

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



京能集團

北京能源國際控股有限公司

Beijing Energy International Holding Co., Ltd.

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

**VOLUNTARY ANNOUNCEMENT
ACQUISITION OF 99.2% EQUITY INTEREST IN
A COMPANY IN THE PRC**

This is a voluntary announcement made by Beijing Energy International Holding Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business developments of the Group.

ACQUISITION OF EQUITY INTEREST IN A COMPANY IN THE PRC

On 4 December 2020, the board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that Beijing United Rongbang New Energy Technology Co., Ltd.* (北京聯合榮邦新能源科技有限公司) (the “**Purchaser**”), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the “**Agreement**”), with Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司) (the “**Vendor**”), in relation to the acquisition (the “**Acquisition**”) of 99.2% equity interest in Zhenglanqi State Power Photovoltaic Co., Ltd.* (正藍旗國電光伏發電有限公司) (the “**Target Company**”) which holds an operating solar power plant in the People’s Republic of China (the “**PRC**”) with a grid-connected capacity of approximately 50MW for a total consideration of approximately RMB211,100,000.

One of the holding companies of the Vendor, GCL New Energy Holdings Limited (協鑫新能源控股有限公司) (“**GNE**”), the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 451), agreed to guarantee the obligations of the Vendor under the Agreement in favour of the Purchaser and the Target Company.

The consideration for the Acquisition was determined upon arm's length negotiations between parties with reference to, among other things, (i) the net asset value of the Target Company as at 30 September 2020; (ii) the financial performance of the Target Company; and (iii) the relevant undertakings and commitments by the Vendor.

Completion of the Acquisition shall take place on the date on which the transfer of 99.2% equity interest in the Target Company has been registered with the relevant administration for industry and commerce and a new business license has been issued to the Target Company.

Upon completion of the Acquisition, the Target Company will become a subsidiary of the Company and the results of operation of the Target Company will be consolidated in the Company's financial statements.

INFORMATION OF THE PARTIES

The Target Company is a company established in the PRC with limited liability and owned, as at the date of this announcement, as to 99.2% by the Vendor which in turn is an indirect subsidiary of GNE and GCL-Poly Energy Holdings Limited (保利協鑫能源控股有限公司) (“**GCL-Poly**”), the shares of which are listed on the main board of the Stock Exchange (stock code: 3800), being the controlling shareholder of GNE. The Target Company is principally engaged in the operation of solar power plant in the PRC.

The Vendor is a company established in the PRC with limited liability and an indirect subsidiary of GNE and GCL-Poly. The Vendor is principally engaged in photovoltaic power investment, investment management and consultation, business management consultation, technology development, technology transfer, technical advice related to photovoltaic power projects, and sales of photovoltaic materials and equipment and it indirectly owns a majority of solar power plants of GNE in the PRC.

GNE is an exempted company with limited liability incorporated in Bermuda. GNE and its subsidiaries are principally engaged in the sale of electricity, development, construction, operation and management of solar power plants. As at the date of this announcement, GNE is owned as to approximately 62.28% by GCL-Poly.

GCL-Poly is an exempted company with limited liability incorporated in the Cayman Islands and is interested in approximately 62.28% of the issued share capital of GNE. GCL-Poly is owned as to approximately 30.13% by and thus controlled by Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng) as beneficiaries under a discretionary trust as at the date of this announcement.

The Purchaser is a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company. It is principally engaged in the development and operation of clean energy such as solar energy.

The Company is a company incorporated in Bermuda with limited liability and is an investment holding company operating its business through its subsidiaries. The Group is principally engaged in the development, investment, operation and management of solar power plants and other renewable energy projects.

REASONS FOR THE ACQUISITION

The Group, being principally engaged in the development, investment, operation and management of solar power plants and other renewable energy projects, has been identifying suitable investment opportunities to acquire renewable energy projects with good prospects and potential for stable returns. The Directors are of the view that the Acquisition will supplement the Group's existing renewable power plant portfolio and further expand its scale of business in the renewable energy sector to enhance return to the shareholders of the Company.

LISTING RULES IMPLICATIONS

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owner, are third parties independent of the Company and its connected persons. The Acquisition does not constitute a connected transaction under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

As all the applicable percentage ratios as defined under the Listing Rules in relation to the Acquisition are less than 5%, the Acquisition does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. This announcement is made voluntarily by the Company.

The completion of the Acquisition is subject to the fulfilment or waiver (as the case may be) of a number of conditions precedent and it may or may not proceed eventually. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

For and on behalf of
Beijing Energy International Holding Co., Ltd.
Zhang Ping
Chairman of the Board

Hong Kong, 4 December 2020

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Ping (Chairman), Mr. Lu Zhenwei and Mr. Xu Jianjun; the non-executive directors of the Company are Mr. Sui Xiaofeng, Mr. Chen Dayu, Mr. Li Hao and Ms. Xie Yi; and the independent non-executive directors of the Company are Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Chen Hongsheng.

** For the purposes of identification only*