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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)

**DISCLOSEABLE TRANSACTION
ENGINEERING, PROCUREMENT AND
CONSTRUCTION CONTRACT RELATING TO
A 60MW PHOTOVOLTAIC POWER GENERATION PROJECT
IN YUNNAN PROVINCE, THE PRC**

THE EPC CONTRACT

On 3 September 2025, Baoneng Fengtai, a subsidiary of the Company, as the principal, entered into the EPC Contract with the Consortium, as the contractors. Pursuant to the EPC Contract, the Consortium will provide EPC services to Baoneng Fengtai for the construction of the EPC Project. The contract price under the EPC Contract amounted to approximately RMB148 million (tax inclusive).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the entering into of the EPC Contract exceeds 5% but is less than 25%, the entering into of the EPC Contract constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 3 September 2025, Baoneng Fengtai a subsidiary of the Company, as the principal, entered into the EPC Contract with the Consortium, as the contractors. Pursuant to the EPC Contract, the Consortium will provide EPC services to Baoneng Fengtai for the construction of the EPC Project. The contract price under the EPC Contract amounted to approximately RMB148 million (tax inclusive).

THE EPC CONTRACT

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

Date: 3 September 2025

Parties: (i) Baoneng Fengtai (as the principal)
(ii) the Consortium (as the contractors)

Subject Matter: The Consortium agreed to serve as the EPC contractors to provide EPC services to Baoneng Fengtai for the construction of the EPC Project. The EPC services under the EPC Contract include, among others, all survey, design, procurement of equipment and materials, construction, installation, testing, acceptance, delivery for the photovoltaic plant, booster station, power supply, roads, greening engineering, water and soil conservation, environmental protection, and all related inspection and compliance works within the scope of the EPC Project.

The Consortium shall implement and complete the construction of the EPC Project in accordance with the EPC Contract and remedy any failure or defects during the one-year warranty period of the EPC Project carried out under the EPC Contract.

Construction Period: The construction of the EPC Project shall commence in September 2025, or commence upon the written notice from Baoneng Fengtai, and is expected to be grid-connected with full capacity by December 2025, and overall completion acceptance by March 2026. The specific date shall be subject to the date specified in the commencement notice issued by Baoneng Fengtai under the EPC Contract.

Contract Price and Payment Method: The total contract price under the EPC Contract is approximately RMB148 million (tax inclusive). The contract price consists of design and consultancy payment, equipment and machinery payment, construction and installation payment, technology and service payment and other fees. Payment for the contract price under the EPC Contract can be made by cash deposits, or banker's or trade acceptance, of which the latter cannot exceed 30% of the contract price under the EPC Contract. The details of the payment structure are as follows:

	<i>Approximately RMB'million</i>
Payments & fees	
1. design and consultancy payment	1
2. equipment and machinery payment	99
3. construction and installation payment	41
4. technology and service payment	2
5. Other fees	5
Total	148

The payment shall be settled as follows:

(i) Advance Payment

20% of the contract price under the EPC Contract (representing approximately RMB30 million) as advance payment (the “**Advance Payment**”) shall be paid to the Consortium upon the fulfillment by the Consortium the following conditions, including (i) the EPC Contract being signed and being effective; (ii) the EPC Project meets the conditions for commencement and the application for commencement has been approved; (iii) the provision of a Letter of Performance Guarantee (as defined below, and is indisputable, unconditional, irrevocable and payable on demand) and a Letter of Advance Payment Guarantee (as defined below, and is indisputable, unconditional, irrevocable and payable on demand) to Baoneng Fengtai; (iv) the issue of legally valid receipts with equivalent amounts to Baoneng Fengtai; and (v) deduction of the Advance Payment shall commence when the cumulative value of work performed reaches 20% of the total contract price. Such deduction shall be effected from subsequent progressive payment at a rate of 44.5% of each payment certificate until full recovery is achieved.

(ii) Milestone Payment

Based on the monthly progress of the project and the receipt of relevant invoice(s) and supporting documents, including insurance certificates, and wage payment materials, Baoneng Fengtai shall pay the Consortium a progress payment equal to 85% of the actual value of work completed for the month (including advance payment), provided that all such documents submitted have been confirmed by Baoneng Fengtai. In furtherance to the above, Baoneng Fengtai shall pay up to 97% of the construction and installation payment, 95% of the equipment and machinery payment, 95% of the design and consultancy payment and technology and service payment, and 100% of the other fees upon the fulfillment of certain conditions set out under the EPC Contract, including, completion of settlement audit for the EPC Project, and special value-added tax invoice(s) issued by the Consortium.

