practicable Date, no shares, options, warrants, conversion rights or any equity or debt securities of the Company was outstanding or was proposed to be issued for cash or otherwise and no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any such capital, except for the Offer Shares.

Since 31 December 2016, the change in the share capital of the Company is set out below:

(i) Issue of Shares upon conversion of preference shares

Issue date	Increase in the number of Shares	Decrease in the number of preference shares
6 March 2017	793,381,980	793,381,980
25 April 2017	5,104,772,630	5,104,772,630
15 May 2017	5,894,662,246	5,894,662,246
23 June 2017	439,413,640	439,413,640

(ii) Issue of preference shares

Issue date	Increase in the number of preference shares
8 May 2017	4,749,933,780

Save as disclosed herein, since 31 December 2016, the date to which the latest audited financial statements of the Company were made up, and up to the Latest Practicable Date, no Shares have been allotted and issued by the Company. No part of the equity or debt securities of the Company is listed or dealt in, nor is listing or permission to deal in the Shares or loan capital of the Company being, or proposed to be, sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(i) Directors' and chief executive's interests

As at the Latest Practicable Date, except as disclosed below, none of the Directors or chief executive of the Company had any interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was deemed or taken to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules, to be notified to the Company and the Stock Exchange.

Name of Directors	Capacity in which shares are held	Number of Shares held	Approximate percentage of the Company's issued share capital (Note 1)
Mr. Hu (Note 2)	Interest of controlled corporation	2,000,000,000	3.65%
Mr. Wang Ye (Note 3)	Interest of controlled corporation	797,911,400	1.46%

Notes:

- (1) The percentage represents the aggregate number of Shares held over the total issued Shares of 54,744,337,810 Shares as at the Latest Practicable Date.
- (2) As at the Latest Practicable Date, the Third Underwriter, which is a company wholly and beneficially owned by Mr. Hu, holds 2,000,000,000 Shares. Pursuant to the Third Undertaking, it has undertaken to subscribe for 285,714,285 Offer Shares.
- (3) As at the Latest Practicable Date, Bestech is a company incorporated in the PRC of which Mr. Wang Ye, an executive Director, is its controlling shareholder. Bestech holds 797,911,400 Shares. Pursuant to the Second Undertaking, it has agreed to subscribe for 113,987,342 Offer Shares.

(ii) Substantial shareholders' interests and short positions in shares and underlying shares

As at the Latest Practicable Date, so far as any Directors are aware, the interest or short positions owned by the following parties (other than the Directors or chief executives of the Company) in the shares and underlying shares of the Company which are required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO, or were directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or any options, were as follows:

Long position in the shares and/or underlying shares of the Company

Name of shareholders	Capacity in which shares are held	Number of Shares held	Approximate percentage of the Company's issued share capital (Note 1)
BE Group (Note 2)	Interest of controlled corporation	17,721,519,000	32.37%
BEHL (Note 2)	Interest of controlled corporation	17,721,519,000	32.37%
BEWG (Note 2)	Interest of controlled corporation	17,721,519,000	32.37%
Fast Top (Note 2)	Beneficial interest	17,721,519,000	32.37%
CITIC Securities Company Limited (Notes 3 and 4)	Interest of controlled corporation	15,189,873,410	27.75%
CITIC Securities International Co. Ltd. (Note 3)	Interest of controlled corporation	7,594,936,710	13.87%

Name of shareholders	Capacity in which shares are held	Number of Shares held	Approximate percentage of the Company's issued share capital (Note 1)
CLSA Global Investment Management Limited (Note 3)	Interest of controlled corporation	7,594,936,710	13.87%
CITIC PE Holdings Limited (Note 3)	Interest of controlled corporation	7,594,936,710	13.87%
CITIC PE Funds II Limited (Note 3)	Interest of controlled corporation	7,594,936,710	13.87%
CITIC PE Associates II, L.P. (Note 3)	Interest of controlled corporation	7,594,936,710	13.87%
CPEChina Fund II, L.P. (Note 3)	Interest held jointly with another person	7,594,936,710	13.87%
CPEChina Fund IIA, L.P. (Note 3)	Interest held jointly with another person	7,594,936,710	13.87%
Green Power (Note 3)	Beneficial interest	7,594,936,710	13.87%
中信產業投資基金管理 有限公司 (CITIC Private Equity Funds Management Co., Ltd.*) (Note 4)	Interest of controlled corporation	7,594,936,700	13.87%
上海磐諾企業管理有限公司 (Shanghai Pannuo Enterprise Management Service Company Limited*) (Note 4)	Interest of controlled corporation	7,594,936,700	13.87%

