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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)

MAJOR TRANSACTIONS

- (1) ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACT FOR THE FACILITIES RELATING TO A 2,380MW WIND FARM PROJECT LOCATED IN TONGLIAO CITY, THE PRC;**
- (2) ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACT FOR THE FACILITIES RELATING TO A 1,380MW WIND FARM PROJECT LOCATED IN HORQIN DISTRICT, TONGLIAO CITY, THE PRC;**
- (3) ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACT FOR FACILITIES RELATING TO A 1,000MW WIND FARM PROJECT LOCATED IN HORQIN LEFT REAR BANNER, TONGLIAO CITY, THE PRC; AND**
- (4) ENGINEERING, PROCUREMENT AND CONSTRUCTION CONTRACT FOR FACILITIES RELATING TO A 200MW WIND FARM PROJECT LOCATED IN HEILONGJIANG PROVINCE, THE PRC**

THE EPC CONTRACT 1, THE EPC CONTRACT 2 AND THE EPC CONTRACT 3

On 9 November 2023 (after trading hours), Minglong New Energy and Xintong Wind Power (together as the principals), both of them being subsidiaries of the Company, entered into the EPC Contract 1 with Powerchina Jiangxi (as the contractor). Pursuant to the EPC Contract 1, Powerchina Jiangxi 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 RMB1,269 million (tax inclusive).

On 9 November 2023 (after trading hours), Minglong New Energy (as the principal), a subsidiary of the Company, 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 RMB685 million (tax inclusive).

On 9 November 2023 (after trading hours), Xintong Wind Power (as the principal), a subsidiary of the Company, 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 RMB780 million (tax inclusive).

Pursuant to Rule 14.22 of the Listing Rules, the EPC Contract 1, the EPC Contract 2 and the EPC Contract 3 shall be aggregated together since all these transactions are entered into by the Group with Powerchina Jiangxi within a 12 month period. As the highest applicable percentage ratio in respect of the EPC Contract 1, EPC Contract 2 and EPC Contract 3 on an aggregated basis exceeds 25% but is less than 100%, the EPC Contract 1, EPC Contract 2 and EPC Contract 3 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.

THE EPC CONTRACT 4

On 9 November 2023 (after trading hours), Lanxi Chenghui (as the principal), a subsidiary of the Company, entered into the EPC Contract 4 with China Water Resources Beifang (as one of the contractors and the consortium leader) and Heilongjiang Longneng (as one of the contractors and the consortium member). Pursuant to the EPC Contract 4, China Water Resources Beifang and Heilongjiang Longneng will perform the Works 4 in relation to the construction of the Facility 4. The contract price of the EPC Contract 4 amounted to approximately RMB1,228 million (tax inclusive).

As the highest applicable percentage ratio in respect of the EPC Contract 4 exceeds 25% but is less than 100%, the EPC Contract 4 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.

GENERAL

The SGM will be convened by the Company to seek the Shareholders' approval of the EPC Contracts and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the EPC Contracts; (ii) the notice of SGM; and (iii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 22 December 2023 as the Company needs more time to prepare and finalize information to be included in the circular.

As the EPC Contracts may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

THE EPC CONTRACT 1

Introduction

The Board hereby announces that, on 9 November 2023 (after trading hours), Minglong New Energy and Xintong Wind Power (together as the principals), both of them being subsidiaries of the Company, entered into the EPC Contract 1 with Powerchina Jiangxi, as the contractor.

Principal terms of the EPC Contract 1

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

Date: 9 November 2023 (after trading hours)

Parties:

- (i) Minglong New Energy (as one of the principals), a subsidiary of the Company;
- (ii) Xintong Wind Power (as one of the principals), a subsidiary of the Company; and
- (iii) 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 announcement.

Subject matter:

Pursuant to the EPC Contract 1, Powerchina Jiangxi agrees to serve as the EPC contractor to provide EPC services to Minglong New Energy and Xintong Wind Power 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 capable of complying with the agreed technical standards specified in the technical agreement attached to the EPC Contract 1.

