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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)

MAJOR AND CONNECTED TRANSACTIONS DEEMED DISPOSAL OF NO MORE THAN 29.43% EQUITY INTEREST IN THE TARGET COMPANY

THE CAPITAL INCREASE AGREEMENT

On 25 February 2021 (after trading hours), the Target Company, the Investors, UP Shenzhen and New Light entered into the Capital Increase Agreement, pursuant to which, Investor 1 conditionally agreed to inject RMB1 billion into the Target Company by way of cash contribution in return for RMB793,853,739 in the registered capital of the Target Company, which accounts for approximately 12.21% of the enlarged equity interest in the Target Company. Parties also agreed that the Investors are entitled to, but not obliged to, subsequently inject in aggregate of not more than RMB2 billion within six (6) months after the effective date of the Capital Increase Agreement in return for RMB1,587,707,478 in the registered capital of the Target Company. After completion of the Capital Increase and the potential Subsequent Capital Increase, the Investors will be interested in an aggregate of not more than 29.43% of the enlarged equity interest in the Target Company and the Target Company will become an indirect non wholly-owned subsidiary of the Company. Therefore, the Group's interest in the Target Company will be diluted from 100% to not less than 70.57% after the completion of the Capital Increase and the potential Subsequent Capital Increase. According to Rule 14.29 of the Listing Rules, the relevant dilution is considered to be deemed disposal of the Company's interest in a subsidiary.

THE EQUITY INTEREST TRANSFER AGREEMENT

As a Condition Precedent to the completion of the Capital Increase, the Investors, BEH, the Target Company, UP Shenzhen and New Light will enter into the Equity Interest Transfer Agreement, pursuant to which, upon the written request from the Investors, BEH may agree to or designate its nominee to purchase the whole or partial equity interests in the Target Company held by the Investors when any of the Specific Circumstances occurs.

LISTING RULES IMPLICATIONS

The dilution of the Company's equity interest in the Target Company from 100% to not less than 70.57% will constitute a deemed disposal of the Target Company under Rule 14.29 of the Listing Rules. As one or more of the applicable percentage ratios in relation to the Capital Increase Agreement exceeds 25% but less than 75%, the transactions contemplated under the Capital Increase Agreement constitute major transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, BEH is a controlling shareholder of the Company, indirectly holding approximately 32% of the issued share capital of the Company and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Taking into consideration that (i) the Capital Increase Agreement is conditional upon the execution of the Equity Interest Transfer Agreement; (ii) if BEH selects to purchase the whole or partial equity interests in the Target Company held by the Investors upon the occurrence of any of the Specific Circumstances, all or part of the equity interest in the Target Company will be effectively acquired by BEH, the transactions under the Equity Interest Transfer Agreement effectively constitute connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transactions under the Equity Interest Transfer Agreement is higher than 5%, the transactions contemplated under the Equity Interest Transfer Agreement are subject to requirements including the notification, announcement, circular (including independent financial advice) and Independent Shareholder's approval under Chapter 14A of the Listing Rules.

GENERAL

As additional time is required for the Company to prepare and finalise certain information to be included in the circular, a circular containing, among other things, details of the Capital Increase Agreement and the Equity Interest Transfer Agreement and the transactions contemplated thereunder, such other information as required under the Listing Rules and a notice of SGM is expected to be despatched to the Shareholders on or before 30 April 2021.

Shareholders and Potential Investors should note that Capital Increase is subject to the satisfaction and/or, where applicable, waiver of the Conditions Precedent. As the Capital Increase may or may not proceed, Shareholders and Potential Investors are reminded to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 25 February 2021 (after trading hours), the Target Company, the Investors, UP Shenzhen and New Light entered into the Capital Increase Agreement, pursuant to which, Investor 1 conditionally agreed to inject RMB1 billion into the Target Company by way of cash contribution in return for RMB793,853,739 in the registered capital of the Target Company, which accounts for approximately 12.21% of the enlarged equity interest in the Target Company. Parties also agreed that the Investors are entitled to, but not obliged to, subsequently inject in aggregate of not more than RMB2 billion within six (6) months after the effective date of the Capital Increase Agreement in return for RMB1,587,707,478 in the registered capital of the Target Company. After completion of the Capital Increase and the potential Subsequent Capital Increase, the Investors will be interested in an aggregate of not more than 29.43% of the enlarged equity interest in the Target Company and the Target Company will become an indirect non wholly-owned subsidiary of the Company. Therefore, the Group's interest in the Target Company will be diluted from 100% to not less than 70.57% after the completion of the Capital Increase and the potential Subsequent Capital Increase. According to Rule 14.29 of the Listing Rules, the relevant dilution is considered to be deemed disposal of the Company's interest in a subsidiary.