Name of shareholders	Capacity in which shares are held	Number of Shares held	Approximate percentage of the Company's issued share capital (Note 1)
北京宥德投資管理中心 (有限合夥) (Beijing Youde Investment Management Center (Limited Partnership*)) (Note 4)	Interest of controlled corporation	7,594,936,700	13.87%
北京中信投資中心 (有限合夥) (CITIC Private Equity Fund III (RMB*)) (“CITIC PEF III”) (Note 4)	Interest of controlled corporation	7,594,936,700	13.87%
New Energy (Note 4)	Beneficial interest	7,594,936,700	13.87%
清華大學 (Tsinghua University) (Note 5)	Interest of controlled corporation	4,045,000,000	7.39%
清華控股有限公司 (Tsinghua Holdings Co., Ltd.*) (Note 5)	Interest of controlled corporation	4,045,000,000	7.39%
啟迪控股股份有限公司 (Tus-Holdings Co., Ltd.*) (Note 5)	Interest of controlled corporation	4,045,000,000	7.39%
Tuspark Technology Innovation Ltd. (啟迪科創有限公司) (Note 5)	Beneficial Interest	4,045,000,000	7.39%
Ms. Huang Li (Note 6)	Interest of controlled corporation	2,279,580,000	4.16%

Notes:

- (1) The percentage represents the aggregate number of Shares held over the total issued Shares of 54,744,337,810 Shares as at the Latest Practicable Date.
- (2) As at the Latest Practicable Date, Fast Top, a wholly-owned subsidiary of BEWG, beneficially holds 17,721,519,000 Shares. As at the Latest Practicable Date, BEWG is directly held as to approximately 43.59% (representing 3,824,367,831 shares of BEWG) by Beijing Enterprises Environmental Construction Limited (“BE Environmental”). BE Environmental is a wholly-owned subsidiary of BEHL, which is in turn directly held as to approximately 61.96% by Beijing Enterprises Group (BVI) Company Limited (by itself and through its subsidiaries) as at the Latest Practicable Date, and which is in turn wholly-owned by BE Group. Beijing Enterprises Group (BVI) Company Limited also directly holds 3,010,000 shares in the share capital of BEWG.
- (3) As at the Latest Practicable Date, Green Power, a company jointly-controlled by CPEChina Fund II, L.P. and CPEChina Fund IIA, L.P., beneficially holds 7,594,936,710 Shares. CPEChina Fund II L.P. and CPEChina Fund IIA, L.P. are two exempted limited partnerships registered under the laws of the Cayman Islands. The general partner of the CPEChina Fund II L.P. and CPEChina Fund IIA, L.P. is CITIC PE Associates II, L.P., an exempted limited partnership registered under the laws of the Cayman Islands. The general partner of CITIC PE Associates II, L.P. is CITIC PE Funds II Limited. CITIC PE Funds II Limited is wholly-owned by CITIC PE Holdings Limited, which is owned as to 35% by CLSA Global Investment Management Limited. CLSA Global Investment Management Limited is wholly-owned by CITIC Securities International Co. Ltd., which is in turn wholly-owned by CITIC Securities Company Limited, a company listed on the Stock Exchange and the Shanghai Stock Exchange.
- (4) As at the Latest Practicable Date, New Energy, a wholly-owned subsidiary of CITIC PEF III, beneficially holds 7,594,936,700 shares. CITIC PEF III is a limited partnership registered under the laws of the PRC. The general partner of CITIC PEF III is 北京宥德投資管理中心(有限合夥) (Beijing Youde Investment Management Center (Limited Partnership)*), a limited partnership registered under the laws of the PRC whose general partner is 上海磐諾企業管理有限公司 (Shanghai Pannuo Enterprise Management Service Company Limited*), a limited liability company incorporated in the PRC. 上海磐諾企業管理有限公司 (Shanghai Pannuo Enterprise Management Service Company Limited*) is wholly-owned by 中信產業投資基金管理有限公司 (CITIC Private Equity Funds Management Co., Ltd*), which is in turn owned as to 35% by CITIC Securities Company Limited, a company listed on the Stock Exchange and the Shanghai Stock Exchange.
- (5) As at the Latest Practicable Date, Tuspark Technology Innovation Ltd. (啟迪科創有限公司), a wholly-owned subsidiary of 啟迪控股股份有限公司 (Tus-Holdings Co., Ltd.*), beneficially holds 4,045,000,000 Shares. 啟迪控股股份有限公司 (Tus-Holdings Co., Ltd.*) is directly held as to 44.92% by 清華控股有限公司 (Tsinghua Holdings Co., Ltd.*). 清華控股有限公司 (Tsinghua Holdings Co., Ltd.*) is wholly-owned by 清華大學 (Tsinghua University).
- (6) As at the Latest Practicable Date, 2,279,580,000 Shares are held by Ocean Ahead International Limited, the entire issued share capital of which is wholly and beneficially owned by Ms. Huang Li, who was a director of certain subsidiaries of the Company prior to 12 August 2017.

