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## **BOER POWER HOLDINGS LIMITED**

### **博耳電力控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1685)**

## **CONTINUING CONNECTED TRANSACTION RENEWED PURCHASE FRAMEWORK AGREEMENT**

### **BACKGROUND INFORMATION**

Reference is made to the announcement of the Company dated 6 August 2020 in respect of the continuing connected transactions in relation to the purchases of the Products by Temper Energy from Boer Smart from 6 August 2020 to 31 December 2022.

### **RENEWED PURCHASE FRAMEWORK AGREEMENT**

On 1 December 2022, Temper Energy, a wholly-owned subsidiary of the Company, entered into the Renewed Purchase Framework Agreement with Boer Smart, pursuant to which Temper Energy may purchase the Products from Boer Smart from 1 January 2023 to 31 December 2025 in accordance with the terms and conditions of the Renewed Purchase Framework Agreement.

### **LISTING RULES IMPLICATIONS**

Boer Smart is 1.30%, 57.26%, 37.33% and 2.67% indirectly owned by Mr. Qian Yixiang, Ms. Jia Lingxia, Mr. Qian Haosheng and Mr. Tao Linwei, respectively. Mr. Qian Yixiang is an executive Director, the chairman of the Board and the chief executive officer of the Company, one of the Controlling Shareholders of the Company and the husband of Ms. Jia Lingxia. Ms. Jia Lingxia is an executive Director, the chief operating officer of the Company, one of the Controlling Shareholders of the Company and the wife of Mr. Qian Yixiang. Mr. Qian Haosheng and Mr. Tao Linwei are close family members of Mr. Qian Yixiang and Mr. Qian Zhongming. Accordingly, Boer Smart is an associate and a connected person of the Company as defined in the Listing Rules and the Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the respective applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Renewed Purchase Framework Agreement are more than 0.1% but less than 5%, the Transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **BACKGROUND INFORMATION**

Reference is made to the announcement of the Company dated 6 August 2020 in respect of the continuing connected transactions in relation to the purchases of the Products by Temper Energy from Boer Smart from 6 August 2020 to 31 December 2022.

Temper Energy has been purchasing the Products from Boer Smart as part of the ordinary and usual course of business. As the 2020 Purchase Framework Agreement will expire on 31 December 2022, on 1 December 2022, Temper Energy entered into the Renewed Purchase Framework Agreement with Boer Smart pursuant to which Temper Energy may purchase the Products from Boer Smart from 1 January 2023 to 31 December 2025 in accordance with the terms and conditions of the Renewed Purchase Framework Agreement.

## **PRINCIPAL TERMS OF THE RENEWED PURCHASE FRAMEWORK AGREEMENT**

- Date: 1 December 2022
- Parties: (i) Temper Energy, as purchaser; and  
(ii) Boer Smart, as vendor
- Subject matter: Temper Energy may, during the period from 1 January 2023 to 31 December 2025, purchase the Products from Boer Smart. The order amount, the terms of delivery and price of the Products in each order shall be separately negotiated, entered into, and be performed under separate purchase order to be entered into between Boer Smart and Temper Energy with such requirements and specifications to be mutually agreed in writing in accordance with the terms of the Renewed Purchase Framework Agreement.
- Price: The price of the Products in each order shall be separately negotiated, entered into, and be performed under separate purchase orders to be entered into between Boer Smart and Temper Energy with such requirements and specifications to be mutually agreed in writing in accordance with the terms of the Renewed Purchase Framework Agreement.

Renewed annual caps:	<b>From 1 January 2023 to 31 December 2023</b>	<b>From 1 January 2024 to 31 December 2024</b>	<b>From 1 January 2025 to 31 December 2025</b>
	EUR1,200,000	EUR1,200,000	EUR1,200,000

The above renewed annual caps are determined by the parties taking into account of (i) the actual purchase amounts of the Products from Boer Smart from 6 August 2020 to 31 October 2022, (ii) the forecasted demand of the Products by Temper Energy in the three financial years during the term of the Renewed Purchase Framework Agreement; and (iii) the forecasted price of the Products.

