

Handwritten text at the top of the page, possibly a watermark or bleed-through from the reverse side.



Beijing Jingneng Clean Energy Co., Limited
北

DISCLOSEABLE TRANSACTIONS AND CONNECTED TRANSACTIONS PROPOSED SWAP OF 20% EQUITY INTEREST IN JINGNENG INTERNATIONAL AND CASH HELD BY THE COMPANY FOR 84.68% EQUITY INTEREST IN SHENZHEN JINGNENG LEASING HELD BY BEH

THE TRANSACTIONS

The Board of Directors of the Company, on 10 October 2022, has approved the Acquisition of 84.68% Equity Interest in Jingneng International and the proposed swap of 20% Equity Interest in Jingneng International and cash held by the Company for 84.68% Equity Interest in Shenzhen Jingneng Leasing held by Behavio.

LISTING RULES IMPLICATIONS

As a result of the Acquisition, the Company will directly or indirectly hold 68.68% of the shares of the Company, which is a controlling interest in the Company. Jingneng International is a subsidiary of the Company. Accordingly, the Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As a result of the Acquisition, the Transaction will result in the Company's ownership of the Company increasing from 5% to 25%, which is a significant change in the Company's ownership structure.

According to the Annual Report of the Company, the Company's net income for the year ended 31 December 2021 was RMB 1,000 million, which is a significant increase from the net income of RMB 500 million for the year ended 31 December 2020.

Listing Rules. The transactions are subject to the information required under Rule 14.60A of the Listing Rules will be made to the Commission within 15 days after the completion of the transactions in compliance with Rule 14.60A, and Rule 14.62 of the Listing Rules.

As the Transactions are subject to the satisfaction of the conditions precedent set out in the agreements, the Transactions may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

1. Introduction

The Corporation entered into the transactions, on 10 February 2022, the Corporation entered into the Acquisition and Regr Agreement with Jungnng Int r n t i o n l n e s n n Jungnng Listing and Transfer Agreement with the parent to which the proposed or n m r g r w i t h Jungnng Int r n t i o n l n e t r n f r i f 84.68% q u i n t r t i n S n n Jungnng Listing to the Corporation, the Corporation will purchase the entire amount of 20% of the shares in Jungnng Int r n t i o n l n e c o f R 542,110,200 of the Corporation.

2. Absorption and Merger Agreement

Parties

- 1) The merging party, the holder of the 20% of the shares in Jungnng Int r n t i o n l n e t h e r o f t h e 84.68% q u i n t r t i n S n n Jungnng Listing,
- 2) Jungnng Int r n t i o n l n e t h e m e r g e r p a r t y t h e t a r g e t c o m p a n y o f q u i w i p,
- 3) the Corporation, the holder of the 20% of the shares in Jungnng Int r n t i o n l n e t h e h o l d e r o f t h e 84.68% o f t h e q u i n t r t i n S n n Jungnng Listing, and
- 4) S n n Jungnng Listing, the target company of q u i w i p.

Method of merger

- 1) The Regr will be conducted with the Acquisition and Regr of Jungnng Int r n t i o n l n e w i t h r e f r t o t h e w i p o f 84.68% q u i n t r t i n S n n Jungnng Listing for 20% of the shares in Jungnng Int r n t i o n l n e f o r w i t h t h e c o m p a n y i n c e t x c o f t h e c o n t r i b u t i o n f o r 84.68% o f t h e q u i n t r t i n S n n Jungnng Listing o v e r t h e c o n t r i b u t i o n f o r 20% o f t h e q u i n t r t i n t h e c o m p a n y i n Jungnng Int r n t i o n l n e . U p o n t h e c o m p l e t i o n o f t h e r e g r , t h e w i l l c o n t i n u e t o b e t h e Jungnng Int r n t i o n l n e w i l l b e r e g i s t e r e d i n c o o r d i n a n c e w i t h t h e I W .