Except as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any interest or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO.

4. DIRECTORS' INTERESTS IN CONTRACT, ASSETS AND ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2016 (being the date to which the latest published audited financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. COMPETING INTERESTS

As at the Latest Practicable Date, the following Directors were considered to have interests in the following businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group as defined in the Listing Rules:

Name of Director	Name of business	Nature of business	Nature of interests
Wen Hui	北京啟迪清芸能源科技有限公司 (Beijing Tus-Tsingyun Energy Technology Company Limited*)	Provision of financial services, design, construction, operation and maintenance and management of the photovoltaic power projects	Director
	北京啟迪清潔能源科技有限公司 (Beijing Tus Clean Energy Technology Company Limited*)	Solar photovoltaic systems, solar thermal systems and wind power systems	Director
	北京啟迪清風科技有限公司 (Beijing Tus-Wind Technology Company Limited*)	Development, construction and operation of wind power	Director

Name of Director	Name of business	Nature of business	Nature of interests
Huang Weihua	西藏多能共拓創業投資合夥企業 (普通合夥) (Tibet Duo Neng Gong Tuo Chuang Ye Investment Partnership Corporation (General Partnership)*)	Investment, development and operation of clean energy power-related businesses	Director and substantial shareholder

The Directors of the Company are fully aware of, and have been discharging, their fiduciary duty to the Company. The Company and its Directors would comply with the relevant requirements of the Company's Articles of Association and the Listing Rules whenever a Director has any conflict of interest in the transaction(s) with the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors are considered to have interests in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group required to be disclosed under the Listing Rules.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contracts with any member of the Group which is not determinable by the Company within one year without payment of any compensation (other than statutory compensation).

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries have been engaged in any other litigation or claims of material importance and, so far as the Directors are aware, there was no other litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

8. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given an opinion which is contained in this Prospectus:

Name	Qualifications
Ernst & Young	Certified Public Accountants

Ernst & Young has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letter, report, advice, opinion and/or references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Ernst & Young did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any Shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group.

As at the Latest Practicable Date, Ernst & Young did not have any interest, either directly or indirectly, in any assets which have been since 31 December 2016 (being the date to which the latest published audited consolidated financial statements of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the date of this prospectus and are or may be material:

- a. the underwriting agreement between the Company and the Underwriters dated 25 July 2017 in relation to the Open Offer;
- b. the letter agreement between the Company and the Underwriters dated 14 August 2017 in relation to the extension of certain dates of the expected timetable of the Open Offer;