In addition, Powerchina Jiangxi shall be responsible for, among others, all permanent and temporary land acquisition, compliance procedures, revegetation, ecological management, external coordination, connection to the centralized control center of Tongliao 238 base project's for remote supervision and control over Works 1, intelligent technology project, energy storage systems, implementation of the review comments on the design proposal for the access system, and other works arising out of and in connection with the construction of the Facility 1 as set forth in the EPC Contract 1. Powerchina Jiangxi shall also guarantee the achievement of the performance standards 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 and Xintong Wind Power to Powerchina Jiangxi, and the completion of grid connection is expected to be taken place in June 2024 under the EPC Contract 1.

**Contract Price 1 and
payment method:**

The consideration of the EPC Contract 1 is approximately RMB1,269 million (tax inclusive) (“**Contract Price 1**”) which consists of equipment and materials payment, construction and installation payment, survey and design payment and other fees, the details of the payment structure are as follow:

Payments & fees	<i>approximately RMB’ million</i>
1. Equipment and materials payment	1,040
2. Construction and installation payment	199
3. Survey and design payment	7
4. Other fees	<u>23</u>
Total	<u><u>1,269</u></u>

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 Powerchina Jiangxi 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 Powerchina Jiangxi to Minglong New Energy and Xintong Wind Power.

(ii) Milestone Payment

Based on the progress of the project and the receipt of the relevant invoice(s), Minglong New Energy and Xintong Wind Power shall pay to Powerchina Jiangxi with respect to the equipment and materials payment, construction and installation payment, survey and design payment and other fees. In furtherance to the above, Minglong New Energy and Xintong Wind Power shall pay up to 95% of the equipment and materials payment, 97% of the construction and installation payment, 95% of the survey and design payment and 100% of the other fees upon the fulfilment 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 5% of the equipment and materials payment, 3% of the construction and installation payment, and 5% of the survey and design payment shall be retained by Minglong New Energy and Xintong Wind Power (the “**Quality Assurance Fund 1**”), and shall be paid to Powerchina Jiangxi upon the fulfilment of the conditions set out in the “Quality guarantee” below.

Performance guarantee:

Under the EPC Contract 1, Powerchina Jiangxi shall provide a letter of performance guarantee issued by a qualified commercial bank agreed by Minglong New Energy and Xintong Wind Power with an amount equivalent to 10% of the Contract Price 1, to guarantee the due performance by Powerchina Jiangxi of its obligations under the EPC Contract 1.

The letter of performance guarantee shall be released upon the project completion settlement.

**Advance payment
guarantee:**

Under the EPC Contract 1, 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 and Xintong Wind Power 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:

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 and Xintong Wind Power;
- (b) all agreed technical standards stated in the EPC Contract 1 have been met; and if there is any quality issue, Powerchina Jiangxi shall have already resolved the issue in accordance with the EPC Contract 1; and
- (c) before the expiration of the warranty periods under the EPC Contract 1, 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 and Xintong Wind Power.

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

Introduction

The Board hereby announces that, on 9 November 2023 (after trading hours), Minglong New Energy, a subsidiary of the Company, as the principal, entered into the EPC Contract 2 with Powerchina Jiangxi, as the contractor.

Principal terms of the EPC Contract 2

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

- Date:** 9 November 2023 (after trading hours)
- Parties:**
- (i) Minglong New Energy (as the principal), a 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 announcement.
- 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 capable of complying with the agreed technical standards specified in the technical agreement attached to the EPC Contract 2.

In addition, Powerchina Jiangxi shall be responsible for, among others, all permanent and temporary land acquisition, compliance procedures, revegetation, ecological management, external coordination, underground cable monitoring, on-line monitoring of the partial electrical discharge of underground cables, on-line monitoring of the temperature of cable terminations and connectors, implementation of the review comments on the design proposal for the access system, and other works 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 standards 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 completion of the rectification of defects and inspection and delivery are expected to be taken place by June 2024 for works relating to the compensators and December 2024 for works relating to the power transmission lines under the EPC Contract 2.