Settlement: Temper Energy may make purchases of the Products on credit terms to be agreed between Boer Smart and Temper Energy.

### **GENERAL PRICING POLICY FOR THE RENEWED PURCHASE FRAMEWORK AGREEMENT**

For pricing of the Products, the price will be priced on normal commercial terms in the ordinary course of business of Temper Energy with reference to the prevailing market price of the same or similar products offered by Independent Third Parties in the vicinity areas. The Group will obtain quotes from at least two independent sellers which offer the same or similar products for comparison. The Group will, to the extent comparable, compare the prices and other service terms such as delivery policy with respect to the price of the Products offered by Boer Smart with those for similar products quoted by two Independent Third Parties in the vicinity areas.

Save as disclosed above, other terms of the Renewed Purchase Framework Agreement are materially the same as the 2020 Purchase Framework Agreement.

### **HISTORICAL TRANSACTION AMOUNTS UNDER THE 2020 PURCHASE FRAMEWORK AGREEMENT**

The historical transaction amounts Temper Energy purchased the Products from Boer Smart from 6 August 2020 to 31 October 2022 were as follows:

	<b>From 6 August 2020 to 31 December 2020</b>	<b>From 1 January 2021 to 31 December 2021</b>	<b>From 1 January 2022 to 31 October 2022</b>
Annual caps under the 2020 Purchase Framework Agreement	EUR530,000	EUR1,250,000	EUR1,250,000 <sup>(Note)</sup>
Transaction amounts under the 2020 Purchase Framework Agreement	EUR73,000	EUR965,000	EUR822,000

*Note: for the entire year ending 31 December 2022*

## **INTERNAL CONTROL MEASURES**

The finance department of the Company shall obtain and monitor the purchase orders to ensure the agreed price and terms of the Transactions are no less favourable to the Group than those available from Independent Third Parties. The finance department of the Company shall monitor and ensure that the Transactions are and will be conducted in accordance with the terms of the Renewed Purchase Framework Agreement, and the annual caps are not exceeded.

## **INFORMATION ON THE GROUP, TEMPER ENERGY AND BOER SMART AND REASONS AND BENEFITS OF ENTERING INTO OF THE RENEWED PURCHASE FRAMEWORK AGREEMENT**

The Group is principally engaged in design, manufacture and sale of electrical distribution equipment and provision of electrical distribution systems solution services.

Temper Energy is a limited liability company established in Spain and is principally engaged in the wholesale of electrical appliances and equipment in Europe, Africa, Central and South America.

Boer Smart is a limited liability company established in the PRC and is principally engaged in the provision and customisation of intelligent household equipment solutions.

Temper Energy is a well-established brand name in its industry and has developed an extensive wholesale network in Europe, Africa, Central and South America. The Products purchased from Boer Smart can diversify the product mix of Temper Energy and enhance its capability of supplying products to its customers, and such purchases of the Products would be beneficial to the development of the Group's business in Europe, Africa, Central and South America and boost the revenue of the Group.

The Directors, including the independent non-executive Directors, are of the view that the continuing connected transactions contemplated under the Renewed Purchase Framework Agreement have been conducted on normal commercial terms, were entered into in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its shareholders as a whole, and that the annual caps for the continuing connected transactions contemplated under the Renewed Purchase Framework Agreement are fair and reasonable.