- c. on 10 August 2017, 華融國際信託有限責任公司 (Huarong International Trust Co., Ltd.*) (“Huarong Trust”) as trustee and 北控清潔能源電力有限公司 (Beijing Enterprises Clean Energy Electricity Company Limited*, an indirect 85%-owned subsidiary of the Company) (“BECEE”) entered into a trust scheme agreement in respect of the subscription of subordinated units in the amount of RMB6,340,100 in 華融•北控清潔能源電力項目投資集合資金信託計劃 (Huarong BECE Electricity Project Investment Fund Raising Trust Scheme*) (the “Trust Scheme”) by BECEE. Please refer to the announcement of the Company dated 10 August 2017;
- d. on 10 August 2017, BECEE as guarantors entered into a guarantee agreement with Huarong Trust with respect of the provision of a guarantee in the maximum amount of RMB1,242,102,700 in favour of Huarong Trust. Please refer to the announcement of the Company dated 10 August 2017;
- e. on 10 August 2017, BECEE and 蘇州中來光伏新材股份有限公司 (Jolywood (Suzhou) Sunwatt Co., Ltd.) (“Jolywood”) as the holders of the subordinated units of the Trust Scheme, and Bank of Dalian (大連銀行股份有限公司) as the holder of the preferred units of the Trust Scheme entered into an option agreement with respect of the right of Bank of Dalian (大連銀行股份有限公司) to require BECEE and/or Jolywood to acquire all the preferred units in the maximum amount of RMB716,895,600 under the Trust Scheme. Please refer to the announcement of the Company dated 10 August 2017;
- f. on 9 August 2017, 北京北控光伏科技發展有限公司 (Beijing Enterprises Photovoltaic Development Company Limited*, an indirect wholly-owned subsidiary of the Company) (“BEPD”), 深圳摩根富通股權投資基金有限公司 (Shenzhen Mogenfutong Fund Co., Ltd.*) (“Shenzhen Mogenfutong”), 江蘇省國際信託有限責任公司 (Jiangsu International Trust Corporation Limited*) (“Jiangsu Trust”) and 上海網實金服數據服務有限公司 (Shanghai Wangshi Financial Services and Data Services Company Limited*) (“Shanghai Wangshi”) entered into a partnership agreement (the “Partnership Agreement I”) in relation to the establishment of 北京北控蘇銀股權投資管理中心(有限合夥)(Beijing BE Suyin Equity Investment Management Centre (Limited Partnership)*) (the “Limited Partnership I”). BEPD will participate in the Limited Partnership I as a junior limited partner with a capital contribution of RMB195,000,000. Please refer to the announcement of the Company dated 9 August 2017;

- g. on 9 August 2017, BEPD, the Company, Jiangsu Trust and Shanghai Wangshi entered into an acquisition agreement under which: (1) the Company agreed to acquire from Jiangsu Trust 65% of approximately 69.99% equity interest in the Limited Partnership I held by Jiangsu Trust (the “Senior Interest”) as the senior limited partner at a consideration of not more than RMB586,950,000, and Shanghai Wangshi agreed to acquire from Jiangsu Trust 35% of the Senior Interest at a consideration of not more than RMB316,050,000; (2) each of the Company/BEPD on one part and Shanghai Wangshi on the other will guarantee the other’s payment obligation with respect to the acquisition of the Senior Interest; and (3) the Company and Shanghai Wangshi agreed to provide a guarantee on a joint and several basis in respect of the return on the Senior Interest in an aggregate amount of RMB203,000,000 calculated at a simple annualised rate of return of 5.8% on the outstanding capital contribution of Jiangsu Trust over the five-year term of the Limited Partnership I. Please refer to the announcement of the Company dated 9 August 2017;
- h. on 29 June 2017, 青島富歡資產管理有限公司 (Qingdao Fuhuan Assets Management Company Limited*, an indirect wholly owned subsidiary of the Company) (“Qingdao Fuhuan”), 華潤深國投信託有限公司 (China Resources SZITIC Trust Co., Ltd.*) (“Party A”), 澤承資產管理有限公司 (Zecheng Asset Management Co. Ltd.*) (“Party B”), 漢威潤能股權投資(汕頭)有限公司 (Hanwei Runneng Equity Investment (Shantou) Company Limited*) (“Party C”), 深圳長城環亞科技有限公司 (Shenzhen Great Wall Pan Asia Technology Company Limited*) (“Party D”), 深圳長城環亞國際股權投資基金管理有限公司 (Shenzhen Great Wall Pan Asia International Equity Investment Fund Management Company Limited*) (“Party E”) and 漢威華德(天津)投資諮詢有限公司 (Hanwei Huade (Tianjin) Investment Consultancy Company Limited*) (“Party F”, together with Qingdao Fuhuan, Party A, Party B, Party C, Party D and Party E, the “Parties”) entered into a partnership agreement (the “Partnership Agreement II”) in relation to the formation of 華潤北控(汕頭)新能源產業基金合夥企業(有限合夥) (CR BE (Shantou) New Energy Industrial Fund Partnership Corporation (Limited Partnership)*) (the “Limited Partnership II”). The total maximum capital contribution of the Limited Partnership II is RMB3,000,000,000.

