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If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 Energy International Holding Co., Ltd.**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

- (1) MAJOR TRANSACTION IN RELATION TO ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACT RELATING TO THE FACILITY WITHIN AN APPROXIMATELY 511MW WIND FARM LOCATED AT MOLI TEMPLE, TONGLIAO CITY, THE PRC;**
- (2) VERY SUBSTANTIAL ACQUISITIONS IN RELATION TO ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACTS RELATING TO THE FACILITY WITHIN AN APPROXIMATELY 869MW WIND FARM LOCATED AT DALIN AND GAOLINTUN, TONGLIAO CITY, THE PRC AND THE FACILITY WITHIN A 1,000MW WIND FARM LOCATED IN HORQIN LEFT REAR BANNER, TONGLIAO CITY, THE PRC;**
- (3) MAJOR TRANSACTION IN RELATION TO DISPOSAL OF THE UNDERLYING ASSETS FOR THE ABCP ISSUANCE;**
- AND**
- (4) NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a SGM to be held at Unit 1012, 10/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (with a branch venue at 12/F, Building 7, Sanfeng North Lane, Chaoyang District, Beijing, PRC) on Monday, 22 May 2023 at 2:30 p.m. is set out on pages 41 to 43 of this circular.

A form of proxy for the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish.

28 April 2023

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DEFINITIONS

In this circular, unless context specifies otherwise, the following expressions shall have the meanings stated below:

“ABCP”	the asset-backed commercial papers, which are backed by the Underlying Assets, to be issued by China Industrial International Trust on NAFMII of a total issue size of approximately RMB1,000 million to qualified investors in the PRC
“ABCP Issuance”	the issuance of ABCP by China Industrial International Trust, which are backed by the Underlying Assets
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“BEH”	Beijing Energy Holding Co., Ltd.* (北京能源集團有限責任公司), a company established in the PRC with limited liability and a controlling Shareholder holding 7,176,943,498 shares of the Company, representing approximately 32.04% of the issued share capital of the Company as at the Latest Practicable Date
“BEIED”	BEI Energy Development (Beijing) Co., Ltd.* (京能國際能源發展(北京)有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company
“Beneficiary(ies)”	the beneficiary(ies) of the Trust, being the holders of the ABCP
“Board”	the board of Directors of the Company
“Bye-laws”	the bye-laws of the Company
“China Industrial International Trust”	China Industrial International Trust Limited* (興業國際信託有限公司), a company established in the PRC with limited liability and the trustee of the Trust Contract
“close associate”	has the meanings ascribed to it under the Listing Rules
“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)

DEFINITIONS

“Conditions Precedent”	the conditions precedent to the Trust becoming effective as set out in the Trust Contract
“connected persons”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of Underlying Assets by BEIED to China Industrial International Trust pursuant to the Trust Contract for the purpose of ABCP Issuance
“EPC”	engineering, procurement and construction
“EPC Contract 1”	the EPC contract entered into between Minglong New Energy and SEPCOIII dated 20 January 2023 in relation to the Works 1
“EPC Contract 2”	the EPC contract entered into between Minglong New Energy and Powerchina Jiangxi dated 20 January 2023 in relation to the Works 2
“EPC Contract 3”	the EPC contract entered into between Xintong Wind Power and Powerchina Jiangxi dated 20 January 2023 in relation to the Works 3
“EPC Contracts”	collectively, EPC Contract 1, EPC Contract 2 and EPC Contract 3
“Facilities”	collectively, Facility 1, Facility 2 and Facility 3
“Facility 1”	a wind farm with total capacity of approximately 511MW located at Moli Temple, Horqin District, Tongliao City, the PRC, comprising, among others, 81 wind turbines of approximately 6MW and one wind turbine of 5MW, together with the corresponding 35kV collector line and one 220kV booster station

DEFINITIONS

“Facility 2”	collectively, (i) a wind farm located at Dalin, Horqin District, Tongliao City, the PRC with total capacity of approximately 356MW, comprising, among others, 57 wind turbines of approximately 6MW, together with the corresponding 35kV collector line and one 220kV booster station; and (ii) a wind farm located at Gaolintun, Horqin District, Tongliao City, the PRC with total capacity of approximately 513MW, comprising, among others, 82 wind turbines of approximately 6MW, together with the corresponding 35kV collector line and one 220kV booster station
“Facility 3”	a wind farm located in Horqin Left Rear Banner, Tongliao City, the PRC with total capacity of 1,000MW, together with the corresponding two 220kV booster stations and access roads
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	person(s) 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 person(s)
“Industrial Bank”	Industrial Bank Co., Ltd.* (興業銀行股份有限公司), a company established in the PRC with limited liability
“Initial Benchmark Date”	1 January 2023
“kV”	Kilovolt
“Latest Practicable Date”	25 April 2023, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Minglong New Energy”	Tongliao Minglong New Energy Co., Ltd.* (通遼市銘龍新能源有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company and owned as to approximately 90% by the Company as at the Latest Practicable Date
“MW”	megawatt(s), which equals 1,000,000 watts
“NAFMII”	National Association of Financial Market Institutional Investors (中國銀行間市場交易商協會)
“Powerchina Jiangxi”	Powerchina Jiangxi Electric Power Construction Co., Ltd.* (中國電建集團江西省電力建設有限公司), a company established in the PRC with limited liability
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Disposal”	the disposal of underlying assets by BEIED to China Industrial International Trust as disclosed in the announcement of the Company dated 28 December 2022
“RMB”	Renminbi, the lawful currency of the PRC
“SEPCOIII”	SEPCOIII Electric Power Construction Co., Ltd.* (山東電力建設第三工程有限公司), a company established in the PRC with limited liability
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“SGM” or “Special General Meeting”	the special general meeting of the Company to be convened at Unit 1012, 10/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (with a branch venue at 12/F, Building 7, Sanfeng North Lane, Chaoyang District, Beijing, PRC) on Monday, 22 May 2023 at 2:30 p.m. or any adjournment thereof, and the notice of which is attached to this circular
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of the issued Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Subsidy Receivables”	the renewable energy subsidies and accounts receivables that entrusted to the trustee for the purpose of the ABCP Issuance, which include the subsidy receivables and accounts receivables as at the Initial Benchmark Date and as at the subsequent benchmark date (if applicable)
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Trust”	the trust under the Trust Contract in relation to the Underlying Assets for the purpose of ABCP Issuance
“Trust Contract”	the trust contract dated 10 March 2023 entered into between BEIED and China Industrial International Trust in respect of the formation of the Trust and the transfer of the Underlying Assets for the purpose of the ABCP Issuance
“Underlying Assets”	the Underlying Assets represents (i) all the rights, interests, benefits and gains (present and future, existing and contingent) with respect to the Subsidy Receivables; (ii) all receivables due or to be due shortly attributable to the Subsidy Receivables; (iii) all proceeds from the transfer, sale, auction, sell-off or otherwise disposal of the Subsidy Receivables; (iv) the right to request, sue, recover or receive all payables in relation to the Subsidy Receivables; and (v) benefits arising from the Subsidy Receivables and enforcement of all rights and legal remedies in relation to the Subsidy Receivables
“Unqualified Assets”	the assets being not in conformity with the representations and warranties made in respect of the Underlying Assets on the Initial Benchmark Date or the effective date of the Trust
“working day(s)”	a day excluding Saturdays, Sundays and statutory holidays in the PRC
“Works”	collectively, Works 1, Works 2 and Works 3

DEFINITIONS

“Works 1”	the EPC services undertaken by SEPCOIII pursuant to the EPC Contract 1 for the construction of Facility 1, details of which are set out under the paragraph headed “The EPC Contract 1 – Principal terms of the EPC Contract 1 – Subject matter”
“Works 2”	the EPC services undertaken by Powerchina Jiangxi pursuant to the EPC Contract 2 for the construction of Facility 2, details of which are set out under the paragraph headed “The EPC Contract 2 – Principal terms of the EPC Contract 2 – Subject matter”
“Works 3”	the EPC services undertaken by Powerchina Jiangxi pursuant to the EPC Contract 3 for the construction of Facility 3, details of which are set out under the paragraph headed “The EPC Contract 3 – Principal terms of the EPC Contract 3 – Subject matter”
“Xintong Wind Power”	Tongliao Xintong Wind Power Co., Ltd.* (通遼市新通風能有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company and owned as to approximately 80% by the Company as at the Latest Practicable Date
“%”	per cent

