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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)

**DISCLOSEABLE TRANSACTION
AGRICULTURAL-PHOTOVOLTAIC COMPLEMENTARY GREEN
ENERGY COOPERATION AGREEMENT**

**AGRICULTURAL-PHOTOVOLTAIC COMPLEMENTARY GREEN ENERGY
COOPERATION AGREEMENT**

On 21 November 2022 (after trading hours), BEIED, an indirect subsidiary of the Company, entered into the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement with the Cooperation Parties, pursuant to which the parties agreed, via the Project Company, to cooperate on the construction and operation of photovoltaic power plants in Mouding County, Chuxiong Yi Autonomous Prefecture, Yunnan Province, the PRC with planned construction capacity of 1GW. As agreed, BEIED will subscribe for RMB5.7 million, representing 57% of RMB10 million registered share capital of the Project Company. For the purpose of the Agricultural-Photovoltaic Complementary Green Energy Project, the Project Company shall pay the Project Investment at the total amount of RMB250 million to Mouding Finance Bureau and BEIED agreed to be responsible for funding the Project Investment.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the entering into of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement exceeds 5% but is less than 25%, the entering into of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 21 November 2022 (after trading hours), BEIED, an indirect subsidiary of the Company, entered into the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement with the Cooperation Parties, pursuant to which the parties agreed, via the Project Company, to cooperate on the construction and operation of photovoltaic power plants in Mouding County, Chuxiong Yi Autonomous Prefecture, Yunnan Province, the PRC with planned construction capacity of 1GW. As agreed, BEIED will subscribe for RMB5.7 million, representing 57% of RMB10 million registered share capital of the Project Company. For the purpose of the Agricultural-Photovoltaic Complementary Green Energy Project, the Project Company shall pay the Project Investment at the total amount of RMB250 million to Mouding Finance Bureau and BEIED agreed to be responsible for funding the Project Investment.

AGRICULTURAL-PHOTOVOLTAIC COMPLEMENTARY GREEN ENERGY COOPERATION AGREEMENT

Principal terms of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement are summarised as below:

Date:	21 November 2022 (after trading hours)
Parties:	(i) the BEIED; and (ii) the Cooperation Parties
Term:	Two years
Subject matter:	BEIED and the Cooperation Parties are jointly responsible for the development of photovoltaic power and the construction and operation of photovoltaic power plants in Mouding County, Chuxiong Yi Autonomous Prefecture, Yunnan Province, the PRC with planned construction capacity of 1GW. It is further agreed that: (1) the Cooperation Party B is responsible for the investment and construction in the agriculture-related sectors, and the collaboration with the state-owned enterprises in Mouding County;

- (2) in relation to the Project Company, each of BEIED, Cooperation Party A and Cooperation Party B will subscribe for RMB5.7 million, RMB3.4 million and RMB0.9 million representing 57%, 34% and 9% respectively in the RMB10 million registered share capital of the Project Company. Meanwhile, a filing for change of name of the Project Company with the administration for industry and commerce shall be made;
- (3) in relation to the Agricultural-Photovoltaic Complementary Green Energy Project, the Project Company shall be the principal entity to carry out the relevant construction entities and be primarily responsible for the construction and operation of the photovoltaic power plants. Pursuant to the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement, each of BEIED and the Cooperation Parties has its respective duties including but not limited to resource contribution, leasing of land, and negotiations with relevant governmental authorities; and
- (4) upon the completion of the Agricultural-Photovoltaic Complementary Green Energy Project, the capacity of the photovoltaic power plants shall not be lower than 1GW.

Total amount and basis of
the Project Investment:

The total investment fees payable by the Project Company to the Cooperation Party A on behalf of Mouding Finance Bureau for the Agricultural-Photovoltaic Complementary Green Energy Project shall be RMB250 million which was determined as follows:

RMB0.25/W (unit price) x 1GW (planned construction capacity of the photovoltaic power plants)

The Project Investment was determined by the parties after arm's length negotiation with respect to the expected power capacity of the Agricultural-Photovoltaic Complementary Green Energy Project, whilst the unit price was determined with reference to the local governmental industrial guidance issued by Chuxiong Yi Autonomous Prefecture.

BEIED agreed to be responsible for funding the Project Investment pursuant to the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement.

The Project Investment will be utilised for the relevant construction of the Agricultural-Photovoltaic Complementary Green Energy Project.

Payment of the Project
Investment:

The Project Investment is payable in two installments.

The first installment of RMB150 million will be paid within 15 days from the signing of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement, against which Cooperation Party A guarantees a planned construction capacity of no less than 600,000 kilowatts for the Project Company by 31 December 2022.

The second installment of RMB100 million will be paid no later than 20 January 2023, against which Cooperation Party A guarantees a planned construction capacity of no less than 400,000 kilowatts for the Project Company by 30 June 2023.

Refund of the Project
Investment:

Upon expiry of the term of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement, if the construction capacity of Agricultural-Photovoltaic Complementary Green Energy Project is less than 1GW, Cooperation Party A on behalf of Mouding Finance Bureau shall, within 15 working days from the receipt of the Project Company's refund request, refund in one lump sum to the Project Company (i) the portion of Project Investment which equals to the amount of construction capacity short of 1GW at the rate of RMB0.25/W, and (ii) a fund occupancy fee at the daily interest rate of 0.3‰ for the actual days of fund occupancy.

If Cooperation Party A fails to refund the above amount within time limit, Cooperation Party A is liable for an additional overdue fund occupancy fee to the Project Company at the rate of 0.3‰ per day from the date of the overdue refund until the date of actual payment.

