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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

DISCLOSEABLE TRANSACTION
(1) ACQUISITIONS OF THE ENTIRE EQUITY INTERESTS IN THE TARGET COMPANIES; AND
(2) THE DEBT SETTLEMENT AGREEMENTS

THE EQUITY TRANSFER AGREEMENTS

On 18 April 2018, the Vendor and the Purchaser entered into the Equity Transfer Agreements, pursuant to which the Purchaser agreed to acquire, and the Vendor agreed to dispose of, the entire equity interests in the Target Companies.

Upon completion of the Equity Transfers, the Target Companies will become wholly-owned subsidiaries of the Company and their financial results will be consolidated into the financial results of the Group.

THE DEBT SETTLEMENT AGREEMENTS

In connection with the Equity Transfer Agreements, on 18 April 2018, the Purchaser, the Vendor and the Target Companies entered into the Debt Settlement Agreements, pursuant to which the parties agreed to the terms relating to the settlement arrangements of the liabilities of the Target Companies in relation to the Projects.

IMPLICATION UNDER THE LISTING RULES

As one of the applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the Transactions is more than 5% and all of such ratios are below 25%, the Transactions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE EQUITY TRANSFER AGREEMENTS

On 18 April 2018, the Vendor and the Purchaser entered into the Equity Transfer Agreements, pursuant to which the Purchaser agreed to acquire, and the Vendor agreed to dispose of, the entire equity interests in the Target Companies.

The material terms of the Equity Transfer Agreements are set forth below:

	<u>XSHN Equity Transfer Agreement</u>	<u>XSYN Equity Transfer Agreement</u>
Date:	18 April 2018	18 April 2018
Parties:	(i) Vendor as vendor; and (ii) Purchaser as purchaser	(i) Vendor as vendor; and (ii) Purchaser as purchaser
Subject matters:	Entire equity interest in XSHN	Entire equity interest in XSYN

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendor and its ultimate beneficial owner(s) are independent of the Company and its connected persons.

Consideration

The considerations payable by the Purchaser under the XSHN Equity Transfer Agreement and the XSYN Equity Transfer Agreement are RMB378,874,812 (the "**XSHN Consideration**") and RMB78,804,286 (the "**XSYN Consideration**") respectively, which shall be satisfied in accordance with the respective Debt Settlement Agreements as detailed in the section headed "THE DEBT SETTLEMENT AGREEMENTS" below.

The XSHN Consideration and the XSYN Consideration were determined after arm's length negotiations between the Purchaser and the Vendor with reference to, among others, the net asset values of the Target Companies and the business prospects of the Projects. The considerations will be financed by internal resources and/or bank borrowings of the Group.

Completion of the Equity Transfers

Pursuant to the terms of the Equity Transfer Agreements, the Vendor shall complete the change of business registration necessary for the completion of the Equity Transfers and obtain new business licences of the Target Companies reflecting the Equity Transfers within fifteen business days from the date of the Equity Transfer Agreements.

Upon completion of the Equity Transfers, the Target Companies will become wholly-owned subsidiaries of the Company and their financial results will be consolidated into the financial results of the Group.

THE DEBT SETTLEMENT AGREEMENTS

In connection with the Equity Transfer Agreements, on 18 April 2018, the Purchaser, the Vendor and the Target Companies entered into the Debt Settlement Agreements, pursuant to which the parties agreed to the terms relating to the settlement arrangements of the liabilities of the Target Companies in relation to the Projects.

The material terms of the Debt Settlement Agreements are as follows:

(A) XSHN Debt Settlement Agreement

Date

18 April 2018

Parties

- (1) the Purchaser;
- (2) the Vendor; and
- (3) XSHN.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendor and XSHN and their ultimate beneficial owner(s) are independent of the Company and its connected persons.