2) Upon the closing date, the transferor's right to interest corresponding to 84.68% of the interest in SNN Janggung L... all... t... omp... ll... t... l... l... l... n... p... r... on... l... of Janggung Int... tion... l... ll... cc... ne... wit... t... l... w... n... ll... rig... t... n... o... lig... tion... tt... c... to... t... of Janggung Int... tion... l... ll... n... o... n... m... in... cc... ne... wit... t... l... w... n... t... omp... n... ll... not... nt... l... to... t... int... r... t... of... ft... r... t... A... or... tion... n... r... g... r... .

3) Upon the closing date, the parties will actively cooperate in the process of the transfer of the transfer, the principal element in the commercial exchange in relation to the transfer in accordance with the requirements of the Transfer Agreement and the relevant regulations.

Determination of the Consideration for and Closing of the Merger

1) The parties agree to value the value of the Target's Interest in the Targeting 31st Dec 2022 as the Valuation Benchmark, which will be used for the price for the value of the Target's Interest.

2) According to the Asset Valuation Report of Janggung Int... tion... l... of the Valuation Benchmark, the net value of Janggung Int... tion... l... is R 8,640,802,900, and the principal value of net interest corresponding to it is 20% of the interest with R 1,728,160,600. According to the Asset Valuation Report of SNN Janggung, of the Valuation Benchmark, the net value of SNN Janggung is R 2,681,000,000 and the principal value of net interest corresponding to it is 84.68% of the interest with R 2,270,270,800. The difference between the principal value of net interest among the Targeting is R 542,110,200. The parties agree to make the difference to... in... .

The parties confirm that the final price of the Target's Interest will be determined on the principal value of the net interest, and the amount of top-up payment in the pricing process will be based on the difference of the final price of the Target's Interest.

3) The parties agree to sign the Transfer Agreement in accordance with the Transfer Agreement in relation to the transfer of the 84.68% of the interest in SNN Janggung L... to the company to further clarify the rights and obligations of the parties to the transfer.

4) The parties confirm that the right to the Target's Interest will be transferred to the corresponding counterparty from the closing date of the parties' all completed following post-closing obligations of the closing date.

The Company shall make all payments to the bank, contingent upon the completion of the process of closing of the trial, including the registration of the company in the appropriate government.

The company shall cooperate with the other to complete the process of closing or cancellation of the trial, including the registration, closing of property rights registration in relation to the company in the manner in accordance with the requirements of the appropriate government, and the company shall cooperate with the same.

Succession of Creditors' Rights and Debts

All the creditors' rights and debts of the company shall be assumed by the merged company.

Employees Placement Plan

- 1) In the case of the merged company, all employees of the company shall take over or provide the merged company.
- 2) The labor contract signed between all employees of the company and the company shall continue to validly perform the merged company.

Disposal of Branches and Subsidiaries of the Merged Party

The parties confirm that, of the various commitments, the corresponding amount of the company shall be assumed by the merged company.

Transition Period

- 1) During the transition period from the various commitments to the closing, the profit and loss arising from the company shall be borne by the corresponding party, or the profit and loss arising from the operation of the company shall be valid in the merged company.
- 2) The parties confirm that during the transition period, notwithstanding the provisions in the appropriate government, the company shall not take any action to the company without the written consent of the company, respectively.

Liabilities for Breach of Contract

- 1) The party shall strictly abide by the relevant provisions of the Lease Option Agreement. Any party who violates the provisions of the Lease Option Agreement shall be liable to the other party for the breach of contract.
- 2) Any party fails to perform or does not fully perform the Lease Option Agreement, in addition to bearing the liability for breach of contract in accordance with the provisions of the Lease Option Agreement, compensates the other party for all losses caused to the other party.
- 3) If any party breaches the representation, warranty and undertaking made in the Lease Option Agreement, the other party shall not remedy within 30 days after the date on which the defaulting party receives written notice. The other party to the contract immediately reserves the right to terminate the Lease Option Agreement and claim against the defaulting party for breach.
- 4) If the agreement fails to take effect or the other party fails to perform due to the restriction of law, regulation, ordinance or the failure of international arbitration of the party or external competent arbitration to the other party, the agreement, if not concluded, shall be a breach of contract by the other party.