THE CAPITAL INCREASE AGREEMENT

Date: 25 February 2021 (after trading hours)

Parties:

- 1) Investor 1;
- 2) Investor 2;
- 3) UP Shenzhen;
- 4) New Light; and
- 5) Target Company.

The Capital Increase

Pursuant to the Capital Increase Agreement, Investor 1 shall inject RMB1 billion for approximately 12.21% of the enlarged registered capital of the Target Company, of which RMB793,853,739 would be accounted as paid-in capital of the Target Company while the balance of RMB206,146,261 would be accounted in the capital reserve of the Target Company.

New Light and UP Shenzhen agreed to waive their right of first refusal to subscribe for the increased registered capital to the Target Company under the Capital Increase Agreement.

Subsequent Capital Increase

Parties also agreed that the Investors are entitled to, but not obliged to, subsequently inject in aggregate of not more than RMB2 billion within six (6) months after the effective date of the Capital Increase Agreement.

Basis for determination of the capital contribution

The amount of capital contribution under the Capital Increase Agreement was determined based on arm's length negotiations between the parties with reference to, among others, the valuation of the entire equity interest of the Target Company of approximately RMB6,677,730,800 based on the valuation report using market approach as at 18 February 2021 prepared by China United Assets Appraisal Group Co., Ltd.* (中聯資產評估集團有限公司), an independent valuer.

Payment of the capital contribution

The Target Company, UP Shenzhen and New Light shall provide a written confirmation in respect of the satisfaction of the Conditions Precedent and a written payment notice to the Investors (the "**Written Payment Notice**") and the Investors shall make capital injection into the Target Company after fulfilment of all the Conditions Precedent (except for those waived by the Investors) and by no later than the date stated in the Written Payment Notice.

Use of Proceeds

The proceeds from the Capital Increase would be fully applied to repayment of bank debts incurred by the Group and some other financial debts where appropriate. The proceeds from the Capital Increase shall not be used for any other purposes without the written consent of the Investors.

Conditions Precedent

The completion of the Capital Increase by the Investors is conditional upon the fulfilment of the following Conditions Precedent, unless otherwise agreed to be waived by the Investors:

- 1) the Capital Increase Agreement has been duly executed and taken effect and no default event has occurred or relevant default event has been solved by the Target Company or waived by the Investors;
- 2) the Target Company has appointed a qualified valuation organisation and the valuation of the assets of the Target Company has been completed;
- 3) UP Shenzhen and New Light has reached written agreement with the Investors on the amendment of articles of association of the Target Company relating to the Capital Increase Agreement;
- 4) the capital contributions of the Target Company by UP Shenzhen and New Light are true and legally registered with the relevant authorities and there is no illegal withdrawal of such capital contributions;
- 5) the Target Company has authorised Xuanwu Branch of Industrial and Commercial Bank of China (the “**Xuanwu Branch**”) to supervise the use of proceeds from the Capital Increase according to the account supervisory agreement entered into by the Investors, the Target Company and the Xuanwu Branch and such agreement has been duly executed and taken effect;