Contract Price 2 and payment method:

The consideration of the EPC Contract 2 is approximately RMB685 million (tax inclusive) (“**Contract Price 2**”) which consists of equipment and materials payment, construction and installation payment, survey and design payment and other fees, the details of the payment structure are as follow:

Payments & fees	<i>approximately RMB’ million</i>
1. Equipment and materials payment	428
2. Construction and installation payment	223
3. Survey and design payment	1
4. Other fees	33
	<hr/>
Total	<u><u>685</u></u>

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, survey and design payment and other fees. In furtherance to the above, Minglong New Energy shall pay up to 95% of the equipment and materials payment, 97% of the construction and installation payment, 95% of the survey and design payment and 100% of the other fees 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 5% of the equipment and materials payment, 3% of the construction and installation payment, and 5% of the survey and design 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.

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.

The letter of performance guarantee shall be released upon the project completion settlement.

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
- (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

Introduction

The Board hereby announces that, on 9 November 2023 (after trading hours), Xintong Wind Power, a subsidiary of the Company, as the principal, entered into the EPC Contract 3 with Powerchina Jiangxi, as the contractor.

Principal terms of the EPC Contract 3

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

Date: 9 November 2023 (after trading hours)

Parties:

- (i) Xintong Wind Power (as the principal), a 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 announcement.

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 capable of complying with the agreed technical standards specified in the technical agreement attached to the EPC Contract 3.

In addition, Powerchina Jiangxi shall be responsible for, among others, all permanent and temporary land acquisition, compliance procedures, revegetation, ecological management, external coordination, underground cable monitoring, on-line monitoring of the partial electrical discharge of underground cables, on-line monitoring of the temperature of cable terminations and connectors, implementation of the review comments on the design proposal for the access system, and other works 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 standards 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 completion of the rectification of defects and inspection and delivery are expected to be taken place by June 2024 for works relating to the compensators and December 2024 for works relating to the power transmission lines under the EPC Contract 3.

Contract Price 3 and payment method:

The consideration of the EPC Contract 3 is approximately RMB780 million (tax inclusive) (“**Contract Price 3**”) which consists of equipment and materials payment, construction and installation payment, survey and design payment and other fees, the details of the payment structure are as follow:

Payments & fees	<i>approximately RMB’ million</i>
1. Equipment and materials payment	579
2. Construction and installation payment	175
3. Survey and design payment	1
4. Other fees	<u>25</u>
Total	<u><u>780</u></u>

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, survey and design payment and other fees. In furtherance to the above, Xintong Wind Power shall pay up to 95% of the equipment and materials payment, 97% of the construction and installation payment, 95% of the survey and design payment and 100% of other fees 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 5% of the equipment and materials payment, 3% of the construction and installation payment, and 5% of the survey and design 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.

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.

The letter of performance guarantee shall be released upon the project completion settlement.

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 the 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
- (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.

THE EPC CONTRACT 4

Introduction

The Board hereby announces that, on 9 November 2023 (after trading hours), Lanxi Chenghui, a subsidiary of the Company, as the principal, entered into the EPC Contract 4 with China Water Resources Beifang and Heilongjiang Longneng, together as the contractors.

Principal terms of the EPC Contract 4

The principal terms of the EPC Contract 4 are set out as below:

Date: 9 November 2023 (after trading hours)

Parties:

- (i) Lanxi Chenghui (as the principal), a subsidiary of the Company;
- (ii) China Water Resources Beifang (as one of the contractors and the consortium leader), a third party independent of the Company and the connected persons of the Company as at the date of this announcement; and
- (iii) Heilongjiang Longneng (as one of the contractors and the consortium member), a third party independent of the Company and the connected persons of the Company as at the date of this announcement.

(China Water Resources Beifang and Heilongjiang Longneng shall be referred to as the “**Consortium**”)

Subject matter: Pursuant to the EPC Contract 4, the Consortium agrees to serve as the EPC contractors to provide EPC services to Lanxi Chenghui for the construction of Facility 4. The EPC services under Works 4 shall include the survey, design, engineering, procurement, supply, construction, installation, testing, commissioning, and hand over of the Facility 4 which is permitted to, and capable of, complying with the agreed technical standards specified in the technical agreement attached to the EPC Contract 4.