* *In this circular, the English names of the PRC entities are translations of their Chinese names and included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhang Ping (*Chairman*)
Mr. Lu Zhenwei

Non-executive Directors:

Mr. Zhao Bing
Mr. Su Yongjian
Mr. Li Hao
Mr. Lu Xiaoyu

Independent Non-executive Directors:

Ms. Jin Xinbin
Ms. Li Hongwei
Mr. Zhu Jianbiao

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal place of business in Hong Kong:

Unit 1012, 10/F.
West Tower, Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

28 April 2023

To the Shareholders

Dear Sir or Madam,

- (1) MAJOR TRANSACTION IN RELATION TO ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACT RELATING TO THE FACILITY WITHIN AN APPROXIMATELY 511MW WIND FARM LOCATED AT MOLI TEMPLE, TONGLIAO CITY, THE PRC;**
(2) VERY SUBSTANTIAL ACQUISITIONS IN RELATION TO ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACTS RELATING TO THE FACILITY WITHIN AN APPROXIMATELY 869MW WIND FARM LOCATED AT DALIN AND GAOLINTUN, TONGLIAO CITY, THE PRC AND THE FACILITY WITHIN A 1,000MW WIND FARM LOCATED IN HORQIN LEFT REAR BANNER, TONGLIAO CITY, THE PRC;
(3) MAJOR TRANSACTION IN RELATION TO DISPOSAL OF THE UNDERLYING ASSETS FOR THE ABCP ISSUANCE;
AND
(4) NOTICE OF SPECIAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, (i) details of the EPC Contracts; (ii) details of the transactions contemplated under the Disposal; (iii) the notice of SGM; and (iv) other information as required under the Listing Rules, to enable you to make an informed decision on whether to vote for or against those resolutions at the SGM.

LETTER FROM THE BOARD

2. THE EPC CONTRACTS

Reference is made to the announcement of the Company dated 20 January 2023 in respect of the EPC Contracts (the “**Announcement**”).

On 20 January 2023 (after trading hours):

- (i) Minglong New Energy, an indirect subsidiary of the Company, as the principal, entered into the EPC Contract 1 with SEPCOIII (as the contractor). Pursuant to the EPC Contract 1, SEPCOIII will perform the Works 1 in relation to the construction of the Facility 1. The contract price of the EPC Contract 1 amounted to approximately RMB2,971 million (tax inclusive);
- (ii) Minglong New Energy, an indirect subsidiary of the Company, as the principal, entered into the EPC Contract 2 with Powerchina Jiangxi (as the contractor). Pursuant to the EPC Contract 2, Powerchina Jiangxi will perform the Works 2 in relation to the construction of the Facility 2. The contract price of the EPC Contract 2 amounted to approximately RMB5,139 million (tax inclusive); and
- (iii) Xintong Wind Power, an indirect subsidiary of the Company, as the principal, entered into the EPC Contract 3 with Powerchina Jiangxi (as the contractor). Pursuant to the EPC Contract 3, Powerchina Jiangxi will perform the Works 3 in relation to the construction of the Facility 3. The contract price of the EPC Contract 3 amounted to approximately RMB5,808 million (tax inclusive).

The EPC Contract 1

On 20 January 2023 (after trading hours), as disclosed in the Announcement, Minglong New Energy, an indirect subsidiary of the Company, as the principal, entered into the EPC Contract 1 with SEPCOIII (as the contractor).

The principal terms of the EPC Contract 1 are set out as below:

- Date: 20 January 2023 (after trading hours)
- Parties:
- (i) Minglong New Energy (as the principal), an indirect subsidiary of the Company; and
 - (ii) SEPCOIII (as the contractor), a third party independent of the Company and the connected persons of the Company as at the date of this circular.

LETTER FROM THE BOARD

Subject matter: Pursuant to the EPC Contract 1, SEPCOIII agrees to serve as the EPC contractor to provide EPC services to Minglong New Energy for the construction of Facility 1. The EPC services under Works 1 shall include the survey, design, engineering, procurement, supply, construction, installation, testing, commissioning and hand over of the Facility 1 which is permitted to, and capable of, complying with the agreed technical standards specified in the technical agreement attached to the EPC Contract 1.

In addition, SEPCOIII shall also be responsible for all permanent and temporary land acquisition, compliance procedures, revegetation, ecological management and external coordination arising out of and in connection with the construction of the Facility 1 as set forth in the EPC Contract 1. SEPCOIII shall also guarantee the achievement of the performance test criterion set forth in the EPC Contract 1.

Construction period: The Works 1 is scheduled to commence subject to the written notice from Minglong New Energy to SEPCOIII, and the grid-connected power generation in full capacity is expected to be taken place by no later than 31 December 2023 under the EPC Contract 1.

Contract Price 1 and payment method: The consideration of the EPC Contract 1 is approximately RMB2,971 million (tax inclusive) (“**Contract Price 1**”) which consists of construction and installation payment, equipment and materials payment, design and technical services payment, the details of the payment structure are as follow:

Payments & fees	<i>approximately RMB' million</i>
1. equipment and materials payment	1,406
2. construction and installation payment	605
3. design and technical services payment	<u>960</u>
Total	<u><u>2,971</u></u>

LETTER FROM THE BOARD

The Contract Price 1 shall be settled in the following manners:

(i) Advance Payment

20% of the Contract Price 1 as advance payment (the “**Advance Payment 1**”) shall be paid to SEPCOIII upon the fulfillment of the following conditions, including (i) the EPC Contract 1 being effective; (ii) the receipt of the letter of performance guarantee and letter of advance payment guarantee (each is equivalent to 10% of the total contract value under the EPC Contract 1 and is irrevocable and payable on demand); and (iii) the receiving of a receipt for Advance Payment 1 from SEPCOIII to Minglong New Energy.

(ii) Milestone Payment

Based on the progress of the project and the receipt of the relevant invoice(s), Minglong New Energy shall pay to SEPCOIII with respect to the equipment and materials payment, construction and installation payment, design and technical services payment. In furtherance to the above, Minglong New Energy shall pay up to 97% of the construction and installation payment, 95% of the equipment and materials payment, 95% of the design and technical services payment upon the fulfillment of certain conditions set out under the EPC Contract 1, including, among others, achieving satisfactory results from the inspection of the completed project and obtaining relevant compliance approvals (if applicable).

(iii) Quality Assurance Fund

Under the EPC Contract 1, the remaining 3% of the construction and installation payment, 5% of the equipment and materials payment, and 5% of the design and technical services payment shall be retained by Minglong New Energy (the “**Quality Assurance Fund 1**”), and shall be paid to SEPCOIII upon the fulfillment of the conditions set out in the “Quality guarantee” below.

LETTER FROM THE BOARD

Performance guarantee: Under the EPC Contract 1, SEPCOIII shall provide a letter of performance guarantee issued by a qualified commercial bank agreed by Minglong New Energy with an amount equivalent to 10% of the Contract Price 1, to guarantee the due performance by SEPCOIII of its obligations under the EPC Contract 1.

Advance payment guarantee: Under the EPC Contract 1, together with the letter of performance guarantee, SEPCOIII shall provide a letter of advance payment guarantee issued by a qualified commercial bank agreed by Minglong New Energy with an amount equivalent to 10% of the Contract Price 1, to guarantee that the Advance Payment 1 will be used in accordance with the terms of the EPC Contract 1.

The letter of advance payment guarantee shall be released once the Advance Payment 1 is fully utilized along the progress of the project in accordance with the terms of the EPC Contract 1.

Quality guarantee: Under the EPC Contract 1, for release of the Quality Assurance Fund 1 after date on which the completion of Works 1 is accepted by the Group and at any time within the warranty periods, SEPCOIII can opt to provide a letter of quality guarantee with an amount equivalent to the Quality Assurance Fund 1, to guarantee the due performance of the obligation of SEPCOIII to rectify all defects within the warranty periods in accordance with the terms of the quality warranty attached to the EPC Contract 1.