On 28 July 2017, the Parties entered into a supplemental agreement to adjust the total maximum capital contribution of the Limited Partnership II from RMB3,000,000,000 to RMB1,500,000,000.

Please refer to the announcements of the Company dated 29 June 2017 and 28 July 2017;

- i. the guarantee agreement dated 29 June 2017 entered into by and among the Company, Party B and the Guaranteed Partners (being Party A, Party C, Party D, Party E and Party F) in respect of the provision of limited guarantee by the Company and Party B on a several basis in favour of the Guaranteed Partners. Please refer to the announcements of the Company dated 29 June 2017 and 28 July 2017;
- j. the loan agreement dated 29 June 2017 entered into by and among Qingdao Fuhuan, Party B and Party C in relation to the provision of a loan in the principal amount of RMB47,250,000 by Qingdao Fuhuan to Party B. Please refer to the announcements of the Company dated 29 June 2017 and 28 July 2017;
- k. the guarantee dated 14 September 2016 entered into between the Company and 中信金融租賃有限公司 (CITIC Financial Leasing Co., Ltd.*) (“CITIC Leasing”) in relation to the provision of guarantee by the Company in favour of CITIC Leasing for the due performance of the payment obligations of 南昌縣綠川新能源有限公司 (Nanchang County Lv Chuan New Energy Company Limited*) under certain principal contracts in an amount of up to RMB1,232,691,546.02. Please refer to the announcement of the Company dated 14 September 2016;
- l. the subscription agreement dated 20 July 2016 entered into between the Company and 啟迪科創有限公司 (Tuspark Technology Innovation Ltd.) in relation to the subscription of 4,045,000,000 shares of the Company at a subscription price of HK\$0.17 per share. Please refer to the announcement of the Company dated 20 July 2016; and
- m. the cooperation agreement dated 21 June 2016 entered into between the Company and 金寨縣人民政府 (Jinzhai County People’s Government*) in relation to the construction of a 200MW photovoltaic power plant in 金寨縣 (Jinzhai County), Anhui Province, the PRC, as supplemented by the supplemental agreement dated 20 January 2017. Please refer to the announcements of the Company dated 21 June 2016, 27 June 2016 and 20 January 2017.

10. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, printing, registration, translation, legal and accountancy charges and other related expenses are estimated to be approximately HK\$1,505,000, which are payable by the Company from the Open Offer proceeds.

11. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE OPEN OFFER

Company's registered office	PO Box 1350, Clifton House 75 Fort Street, Grand Cayman KY1-1108 Cayman Islands
Company's head office and principal place of business in Hong Kong	Rooms 6706-07, 67th Floor Central Plaza, 18 Harbour Road Wanchai, Hong Kong
Authorised representatives	Mr. Hu Mr. Liu Kin Wai
Legal adviser to the Company	Sidley Austin (<i>as to Hong Kong Law</i>) Level 39, Two International Finance Centre 8 Finance Street Central, Hong Kong
Principal bankers	In Hong Kong: CIMB Bank Berhad DBS Bank Ltd., Hong Kong Branch Wing Lung Bank, Limited In PRC: Bank of China China Citic Bank China Construction Bank The Industrial and Commercial Bank of China

Auditors	Ernst & Young <i>Certified Public Accountants</i> 22/F, CITIC Tower 1 Tim Mei Avenue Central, Hong Kong
Principal Share Registrar and Transfer Agent Office	Estera Trust (Cayman) Limited PO Box 1350, Clifton House 75 Fort Street, Grand Cayman KY1-1108 Cayman Islands
Hong Kong Share Registrar and Transfer Office	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East Wanchai Hong Kong

12. PARTIES INVOLVED IN THE OPEN OFFER

The Underwriters	(1) Velmar Company Limited (2) Moregain Amusement Park Investment Limited (3) Zhihua Investments Limited
Hong Kong Legal adviser to the Company	Sidley Austin

13. DIRECTORS

As at the Latest Practicable Date, 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.