Validity of the Agreement

The Lease Option Agreement shall be valid from the date of signing and shall be fully and effectively valid if the following conditions are met:

- 1) The party to the Lease Option Agreement obtains necessary approval from the competent authority for the agreement;
- 2) The violation report of Jingneng International is not a negative report involving the agreement and is not compensated to the other party.

3. Equity Transfer Agreement

Equity Transfer of Shenzhen Jingneng Leasing

According to the terms and conditions of the Equity Transfer Agreement, the agreement to transfer 84.68% equity interest in Shenzhen Jingneng Leasing to the other party, the other party has the right to request the equity interest in accordance with the law to the company, the company agrees to pay 20% of the equity interest in Jingneng International contract, with the difference to be paid to the company in cash to the other party.

Prior to the Transaction, the controlling shareholder of Shenzhen Jungneng Inc. will follow:

Name of shareholders	Committed capital (RMB0'000)	Paid-up capital (RMB0'000)	Shareholding Percentage (%)	Capital contribution method
Company	170,000	170,000	84.68%	cash
Individual	30,758	30,758	15.32%	cash
Total	200,758	200,758	100%	

Upon completion of the Transaction, the company will continue to be controlled by Shenzhen Jungneng Inc., holding 84.68% of the equity interest in Shenzhen Jungneng Inc., and will continue to be the controlling shareholder in accordance with the law.

Upon completion of the Transaction, the controlling shareholder of Shenzhen Jungneng Inc. will follow:

Name of shareholders	Committed capital (RMB0'000)	Paid-up capital (RMB0'000)	Shareholding Percentage (%)	Capital contribution method
Company	170,000	170,000	84.68%	cash
Individual	30,758	30,758	15.32%	cash
Total	200,758	200,758	100%	

From the closing date, the company will continue to hold the right of control in relation to the 84.68% equity interest in Shenzhen Jungneng Inc., and will continue to hold the right of control of the company in relation to the 20% equity interest in Jungneng International, and will have the right to request the company to pay the difference in value among the right of equity interest to the company.

Consideration and Closing of Equity Transfer

The parties agree to value the value of the Target equity interest as of 31st Dec 2022, the Valuation Benchmark, which will be the basis for determining the price for the value of the Target equity interest.

According to the Asset Valuation Report of Shenzhen Jungneng Inc., of the Valuation Benchmark, the net value of Shenzhen Jungneng Inc. was RMB 2,681,000,000, and the fair value of net assets corresponding to its 84.68% equity interest was RMB 2,270,270,800. According to the Asset Valuation Report of Jungneng International, of the Valuation Benchmark, the net value of Jungneng International was

R 8,640,802,900 net par value of net assets corresponding to a 20% quantity of interest with R 1,728,160,600. The difference between net assets value among the Target quantity of Interest R 542,110,200, net difference in market value component to increase.

The parties confirm that the final price of the Target quantity of Interest shall be determined on the basis of the final bid with the component of the net assets to the amount of top priority in the pricing program on the difference of the final price of the Target quantity of Interest.

The parties agree that the corresponding right net interest of the Target quantity of Interest will

3) If a party receives a representation, warrant or other thing in writing from the Transfer Agreement, if a contract is not formed within 30 days after the date on which the offering party receives written notice of the offering party to take immediate action in the relevant circumstances, the offering party shall have the right to terminate the offering Transfer Agreement, and claim against the offering party for a contract.

4) If the agreement fails to take effect or the offer fails to perform in accordance with the regulation, the regulator or the full or partial department of the party or the next in line component department to the original approval of the agreement, it shall not be considered a contract between the parties.