- 6) the approvals of board of directors of the Target Company and all necessary shareholders' approval of the Target Company have been obtained, including but not limited to:
 - a. the increase in the registered capital from RMB5,710,180,000 to RMB6,504,033,739;
 - b. the Capital Increase by Investor 1;
 - c. the waiver of the right of first refusal to subscribe for the increased registered share capital to the Target Company under the Capital Increase Agreement by New Light and UP Shenzhen;
 - d. amendment of articles of association of the Target Company; and
 - e. the appointment of a director to the board of directors of the Target Company nominated by the Investors;
- 7) the representations and undertakings of the Target Company, UP Shenzhen and New Light are true, complete and correct in all material aspects, and the Target Company, UP Shenzhen and New Light have performed all obligations and responsibilities under the Capital Increase Agreement on or before the date of actual capital contribution by the Investors;
- 8) there is no material adverse impact incurred or to be incurred based on reasonable forecast on financial status, operation and assets of the Target Company, UP Shenzhen and New Light valued more than RMB100 million since 31 August 2020;
- 9) no core management of the Target Company resigned or terminated the service agreement of the Target Company (except those resigned from the Target Company due to reaching the legal retirement age or dismissed by the Target Company due to serious violation of system of the Target Company, misconduct or dereliction, which will not materially affect the operation and financial status of the Target Company);
- 10) there is no potential or ongoing litigation, arbitration, administrative penalty or other disputes on material assets of the Target Company or legal proceedings, including property preservation on major assets of the Target Company save as already disclosed to the Investors prior to 31 August 2020;
- 11) except for the written consent of the Investors, there is no change in shareholding of the Target Company and no sale or transfer of shares of the Target Company from 31 August 2020 to the date of Capital Increase by the Investors. There is no mortgage or pledge on the assets of the Target Company;

- 12) the Equity Interest Transfer Agreement has been duly executed and taken effect;
- 13) the Target Company, UP Shenzhen and New Light have obtained or completed all requisite internal and external approvals, registrations, filings or consents in accordance with laws, regulations and regulatory documents and their respective articles of association;
- 14) the Target Company, UP Shenzhen and New Light confirm that there is no restriction, prohibition, delay or otherwise from the governmental authority to prevent the completion of the Capital Increase, and to their best knowledge in good faith there is no material adverse effect that may render the Capital Increase impossible or illegal; and
- 15) Investor 1 has been established and the requisite entrusted funds have fully paid.

Completion

Completion of the Capital Increase will take place on the date when all of the following events being fulfilled:

1. Investor 1 has made actual capital contribution to the Target Company pursuant to the Written Payment Notice;
2. within five (5) business days from the date of actual capital contribution by Investor 1, the Target Company has issued certificate of capital contribution to Investor 1 (the “**Certificate**”) according to the shareholding of Investor 1 after its actual capital contribution; and
3. within five (5) business days from the date of issuance of the Certificate, the register of members duly signed by all shareholders of the Target Company has been updated.

Within sixty (60) business days from the date of Completion, the Target Company, UP Shenzhen and New Light shall submit all requisite materials relating to the Capital Increase for the industrial and commercial registration of changes in the registered capital, shareholding, and articles of association of the Target Company and obtain a new business license.

Anti-dilution

Since the date of the capital contribution by Investor 1 and during the period when the Investors hold any equity interest in the Target Company, all of the Investors, UP Shenzhen and New Light are not allowed to make additional capital contribution into the Target Company (except for the Capital Increase and the Subsequent Capital Increase agreed under the Capital Increase Agreement), unless written consent from the Investors, UP Shenzhen and New Light has been obtained for such capital contribution. For any further equity fund raising from any third parties carried out by the Target Company, written consent shall be obtained from the shareholders of the Target Company.

Composition of the Board of the Target Company

Since the date of Completion, the board of the Target Company shall comprise five members, of which one member will be nominated by the Investor 1 and four members and the chairman of the board will be nominated by UP Shenzhen and New Light.

Transfer Restriction and Tag-along Right

During the period from the first capital injection of the Investors and the time when the Investors hold any equity interest in the Target Company, unless agreed otherwise by the parties, UP Shenzhen and New Light shall not directly or indirectly sell, transfer, assign, pledge, encumber or otherwise dispose the equity interest they hold in the Target Company other than a transfer to a member of the Group.

In the event that UP Shenzhen and New Light transfer the equity interest in the Target Company to a third party not controlled by the Company, the Investors shall have the right to participate in such transfer and sell the equity interest they hold in the Target Company to the third party.

Dividend Distribution

The Investors, during the time being a holder of the equity interest in the Target Company, have the priority in dividend payments out of the profits of the Target Company available for distribution at the annualised rate of return of 5.98% multiplied by the total amount of capital contribution made by the Investors to the Target Company as at the date of dividend distribution.