Executive directors***Mr. Hu Xiaoyong***

Mr. Hu Xiaoyong (“Mr. Hu”), aged 52, was appointed as the chairman of the Company and an executive Director in May 2015. Mr. Hu is also the chairman of the Nomination Committee. Mr. Hu graduated from Tsinghua University (清華大學) with an executive master degree of business administration. He has approximately over 20 years’ experience in business management. From 2001 to 2013, Mr. Hu worked with 中成環保集團有限公司 (Zhong Ke Cheng Environment Protection Group Company Limited*) as chairman. Since 2007, he has been the vice chairman of the China Environment Service Industry Association (全國工商聯環境服務業商會). He has been an executive director and the chief executive officer of BEWG, a company listed on the main board of the Stock Exchange, from 1 August 2008 to 30 March 2016. He has been appointed as the honorary chairman of BEWG since 30 March 2016. He is also an executive director of Beijing Enterprises Medical and Health Industry Group Limited (stock code: 2389), a company listed on the main board of the Stock Exchange.

Mr. Shi Xiaobei

Mr. Shi Xiaobei (“Mr. Shi”), aged 42, was appointed as an executive Director in May 2015. Mr. Shi is also a member of the Remuneration Committee. Mr. Shi graduated from the University of International Business and Economics (對外經濟貿易大學) with a bachelor’s degree of Economics in 1998 and obtained a degree of Master of Science in business administration from The University of British Columbia in 2003. He has approximately 13 years’ experience in the field of banking and investment services in Hong Kong and Mainland China. From 2003 to 2004, Mr. Shi joined Macquarie Group, which is a sizable worldwide personal bank, as a manager of Macquarie Service (Hong Kong) Ltd., one of the companies within the Macquarie Group. From 2004 to 2012, he was promoted to the president and the managing director of infrastructure, resources and general industrial business of Macquarie Investment Advisory (Beijing) Co., Ltd., a company within the Macquarie Group situated in the PRC. Since 2012, Mr. Shi has worked with CITIC Private Equity Funds Management Co., Ltd. as the department head of the international investment department.

Mr. Huang Weihua

Mr. Huang Weihua (“Mr. Huang”), aged 54, was appointed as the chief executive officer of the Company and an executive Director on 23 January 2017. Mr. Huang holds a master degree from Tsinghua University School of Economics and Management and is a senior engineer. He has over 30 years of operational and management experiences in energy-related, clean energy-related and environmental protection-related industries, and previously served as the chief engineer of 北京國投節能公司 (Beijing State Investment Energy Conservation Company*), a vice general manager of 中節能風力發電投資有限公司 (China Energy Conservation Wind Power Generation Investment Company Limited*), the chairman of 浙江運達風力發電工程有限公司 (Zhejiang Windey Engineering Co., Ltd.*) and a general manager of 中環保水務投資有限公司 (General Water of China Co. Ltd.*). Prior to joining the Company, Mr. Huang was the chairman of 北京可汗之風科技有限公司 (Beijing Khanwind Technology Company Limited*).