Validity of the Agreement

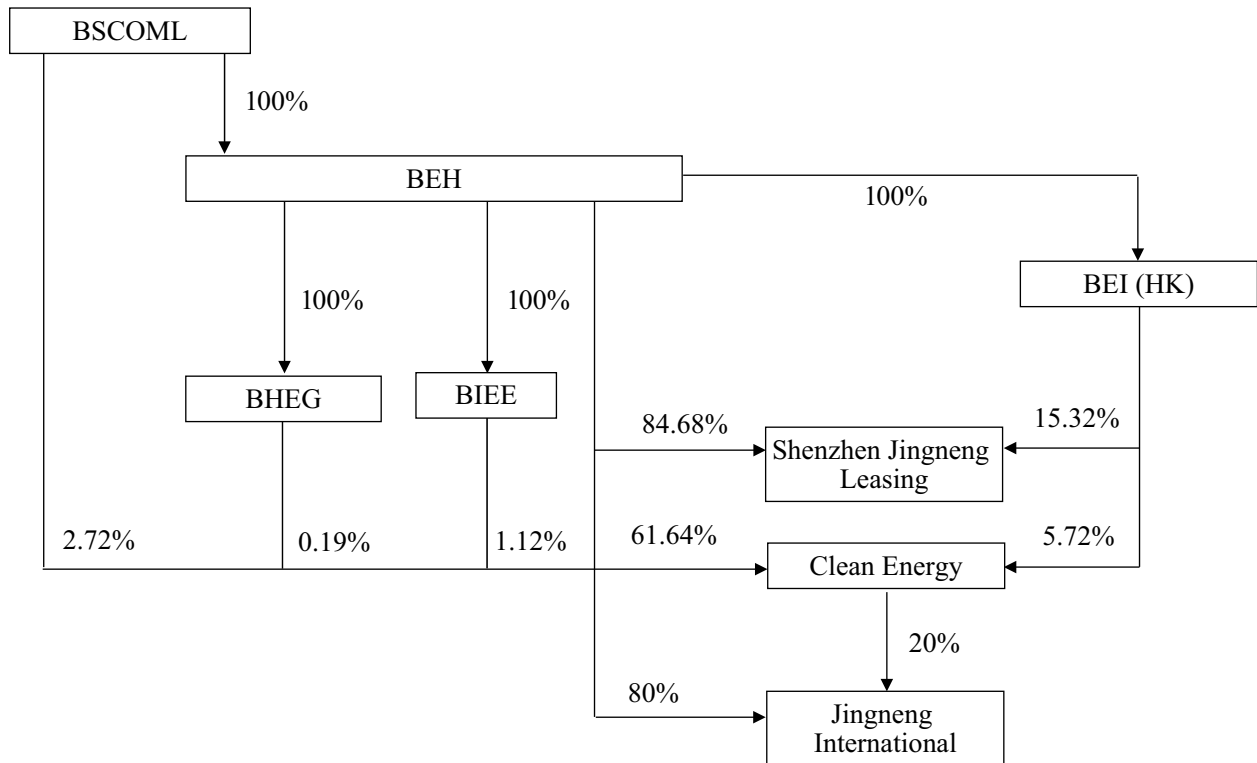
The offering Transfer Agreement shall be valid from the date of signing by the parties, and shall be fully effective when all of the following conditions are met:

1) The parties to the offering Transfer Agreement obtain necessary approval from the competent authority for the transaction;