Financial Effects of the Capital Increase

Upon completion of the Capital Increase, the registered capital of the Target Company will be increased to RMB6,504,033,739 and the Target Company will be owned as to approximately 17.56% by UP Shenzhen, approximately 70.23% by New Light and approximately 12.21% by Investor 1. Upon completion of the Subsequent Capital Increase, the registered capital of the Target Company will be increased to RMB8,091,741,217; and the Target Company will be owned as to 14.11% by UP Shenzhen, 56.46% by New Light and not more than 29.43% by the Investors. The Target Company will become an indirect non wholly-owned subsidiary of the Company. Therefore, the Group's interest in the Target Company will be diluted from 100% to not less than 70.57% after completion of the Capital Increase and the potential Subsequent Capital Increase.

The Capital Increase and the potential Subsequent Capital Increase is expected to be recorded as an equity transaction in accordance with the PRC Financial Reporting Standards and the accounting policies of the Group. The Directors do not expect to recognise any gain/loss from the transactions contemplated under the Capital Increase Agreement. Shareholders should note that the actual amount of gain/loss from the Capital Increase and the potential Subsequent Capital Increase to be recorded by the Company (if any) will be subject to review by the auditors of the Company.

THE EQUITY INTEREST TRANSFER AGREEMENT

As a Condition Precedent to the completion of the Capital Increase, parties will enter into the Equity Interest Transfer Agreement which is still under negotiation. Principal terms of the form agreement which will be substantially the same as the Equity Interest Transfer Agreement to be entered into are summarised as below. The Company will further announce any material change to the terms below in the Equity Interest Transfer Agreement.

- Parties:**
- (1) Investor 1;
 - (2) Investor 2;
 - (3) BEH;
 - (4) UP Shenzhen;
 - (5) New Light; and
 - (6) Target Company.

Subject Matter: whole or partial equity interest in the Target Company held by the Investors under the Capital Increase Agreement

Specific Circumstances

Upon the written request from the Investors, BEH may agree to or designate its nominee to purchase the whole or partial equity interests in the Target Company held by the Investors when any of the Specific Circumstances set out below occurs:

1. after thirty-six (36) months since the Investors' first actual capital contribution, the Investors still hold certain equity interest in the Target Company and the parties have not yet reached an agreement on the extension of the term of investment under the Capital Increase Agreement;
2. the annual net profit attributable to the shareholders of the Target Company is lower than RMB270,000,000 unless otherwise agreed by the parties during the grace period that may be provided by the Investors;
3. the annualised rate of return for of the actual distributed profit of the Target Company is less than 5.98% in any year during the period the Investors holding of the equity interest in the Target Company and the Target Company fails to solve this issue within the period required by the Investors;
4. the proceeds from the Capital Increase have not been used for the agreed purposes, which the Target Company fails to resolve within twenty (20) business days or within the period required by the Investors;
5. any of the Target Company, BEH together with its subsidiaries, UP Shenzhen and New Light fails to comply with the transaction documents relating to the Capital Increase, including Capital Increase Agreement and the Equity Interest Transfer Agreement, which is not resolved within the period required by the Investors;
6. any of the Target Company, UP Shenzhen, New Light or the Company is put into the liquidation (including but not limited to proceedings of liquidation and revocation);
7. the change of ultimate controller of the Target Company (i.e. BEH), including but not limited to the circumstance where the Target Company will no longer be consolidated into the financial statements of BEH;

8. during the period when the Investors hold equity interest in the Target Company, the annual debt asset ratio under the consolidated balance sheet of the Target Company at the end of any year is higher than 66% (66% is not included); and
9. the occurrence of force majeure which make the performance of the Equity Interest Transfer Agreement and related documents become unrealistic.

Extension of the investment under the Capital Increase Agreement

While the Investors still hold certain equity interest in the Target Company, from the thirty-third (33) months since the Investors' first actual capital contribution, UP Shenzhen and New Light may apply for extension of the term of investment under the Capital Increase Agreement to the Investors in writing. Within ten (10) business days from the receipt of the application, the Investors shall respond in writing whether they agree with such extension. Supplemental agreement will be entered into upon the agreement of the Investors.

Calculation and Payment of the Consideration

The consideration of the transfer of equity interest under the Equity Interest Transfer Agreement shall be the actual amount of capital contribution by the Investors under the Capital Increase Agreement plus unrealised gain (the "**Transfer Amount**").