In addition, the Consortium shall be responsible for, among others, all permanent and temporary land acquisition, compliance procedures, revegetation, ecological management, external coordination, 20MW/40MWh energy storage system (to satisfy the requirements of energy storage of the relevant authorities), and other works arising out of and in connection with the construction of the Facility 4 as set forth in the EPC Contract 4. The Consortium shall also guarantee the achievement of the performance standards set forth in the EPC Contract 4.

Construction period:

The Works 4 is scheduled to commence subject to the written notice from Lanxi Chenghui to the Consortium, and the grid connection in full capacity is expected to be taken place by June 2024 under the EPC Contract 4.

Contract Price 4 and payment method:

The consideration of the EPC Contract 4 is approximately RMB1,228 million (tax inclusive) (“**Contract Price 4**”) which consists of equipment and materials payment, construction and installation payment, design and technical services payment and other fees, the details of the payment structure are as follow:

Payments & fees	<i>approximately RMB’ million</i>
1. Equipment and materials payment	541
2. Construction and installation payment	544
3. Design and technical services payment	14
4. Other fees	<u>129</u>
Total	<u><u>1,228</u></u>

The Contract Price 4 shall be settled in the following manners:

(i) Advance Payment

10% of the Contract Price 4 as advance payment (the “**Advance Payment 4**”) shall be paid to the Consortium upon the fulfillment of the following conditions, including (i) the EPC Contract 4 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 4 and is irrevocable and payable on demand); and (iii) the receiving of a receipt for Advance Payment 4 from the Consortium to Lanxi Chenghui.

(ii) Milestone Payment

Based on the progress of the project and the receipt of the relevant invoice(s), Lanxi Chenghui shall pay to the Consortium with respect to the equipment and materials payment, construction and installation payment, design and technical services payment and other fees. In furtherance to the above, Lanxi Chenghui shall pay up to 95% of the equipment and materials payment, 97% of the construction and installation payment, 95% of the design and technical services payment and 95% of the other fees upon the fulfillment of certain conditions set out under the EPC Contract 4, 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 4, the remaining 5% of the equipment and materials payment, 3% of the construction and installation payment, 5% of the design and technical services payment and 5% of the other fees shall be retained by Lanxi Chenghui (the “**Quality Assurance Fund 4**”), and shall be paid to the Consortium upon the fulfilment of the conditions set out in the “Quality guarantee” below.

Escrow account:

The Consortium shall jointly establish an escrow account for receiving payments under the EPC Contract 4, which shall be jointly managed by Lanxi Chenghui and the Consortium and subject to the terms specified in the EPC Contract 4. The usage of the fund shall be approved by Lanxi Chenghui and for the sole purpose of performing the EPC Contract 4.

Performance guarantee:

Under the EPC Contract 4, the Consortium shall provide a letter of performance guarantee issued by a qualified commercial bank agreed by Lanxi Chenghui with an amount equivalent to 10% of the Contract Price 4, to guarantee the due performance by the Consortium of its obligations under the EPC Contract 4.

The letter of performance guarantee shall be released upon the project completion settlement.

Advance payment guarantee:

Under the EPC Contract 4, together with the letter of performance guarantee, the Consortium shall provide a letter of advance payment guarantee issued by a qualified commercial bank agreed by Lanxi Chenghui with an amount equivalent to 10% of the Contract Price 4, to guarantee that the Advance Payment 4 will be used in accordance with the terms of the EPC Contract 4.

The letter of advance payment guarantee shall be released once the Advance Payment 4 is fully utilized along the progress of the project in accordance with the terms of the EPC Contract 4.

Quality guarantee:

Under the EPC Contract 4, for the release of the Quality Assurance Fund 4 after date on which the completion of Works 4 is accepted by the Group and at any time within the warranty periods, the Consortium can opt to provide a letter of quality guarantee with an amount equivalent to the Quality Assurance Fund 4, to guarantee the due performance of the obligation of the Consortium to rectify all defects within the warranty periods in accordance with the terms of the quality warranty attached to the EPC Contract 4.