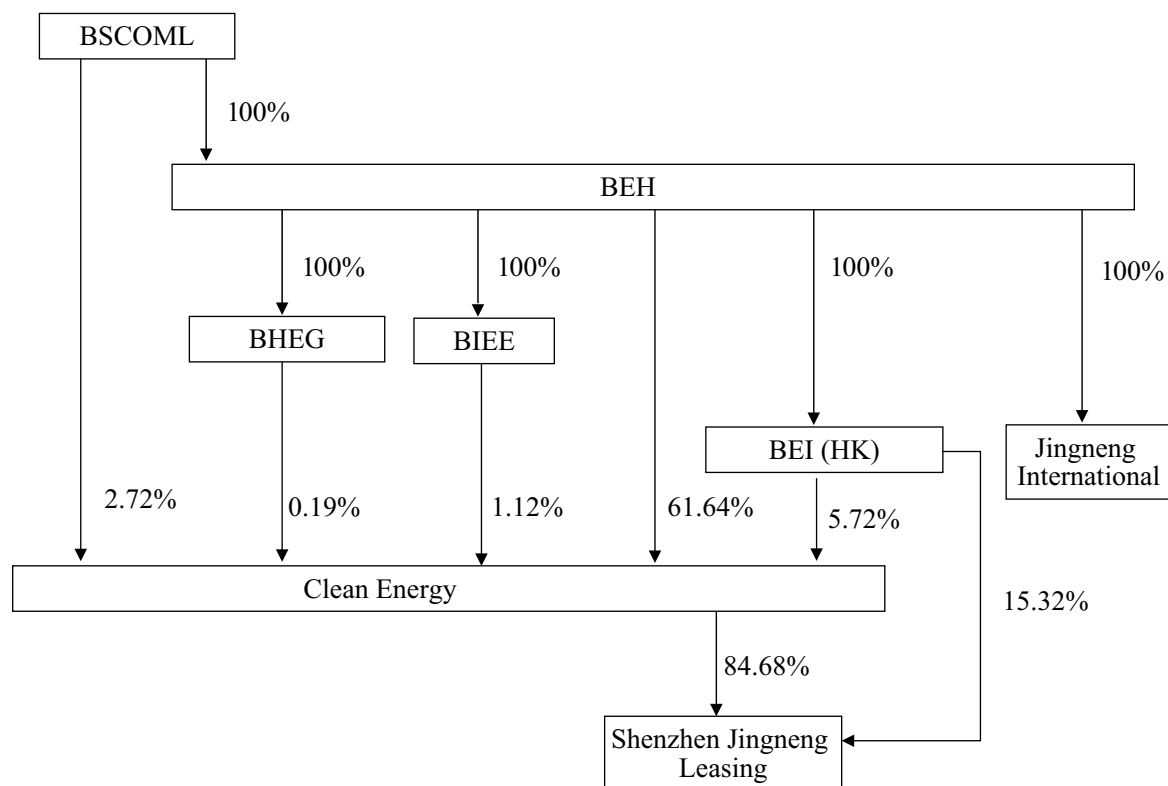
2) The Agreement or the offer agreement comes into effect.

4. Shareholding Structure before and after the Transactions

As at the end of the reporting period, the shareholding structure was as follows:



Immediately following the completion of the Transaction, the following structure follows:



The structure is subject to change without notice. The structure is subject to change without notice.

5. Information of the Parties

The company is a large-scale power provider in China, including wind power, photovoltaic power, and other power sources. The company has a large portfolio of power projects, including wind power, photovoltaic power, and other power projects.

The principal business of the company is the production and supply of electricity. The company is engaged in the production and supply of electricity.

Jingneng International is a subsidiary of the company. Jingneng International is a subsidiary of the company.

The following financial information of Jingneng International is provided in accordance with the IFRS Accounting Standards for consolidated financial statements.

	As of 31 December 2020	As of 31 December 2021
Total assets	80,523,618,485.08	81,978,270,694.37
Total owners' equity (or partners' equity)	31,110,865,386.90	25,851,189,584.15

	For the year ended 31 December 2020	For the year ended 31 December 2021
Operating income	20,097,478,839.34	22,236,992,401.29
Total profit	1,868,597,549.55	-3,853,626,563.55
Net profit	1,761,975,134.87	-3,870,368,177.18

Shin Jungnong Insurance Co., Ltd. is a wholly-owned subsidiary of Shin Jungnong Insurance Co., Ltd. providing financial services in connection with the public members of Shin Jungnong Insurance Co., Ltd.