Equity Interest Transfer

Upon the occurrence of any of the Specific Circumstances, the Investors may issue written notice to transfer its whole or partial equity interest in the Target Company to BEH. If BEH agrees to the transfer, BEH shall respond in writing within twenty (20) business days from the date of receipt of the written notice and pay the Transfer Amount to the Investors within thirty (30) days from the receipt of the written notice from the Investors. Otherwise, it will be deemed that BEH does not accept the transfer of such equity interest in the Target Company.

In the event that BEH does not accept such transfer or BEH or its nominee(s) fails to complete the transfer, the Investors is entitled to (i) an increase in the annualised rate of return as dividend payments under the Capital Increase Agreement by 2% in each subsequent year since the occurrence of the Specific Circumstances, with the annualised rate of return capped at 11.98% (i.e. upon the occurrence of any Specific Circumstance, in the subsequent year the dividend payment shall be increased to the amount calculated with the annualised return rate of 7.98% multiplied by the total amount of capital contribution made by the Investors to the Target Company); (ii) dispose the equity interest the Investors hold in the Target Company to any third party and request UP Shenzhen and New Light to sell the same amount of their equity interest in the Target Company as those to be disposed by the Investors.

Conditions Precedent

The transfer of equity interest in the Target Company pursuant to the Equity Interest Transfer Agreement is conditional upon the Investors having made capital contribution into the Target Company and holding equity interests in the Target Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT AND THE EQUITY INTEREST TRANSFER AGREEMENT

The Capital Increase would enable the Target Company to raise funds to repay its debts and would reduce the reliance of the Target Company on the financial support from the Group. The Capital Increase allows the Target Company to optimise its financial structure with lower cost to support its subsequent business development. By introducing the Investors who are reputable institutions in the market, the Company believes that it would enhance investors' confidence in the Group, bring more financing options for the Group's financial well-being.

As one of Conditions Precedent to the Capital Increase, the Equity Interest Transfer Agreement ensures the Investors the right to transfer its equity interest in the Target Company when any of the Specific Circumstances occurs. With BEH being a party to the Equity Interest Transfer Agreement, the Group is able to raise market recognition of the Group and attract investment in the Group with lower financing cost.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Capital Increase Agreement and the Equity Interest Transfer Agreement are on normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement, which holds and manages investments in the PRC.

Below is a summary of the audited consolidated financial information of the Target Company prepared in accordance with accounting principles generally accepted in the PRC:

	For the year ended 31 December 2018 (audited) RMB'000	For the year ended 31 December 2019 (audited) RMB'000
Profit/(loss) before taxation	331,088	(125,842)
Profit/(loss) after taxation	305,336	(177,202)

The unaudited net assets of the Target Company as at 30 June 2020 was approximately RMB6,404,957,000.

INFORMATION OF THE INVESTORS, UP SHENZHEN AND NEW LIGHT

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

New Light is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. New Light is principally engaged in investment and development of renewable energy projects.

Investor 1 is a company with limited liability established in the PRC principally engaged in equity investment and wholly owned by Yellow River Delta Industrial Investment Fund Management Co., Ltd.* (黃河三角洲產業投資基金管理有限公司), which is owned as to 35% by Luxin Venture Capital Group Co., Ltd.* (魯信創業投資集團股份有限公司), 35% by Yellow River Delta Investment Management Co., Ltd.* (黃河三角洲投資管理有限公司) and 30% by handong Cybernaut Investment Management Co., Ltd.* (山東賽伯樂投資管理有限公司) which are all institutional investment and fund management companies in the PRC, independent of the Company and its connected persons.

Investor 2 is a limited partnership established in the PRC principally engaged in equity investments managed by ICBC Capital Management Co., Ltd.* (工銀資本管理有限公司) as general partner, a company wholly owned by ICBC Investment.