The Quality Assurance Fund 1 shall be released upon the fulfilment of the following conditions:

- (a) all defects of the Works 1 have been rectified during the warranty periods, and a certificate confirming the same has been issued by Minglong New Energy;
- (b) all agreed technical standards stated in the EPC Contract 1 have been met; and if there is any quality issue, SEPCOIII shall have already resolved the issue in accordance with the EPC Contract 1; and

LETTER FROM THE BOARD

- (c) before the expiration of the warranty periods under the EPC Contract 1, with respect to any equipment with warranty periods exceeding one year, SEPCOIII shall unconditionally transfer the rights to the quality assurance obligation of the relevant suppliers of such equipment to Minglong New Energy.

The Group shall perform the rights and obligations under the EPC Contract 1 subject to the approval by the Shareholders and other approvals required under the Listing Rules.

The EPC Contract 2

On 20 January 2023 (after trading hours), as disclosed in the Announcement, Minglong New Energy, an indirect subsidiary of the Company, as the principal, entered into the EPC Contract 2 with Powerchina Jiangxi (as the contractor).

The principal terms of the EPC Contract 2 are set out as below:

- Date: 20 January 2023 (after trading hours)
- Parties:
- (i) Minglong New Energy (as the principal), an indirect subsidiary of the Company; and
 - (ii) Powerchina Jiangxi (as the contractor), a third party independent of the Company and the connected persons of the Company as at the date of this circular.
- Subject Matter: Pursuant to the EPC Contract 2, Powerchina Jiangxi agrees to serve as the EPC contractor to provide EPC services to Minglong New Energy for the construction of Facility 2. The EPC services under Works 2 shall include the survey, design, engineering, procurement, supply, construction, installation, testing, commissioning and hand over of the Facility 2 which is permitted to, and capable of, complying with the agreed technical standards specified in the technical agreement attached to the EPC contract 2.

LETTER FROM THE BOARD

In addition, Powerchina Jiangxi shall be responsible for all permanent and temporary land acquisition, compliance procedures, revegetation, ecological management and external coordination arising out of and in connection with the construction of the Facility 2 as set forth in the EPC Contract 2. Powerchina Jiangxi shall also guarantee the achievement of the performance test criterion set forth in the EPC Contract 2.

Construction period: The Works 2 is scheduled to commence subject to the written notice from Minglong New Energy to Powerchina Jiangxi, and the grid-connected power generation in full capacity is expected to be taken place by no later than 31 December 2023 under the EPC Contract 2.

Contract Price 2 and payment method: The consideration of the EPC Contract 2 is approximately RMB5,139 million (tax inclusive) (“**Contract Price 2**”) which consists of construction and installation payment, equipment and materials payment, design and technical services payment, the details of the payment structure are as follow:

	<i>approximately</i> <i>RMB' million</i>
Payments & fees	
1. equipment and materials payment	2,258
2. construction and installation payment	1,350
3. design and technical services payment	<u>1,531</u>
Total	<u><u>5,139</u></u>

LETTER FROM THE BOARD

The Contract Price 2 shall be settled in the following manners:

(i) Advance Payment

20% of the Contract Price 2 as advance payment (the “**Advance Payment 2**”) shall be paid to Powerchina Jiangxi upon the fulfillment of the following conditions, including (i) the EPC Contract 2 being effective; (ii) the receipt of the letter of performance guarantee and letter of advance payment guarantee (each is equivalent to 10% of the total contract value under the EPC Contract 2 and is irrevocable and payable on demand); and (iii) the receiving of a receipt for Advance Payment 2 from Powerchina Jiangxi to Minglong New Energy.

(ii) Milestone Payment

Based on the progress of the project and the receipt of the relevant invoice(s), Minglong New Energy shall pay to Powerchina Jiangxi with respect to the equipment and materials payment, construction and installation payment, design and technical services payment. In furtherance to the above, Minglong New Energy shall pay up to 97% of the construction and installation payment, 95% of the equipment and materials payment, 95% of the design and technical services payment upon the fulfilment of certain conditions set out under the EPC Contract 2, including, among others, achieving satisfactory results from the inspection of the completed project and obtaining relevant compliance approvals (if applicable).

(iii) Quality Assurance Fund

Under the EPC Contract 2, the remaining 3% of the construction and installation payment, 5% of the equipment and materials payment, and 5% of the design and technical services payment shall be retained by Minglong New Energy (the “**Quality Assurance Fund 2**”), and shall be paid to Powerchina Jiangxi upon the fulfilment of the conditions set out in the “Quality guarantee” below.

LETTER FROM THE BOARD

- Performance guarantee: Under the EPC Contract 2, Powerchina Jiangxi shall provide a letter of performance guarantee issued by a qualified commercial bank agreed by Minglong New Energy with an amount equivalent to 10% of the Contract Price 2, to guarantee the due performance by Powerchina Jiangxi of its obligations under the EPC Contract 2.
- Advance payment guarantee: Under the EPC Contract 2, together with the letter of performance guarantee, Powerchina Jiangxi shall provide a letter of advance payment guarantee issued by a qualified commercial bank agreed by Minglong New Energy with an amount equivalent to 10% of the Contract Price 2, to guarantee that the Advance Payment 2 will be used in accordance with the terms of the EPC Contract 2.
- The letter of advance payment guarantee shall be released once the Advance Payment 2 is fully utilized along the progress of the project in accordance with the terms of the EPC Contract 2.
- Quality guarantee: Under the EPC Contract 2, for the release of the Quality Assurance Fund 2 after date on which the completion of Works 2 is accepted by the Group and at any time within the warranty periods, Powerchina Jiangxi can opt to provide a letter of quality guarantee with an amount equivalent to the Quality Assurance Fund 2, to guarantee the due performance of the obligation of Powerchina Jiangxi to rectify all defects within the warranty periods in accordance with the terms of the quality warranty attached to the EPC Contract 2.
- The Quality Assurance Fund 2 shall be released upon the fulfilment of the following conditions:
- (a) all defects of the Works 2 have been rectified during the warranty periods, and a certificate confirming the same has been issued by Minglong New Energy;
 - (b) all agreed technical standards stated in the EPC Contract 2 have been met; and if there is any quality issue, Powerchina Jiangxi shall have already resolved the issue in accordance with the EPC Contract 2; and

LETTER FROM THE BOARD

- (c) before the expiration of the warranty periods under the EPC Contract 2, with respect to any equipment with warranty periods exceeding one year, Powerchina Jiangxi shall unconditionally transfer the rights to the quality assurance obligation of the relevant suppliers of such equipment to Minglong New Energy.

The Group shall perform the rights and obligations under the EPC Contract 2 subject to the approval by the Shareholders and other approvals required under the Listing Rules.

The EPC Contract 3

On 20 January 2023 (after trading hours), as disclosed in the Announcement, Xintong Wind Power, an indirect subsidiary of the Company, as the principal, entered into the EPC Contract 3 with Powerchina Jiangxi (as the contractor).

The principal terms of the EPC Contract 3 are set out as below:

- Date: 20 January 2023 (after trading hours)
- Parties: (i) Xintong Wind Power (as the principal), an indirect subsidiary of the Company; and
- (ii) Powerchina Jiangxi (as the contractor), a third party independent of the Company and the connected persons of the Company as at the date of this circular.
- Subject matter: Pursuant to the EPC Contract 3, Powerchina Jiangxi agrees to serve as the EPC contractor to provide EPC services to Xintong Wind Power for the construction of Facility 3. The EPC services under Works 3 shall include the survey, design, engineering, procurement, supply, construction, installation, testing, commissioning and hand over of the Facility 3 which is permitted to, and capable of, complying with the agreed technical standards specified in the technical agreement attached to the EPC Contract 3.

LETTER FROM THE BOARD

In addition, Powerchina Jiangxi shall undertake permanent and temporary land acquisition, compliance procedures, revegetation, ecological management and external coordination arising out of and in connection with the construction of the Facility 3 as set forth in the EPC Contract 3. Powerchina Jiangxi shall also guarantee the achievement of the performance test criterion set forth in the EPC Contract 3.