The following is a summary of the financial information of Shin Jungnong Insurance Co., Ltd. prepared in accordance with the IFRS Accounting Standards for the interim period.

	As of 31 December 2020	As of 31 December 2021
Total assets	3,370,892,171.71	4,003,319,933.22
Total owners' equity (or partners' equity)	1,264,363,709.61	1,321,441,999.81

	For the year ended 31 December 2020	For the year ended 31 December 2021
Operating income	129,166,083.94	157,705,422.05
Total profit	82,478,673.15	76,133,519.12
Net profit	61,857,210.96	57,078,290.20

The initial cost of the acquisition of 84.68% equity interest in Shin Jungnong Insurance Co., Ltd. was KRW 2,009,077,194.86.

6. Financial Effect of the Transactions

As at 31 Dec 2022, the net book value of the 20% equity interest in Jungnng International was R 1,690,657,000. The company will recognize the gain on transfer of the 20% equity interest in Jungnng International in the consolidated income statement of the parent of completion of the disposal of Jungnng International.

The company expects to recognize an increase of approximately R 37,503,000 in the owner's equity in the consolidated income statement of the Group upon completion of the Transaction. As the Transaction is a non-reciprocal transaction, no proceeds will be generated from the disposal. In addition, the company does not expect that the Transaction will have a material impact on the consolidated financial position of the Group.

7. Reasons for and Benefits of the Transactions

Upon completion of the Transaction, the company will no longer own or have an interest in Jungnng International. Since Jungnng International will continue to be controlled by the company, the Transaction will help the company to further focus on its core business. At the same time, the Transaction will facilitate the company's implementation of its financial strategy in providing long-term capital support for the company's development in the core business sector.

In the financial statement, the Transaction will have a positive impact on the operating results of Jungnng International on the company's financial statement. Also, the Transaction will increase the company's own capital. Since Jungnng International will continue to be controlled by the company, which will further implement the company's own capital management strategy of the long-term effect of the long-term value creation, the Transaction will help the company to reduce financing costs. At the same time, since Jungnng International is a good profit unit, the company expects to further increase its share of income in the future, which will effectively increase the profit and the development of the company.

The order of the Transaction will not result in any abnormal relationship between the company and the related parties.

8. Listing Rules Implications

As a result of the transaction, the company's shareholding structure will be 68.68% of the company's shareholding structure, which is still the controlling interest of the company. Jungnng International is still the controlling interest of the company. According to the Transaction, the company will continue to be the controlling interest of the company under paragraph 14A of the Listing Rules.

According to the public percentage of the Transaction is over 5% and less than 25%, the Transaction is subject to the reporting, disclosure and other provisions of Article 14A of the Listing Rules.

According to the Annual Report of Sun Jungneng, the consolidated flow of net income process was applied in preparing the value of the total shareholder's equity of Sun Jungneng, which constitutes the profit for the year RMB 14.61 of the Listing Rules. Furthermore, in relation to the information required under Rule 14.60A of the Listing Rules will meet the company within 15 days after publication of the annual financial statements with Rule 14.60A and Rule 14.62 of the Listing Rules.

The board will propose the Transaction. Arranging the position in Jungneng International, the founding shareholder. Ren Jiguo position in Sun Jungneng position in Sun Jungneng of the company, the value of the company from voting on the board resolution approving the Transaction. Shareholders, none of the director, management or the Transaction.

The independent director comprising Mr. Wang Xiang, Mr. Yan Yuting, Mr. Xiangping and Mr. Jialing independent non-executive director) are invited to vote on the Transaction. The company proposes to engage Greenhill as the independent financial adviser to the independent director on the Transaction.

9. Circular

A general meeting of the company will convene for the shareholder to convene, if to get the proposed Transaction. A circular containing, among other things, further details of the Transaction, together with notice of the general meeting, is expected to be sent to the shareholder of the company on or before 31 March 2022.