Material Terms

Pursuant to the XSHN Debt Settlement Agreement, the parties acknowledged that the XSHN Debt amounted to RMB720,807,568 and the Purchaser shall repay the XSHN Debt for and on behalf of XSHN. Any additional liabilities of XSHN as at 31 March 2018 shall be payable by the Vendor and the Vendor shall compensate the Purchaser for any loss that the Purchaser may suffer as a result of such additional liabilities of XSHN.

When the Purchaser has paid for and on behalf of XSHN or XSHN has paid for the funds to the Vendor and/or all creditors and/or their designated payees in the manner prescribed under the XSHN Debt Settlement Agreement, the Purchaser is deemed to have paid the XSHN Consideration and the equivalent amount of the XSHN Debt for and on behalf of XSHN.

Pursuant to the XSHN Debt Settlement Agreement, the XSHN Consideration of RMB378,874,812 and the XSHN Debt of RMB720,807,568 amounted to RMB1,099,682,380 in aggregate, which shall be satisfied by the Purchaser and/or XSHN in eight instalments as follows:

First instalment

Within three business days from the date of the XSHN Debt Settlement Agreement, an amount of RMB90,000,000 (the “**XSHN Escrow Account Payment**”) shall be payable by the Purchaser depositing into an escrow account (the “**XSHN Escrow Account**”) jointly set up by the Purchaser and the Vendor in the name of the Purchaser. The Purchaser shall procure the XSHN Escrow Account Payment to be released from the XSHN Escrow Account and paid to the bank account designated by the Vendor within two business days after, among others, (1) the completion of the change of business registration necessary for the XSHN Equity Transfer and obtain a new business licence; and (2) the handover of the company seal and official chops of XSHN to the Purchaser.

Second and third instalments

The Purchaser shall settle the second instalment in an amount of RMB150,000,000 before 25 May 2018 to the Vendor.

The third instalment in an aggregate amount of RMB470,931,457 shall be settled by the Purchaser to the Vendor by two tranches, of which, the first tranche in an amount of RMB200,000,000 shall be settled on or before 28 June 2018 and the second tranche in an amount of RMB270,931,457 shall be settled on or before 18 July 2018.

Fourth instalment

The Vendor shall, among others, (1) provide to the Purchaser information of XSHN including but not limited to the statutory, operational and financial information; (2) complete the handover of the board of directors of XSHN to the Purchaser; and (3) complete the appointment of the Purchaser's personnel as the supervisor and general manager of XSHN. Within five business days upon completion of the above, the Purchaser shall settle an amount of RMB51,023,543 to the Vendor.

Fifth instalment

The Vendor shall complete each of the rectification works of the XSHN Project stipulated in the XSHN Debt Settlement Agreement by 30 September 2018. An amount of RMB8,200,000 shall be settled by the Purchaser to the Vendor according to the completion progress of the rectification works.

Sixth instalment

The sixth instalment in the amount of RMB4,496,442 represents miscellaneous construction and operation-related liabilities of the XSHN Project, which shall be settled by XSHN to the corresponding creditors in accordance with the repayment terms stipulated in the agreements entered into between XSHN and these creditors prior to the XSHN Equity Transfer.

Seventh instalment

The seventh instalment in the amount of RMB84,500,000 is the quality assurance fund. The quality assurance period of one year commences from the date of completion of the handover of XSHN between the Purchaser and the Vendor.

The Purchaser shall settle the first tranche of the quality assurance fund of RMB42,250,000 to the Vendor within two business days after the Purchaser verifies the bank letter of guarantee in an amount of RMB42,250,000 to be provided by the Vendor in favour of the Purchaser covering the term of the quality assurance period. The second tranche of the quality assurance fund in an amount of RMB42,250,000 shall be payable (along returning the bank letter of guarantee) by the Purchaser to the Vendor within five business days after (1) the end of the quality assurance period; and (2) the completion of the examination of the XSHN Project by the Purchaser in accordance with the terms specified in the XSHN Debt Settlement Agreement.