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

Listing Rules Implications

The dilution of the Company's equity interest in the Target Company from 100% to not less than 70.57% will constitute a deemed disposal of the Target Company under Rule 14.29 of the Listing Rules. As one or more of the applicable percentage ratios in relation to the Capital Increase Agreement exceeds 25% but less than 75%, the transactions contemplated under the Capital Increase Agreement constitute major transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, BEH is a controlling shareholder of the Company, indirectly holding approximately 32% of the issued share capital of the Company and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Taking into consideration that (i) the Capital Increase Agreement is conditional upon the execution of the Equity Interest Transfer Agreement; (ii) if BEH selects to purchase the whole or partial equity interests in the Target Company held by the Investors upon the occurrence of any of the Specific Circumstances and all or part of the equity interest in the Target Company will be effectively acquired by BEH, the transactions under the Equity Interest Transfer Agreement effectively constitute connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transactions under the Equity Interest Transfer Agreement is higher than 5%, the transactions contemplated under the Equity Interest Transfer Agreement are subject to requirements including the notification, announcement, circular (including independent financial advice) and the Independent Shareholder's approval under Chapter 14A of the Listing Rules.

GENERAL

As additional time is required for the Company to prepare and finalise certain information to be included in the circular, a circular containing, among other things, details of the Capital Increase Agreement and the Equity Interest Transfer Agreement and the transactions contemplated thereunder, such other information as required under the Listing Rules and a notice of SGM is expected to be despatched to the Shareholders on or before 30 April 2021.

Shareholders and Potential Investors should note that Capital Increase is subject to the satisfaction and/or, where applicable, waiver of the Conditions Precedent. As the Capital Increase may or may not proceed, Shareholders and Potential Investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“BEH”	Beijing Energy Holding Co., Ltd. (北京能源集團有限責任公司), a limited company established in the PRC and a controlling shareholder holding approximately 32% of the issued share capital of the Company
“Board”	the board of Directors of the Company
“Capital Increase”	the capital increase by Investor 1 pursuant to the Capital Increase Agreement for approximately 12.21% of the enlarged registered capital of the Target Company
“Capital Increase Agreement”	the capital increase agreement dated 25 February 2021 entered into by the Target Company, the Investors, UP Shenzhen and New Light in relation to the Capital Increase and the Subsequent Capital Increase
“Company”	Beijing Energy International Holding Co., Ltd. (北京能源國際控股有限公司), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 686)
“Conditions Precedent”	the conditions precedent to the completion of the Capital Increase set out in the Capital Increase Agreement
“Director(s)”	the director(s) of the Company
“Equity Interest Transfer Agreement”	the equity interest transfer agreement to be entered into by the Investors, BEH, UP Shenzhen, New Light and the Target Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“ICBC Investment”	ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司), a company established in the PRC with limited liability and wholly owned by Industrial and Commercial Bank of China Limited* (中國工商銀行股份有限公司)
“Independent Shareholders”	Shareholders of the Company other than BEH and its associates
“independent third party(ies)”	persons who themselves (and in the case of any corporate entities, their ultimate beneficial owners) are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, third parties independent of, and not connected with, the Company and its connected persons
“Investors”	Investor 1 and Investor 2
“Investor 1”	Qinqdao ICBC Shengjing Equity Investment Fund Co., Ltd.* (青島工融盛景股權投資基金有限責任公司), a company with limited liability established in the PRC
“Investor 2”	ICBC Financial Investment No. 3 (Tianjin) Equity Investment Partnership (Limited Partnership)* (工融金投三號(天津)股權投資合夥企業(有限合夥)), a limited partnership established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or other modified from time to time

“New Light”	New Light Technology Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Potential Investors”	the potential investors of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“SGM”	the special general meeting of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Specific Circumstances”	the specific circumstances set out in the Equity Interest Transfer Agreement, upon the occurrence of which the Investors have the right to transfer its whole or partial equity interest in the Target Company to BEH or its nominee(s) with a written notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsequent Capital Increase”	the potential capital increase by the Investors entitled to which is however not obliged to, subsequently inject not more than RMB2 billion to the Target Company within six (6) months after the date of the Capital Increase Agreement
“Target Company”	United Photovoltaics (Changzhou) Investment Group Co., Ltd.* (聯合光伏(常州)投資集團有限公司), a company established in the PRC with limited liability and whose shares are held 80% by New Light and 20% by UP Shenzhen respectively as at the date of this announcement

“UP Shenzhen”

United Photovoltaics (Shenzhen) Limited* (聯合光伏(深圳)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“%”

per cent

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

Hong Kong, 25 February 2021

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. Zhao Bing, 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. Chen Hongsheng and Ms. Jin Xinbin.

* *For the purposes of identification only*