Construction period: The Works 3 is scheduled to commence subject to the written notice from Xintong Wind Power to Powerchina Jiangxi, and the grid-connected power generation in full capacity is expected to be taken place by no later than 31 December 2023 under the EPC Contract 3.

Contract Price 3 and payment method: The consideration of the EPC Contract 3 is approximately RMB5,808 million (tax inclusive) (“**Contract Price 3**”) which consists of construction and installation payment, equipment and materials payment, design and technical services payment, the details of the payment structure are as follow:

Payments & fees	<i>approximately RMB' million</i>
1. equipment and materials payment	2,580
2. construction and installation payment	1,644
3. design and technical services payment	<u>1,584</u>
Total	<u><u>5,808</u></u>

LETTER FROM THE BOARD

The Contract Price 3 shall be settled in the following manners:

(i) Advance Payment

20% of the Contract Price 3 as advance payment (the “**Advance Payment 3**”) shall be paid to Powerchina Jiangxi upon the fulfillment of the following conditions, including (i) the EPC Contract 3 being effective; (ii) the receipt of the letter of performance guarantee and letter of advance payment guarantee (each is equivalent to 10% of the total contract value under the EPC Contract 3 and is irrevocable and payable on demand); and (iii) the receiving of a receipt for Advance Payment 3 from Powerchina Jiangxi to Xintong Wind Power.

(ii) Milestone Payment

Based on the progress of the project and the receipt of the relevant invoice(s), Xintong Wind Power shall pay to Powerchina Jiangxi with respect to the equipment and materials payment, construction and installation payment, design and technical services payment. In furtherance to the above, Xintong Wind Power shall pay up to 97% of the construction and installation payment, 95% of the equipment and materials payment, 95% of the design and technical services payment upon the fulfilment of certain conditions set out under the EPC Contract 3, including, among others, achieving satisfactory results from the inspection of the completed project and obtaining relevant compliance approvals (if applicable).

(iii) Quality Assurance Fund

Under the EPC Contract 3, the remaining 3% of the construction and installation payment, 5% of the equipment and materials payment, and 5% of the design and technical services payment shall be retained by Xintong Wind Power (the “**Quality Assurance Fund 3**”), and shall be paid to Powerchina Jiangxi upon the fulfilment of the conditions set out in the “Quality guarantee” below.

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Performance guarantee: Under the EPC Contract 3, Powerchina Jiangxi shall provide a letter of performance guarantee issued by a qualified commercial bank agreed by Xintong Wind Power with an amount equivalent to 10% of the Contract Price 3, to guarantee the due performance by Powerchina Jiangxi of its obligations under the EPC Contract 3.

Advance payment guarantee: Under the EPC Contract 3, together with the letter of performance guarantee, Powerchina Jiangxi shall provide a letter of advance payment guarantee issued by a qualified commercial bank agreed by Xintong Wind Power with an amount equivalent to 10% of the Contract Price 3, to guarantee that the Advance Payment 3 will be used in accordance with the terms of the EPC Contract 3.

The letter of advance payment guarantee shall be released once the Advance Payment 3 is fully utilized along the progress of the project in accordance with the terms of the EPC Contract 3.

Quality guarantee: Under the EPC Contract 3, for release of the Quality Assurance Fund 3 after date on which the completion of Works 3 is accepted by the Group and at any time within the warranty periods, Powerchina Jiangxi can opt to provide a letter of quality guarantee with an amount equivalent to the Quality Assurance Fund 3, to guarantee the due performance of the obligation of Powerchina Jiangxi to rectify all defects within the warranty periods in accordance with the terms of the quality warranty attached to the EPC Contract 3.

The Quality Assurance Fund 3 shall be released upon the fulfilment of the following conditions:

- (a) all defects of the Works 3 have been rectified during the warranty periods, and a certificate confirming the same has been issued by Xintong Wind Power;
- (b) all agreed technical standards stated in the EPC Contract 3 have been met; and if there is any quality issue, Powerchina Jiangxi shall have already resolved the issue in accordance with the EPC Contract 3; and

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- (c) before the expiration of the warranty periods under the EPC Contract 3, with respect to any equipment with warranty periods exceeding one year, Powerchina Jiangxi shall unconditionally transfer the rights to the quality assurance obligation of the relevant suppliers of such equipment to Xintong Wind Power.

The Group shall perform the rights and obligations under the EPC Contract 3 subject to the approval by the Shareholders and other approvals required under the Listing Rules.

Basis for Determination of the Contract Prices under the EPC Contracts

The contract prices under the EPC Contracts were determined by the parties after arm's length negotiation and through a public tender selection process. In particular, the Company has considered the following factors during the selection of the contractor and the determination of the contract prices: (i) the design and construction proposal, with the specifications of the machinery and equipments involved, submitted; (ii) the track record of the candidates of contractors on performing similar projects; (iii) the overall rating of the bidders with reference to their size of operation, manpower and financial performance of the candidates of contractors; (iv) the expected power capacity (measured in MW) of the Facilities, being approximately 511MW, 869MW and 1,000MW respectively; (v) the prevailing market price of the provision of similar EPC services; and (vi) the differences between the total cost estimated by the Group for the Works and the tender prices submitted by the bidders, for which we typically consider tender prices (a) with deviation within 10% from our cost estimates; and (b) does not exceed the estimated total cost.

Reasons for and Benefits of Entering into the EPC Contracts

Taking into account that wind power generation has been increasing rapidly in recent years and will be one of the most important driving forces for renewable energy power generation in the PRC as stated in the "14th Five-Year Plan", the Company is optimistic about the prospect of wind power industry in the foreseeable future. Surrounding the national large bases plan, the layout of large-scale wind power generation bases in "Northeast China, North China and Northwest China" is expected to be accelerated.

Starting from 2021, the Group has accelerated the pace of scale expansion development of clean energy and expansion of the scale of the wind power business has been one of the key focuses of the Group in this regard. The entering into of the EPC Contracts for wind farms located in the Tongliao City, Inner Mongolia would be in line with the national policies in terms of layout of sizeable power bases, as well as the Group's strategy to further develop and diversify the clean energy portfolio.

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In view of the above, the Directors are of the view that the EPC Contracts will enable the Company to further expand its scale of business in the wind farm industry through the construction of quality wind power generation projects so as to enhance returns to the Shareholders.

The Directors have reviewed the EPC Contracts and are of the view that the terms and conditions of the EPC Contracts are fair and reasonable and the transactions contemplated thereunder are entered into on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, SEPCOIII, Powerchina Jiangxi and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company as at the date of this circular. Furthermore, the Company considers that each of the contractors, namely SEPCOIII and Powerchina Jiangxi, and their relevant project managers/key engineers possess all the required qualifications, experience, expertise and skills to perform the Works.

3. DISPOSAL OF THE UNDERLYING ASSETS FOR THE ABCP ISSUANCE

Reference is made to the announcement of the Company dated 28 December 2022 in relation to the Previous Disposal.

On 10 March 2023 (after trading hours), BEIED and China Industrial International Trust entered into the Trust Contract, pursuant to which, among other things, BEIED has conditionally agreed to entrust China Industrial International Trust with the Underlying Assets and China Industrial International Trust has conditionally agreed to be the trustee and administration agency of the Trust for the benefit of the Beneficiaries for the purpose of the ABCP Issuance.

The ABCP will be issued in two classes, namely priority and subordinated ABCP at an aggregate face value of RMB1,000 million on the NAFMII. A summary of the material terms for the ABCP Issuance is set out below:

Tranche	Size of issuance (RMB) (Approximately)	Credit rating by an independent credit rating agency	Coupon rate
Priority	975 million	AAAsf	2.7% - 3.0%
Subordinated	25 million	Not rated	8.5%

LETTER FROM THE BOARD

The Trust Contract

For the purpose of ABCP Issuance, BEIED and China Industrial International Trust entered into the Trust Contract, the principal terms of which are as follows:

- Date : 10 March 2023
- Parties : (a) BEIED, as the settlor of the Trust; and
- (b) China Industrial International Trust, as the trustee under the Trust Contract and the administration agency of the Trust.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, China Industrial International Trust and its ultimate beneficial owner(s) were Independent Third Parties as at the Latest Practicable Date.