During the quality assurance period, the problems identified in the course of examination of the XSHN Project shall be rectified by the Vendor within the prescribed period. The Purchaser may deduct any loss arising from the rectification failure of the Vendor from the bank letter of guarantee or the quality assurance fund.

Eighth instalment

The eighth instalment in the amount of not more than RMB240,530,938 shall be payable by XSHN on behalf of the Purchaser to the Vendor within fifteen business days after XSHN receives the renewable energy subsidy as at 31 December 2017 in whole or in part. The actual amount payable to the Vendor will depend on the actual sum of subsidy to be received by XSHN after deducting relevant taxes. If the relevant government authority pays the subsidy by tranches, the eighth instalment amount shall also be paid by tranches within the period as prescribed above.

(B) XSYN Debt Settlement Agreement

Date

18 April 2018

Parties

- (1) the Purchaser;
- (2) the Vendor; and
- (3) XSYN.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendor and XSYN and their ultimate beneficial owner(s) are independent of the Company and its connected persons.

Material Terms

Pursuant to the XSYN Debt Settlement Agreement, the parties acknowledged that the XSYN Debt amounted to RMB172,248,319 and the Purchaser shall repay the XSYN Debt for and on behalf of XSYN. Any additional liabilities of XSYN as at 31 March 2018 shall be payable by the Vendor and the Vendor shall compensate the Purchaser for any loss that the Purchaser may suffer as a result of such additional liabilities of XSYN.

When the Purchaser has paid for and on behalf of XSYN or XSYN has paid for the funds to the Vendor and/or all creditors and/or their designated payees in the manner prescribed under the XSYN Debt Settlement Agreement, the Purchaser is deemed to have paid the XSYN Consideration and the equivalent amount of the XSYN Debt for and on behalf of XSYN.

Pursuant to the XSYN Debt Settlement Agreement, the XSYN Consideration of RMB78,804,286 and the XSYN Debt of RMB172,248,319 amounted to RMB251,052,605 in aggregate, which shall be satisfied by the Purchaser and/or XSYN in eight instalments as follows:

First instalment

Within three business days from the date of the XSYN Debt Settlement Agreement, an amount of RMB8,000,000 (the “**XSYN Escrow Account Payment**”) shall be payable by the Purchaser depositing into an escrow account (the “**XSYN Escrow Account**”) jointly set up by the Purchaser and the Vendor in the name of the Purchaser. The Purchaser shall procure the XSYN Escrow Account Payment to be released from the XSYN Escrow Account and paid to the bank account designated by the Vendor within two business days after, among others, (1) the completion of the change of business registration necessary for the XSYN Equity Transfer and obtain a new business licence; and (2) the handover of the company seal and official chops of XSYN to the Purchaser.

Second and third instalments

The Purchaser shall settle the second instalment in an amount of RMB50,000,000 and the third instalment in an amount of RMB100,680,775 to the Vendor before 25 May 2018 and 29 June 2018 respectively.

Fourth instalment

The Vendor shall, among others, (1) provide to the Purchaser information of XSYN including but not limited to the statutory, operational and financial information; (2) complete the handover of the board of directors of XSYN to the Purchaser; and (3) complete the appointment of the Purchaser’s personnel as the supervisor and general manager of XSYN. Within five business days upon completion of the above, the Purchaser shall settle an amount of RMB10,547,141 to the Vendor.

Fifth instalment

The Vendor shall complete each of the rectification works of the XSYN Project stipulated in the XSYN Debt Settlement Agreement by 30 September 2018. An amount of RMB10,100,000 shall be settled by the Purchaser to the Vendor according to the completion progress of the rectification works.

Sixth instalment

The sixth instalment in the amount of RMB2,755,281 represents miscellaneous construction and operation-related liabilities of the XSYN Project, which shall be settled by XSYN to the corresponding creditors in accordance with the repayment terms stipulated in the agreements entered into between XSYN and these creditors prior to the XSYN Equity Transfer.