The Quality Assurance Fund 4 shall be released upon the fulfilment of the following conditions:

- (a) all defects of the Works 4 have been rectified during the warranty periods, and a certificate confirming the same has been issued by Lanxi Chenghui;
- (b) all agreed technical standards stated in the EPC Contract 4 have been met; and if there is any quality issue, the Consortium shall have already resolved the issue in accordance with the EPC Contract 4; and
- (c) before the expiration of the warranty periods under the EPC Contract 4, with respect to any equipment with warranty periods exceeding one year, the Consortium shall unconditionally transfer the rights to the quality assurance obligation of the relevant suppliers of such equipment to Lanxi Chenghui.

The Group shall perform the rights and obligations under the EPC Contract 4 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 tendering selection process. In particular, the Company has considered the following factors during the selection of the contractors and the determination of the contract prices: (i) the design and construction proposal submitted; (ii) the track record of the candidates of contractors on performing similar projects; (iii) the size of operation, manpower and financial performance of the candidates of contractors; (iv) the expected power capacity (measured in MW) of the relevant wind farm; and (v) the prevailing market price of the provision of similar EPC services.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EPC CONTRACTS

Taking into account that wind power generation has been increasing rapidly in recently 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 EPC Contracts represent the Group's continuing effort to develop wind farm projects in "Northeast China, North China and Northwest China". The entering into of the EPC Contracts for wind farms located in the Tongliao City, Inner Mongolia and Heilongjiang 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.

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.

LISTING RULES IMPLICATIONS

The EPC Contract 1, the EPC Contract 2 and the EPC Contract 3

Pursuant to Rule 14.22 of the Listing Rules, the EPC Contract 1, the EPC Contract 2 and the EPC Contract 3 shall be aggregated together since all these transactions are entered into by the Group with Powerchina Jiangxi within a 12 month period. As the highest applicable percentage ratio in respect of the EPC Contract 1, EPC Contract 2 and EPC Contract 3 on an aggregated basis exceeds 25% but is less than 100%, the EPC Contract 1, EPC Contract 2 and EPC Contract 3 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.

The EPC Contract 4

As the highest applicable percentage ratio in respect of the EPC Contract 4 exceeds 25% but is less than 100%, the EPC Contract 4 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.

INFORMATION OF THE PARTIES

The Company is a company incorporated in Bermuda with limited liability, whose shares 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 a subsidiary of the Company established in the PRC with limited liability. Minglong New Energy is primarily engaged in, among others, (i) development, construction and operation of wind power generation 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 generation and photovoltaic power generation projects.

Xintong Wind Power is a subsidiary of the Company established in the PRC with limited liability. 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.

Lanxi Chenghui is a subsidiary of the Company established in the PRC with limited liability. Lanxi Chenghui is primarily engaged in, among others, the investment, construction, operation and management of wind power generation, photovoltaic power generation and biomass power generation projects.

Powerchina Jiangxi is a company established in the PRC with limited liability, which is principally engaged in power generation engineering and construction. As at the date of this announcement, to the best information of the Directors, Powerchina Jiangxi 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).

China Water Resources Beifang is a company established in the PRC with limited liability, which is principally engaged in engineering design, surveying and mapping. As at the date of this announcement, to the best information of the Directors, China Water Resources Beifang is owned as to 51% by the General Institute of Water Conservancy and Hydropower Planning and Design of the Ministry of Water Resources* (水利部水利水電規劃設計總院), a PRC Governmental Body, 40% by Haihe River Water Conservancy Commission of the Ministry of Water Resources* (水利部海河水利委員會) and 9% by the agency service bureau of the Ministry of Water Resources* (水利部機關服務局).

Heilongjiang Longneng is a company established in the PRC with limited liability, which is principally engaged in electric power engineering, professional engineering, building engineering and water conservancy and hydropower engineering construction. As at the date of this announcement, to the best information of the Directors, Heilongjiang Longneng is owned as to 55.29% by Suihua Juxin New Energy Power Generation Co., Ltd.* (綏化市聚鑫新能源發電有限公司), a company owned as to 90% by Liu Mingzhi (劉明芝) and 10% by Hu Xiaoru (胡小茹), and the remaining is owned as to 18.27% by Wang Chenggang (王成剛), 17.9% by Chen Yulong (陳玉龍), 4.27% by Xu Hailong (徐海龍) and 4.27% by Song Xianfeng (宋顯峰).