Underlying Assets

The Underlying Assets represents (i) all the rights, interests, benefits and gains (present and future, existing and contingent) with respect to the Subsidy Receivables; (ii) all receivables due or to be due shortly attributable to the Subsidy Receivables; (iii) all proceeds from the transfer, sale, auction, sell-off or otherwise disposal of the Subsidy Receivables; (iv) the right to request, sue, recover or receive all payables in relation to the Subsidy Receivables; and (v) benefits arising from the Subsidy Receivables and enforcement of all rights and legal remedies in relation to the Subsidy Receivables.

Such Underlying Assets comprise accounts receivable of government subsidies for renewable energy to be received by the Group's photovoltaics and wind power project companies. Such government subsidies will be paid by the Renewable Energy Development Fund* (可再生能源發展基金) established by relevant PRC government authorities for promoting the development of the new energy industry. Pursuant to the electricity purchase and sale contracts, the Group's photovoltaics and wind power project companies will receive the new energy subsidies as accounts receivables. There is no specific settlement term in terms of the accounts receivables of new energy subsidies in the electricity purchase and sale contracts signed between photovoltaic or wind power project companies of the Group and the grid companies. Based on the Company's previous experiences, such accounts receivables of new energy subsidies are expected to be settled within two to three years. For the purpose of the proposed Disposal and the ABCP Issuance, the Company has selected the accounts receivables of new energy subsidies which are free from any encumbrances as the Underlying Assets.

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Furthermore, references are made to (i) the circular of the Company dated 30 November 2022 in relation to, among others, the proposed establishment of the asset-backed securities program and proposed issuance of the asset-backed securities under the said program (the “**Disposal for ABS Program**”); and (ii) the announcement of the Company dated 28 December 2022 in relation to the disposal of certain underlying assets for the purpose of issuance of asset-backed commercial papers (the “**2022 Disposal for ABCP Issuance**”). While the nature of the underlying assets under the Disposal for ABS Program, the 2022 Disposal for ABCP Issuance and the current Disposal are similar, which are accounts receivable of government subsidies for renewable energy, the subsidy receivables under each of them are given rise from different power generation projects with various subsidy periods and are to be received by the relevant corresponding photovoltaics and wind power project companies of the Group. For clarity, the power generation projects which gave rise to the subsidy receivables under the Disposal are different from that under the Disposal for ABS Program and the 2022 Disposal for ABCP Issuance.

The Underlying Assets are related to and are a part of the “tariff adjustment receivables” under “Trade, Bill and Tariff Adjustment Receivables” as shown on the Company’s consolidated statement of financial positions in its annual report for the year ended 31 December 2022.

As at the Initial Benchmark Date, the unaudited carrying value of the Underlying Assets under the Disposal was approximately RMB1,000,290,700.

Conditions Precedent

The Trust will become effective upon satisfaction (or waiver by competent parties) of the following conditions, among others:

- (a) BEIED having delivered a copy of the business license, a resolution approving BEIED to sign relevant transaction documents under the Trust Contract and/or necessary corporate documents and approvals to China Industrial International Trust;
- (b) China Industrial International Trust having delivered a copy of the valid financial permit and the business license to BEIED and confirmed to BEIED that it has obtained the necessary corporate documents and approvals of the relevant transaction under the Trust Contract;
- (c) BEIED (as the asset service agent) having delivered to China Industrial International Trust copies of all necessary internal (including but not limited to corporate documents, approvals or authorisation letters), government or third-party approvals and authorisations for BEIED to sign the transaction documents, exercise its rights or perform its obligations thereunder;

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- (d) BEH (as the liquidity backing covenants) having delivered to China Industrial International Trust copies of all necessary internal (including but not limited to corporate documents, approvals or authorisation letters), government and third-party approvals and authorisations for BEH to sign the transaction documents, exercise its rights or perform its obligations thereunder;
- (e) the transaction documents having been duly signed and delivered by all relevant parties, and BEIED having delivered to China Industrial International Trust the relevant authorisation letter;
- (f) the issuance of ABCP under the Trust Contract having been successfully registered with NAFMII;
- (g) the auditors having issued the reports on the implementation of the agreed procedures and cash flow forecast audit report in respect of entrusting China Industrial International Trust with the Underlying Assets;
- (h) the legal advisor having issued legal opinion to BEIED and China Industrial International Trust;
- (i) the rating agency having issued a report on the credit rating of the ABCP;
- (j) BEIED and China Industrial International Trust having completed the delivery of the Underlying Assets as at the Initial Benchmark Date in accordance with the Trust Contract;
- (k) the first tranche of priority and subordinated ABCP having been successfully issued;
- (l) the designated bank account having received all the funds raised from the ABCP Issuance; and
- (m) the Company having obtained all necessary approvals in relation to the Trust Contract and the transactions contemplated thereunder in accordance with the Listing Rules, including but not limited to the approval of the Trust Contract and the transactions contemplated thereunder by the Shareholders in a general meeting of the Company.

Consideration and Size of ABCP

The ABCP shall be issued in the size of RMB1,000 million which represents a discount of approximately RMB290,700 to the unaudited carrying value of the Underlying Assets of approximately RMB1,000,290,700 as at the Initial Benchmark Date. The consideration under the Trust Contract will be the same as the issue size of the ABCP as at the Initial Benchmark Date.

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The consideration and size of the ABCP was determined after arm's length negotiations between BEIED and China Industrial International Trust based on the value of the Underlying Assets.

China Industrial International Trust shall transfer the proceeds from the ABCP Issuance, being RMB1,000 million to the designated bank account of BEIED on the delivery date of the Underlying Assets.

Redemption of Unqualified Assets

Pursuant to the Trust Contract, BEIED or China Industrial International Trust shall notify the other party any discovery of Unqualified Assets within five working days after discovery. China Industrial International Trust shall have the right to inform BEIED in writing to redeem such Unqualified Assets in accordance with the terms of the Trust Contract and BEIED shall transfer the amount which is equivalent to such Unqualified Assets to the trust account within two working days.

The underwriting agreement

For the ABCP Issuance, on 10 March 2023 (after trading hours), BEIED entered into an underwriting agreement with China Industrial International Trust and Industrial Bank, pursuant to which Industrial Bank as the underwriter will be responsible for the issue of the ABCP on NAFMII. The underwriting fee payable by BEIED is expected to be RMB1.5 million, the calculation based on an underwriting charge ratio of 0.05% per year and three-year issuance period, which is determined by arm's length negotiations between BEIED and Industrial Bank with reference to issue size of the ABCP, the relevant PRC regulations and the prevailing market rate in relation to service fee payable to the underwriter in an asset securitization project.

Financial impact and use of proceeds from the ABCP Issuance

Immediately upon the completion of the Disposal for the purpose of the ABCP Issuance, BEIED will cease to have rights or interests in the Underlying Assets. As at the Initial Benchmark Date, the unaudited carrying value of the Underlying Assets was approximately RMB1,000,290,700. It is anticipated that the proceeds from the ABCP Issuance would amount to approximately RMB1,000 million. As a result, the Company is expected to realize a net loss of approximately RMB290,700 from the ABCP Issuance, which represents the difference between the proceeds from the ABCP Issuance and the unaudited carrying value of the Underlying Assets as at the Initial Benchmark Date. The Group intends to use the proceeds from the ABCP Issuance for the repayment of existing debts and daily operations of the Group.

LETTER FROM THE BOARD

Reasons for and benefits of the ABCP Issuance and the Trust Contract

The Board believes that the ABCP Issuance can diversify the Group's fund-raising channels to access low-cost capital, which in turn can be used to improve the financing structure of the Group and promote its operating activities and investments. It also allows the Group to achieve the goal of reducing the balance of accounts receivable and optimize the debt to asset ratio of the Group. Upon the Disposal for the purpose of ABCP Issuance, the Directors believe that it will accelerate the overall turnover of the Group's assets and increase the overall revenue generated. Furthermore, the proposed transfer of the Underlying Assets through this arrangement will accelerate the collection of the accounts receivable of the Group.

The Directors consider that the terms of the Trust Contract and the Disposal are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. INFORMATION OF THE PARTIES

The Company is 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) 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.