## **LISTING RULES IMPLICATIONS**

Boer Smart is 1.30%, 57.26%, 37.33% and 2.67% indirectly owned by Mr. Qian Yixiang, Ms. Jia Lingxia, Mr. Qian Haosheng and Mr. Tao Linwei, respectively. Mr. Qian Yixiang is an executive Director, the chairman of the Board, the chief executive officer of the Company, one of the Controlling Shareholders of the Company and the husband of Ms. Jia Lingxia. Ms. Jia Lingxia is an executive Director, the chief operating officer of the Company, one of the Controlling Shareholders of the Company and the wife of Mr. Qian Yixiang. Mr. Qian Haosheng and Mr. Tao Linwei are close family members of Mr. Qian Yixiang and Mr. Qian Zhongming. Accordingly, Boer Smart is an associate and a connected person of the Company as defined in the Listing Rules and the Transaction constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest of the respective applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Renewed Purchase Framework Agreement are more than 0.1% but less than 5%, the Transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board has approved the Renewed Purchase Framework Agreement and the Transactions by a board resolution. Each of Mr. Qian Yixiang, Ms. Jia Lingxia and Mr. Qian Zhongming, being father of Mr. Qian Yixiang and father-in-law of Ms. Jia Lingxia, has abstained from voting on the board resolutions approving the Renewed Purchase Framework Agreement and the Transactions. Saved as disclosed above, none of the Directors has a material interest in or is required to abstain from voting on the Renewed Purchase Framework Agreement and the Transactions.

## DEFINITIONS

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

“2020 Purchase Framework Agreement”	the agreement dated 6 August 2020 entered into between Temper Energy and Boer Smart and for the sale and purchase of the Products from 6 August 2020 to 31 December 2022;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Boer Smart”	Boer Smart Technology (Wuxi) Co., Ltd.* (博耳智能科技(無錫)有限公司), a limited liability company established in the PRC on 16 October 2015, which is indirectly owned as to 1.30%, 57.26%, 37.33% and 2.67% by Mr. Qian Yixiang, Ms. Jia Lingxia, Mr. Qian Haosheng and Mr. Tao Linwei, respectively, and is therefore an associate and a connected person of the Company as defined by the Listing Rules;
“BVI”	the British Virgin Islands;
“Company”	Boer Power Holdings Limited (博耳電力控股有限公司), an exempted limited liability company incorporated in the Cayman Islands whose shares are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules and, in the context of the Company for the purposes of this announcement, means Mr. Qian Yixiang, Ms. Jia Lingxia and King Able;

“Director(s)”	the director(s) of the Company;
“EUR”	the lawful currency of 19 out of the 27 member states of the European Union;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Parties”	a person(s) or company(ies) who or which is/are independent of and not connected (within the meaning of the Listing Rules) with any of the directors, chief executive, or substantial shareholders of the Company or its subsidiaries or any of their respective associates;
“King Able”	King Able Limited (興寶有限公司), a company incorporated in BVI on 5 January 2010 and owned as to 50% by Mr. Qian Yixiang and 50% by Ms. Jia Lingxia;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Qian Yixiang”	an executive Director, the chairman of the Board, the chief executive officer of the Company, one of the Controlling Shareholders of the Company and the husband of Ms. Jia Lingxia;
“Ms. Jia Lingxia”	an executive Director, the chief operating officer of the Company, one of the Controlling Shareholders of the Company and the wife of Mr. Qian Yixiang;
“PRC”	the People’s Republic of China;
“Products”	the intelligent household equipment to be purchased under the Renewed Purchase Framework Agreement;
“Renewed Purchase Framework Agreement”	the agreement dated 1 December 2022 entered into between Temper Energy and Boer Smart and for the sale and purchase of the Products, details of which are set out in the section headed “Principal Terms of the Renewed Purchase Framework Agreement” of this announcement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Temper Energy”	Temper Energy International, S.L., a company incorporated in Spain on 28 May 2013, a wholly-owned subsidiary of the Company;
“Transactions”	the transactions contemplated under the Renewed Purchase Framework Agreement; and
“%”	per cent.

By order of the Board  
**Boer Power Holdings Limited**  
**Qian Yixiang**  
*Chairman*

Hong Kong, 1 December 2022

*As at the date hereof, the Board comprises (i) five executive Directors: Mr. Qian Yixiang, Ms. Jia Lingxia, Mr. Zha Saibin (Mr. Yu Wai Ming as his alternate), Mr. Qian Zhongming and Mr. Yu Wai Ming; and (ii) three independent non-executive Directors: Mr. Tang Jianrong, Mr. Qu Weimin and Mr. Lai Wai Leuk.*

\* *For identification purposes only*