Seventh instalment

The seventh instalment in the amount of RMB19,960,000 is the quality assurance fund. The quality assurance period of one year commences from the date of completion of the handover of XSYN between the Purchaser and the Vendor.

The Purchaser shall settle the first tranche of the quality assurance fund of RMB9,980,000 to the Vendor within two business days after the Purchaser verifies the bank letter of guarantee in an amount of RMB9,980,000 to be provided by the Vendor in favour of the Purchaser covering the term of the quality assurance period. The second tranche of the quality assurance fund in an amount of RMB9,980,000 shall be payable (along returning the bank letter of guarantee) by the Purchaser to the Vendor within five business days after (1) the end of the quality assurance period; and (2) the completion of the examination of the XSYN Project by the Purchaser in accordance with the terms specified in the XSYN Debt Settlement Agreement.

During the quality assurance period, the problems identified in the course of examination of the XSYN Project shall be rectified by the Vendor within the prescribed period. The Purchaser may deduct any loss arising from the rectification failure of the Vendor from the bank letter of guarantee or the quality assurance fund.

Eighth instalment

The eighth instalment in the amount of not more than RMB49,009,408 shall be payable by XSYN on behalf of the Purchaser to the Vendor within fifteen business days after XSYN receives the renewable energy subsidy as at 31 December 2017 in whole or in part. The actual amount payable to the Vendor will depend on the actual sum of subsidy to be received by XSYN after deducting relevant taxes. If the relevant government authority pays the subsidy by tranches, the eighth instalment amount shall also be paid by tranches within the period as prescribed above.

INFORMATION OF THE GROUP, THE COMPANY AND THE PURCHASER

The principal activity of the Company is investment holding. The Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses, wind power businesses and clean heat supply businesses in the PRC.

The Purchaser is an indirect wholly-owned subsidiary of the Company and is principally engaged in the provision of consultancy services in relation to photovoltaic power business.

INFORMATION OF THE VENDOR

The Vendor is a company established in the PRC with limited liability and is principally engaged in the investment, development, construction, operation and management photovoltaic power business and photovoltaic power-related equipment.

INFORMATION OF THE TARGET COMPANIES

The Target Companies are established in the PRC with limited liability and are wholly-owned by the Vendor as at the date of this announcement. They are principally engaged in the investment, development and operation of photovoltaic power plants.

Based on the unaudited financial information provided by the Target Companies, as at 31 March 2018, the total and net asset values of XSHN are approximately RMB1,123 million and approximately RMB446 million respectively, and the total and net asset values of XSYN are approximately RMB239 million and approximately RMB85 million respectively.

The table below sets forth the unaudited net profits before and after taxation of the Target Companies for the two financial years ended 31 December 2017 based on the unaudited financial information provided by the Target Companies:

	For the financial year ended 31 December 2017 (RMB)	For the financial year ended 31 December 2016 (RMB)
XSHN:		
Profit before taxation	15,878,182	346,745
Profit after taxation	14,491,792	346,745
XSYN:		
Profit/(Loss) before taxation	3,801,893	(4,106,280)
Profit/(Loss) before taxation	3,515,173	(4,106,280)

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The terms of the Equity Transfer Agreements and the Debt Settlement Agreements were determined after arm's length negotiations between or among the Purchaser and the Vendor. The Transactions provide the Company with an opportunity to acquire the rights and interests in the Projects, which are located in Jiangsu Province, the PRC, a location considered by the Company to be favourable for the development of its photovoltaic power business.

Furthermore, the Debt Settlement Agreements would clarify the positions of the relevant parties with respect to their respective rights and obligations arising from and in connection with the Projects.