Minglong New Energy is an indirect subsidiary of the Company established in the PRC with limited liability and owned as to approximately 90% by the Company as at the date of this circular. Minglong New Energy is primarily engaged in, among others, (i) development, construction and operation of wind power and photovoltaic power generation projects; (ii) sale of self-produced electricity; and (iii) provision of technical consultation, technology transfer and other technical services in relation to wind power and photovoltaic power generation projects.

Xintong Wind Power is an indirect subsidiary of the Company established in the PRC with limited liability and owned as to approximately 80% by the Company as at the date of this circular. Xintong Wind Power is primarily engaged in development and operation of power generation projects, power transmission business and power supply (distribution) business and provision of technical services in relation to wind power generation projects.

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SEPCOIII is a company established in the PRC with limited liability and is principally engaged in, among others, (i) the design and provision of consultation for electricity, building, railway, road and bridge construction projects; (ii) the construction of electricity projects; and (iii) the installation, maintenance and repair of electricity facilities. It is a wholly-owned subsidiary of Power Construction Corporation of China* (中國電力建設集團有限公司), which is wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council.

Powerchina Jiangxi is a company established in the PRC with limited liability, which is principally engaged in power generation engineering and construction. It is a wholly-owned subsidiary of Power Construction Corporation of China, Ltd.* (中國電力建設股份有限公司), a joint stock company incorporated in the PRC with limited liability, with its A shares listed on the Shanghai Stock Exchange (stock code: 601669).

BEIED is a company established 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.

China Industrial International Trust is a company established in the PRC with limited liability, which is owned as to approximately 73% by Industrial Bank and the remaining approximately 27% is ultimately owned by the State-owned Assets Supervision and Administration Commission of Fujian Province* (福建省國有資產監督管理委員會) as at the Latest Practicable Date. China Industrial International Trust is principally engaged in property or property rights trusts, investment fund business and finance consultants and other business.

Industrial Bank is a joint stock company established in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601166). Industrial Bank and its subsidiaries are principally engaged in the commercial banking business which provides services including trust, financial lease, funds, futures, asset management, consumer finance, research and consulting, and digital finance.

5. LISTING RULES IMPLICATIONS

The EPC Contract 1

As the highest applicable percentage ratio in respect of the EPC Contract 1 exceeds 25% but is less than 100%, the EPC Contract 1 constitutes a major transaction of the Company and is therefore subject to reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

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The EPC Contract 2

As the highest applicable percentage ratio in respect of the EPC Contract 2 exceeds 100%, the EPC Contract 2 constitutes a very substantial acquisition of the Company and is therefore subject to reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The EPC Contract 3

As the highest applicable percentage ratio in respect of the EPC Contract 3 exceeds 100%, the EPC Contract 3 constitutes a very substantial acquisition of the Company and is therefore subject to reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Disposal of the Underlying Assets for the ABCP Issuance

Pursuant to the Rule 14.22 of the Listing Rules, the Disposal shall be aggregated with the Previous Disposal since all these transactions are entered into by the Group with China Industrial International Trust within a 12 month period. As the highest applicable percentage ratio in respect of the Disposal and the Previous Disposal on an aggregated basis exceeds 25% but is less than 100%, the Disposal and the Previous Disposal together constitute a major transaction of the Company and are therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

6. SPECIAL GENERAL MEETING

A notice convening the SGM is set out on page 41 to 43 of this circular, at which ordinary resolutions will be proposed for the Shareholders to consider and, if thought fit, to approve the EPC Contracts and the transactions contemplated thereunder and the Disposal and the transactions contemplated thereunder.

For the purpose of determining the entitlement for attending and voting at the SGM, the register of members of the Company will be closed from Wednesday, 17 May 2023 to Monday, 22 May 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to be qualified for attending and voting at the SGM, all transfers of Shares accompanied by the relevant share certificates must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 16 May 2023.

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A form of proxy for use at the SGM is enclosed to this circular and such form of proxy is also published on websites of the HKEXnews (<http://www.hkexnews.hk>) and the Company (<http://www.bjei.com>). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has any material interest in the EPC contracts and the Disposal and the transactions contemplated thereunder as at the Latest Practicable Date. Therefore, no Shareholder is required to abstain from voting on the relevant resolutions to be proposed at the SGM.

7. VOTING BY WAY OF POLL

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all the resolutions put to the vote at the SGM will be taken by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. RECOMMENDATION

The Board considers that the terms and conditions of the EPC Contracts, the Trust Contract and the Disposal are fair and reasonable and the transactions contemplated thereunder are entered into on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolutions in respect of approving the EPC Contracts, the Trust Contract and the Disposal and the transactions contemplated thereunder to be proposed at the SGM.

LETTER FROM THE BOARD

9. FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

The English text of this circular, the notice of the SGM and the form of proxy for use at the SGM shall prevail over the Chinese text in case of inconsistency.

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

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2020, 2021 and 2022 are disclosed in the following documents, which can be accessed on both the websites of the HKEXnews (<http://www.hkexnews.hk>) and the Company (<http://www.bjei.com>).

- (i) Annual report of the Company for the year ended 31 December 2020 (pages 86-178), which can be accessed via the link at:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0422/2021042200401.pdf>

- (ii) Annual report of the Company for the year ended 31 December 2021 (pages 127-294), which can be accessed via the link at:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0421/2022042100465.pdf>

- (iii) Annual report of the Company for the year ended 31 December 2022 (pages 143-322), which can be accessed via the link at:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0424/2023042401355.pdf>

2. STATEMENT OF INDEBTEDNESS OF THE GROUP**Indebtedness**

As at the close of the business on 31 March 2023, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the borrowings of the Group comprised the following indebtedness.

	<i>RMB' million</i>
Bank borrowings	
Secured and with guarantee	5,033
Secured and without guarantee	3,856
Unsecured and with guarantee	7,114
Unsecured and without guarantee	19,708
Finance lease liabilities	
Secured and with guarantee	2,897
Secured and without guarantee	5,732
Unsecured and without guarantee	305
Other borrowings	
Secured and without guarantee	110
Unsecured and without guarantee	60
Convertible bonds	
Unsecured and without guarantee	355
	<u>45,170</u>

Save as aforesaid and apart from intra-group liabilities, the Group did not have any debt securities issued and outstanding, and authorised or otherwise created but unissued, or any material outstanding loan capital, bank overdrafts, loans, mortgages, charges or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments, guarantees or any other actual or material contingent liabilities outstanding at the close of business on 31 March 2023, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular.

The Directors confirm that there has been no material change to the indebtedness and contingent liabilities of the Group since 31 March 2023 up to and including the Latest Practicable Date.

3. SUFFICIENCY OF WORKING CAPITAL

Taking into account the financial resources of the Group (including the Group's internal resources, available banking and other borrowing facilities and credit enhancement guarantee from BEH, a controlling Shareholder holding approximately 32.04% of the issued share capital of the Company), in the absence of any unforeseen circumstances, the Directors are of the opinion that the Group will have sufficient working capital for the Group's requirements for at least the next 12 months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL CHANGES

The Directors confirmed that, as at the Latest Practicable Date, there had not been any material change in the financial or operation position or outlook of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

5. IMPACT ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

As at 31 December 2022, the audited consolidated total assets and total liabilities of the Group amounted to approximately RMB60,328 million and RMB50,145 million respectively. The consideration payable under the EPC Contracts will be settled in cash by way of utilising the Group's internal resources and external financing.

The Facilities under the EPC Contracts would be recorded as property, plant and equipment under non-current assets of the Group and hence the amount of the total assets of the Group is expected to increase following the completion of the Works, after such increase is partially offset by the decrease in cash and cash equivalents. The amount of the total liabilities of the Group is also expected to increase due to the funding requirements of the consideration of the EPC Contracts. Given the nature of the EPC Contracts, the Group does not expect the EPC Contracts to have immediate material impact on the earnings of the Group.

The issuance of the ABCP will result in a decrease in the balance of accounts receivable of the Group, which will be partially offset by an increase in cash and cash equivalents. There will be no material impact on the total assets and total liabilities of the Group.