The Project Company will arrange for the return of such refunded amount to BEIED in due course.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGRICULTURAL-PHOTOVOLTAIC COMPLEMENTARY GREEN ENERGY COOPERATION AGREEMENT

The Group is engaged in the development, investment, operation and management of power plants and other clean energy projects. It has been the business strategy of the Group to consider promising business and investment opportunities from time to time in order to increase the value and strengths of the Company. The Group is expected to benefit through the combination of the photovoltaic resources of the Cooperation Party A and the government relationships of the Cooperation Party B, thereby expanding its business presence in the PRC. Specifically, through the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement, the Company will be able to commence its photovoltaic business in Mouding County, which is considered as a milestone of the photovoltaic business development in the region of Yunnan Province with premium solar energy resources. Meanwhile, the implementation of the Agricultural-Photovoltaic Complementary Green Energy Project is in line with the Group's clean energy development strategy.

The Directors consider that the entering into the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement will help to expand and promote the growth of the Company's existing photovoltaic business in the PRC. The implementation of the Agricultural-Photovoltaic Complementary Green Energy Project is also expected to enhance the Company's business portfolios and external cooperation, which is therefore expected to bring long term value to the Company.

In view of the above, the Directors consider that the terms of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement are fair and reasonable and in the interests of Company and its Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

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 power plants and other clean energy projects.

BEIED is a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company. It is principally engaged in the investment, development and operation of solar energy and other clean energy.

Cooperation Party A is a company incorporated in the PRC with limited liability. It is principally engaged in the manufacturing of photovoltaic equipment, devices and relevant parts, research and development and generation of solar power and water resources management. It is wholly owned by Chuxiong State Owned Capital Investment Group Co., Ltd.* (楚雄州國有資本投資集團有限公司), which is a stated-owned investment and asset management entity which is wholly owned by the People's Government of Chuxiong Yi Autonomous Prefecture* (楚雄彝族自治州人民政府).

Cooperation Party B is a company incorporated in the PRC with limited liability. It is principally engaged in production, sales, processing, transportation and other related services of agricultural products. It is owned as to 55% by Yunan Shengya Zhongleixinrun Agricultural Technology Co., Ltd.* (雲南盛亞中雷鑫潤農業科技有限公司), 35% by Chuxiong Tonghui Agricultural Technology Development Co., Ltd.* (楚雄通惠農業科技開發有限公司) and 10% by Zhongxin Hongrun (Beijing) Energy Co., Ltd.* (中鑫鴻潤(北京)能源有限公司). The ultimate beneficial owners of Yunan Shengya Zhongleixinrun Agricultural Technology Co., Ltd.* (雲南盛亞中雷鑫潤農業科技有限公司) comprise Yuan Jiangyan, Li Shuzhi, Liu Xinmin, Chen Changrun and Wang Xiaodong. The sole shareholder of Chuxiong Tonghui Agricultural Technology Development Co., Ltd.* (楚雄通惠農業科技開發有限公司) is Du Deping.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Cooperation Parties and their respective ultimate beneficial owners are Independent Third Parties as at the date of this announcement.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the entering into of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement exceeds 5% but is less than 25%, the entering into of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement”	the cooperation agreement dated 21 November 2022 entered into by BEIED and the Cooperation Parties in relation to the implementation of the Agricultural-Photovoltaic Complementary Green Energy Project
“Agricultural-Photovoltaic Complementary Green Energy Project”	the Agricultural-Photovoltaic Complementary Green Energy Project in Mouding County, Chuxiong Yi Autonomous Prefecture, Yunnan Province, the PRC with planned construction capacity of no less than 1GW
“BEIED”	BEI Energy Development (Beijing) Co., Ltd.* (京能國際能源發展(北京)有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company
“Board”	the board of Directors of the Company
“Company”	Beijing Energy International Holding Co., Ltd., 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)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Cooperation Party A”	Chuxiong Jinjiang Energy Development Co., Ltd.* (楚雄州金江能源開發有限公司), a company incorporated in the PRC with limited liability

“Cooperation Party B”	Mouding Zhonglei Shengya Agricultural Technology Development Co., Ltd.* (牟定中雷盛亞農業科技開發有限公司), a company incorporated in the PRC with limited liability
“Cooperation Parties”	collectively, Cooperation Party A and Cooperation Party B
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“GW”	gigawatts, which equals to 1,000,000,000W
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) who are third party(ies) independent of the Company and its connected person(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“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
“Project Company”	Jingneng (Mouding) New Energy Co., Ltd.* (京能(牟定)新能源有限公司) which will change its name to Jingneng Jinjiang (Mouding) New Energy Co., Ltd.* (京能金江(牟定)新能源有限公司) as agreed by the parties of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement, a company incorporated in the PRC
“Project Investment”	the investment fees of RMB250 million payable by the Project Company in relation to the Agricultural-Photovoltaic Complementary Green Energy Project pursuant to the terms of the Agricultural-Photovoltaic Complementary Green Energy Cooperation Agreement
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholder(s)”	holder(s) of issued shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“W”	Watts
“%”	per cent

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

Hong Kong, 21 November 2022

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Ping (Chairman) and Mr. Lu Zhenwei; the non-executive directors of the Company are Mr. Zhao Bing, Mr. Su Yongjian, Mr. Li Hao and Mr. Lu Xiaoyu; and the independent non-executive directors of the Company are Ms. Jin Xinbin, Ms. Li Hongwei and Mr. Zhu Jianbiao.

* *For identification purposes only*