Mr. Wang Ye

Mr. Wang Ye (“Mr. Wang”), aged 63, was appointed as the president of the Company in May 2015 and was appointed as the executive Director in October 2015. Mr. Wang is responsible for the implementation of the development strategy for the Company’s photovoltaic power business. Mr. Wang is a senior engineer and has received rigorous professional training on nuclear power plants in France and became one of the first generation of nuclear power experts in the PRC. Mr. Wang has extensive working experience in the photovoltaic power industry. Mr. Wang was the technology director of 中廣核太陽能開發有限公司 (CGN Solar Energy Development Co., Ltd.*) from October 2009 to March 2014, of which, Mr. Wang was responsible for the construction of nearly 30 photovoltaic power plants in the PRC with the aggregate installed capacity amounting to 600 megawatt. Mr. Wang has also been involved in research projects in relation to the photovoltaic power generation technology, and has participated in the preparation and review of several national standards in the photovoltaic power generation field in PRC; he also led the writing of the technical codes of photovoltaic power generation equipment, which have been widely adopted in the photovoltaic power generation industry. In 2011, Mr. Wang was appointed by 青海省能源開發建設協調領導小組 (Cooperative Lead Group of Energy Development and Construction of the Qinghai Province*) as a committee expert and he is the prestigious technical expert in the photovoltaic power generation field in the PRC.

Mr. Wen Hui

Mr. Wen Hui (“Mr. Wen”), aged 45, was appointed as an executive Director on 23 January 2017. Mr. Wen holds a bachelor’s degree in automation control and a master of business administration degree from the Tsinghua University. He has extensive operational and management experiences in clean energy-related and environmental protection-related industries. He previously served as a vice general manager of 北京亞都科技股份有限公司 (Beijing Yadu Technology Company Limited*) and the president of 北京亞都室內環保科技股份有限公司 (Beijing Yadu Interior Environmental Technology Company Limited*), and currently serves as a vice chairman of 蘇州亞都環保科技有限公司 (Suzhou Yadu Environmental Technology Company Limited*), a director of 北京啟迪清風科技有限公司 (Beijing Tus-Wind Technology Company Limited*), the chairman of 北京啟迪清芸能源科技有限公司 (Beijing Tus-Tsingyun Energy Technology Company Limited*) and the chairman and president of 北京啟迪清潔能源科技有限公司 (Beijing Tus Clean Energy Technology Company Limited*).

Independent non-executive directors**Mr. Li Fujun**

Mr. Li Fujun (“Mr. Li”), aged 54, was appointed as an independent non-executive Director on 29 July 2016. Mr. Li is also the chairman of the Audit Committee and a member of the Nomination Committee. He holds a bachelor’s degree in engineering from the Tsinghua University and a master degree in economics from the University of International Business and Economics. Mr. Li is a CFA charterholder and has over 25 years of experience in project evaluation and strategic planning, investment analysis and engineering work, as well as project management and investment. Mr. Li was an executive director of Towngas China Company Limited (Stock code: 1083), a company listed on the Stock Exchange from January 2001 to March 2007. He was the chief financial officer of Sinolink Worldwide Holdings Limited (Stock code: 1168), another company listed on the Stock Exchange, from October 2007 to September 2014. Prior to joining the Company, Mr. Li was the managing director of Noble Bridge Capital Limited (君橋資本有限公司), an executive director of CDBW Partners Limited (辰德資本有限公司), a director of Shenzhen Goldlink Benefit Fund Management Limited (深圳金聯惠澤基金管理有限公司) and a director of Zhong An Online P&C Insurance Co., Ltd. (眾安在線財產保險股份有限公司).