Given the nature of the ABCP business, the Group does not expect that it will have a direct material impact on the earnings of the Group.

6. FINANCIAL AND OPERATION PROSPECTS OF THE GROUP

The Group is primarily engaged in the development, investment, operation and management of power plants and other clean energy projects.

In February 2020, the Company completed the allotment and issuance of Shares to BEH and BEH became the single largest and controlling Shareholder. Upon completion of the subscription, BEH issued a letter to the Group and agreed to provide credit enhancement guarantee in the amount of RMB8 to 10 billion for a period of 3 years, depending on the actual operating funding needs of the Group.

As at 31 December 2022, the Group had 125 power plants with an aggregate grid-connected installed capacity of approximately 5,603.44MW in the PRC. The Group had well-diversified its solar and wind power plants in the PRC in 23 different provinces during the year ended 31 December 2022. In addition, as at 31 December 2022, the Group also held 2 solar power plants and 1 wind power plant through its associates with a total grid-connected installed capacity of approximately 223.80MW.

Looking forward, with the strong support of BEH, the Group will further focus on its main business. It will fully leverage the opportunity of the transition of energy structure to a clean and low-carbon model and its rapid development and determine the main line of business development. Meanwhile, the Group will coordinate domestic and overseas market resources to optimise assets allocation, and realise scale expansion and intensive development of photovoltaic power and wind power and other new energy businesses. In addition to the rapid development of existing new energy businesses, the Group will keep up with the industry's high-tech and new technology development trends, and actively promote the combination of energy and data by capturing new opportunities arising from the clean energy industry ecosystem. Furthermore, it will mainly focus on integrated energy business with the focus placed on big data, and integrate various types of resources including distributed energy, energy storage and hydrogen energy and user loads. It will research and promote the multi-energy complementary integrated services and terminal energy solutions based on renewable energy. By realising the business optimisation transformation and sustainable healthy development of the Group through value creation, it will be in the best interests of the Group and its Shareholders.

1. RESPONSIBILITY STATEMENT

This circular, 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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

Interests of Directors and chief executives of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) 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 they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(a) Long positions in the Shares and Underlying Shares

Name of Director and the chief executive of the Company	Capacity/Nature of interest	Number of Shares/ underlying Shares held	Approximate Percentage of the issued Shares ⁽¹⁾
Mr. Zhang Ping	Beneficial Owner	31,000,000 ⁽²⁾	0.14%
Mr. Zhu Jun	Beneficial Owner	29,250,000 ⁽³⁾	0.13%

Notes:

- These percentages are calculated based on 22,399,550,432 listed Shares in issue as at the Latest Practicable Date.
- Among these interests, 24,000,000 share options were granted by the Company on 16 June 2022 under the share option scheme of the Company.
- Among these interests, 28,050,000 share options were granted by the Company on 16 June 2022 under the share option scheme of the Company.

(b) Long position in share options

Grantees	Date of grant	Exercise price (HK\$/Share)	Number of outstanding share options	Capacity/ Nature of interest	Exercise period ^(Note)
Mr. Zhang Ping	16 June 2022	HK\$0.240	24,000,000	Beneficial owner	from 16 June 2024 to 15 June 2027
Mr. Zhu Jun	16 June 2022	HK\$0.240	28,050,000	Beneficial owner	from 16 June 2024 to 15 June 2027

Note: Conditional upon the achievement or attainment of certain performance targets of the Company and the respective grantee, all share options granted shall vest in three tranches within a period of 3 years in proportions of 34%, 33% and 33%, i.e. 34% of the share options granted shall vest on 2nd anniversary of the grant, another 33% shall vest on the 3rd anniversary of the grant, and the remaining 33% shall vest on the 4th anniversary of the grant. In this table, “exercise period” of share options begins with the 2nd anniversary of the grant date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) 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 they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Mr. Lu Zhenwei, an executive Director, is a director and the chairman of the board of directors of China Merchants New Energy Group Limited, which is a non-wholly-owned subsidiary of China Merchants Group Limited, the Company’s substantial Shareholder, and the director of New Energy Exchange Limited, which is a party acting in concert with China Merchants New Energy Group Limited. Mr. Zhao Bing, a non-executive Director, is a director and general manager of Beijing Energy Investment Holding (Hong Kong) Co., Limited (北京能源投資集團(香港)有限公司), which is a direct controlling Shareholder, the head of finance management department of BEH, the indirect controlling Shareholder, and the chairman of board of directors and the general manager of Beijing Jingneng International Power Co., Ltd.* (北京京能國際能源股份有限公司). Mr. Su Yongjian, a non-executive Director, is the head of energy investment department of BEH, the indirect controlling Shareholder. Mr. Lu Xiaoyu, a non-executive Director, is a member of the party committee and a deputy general manager of Qingdao Chengtou New Energy Group Co., Ltd.* (青島城投新能能源集團有限公司), which is a subsidiary of the substantial Shareholder, Qingdao City Construction Investment (Group) Co., Ltd.* (青島城市建設投資(集團)有限責任公司).

3. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or claim of material importance and there is no litigation or claim of material importance known to the Directors pending or threatened by or against any member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, there was no existing or proposed service contract between any of the Directors and any member of the Group other than service contracts that are expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group and no Director was interested in any assets which have been acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2022 (being the date of which the latest published audited financial statements of the Group were made up).

6. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their close associates had interests in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group which would fall to be discloseable under the Listing Rules.

7. MATERIAL ADVERSE CHANGES

The Directors confirm that, as at the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up.

8. 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 circular and up to and including the Latest Practicable Date of this circular and are or may be material:

- (a) the Trust Contract;
- (b) the trust contract dated 28 December 2022 entered into between BEIED and China Industrial International Trust in relation to the Previous Disposal;
- (c) the conditional equity transfer agreement(s) and the supplemental agreement(s) (as applicable) dated 1 March 2022 entered into between BEIED, as purchaser and Shanghai Sineng Investment Co., Ltd.* (上海斯能投資有限公司), as vendor respectively, in relation to the proposed acquisitions of the equity interest in each of Shuozhou City Pinglu District Honggou Wind Energy Co., Ltd.* (朔州市平魯區紅溝風電有限公司), Xiyang County Sineng New Energy Co., Ltd.* (昔陽縣斯能新能源有限公司), Xiyang County Sineng Wind Energy Co., Ltd.* (昔陽縣斯能風電有限公司) and Youyu County Sineng Wind Energy Co., Ltd.* (右玉縣斯能風電有限公司);
- (d) the conditional equity transfer agreements dated 30 December 2021 entered into between BEIED as purchaser, Hebei Hangtian Yuanfeng New Energy Technology Co., Ltd.* (河北航天遠豐新能源科技有限公司) and Guangzong County Guoshun Energy Co., Ltd.* (廣宗縣國順能源有限公司) as vendors and Guangzong County Guorui Energy Co., Ltd.* (廣宗縣國瑞能源有限公司), Longyao County Guochang New Energy Technology Co., Ltd.* (隆堯縣國昌新能源科技有限公司) and Nangong City Guoshun New Energy Technology Co., Ltd.* (南宮市國順新能源科技有限公司) as target companies, respectively, in relation to the acquisition of the entire equity interest in each of the target companies;
- (e) the conditional equity transfer agreement dated 28 December 2021 entered into between BEIED as purchaser, Zanhuang County Shunli Energy Co., Ltd.* (贊皇縣順利能源有限公司) as vendor and Nangong City Guorui New Energy Technology Co., Ltd.* (南宮市國瑞新能源科技有限公司) as target company, in relation to the acquisition of the entire equity interest in the target company;
- (f) the conditional equity transfer agreement dated 22 December 2021 entered into between BEIED as purchaser, Nangong City Yuchuan New Energy Technology Co., Ltd.* (南宮市禹川新能源科技有限公司) as vendor and Nangong City Guolong New Energy Technology Co., Ltd.* (南宮市國隆新能源科技有限公司) as target company, in relation to the acquisition of the entire equity interest in the target company;