As the Transactions are subject to the satisfaction of the conditions precedent set out in the agreements, the Transactions may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

10. Definitions

In the annexement, the following expression shall have the following meaning, unless the context otherwise requires:

“Agreement” shall mean the Agreement in respect of the Joint Venture Company, a Joint Venture Company, incorporated in the Philippines, on 10 August 2022, pursuant to which the Applicant has acquired 84.68% of the equity interest in the Joint Venture Company, and the Company shall contribute 15% of the form of 20% of the equity interest in the Joint Venture Company.

“Attorney-in-Fact of the Joint Venture Company” shall mean the person designated as the Attorney-in-Fact of the Joint Venture Company in the Unit Agreement dated 14 April 2022.

“Attorney-in-Fact of the Applicant” shall mean the person designated as the Attorney-in-Fact of the Applicant in the Unit Agreement dated 12 April 2022.

“Applicant” shall mean the person designated as the Applicant in the Unit Agreement, a limited liability company incorporated in the Philippines, the controlling shareholder of the Company. At the time of the annexment, the Applicant controlled 68.68% of the shares of the Company.

“Investment (Company)” shall mean the investment (Company) of the Applicant, a limited liability company incorporated in the Philippines with limited liability, wholly-owned and controlled by the Applicant.

“Group” shall mean the Applicant, a limited liability company incorporated in the Philippines, wholly-owned and controlled by the Applicant.

“JV” shall mean the Joint Venture Company, a limited liability company incorporated in the Philippines, wholly-owned and controlled by the Applicant.

“Director” shall mean the director of the Company.

" S
...ing t t -own - pit l p r tion n n g m nt
... unit -) : A t t t - t
of t l nno nc m nt, t controlling r ol r of t
omp n , w w oll -own - S , w ic w
t l - n w oll -own - t t t -own - A t
S p rvl ion n A -minl tr tion omml ion of t , opl '
Gov rnm nt of yng mcu lit

" in / if Appr L r
... in / if Appr L r o., t.
q lift in p n nt vl r in t R . in
/ if Appr L r L - n t vl tion r port on S n n
Jngn ng yng on 12 April 2022

" in Unit - Appr L l
... in Unit - A t Appr L l Gro p o., t.
q lift in p n nt vl r in t R .
in Unit - Appr L l L - n t vl tion r port on
Jngn ng Int rn tion l on 14 April 2022

" lo yng
t clo yng of w p of Trg t q ut Int r t of n t
omp n n r t Tr n ct ion

" lo yng t
t t on w ic t p r t l ct ll cq ur - t
corr pon yng int r t in ccor nc w t t t rm of t
A orption n rg r Agr m nt n t q ut Tr n fr
Agr m nt. t p r t l gr t t t ff ctly t of t
A orption n rg r Agr m nt n t q ut Tr n fr
Agr m nt ll t t of clo yng n r t A orption
n rg r Agr m nt n t q ut Tr n fr Agr m nt.
n t lo yng t , will ct ll cq ur 100% of t
q ut int r t in Jngn ng Int rn tion l n o t in t r g t
to r q t t omp n to p t iff r nc in vl mong
t Trg t q ut Int r t in c to n t omp n
will ct ll cq ur 84.68% of t q ut int r t in
S n n Jngn ng yng

" omp n or " l n
n rg
yng Jngn ng l n n rg o., unit -
) , joint stock comp n incorpor t -
in t R w t l unit - l ut , t S r of w ic r
l t - on Long Long stock xc ng