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Powerchina Jiangxi, China Water Resources Beifang, Heilongjiang Longneng and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company as at the date of this announcement.

GENERAL

The SGM will be convened by the Company to seek the Shareholders' approval of the EPC Contracts and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the EPC Contracts; (ii) the notice of SGM; and (iii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 22 December 2023 as the Company needs more time to prepare and finalize information to be included in the circular.

As the EPC Contracts may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“China Water Resources Beifang”	China Water Resources Beifang Investigation, Design and Research Co., Ltd. (中水北方勘测設計研究有限責任公司), a company established in the PRC with limited liability
“Company”	Beijing Energy International Holding Co., Ltd., a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 686)
“connected persons”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EPC”	engineering, procurement and construction
“EPC Contract 1”	the EPC contract entered into between Minglong New Energy, Xintong Wind Power and Powerchina Jiangxi dated 9 November 2023 in relation to the Works 1
“EPC Contract 2”	the EPC contract entered into between Minglong New Energy and Powerchina Jiangxi dated 9 November 2023 in relation to the Works 2
“EPC Contract 3”	the EPC contract entered into between Xintong Wind Power and Powerchina Jiangxi dated 9 November 2023 in relation to the Works 3
“EPC Contract 4”	the EPC contract entered into between Lanxi Chenghui, China Water Resources Beifang and Heilongjiang Longneng dated 9 November 2023 in relation to the Works 4

“EPC Contracts”	collectively, EPC Contract 1, EPC Contract 2, EPC Contract 3 and EPC Contract 4
“Facility 1”	the 500kV pooling station (including energy storage and centralised control center) for the 2,380 MW wind farm project located in Tongliao City, the PRC
“Facility 2”	collectively, (i) three power transmission lines connecting three 220kV booster stations to a 500kV pooling station; and (ii) five 50Mvar distributed compensators, for the 1,380MW wind farm project located in Horqin District, Tongliao City, the PRC
“Facility 3”	collectively, (i) the power transmission lines connecting two 220kV booster stations to a 500kV pooling station; and (ii) seven 50Mvar distributed compensators, for the 1,000MW wind farm project located in Horqin Left Rear Banner, Tongliao City, the PRC
“Facility 4”	a wind farm located in Heilongjiang province, the PRC with total capacity of 200MW, together with, among others, a wind generating set and ancillary facilities with a total installed capacity of 200,000kW, a 220kV booster station, a 220kV transmission line, a 35kV collector line, a 20MW/40MWh energy storage and supporting system, and the corresponding upgrade and renovation of corresponding substation and access roads
“Group”	the Company and its subsidiaries
“Heilongjiang Longneng”	Heilongjiang Longneng Electric Power Group Co., Ltd.* (黑龍江龍能電力集團有限公司), a company established in the PRC with limited liability
“kV”	kilovolt
“kW”	kilowatt(s), which equals to 1,000 watts
“Lanxi Chenghui”	Lanxi Chenghui Power Generation Co., Ltd.* (蘭西晟暉發電有限公司), a company established in the PRC with limited liability and a subsidiary of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“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 a subsidiary of the Company
“MVAR”	megavolt ampere of reactive power
“MW”	megawatt(s), which equals to 1,000,000 watts
“MWh”	megawatt-hour(s)
“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 announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Governmental Body”	has the meaning ascribed to it under Rule 19A.04 of the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting of the Company to be convened for considering and, if thought fit, approving the EPC Contracts and the transactions contemplated thereunder
“Shareholder(s)”	holder(s) of the issued share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Works 1”	the EPC services undertaken by Powerchina Jiangxi 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”
“Works 4”	the EPC services undertaken by China Water Resources Beifang and Heilongjiang Longneng pursuant to the EPC Contract 4 for the construction of Facility 4, details of which are set out under the paragraph headed “The EPC Contract 4 – Principal terms of the EPC Contract 4 – 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 a subsidiary of the Company
“%”	per cent

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

Hong Kong, 9 November 2023

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

* *For identification purpose only*