In view of the above, the Directors consider that the terms of the Equity Transfer Agreements and the Debt Settlement Agreements and the Transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATION UNDER THE LISTING RULES

As one of the applicable ratios set out in Rule 14.07 of the Listing Rules in respect of the Transactions is more than 5% and all of such ratios are below 25%, the Transactions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Beijing Enterprises Clean Energy Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Debt Settlement Agreements”	the XSHN Debt Settlement Agreement and XSYN Debt Settlement Agreement
“Director(s)”	the director(s) of the Company
“Equity Transfers”	the XSHN Equity Transfer and the XSYN Equity Transfer
“Equity Transfer Agreements”	the XSHN Equity Transfer Agreement and XSYN Equity Transfer Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatts, which is equal to 1,000,000 watts
“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Projects”	the XSHN Project and the XSYN Project
“Purchaser”	天津富歡企業管理諮詢有限公司 (Tianjin Clean Energy Investment Company Limited*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	XSHN and XSYN
“Transactions”	the transactions contemplated under the Equity Transfer Agreements and the Debt Settlement Agreements
“Vendor”	江蘇天合太陽能電力開發有限公司 (Jiangsu Trina Photovoltaic Power Development Co. Ltd.*), a company established in the PRC with limited liability and owns the entire equity interests in the Target Companies as at the date of this announcement
“XSHN”	響水恆能太陽能發電有限公司 (Xiangshui Hengneng Photovoltaic Power Co. Ltd.*), a company established in the PRC with limited liability which invests, develops and operates the XSHN Project
“XSHN Debt”	the debt of XSHN in the sum of RMB720,807,568, being the amount of liabilities of XSHN arising from the XSHN Project as at 31 March 2018

“XSHN Debt Settlement Agreement”	the debt assumption and settlement agreement dated 18 April 2018 entered into among the Purchaser, the Vendor and XSHN in respect of the settlement arrangements of the liabilities of XSHN in relation to the XSHN Project
“XSHN Equity Transfer”	the acquisition of the entire equity interest in XSHN by the Purchaser from the Vendor in accordance with the terms of the XSHN Equity Transfer Agreement
“XSHN Equity Transfer Agreement”	the equity transfer agreement dated 18 April 2018 entered into among the Vendor and the Purchaser in respect of the XSHN Equity Transfer
“XSHN Project”	a 100MW photovoltaic power plant in 鹽城市 (Yancheng City*), Jiangsu Province, the PRC
“XSYN”	響水永能太陽能發電有限公司 (Xiangshui Yongneng Photovoltaic Power Co. Ltd.*), a company established in the PRC with limited liability which invests, develops and operates the XSYN Project
“XSYN Debt”	the debt of XSYN in the sum of RMB172,248,319, being the amount of liabilities of XSYN arising from the XSYN Project as at 31 March 2018
“XSYN Debt Settlement Agreement”	the debt assumption and settlement agreement dated 18 April 2018 entered into among the Purchaser, the Vendor and XSYN in respect of the settlement arrangements of the liabilities of XSYN in relation to the XSYN Project
“XSYN Equity Transfer”	the acquisition of the entire equity interest in XSYN by the Purchaser from the Vendor in accordance with the terms of the XSYN Equity Transfer Agreement

“XSYN Equity Transfer Agreement”	the equity transfer agreement dated 18 April 2018 entered into among the Vendor and the Purchaser in respect of the XSYN Equity Transfer
“XSYN Project”	a 20MW photovoltaic power plant in 鹽城市 (Yancheng City*), Jiangsu Province, the PRC
“%”	per cent

By Order of the Board
Beijing Enterprises Clean Energy Group Limited
Hu Xiaoyong
Chairman

Hong Kong, 18 April 2018

As at the date of this announcement, the Board comprises eight Directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Huang Weihua, Mr. Wang Ye and Mr. Wen Hui as executive Directors; and Mr. Li Fujun, Mr. Xu Honghua and Mr. Chiu Kung Chik as independent non-executive Directors.

** for identification purposes only*