" ur ctor)
ur ctor) of t omp n

“q u i t T r a n s f e r A g r e e m e n t” t h e q u i t T r a n s f e r A g r e e m e n t i n r e s p e c t o f S e n s e n J u n g n g / i n c l u d e d i n g o., t. n t r _ i n t o t w o n t o m p n _ n _ o n 10 2022, n _ n n x _ t o t A c q u i s i t i o n n _ r g r A g r e e m e n t, p r i n t t o w i c e g r _ t o t r a n s f e r 84.68% q u i t i n t r t i n S e n s e n J u n g n g i n g n _ u t i n t r t, n f i t n _ l l r i g t r l t _ t o c e q u i t i n t r t i n c c o r _ n e w i l l w t o t o m p n , n _ t o m p n g r _ t o p t c o n t r i t i o n t r o f i n f o r m o f 20% o f t h e q u i t i n t r t i n J u n g n g I n t r n t i o n l, n _ t o m p n _ l l m k p t _ d i f f r e n c i n c _ t o

“G r o u p” t h e o m p n _ n _ u t _ l l r l

“L o n g K o n g” t h e L o n g K o n g S p e c i a l A _ m i n i s t r a t i v e R e g i o n o f t h e R

“L o n g K o n g S t o c k e x c h a n g e” T h e S t o c k e x c h a n g e o f L o n g K o n g i n t _

“I n _ p n _ n t o r _ o m m i t t e e” n i n _ p n _ n t o r _ c o m m i t t e e t h e o m p n , c o m p r i n g r . L i n g X i n g , r . Y u n T u n g , r . X u n g n _ o J l _ l l i n g t h e i n _ p n _ n t n o n _ x e t i v e d i r e c t o r), t o _ v l _ t i n _ p n _ n t _ r _ o l _ r o n t h e T r a n s a c t i o n

“I n _ p n _ n t / i n c l u d e d A _ v l _ r o r “G r a m _ p u t l i” G r a m _ p u t l i i n t _ , l i c e n s e c o r p o r a t i o n t o c r e a t e T p 6 _ v l _ i n g o n c o r p o r a t i o n f u n c t i o n r e g l t _ c t i v e _ f u n _ n _ r t _ S . T h e o m p n p r o p o s e t o n g g G r a m _ p u t l i t h e i n _ p n _ n t f i n a n c i a l _ v l _ r t o _ v l _ t i n _ p n _ n t o r _ o m m i t t e e n _ t i n _ p n _ n t _ r _ o l _ r o n t h e T r a n s a c t i o n

“J u n g n g I n t r n t i o n l” i n g J u n g n g I n t r n t i o n l l o w r o., t.) , l i m i t _ l i _ u t _ c o m p n i n c o r p o r a t _ i n t h e R n _ l l r o f A A t t _ t o f t h e n n o n e m e n t, J u n g n g I n t r n t i o n l w _ l t o 80% n _ t o 20% t h e o m p n

“L i t t i n g R l” t h e R l G o v e r n i n g t h e L i t t i n g o f S c r i p t o n T h e S t o c k e x c h a n g e o f L o n g K o n g i n t _

“ rg r

t... orption... n... m... rg r of Jungn ng Int rn tion l...
w... r f r to t... w... p of 84.68% q u t int r t... L...
in S... n... n Jungn ng... ing for 20% q u t int r t...
L... t... omp n in Jungn ng Int rn tion l, for w... ic... t...
omp n... ll p... in c... t... xc... of t... con l... r... tion for
84.68% of t... q u t int r t... L... in S... n... n
Jungn ng... ing ov r t... con l... r... tion for 20% of t... q u t
int r t... L... t... omp n in Jungn ng Int rn tion l. Upon
t... compl tion of t... rg r, ... will contin... to... l... t...
n... Jungn ng Int rn tion l will... r... g... t... r... in... ccor... nc...
wit t...

“Working ()

t R t t tor working () ot r t n S t r , S n
n t t tor ol

“%

p r c n t

or r of t o r

Beijing Jingneng Clean Energy Co., Limited

KANG Jian

t G r g r d m x t r

ing, t R

10 2022

t th d t f th m t, th x tv dr tr f th m r rzh g
g g, rzh , rzh G m g d rzh h g th x tv
dr tr f th m r rzh g , rzh gzh g d rzh g g th
d d t x tv dr tr f th m r rzh gzh g, rzh h
g, rzh g d zh y z