Mr. Xu Honghua

Mr. Xu Honghua (“Mr. Xu”), aged 50, was appointed as an independent non-executive Director in May 2015. Mr. Xu is also a member of each of the Audit Committee, Nomination Committee and Remuneration Committee. He has approximately 29 years’ experience in the fields of the power generation. Mr. Xu graduated from the Tianjin University with a master’s degree of engineering in power system and automation in 1988. He had been appointed by the Institute of Electrical Engineering (電工研究所), Chinese Academy of Sciences (“CAS”) as a research fellow in 1999. He was the former deputy director of the Institute of Electrical Engineering (電工研究所), CAS. Currently, Mr. Xu is the president of 北京科諾偉業科技股份有限公司 (Beijing Corona Sciences & Technology Co. Ltd.*) and the president of 保定科諾偉業控制設備有限公司 (Baoding Corona Control Equipment Co., Ltd.*). Mr. Xu is the researcher of the Institute of Electrical Engineering, the director of Renewable Energy Power Generation Research Center (可再生能源發電系統研究部) and the person-in-charge of CAS Research and Demonstration Center for the Technology of Solar Power Generation (中國科學院太陽能發電研究示範中心), the vice chairman of Chinese Renewable Energy Society (中國可再生能源學會). In addition, Mr. Xu was a member of the Advisory Committee of Energy Experts for National Energy Administration (國家能源專家諮詢委員會), the member of expert team for solar and wind power generation in the 10th Five-year Plan, 11th Five-year Plan and 12th Five-year Plan, the leader of the expert team for the 863 key project and the vice president of the National Technical Committee for Standardisation of Wind Machinery (全國風力機械標準化技術委員會). In 2007, Mr. Xu was selected as a national candidate for the New-Century BaiQian-Wan Talent Project (新世紀百千萬人才工程國家級人選). Mr. Xu also received multiple awards including the Best New Talent Award (最佳新人獎) by World Wide Fund for Nature Beijing office in 2009, the Special Contribution Award by Photovoltaic Professional Committee of China Renewable Energy Society and the honorary title of “National Advanced Individual for Science Popularisation” (全國科普工作先進工作者) in 2010, the First Class Prize for Scientific and Technological Progress of Hebei Province issued by The People’s Government of Hebei Province in 2012, the Third Class Prize for National Energy Technology Progress in 2013 and the Scientific Figure Award of the Third Capital Technology Celebration (第三屆首都科技盛典人物獎) in 2014.

Since 1988, Mr. Xu has been involved in the research and/or projects of wind power, photovoltaic and hybrid power generation systems, including grid-connected and off-grid solar photovoltaic plants and the technologies on wind/photovoltaic-integrated power plant systems, electrical control over wind turbines and remote monitoring, control over photovoltaic power generation systems and tracking. Mr. Xu has also engaged in the research and/or projects of the economic and policies on renewable energy technology. He has been in charge of and completed a number of national technology projects, with numerous reports and publications on renewable energy.

Mr. Chiu Kung Chik

Mr. Chiu Kung Chik (“Mr. Chiu”), aged 32, was appointed as an independent non-executive Director on 29 July 2016. Mr. Chiu is also the chairman of the Remuneration Committee and a member of the Audit Committee. Mr. Chiu graduated from the University of Chicago with a bachelor’s degree in economics. Mr. Chiu has extensive experience and knowledge in investment banking, including capital financing, corporate restructuring for public and private companies, merger and acquisition, complex transaction structuring etc. From 2008 to 2015, Mr. Chiu worked with UBS AG in the investment banking department in its Hong Kong office, primarily focusing on advising large scale corporate clients on their capital market activities. During the aforesaid time, he had completed a number of high-profile transactions with over US\$20 billion in total transaction value.

The business address of each of the Directors is Rooms 6706-07, 67th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

14. MISCELLANEOUS

- (i) The company secretary of the Company is Mr. Liu Kin Wai, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (ii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (iii) The English texts of each of the Prospectus Documents shall prevail over their respective Chinese texts in case of inconsistency.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the consent letter referred to in the paragraph headed “Qualification and Consent of Expert” in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to the Company (Winding Up Miscellaneous Provision) Ordinance (Chapter 32 of the Laws of Hong Kong).

16. LEGAL EFFECT

The Prospectus Documents and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Company (Winding Up Miscellaneous Provision) Ordinance (Chapter 32 of the Laws of Hong Kong), so far as applicable.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the head office and principal place of business of the Company in Hong Kong at Rooms 6706-07, 67th Floor, Central Plaza, 18 Harbour Road, Wanchai Hong Kong from the date of this Prospectus up to and including the Latest Time for Acceptance:

- (a) the amended and restated memorandum and articles of association of the Company;
- (b) the audited consolidated financial statements of the Group for the year ended 31 December 2016;
- (c) the audited consolidated financial statements of the Group for the year ended 31 December 2015;
- (d) the audited consolidated financial statements of the Group for the year ended 31 December 2014;
- (e) the report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (f) the material contracts referred to in the section headed “Material Contracts” in this appendix;
- (g) the written consent referred to in the section headed “Qualification and Consent of Expert” in this appendix; and
- (h) the Prospectus Documents.

* *for identification purpose only*