- (g) the equity transfer agreement(s) and the supplemental agreement(s) dated 10 December 2021 entered into between BEIED as purchaser and Shanghai Sineng Investment Co., Ltd.* (上海斯能投資有限公司), as vendor, respectively, in relation to the acquisitions of the entire equity interest in each of Yangqu County Weilan New Energy Co., Ltd.* (陽曲縣蔚藍新能源有限公司), Hunyuan Sineng New Energy Co., Ltd.* (渾源斯能新能源有限公司), Pianguan County Sineng Wind Energy Co., Ltd.* (偏關縣斯能風電有限公司) and Heshun County Sineng Wind Energy Co., Ltd.* (和順縣斯能風電有限公司);
- (h) the subscription agreement dated 22 June 2021 entered into between the Company, as the issuer and KGI Asia Limited, as the sole lead manager, in relation to the issue of US\$50,000,000 3.8% convertible bonds due 2024 by the Company;
- (i) the equity transfer agreement dated 9 June 2021 entered into between BEIED as the purchaser, Shanxi Xinyou Investment Group Co., Ltd.* (山西信友投資集團有限公司) (“**Shanxi Xinyou**”) as the vendor and Xinjiang Xinyou New Energy Power Co., Ltd.* (新疆信友新能源發電有限公司) (“**Xinjiang Xinyou**”) as the target company, in relation to the acquisition of the entire equity interests in Xinjiang Xinyou at nil consideration and assumption of debts in the amount of RMB430,000,000. On the same date, BEIED, Shanxi Xinyou, Xinjiang Xinyou and Powerchina Jiangxi Electric Power Construction Co., Ltd.* (中國電建集團江西省電力建設有限公司) entered into the cooperation agreement in relation to the development of 50MW wind power project in Xinjiang; and
- (j) (i) the termination agreement dated 7 May 2021 entered into between United Photovoltaics (Changzhou) Investment Group Co., Ltd.* (聯合光伏(常州)投資集團有限公司) (“**UP Changzhou**”), 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) (“**Investor 1**”), 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)) (“**Investor 2**”), United Photovoltaics (Shenzhen) Limited* (聯合光伏(深圳)有限公司) (“**UP Shenzhen**”), and Beijing Energy International Investment Limited (“**BEII**”) to terminate the previous capital injection agreement; (ii) the updated capital increase agreement dated 7 May 2021 entered into between ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司) (“**ICBC Investment**”), UP Shenzhen, BEII and UP Changzhou to change the contract party to the previous capital injection agreement from Investor 1 and Investor 2 to ICBC Investment, whereas the other terms and conditions (apart from the aforesaid parties clause) remain the same as previous capital injection agreement; (iii) the equity interest transfer agreement dated 7 May 2021 entered into between ICBC Investment, BEH, UP Shenzhen, BEII and UP Changzhou in relation to the potential equity interest transfer upon the occurrence of any of the specific circumstances specified in the agreement.

9. GENERAL

- (a) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda; and the principal place of business in Hong Kong is situated at Unit 1012, 10/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.
- (b) The Company's Hong Kong branch share registrar and transfer office is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The company secretary of the Company is Ms. Zhang Xiao, an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (d) This circular is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published and displayed on the website of the HKEXnews (<http://www.hkexnews.hk>) and on the website of the Company (<http://www.bjei.com>) for a period of 14 days from the date of this circular (both days inclusive):

- (a) the EPC Contract 1;
- (b) the EPC Contract 2;
- (c) the EPC Contract 3; and
- (d) the Trust Contract

Note: As certain personal information (being personally identifiable information of the staff responsible for the Works) contained in the EPC Contracts (the "**Personal Information**") is considered to be personal data, the public disclosure of the Personal Information on the websites of the Company and the Stock Exchange may constitute a possible breach of the Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong). In addition, the Personal Information is irrelevant to the assessment of the EPC Contracts or the transactions contemplated thereunder, or any of the assets, liabilities, financial position, profits and losses or prospect of the Company. Details of the material terms of the EPC Contracts has been contained in this circular in all material respects such that the Shareholders and the investing public will be able to make a properly informed assessment of the transactions contemplated thereunder, and to make an informed voting decision about the same. In light of the above, the Company has applied to the Stock Exchange and the Stock Exchange has granted a waiver from strict compliance with Rule 14.66(10) of and paragraph 43(2)(c) of Appendix 1B to the Listing Rules by redacting the Personal Information in the EPC Contracts to be published on the websites of the Company and the Stock Exchange.

NOTICE OF SPECIAL GENERAL MEETING



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)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the special general meeting (the “SGM”) of Beijing Energy International Holding Co., Ltd. (the “Company”) will be held at Unit 1012, 10/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (with a branch venue at 12/F, Building 7, Sanfeng North Lane, Chaoyang District, Beijing, PRC) on Monday, 22 May 2023 at 2:30 p.m. for the following purpose:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the EPC Contract 1 (as defined in the circular of the Company dated 28 April 2023 (the “Circular”)), a copy of which is marked “A” and initialled by the Chairman of the SGM for the purpose of identification, the terms and the transactions contemplated thereunder, be and are hereby approved; and
- (b) any one director of the Company be and is hereby authorised for and on behalf of the Company to take any action and execute such further documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the EPC Contract 1 and the transactions contemplated thereunder.”

2. “**THAT:**

- (a) the EPC Contract 2 (as defined in the Circular), a copy of which is marked “B” and initialled by the Chairman of the SGM for the purpose of identification, the terms and the transactions contemplated thereunder, be and are hereby approved; and
- (b) any one director of the Company be and is hereby authorised for and on behalf of the Company to take any action and execute such further documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the EPC Contract 2 and the transactions contemplated thereunder.”

NOTICE OF SPECIAL GENERAL MEETING

3. “**THAT:**

- (a) the EPC Contract 3 (as defined in the Circular), a copy of which is marked “C” and initialled by the Chairman of the SGM for the purpose of identification, the terms and the transactions contemplated thereunder, be and are hereby approved; and
- (b) any one director of the Company be and is hereby authorised for and on behalf of the Company to take any action and execute such further documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the EPC Contract 3 and the transactions contemplated thereunder.”

4. “**THAT:**

- (a) the transactions contemplated under the Disposal, comprising the Trust Contract, a copy of which is marked “D” and initialled by the Chairman of the SGM for the purpose of identification, the terms of which as set out in the Circular be and are hereby approved, confirmed and ratified; and
- (b) any one director of the Company be and is hereby authorised for and on behalf of the Company and/or its subsidiaries to take any action and execute such further documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the transactions contemplated under the Disposal.”

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

Hong Kong, 28 April 2023

Notes:

1. For the purpose of determining the entitlement for attending and voting at the SGM, the register of members of the Company will be closed from Wednesday, 17 May 2023 to Monday, 22 May 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to be qualified for attending and voting at the SGM, all transfers of shares accompanied by the relevant share certificates must be lodged at the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 16 May 2023.

NOTICE OF SPECIAL GENERAL MEETING

2. A member entitled to attend and vote at the SGM is entitled to appoint one or, if he holds two or more shares, more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
3. Whether or not you intend to attend the SGM in person, you are encouraged to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof, should he/she/it so wish. In such event, the instrument appointing such a proxy shall be deemed to be revoked.
4. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding of the SGM or any adjournment thereof.
5. In the case of joint holders of Shares, any one of such joint holders may vote at the SGM, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holders are present at the SGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. Votes on the ordinary resolutions set out herein and are to be passed at the SGM will be taken by way of poll.
7. If Tropical Cyclone Warning Signal No.8 or above, black rainstorm warning or extreme conditions caused by super typhoons is in effect in Hong Kong after 8:00 a.m. on the date of the SGM, the SGM will be postponed. The Company will post an announcement on the website of the Company at <http://www.bjei.com> and on the website of the HKEXnews at <http://www.hkexnews.hk> to notify shareholders of the date, time and place of the rescheduled meeting.
8. As at the date hereof, the Board comprises:

Executive Directors:

Mr. Zhang Ping (*Chairman*)
Mr. Lu Zhenwei

Non-Executive Directors:

Mr. Zhao Bing
Mr. Su Yongjian
Mr. Li Hao
Mr. Lu Xiaoyu

Independent Non-Executive Directors:

Ms. Jin Xinbin
Ms. Li Hongwei
Mr. Zhu Jianbiao

* *For identification purpose only*