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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)

VOLUNTARY ANNOUNCEMENT FORMATION OF JOINT VENTURE

This announcement is made by the Company on a voluntary basis to provide shareholders and potential investors of the Company with the latest business update of the Group.

The Board is pleased to announce that BEII (a wholly-owned subsidiary of the Company) and Sembcorp Energy Investment have reached consensus and agreed to enter into the Joint Venture Agreement in respect of the formation of the Joint Venture in the PRC. The major terms of the Joint Venture Agreement are set out as follows:

Parties: (i) BEII

 (ii) Sembcorp Energy Investment

Subject Matter

The Joint Venture will be a limited liability company to be established in accordance with the laws of the PRC and the provisions of the Joint Venture Agreement.

The proposed name of the Joint Venture is Beijing Energy Sembcorp (Hainan) Renewables Company Limited* (京能勝科(海南)新能源有限公司).

Term of business of the Joint Venture

The term of the Joint Venture Agreement shall be 30 years from the date of issue of the business license of the Joint Venture by the relevant authority.

Purpose of the Joint Venture

The Joint Venture is established to develop, operate and manage new energy projects, such as photovoltaic power generation, wind power generation and energy storage, etc.

Capital contribution

Pursuant to the Joint Venture Agreement, the registered capital of the Joint Venture shall be contributed as to 51% by BEII and 49% by Sembcorp Energy Investment.

Accordingly, as the Joint Venture will be held as to 51% by BEII, it will be accounted for as a subsidiary of the Group and its financial results will be consolidated into the consolidated financial statements of the Group.

BEII and Sembcorp Energy Investment shall further discuss the contribution to the registered capital of the Joint Venture along with the progress of the development and business operation of the Joint Venture.

Composition of board of directors of the Joint Venture

The board of directors of the Joint Venture shall have five members, three of whom (including the chairman of the board of directors and legal representative) shall be appointed by BEII and two of whom (including the vice-chairman of the board of directors) shall be appointed by Sembcorp Energy Investment.

Distribution of profits

BEII and Sembcorp Energy Investment will share the profit, risks and loss of the Joint Venture in proportion to their respective paid-in registered capital in the Joint Venture.

INFORMATION ON THE GROUP AND THE PARTIES TO THE JOINT VENTURE AGREEMENT

The Company is a company incorporated in Bermuda with limited liability 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 renewable energy projects.

BEII is a company incorporated in Hong Kong with limited liability that is principally engaged in investment and development of renewable energy projects. It is a wholly-owned subsidiary of the Company.

Sembcorp Energy Investment is a company established in the PRC with limited liability, which is ultimately held by Sembcorp Industries Ltd (SGX: U96), a company listed on the Singapore Exchange Limited. Sembcorp Energy Investment mainly serves as the investment and development platform of Sembcorp Industries Ltd with a focus on the development of new energy business in the PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Sembcorp Energy Investment and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company as at the date of this announcement.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE JOINT VENTURE

The Company is an investment holding company and the Group is principally engaged in the development, investment, operation and management of power plants and other renewable energy projects. It has been the Group's strategy to accelerate the pace of scale expansion development of clean energy and diversifying its renewable energy portfolios in order to supplement the multi-type energy supply in the long run.

The Group believes that the formation of the Joint Venture marks the beginning of the cooperation between the Group and Sembcorp Energy Investment: by leveraging on the respective professional edges of the Group and Sembcorp Energy Investment, to achieve acceleration in the development of renewable energy projects in China, and jointly expanding the installed scale of clean and low-carbon energy.

The terms of the Joint Venture Agreement were negotiated between the parties thereto after arm's length negotiations. In light of the above, the Directors (including the independent non-executive Directors) believe that the terms of the Joint Venture Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of Joint Venture Agreement is below 5%, the formation of the Joint Venture contemplated under the the Joint Venture Agreement is exempt from the requirements under Chapter 14 of the Listing Rules.

In the case of any further contribution to the registered capital of the Joint Venture, the Company will observe the requirements under Chapter 14 of the Listing Rules and issue further announcement or to seek approval from the Shareholders as and when appropriate.

DEFINITIONS

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

“BEII”	Beijing Energy International Investment Limited (北京能源國際投資有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Board”	the board of Directors of the Company
“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 person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Joint Venture”	the joint venture to be set up between BEII and Sembcorp Energy Investment pursuant to the Joint Venture Agreement
“Joint Venture Agreement”	the agreement to be entered into by BEII and Sembcorp Energy Investment in respect of the formation of the Joint Venture
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“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
“RMB”	Renminbi, the lawful currency of the PRC

“Sembcorp Energy Investment”	Sembcorp Energy Investment (Shanghai) Co., Ltd.* (勝科能源投資(上海)有限公司), a company established in the PRC with limited liability
“Shareholder(s)”	holder(s) of issued shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 27 April 2022

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

* *For identification purposes only*