(iii) Quality Assurance Fund

3% of the construction and installation payment, 5% of the equipment and materials payment and 5% of design and consultancy payment under the EPC Contract shall be retained by Baoneng Fengtai as quality assurance fund and be paid to the Consortium (after deduction of any part thereof pursuant to the EPC Contract) until the expiration of the one-year warranty period, which is one year starting from the date of the acceptance of the construction of the EPC Project subject to the fulfillment of the following conditions:

- (1) resolving all defects of the construction works within the warranty period and a quality confirmation letter issued by Baoneng Fengtai;
- (2) meeting the agreed technical standards stated in the EPC Contract. If there is quality issue, the Consortium shall complete the quality repairs in accordance with the EPC Contract;
- (3) before the expiration of the warranty period under the EPC Contract, with respect to any equipment with warranty period exceeding one year, the unconditional transfer of the rights to the quality assurance obligation of the relevant suppliers of such equipment by the Consortium to Baoneng Fengtai. All contracts for procurement of equipment and materials signed by the Consortium shall specify the warranty period and technical parameters for quality assurance, and that the suppliers shall be responsible to Baoneng Fengtai for quality assurance. Before the handover of the EPC Project to Baoneng Fengtai, the Consortium is responsible for coordinating with the equipment suppliers for warranty-related matters; and

- (4) the issue of valid receipts for quality assurance fund by the Consortium to Baoneng Fengtai.

Subject to Baoneng Fengtai's consent, the quality assurance fund can be replaced by a letter of quality guarantee which is payable on demand.

Performance Guarantee:

Under the EPC Contract, the Consortium shall provide an independent letter of performance guarantee issued by a commercial bank (as agreed upon by Baoneng Fengtai) with an amount of approximately RMB14.8 million, which is equivalent to 10% of the contract price under the EPC Contract (the "**Letter of Performance Guarantee**"), within 30 days after the EPC Contract becomes effective, to guarantee the due performance by the Consortium of their obligations under the EPC Contract. In the event the provision of the Letter of Performance Guarantee is overdue by more than 30 days, Baoneng Fengtai is entitled to terminate the EPC Contract and the Consortium will be responsible for any losses incurred thereunder.

The validity period of the Letter of Performance Guarantee shall expire upon Baoneng Fengtai's issuance of certificate confirming the completion acceptance of the construction.

In the event that the construction fails to pass the completion and acceptance inspection within 30 days before the expiration of the Letter of Performance Guarantee (the "**Reference Date**"), the Consortium shall proceed with the renewal procedures for the Letter of Performance Guarantee. In the event the renewal of any Letter of Performance Guarantee is not completed 20 days prior the aforesaid deadline, the Consortium shall pay the liquidated damages in the amount of 0.01% of the contract price under the EPC Contract to Baoneng Fengtai for each day overdue. In the event the provision of the renewed Letter of Performance Guarantee is overdue by more than 30 days from the Reference Date, Baoneng Fengtai is entitled to terminate the EPC Contract and members of the Consortium will be responsible for any losses incurred thereunder.

Advance Payment Guarantee: Under the EPC Contract, after the EPC Contract becomes effective and prior to Baoneng Fengtai's payment of the Advance Payment to the Consortium, the Consortium shall provide a letter of advance payment guarantee issued by a commercial bank (as agreed upon by Baoneng Fengtai) with an amount of approximately RMB29.6 million, which in aggregate is equivalent to 20% of the contract price under the EPC Contract (the "**Letter of Advance Payment Guarantee**"), to guarantee that the Advance Payment will be used in accordance with the terms of the EPC Contract.

The Letter of Advance Payment Guarantee shall be released once the corresponding Advance Payment is fully utilised along the progress of the project in accordance with the terms of the EPC Contract. In the event that the Advance Payment has not been fully utilized by the expiry date of the guarantee, the Contractor shall extend the validity of the guarantee, and all costs incurred therefrom shall be borne by the Contractor. Should the extension not be completed by 15 working days prior to the expiry date of the guarantee, the Employer shall be entitled to enforce the on-demand Advance Payment guarantee.

Escrow Account: The Consortium shall establish an escrow account (the "**Escrow Account**") for receiving certain payments under the EPC Contract, which shall be jointly managed by Baoneng Fengtai and the Consortium, and subject to the terms specified in the EPC Contract.

BASIS FOR DETERMINATION OF THE CONTRACT PRICE UNDER THE EPC CONTRACT

The contract price under the EPC Contract was 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 price: (i) the design and construction proposal submitted; (ii) the track record of the candidates of contractors in 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 EPC Project; and (v) the prevailing market price of similar EPC services. The price also covers, including but not limited to, fluctuations in equipment and material costs (excluding outgoing transmission lines and PV modules, which are subject to the signed "EPC PV Module Price Adjustment Confirmation Form"), machinery and labor costs, land acquisition or lease adjustments, design changes, geological conditions, and construction difficulty. No further price adjustment or additional payment will be made for these factors.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EPC CONTRACT

Having considered the development and the expected return from the investment in photovoltaic industry in the PRC, the Company is optimistic about the prospect of such industry in the foreseeable future.

The Group has accelerated the pace of expansion of the scale development of clean energy and expansion of the scale of the renewable energy business, which has been one of the key focuses of the Group in this regard. To the best of the Directors' knowledge, SINOHYDRO BUREAU 6 CO., LTD and POWERCHINA JiLin Electric Power Engineering Co., Ltd. are well-established companies with substantial experience in the construction and development of photovoltaic power generation projects in the PRC. The entering into of the EPC Contract would be in line with the national policies in terms of layout of sizeable power bases and will enable the Company to further expand its scale of business in photovoltaic power plants in the renewable energy industry and diversify the clean energy portfolio through the construction of quality photovoltaic power generation projects so as to enhance returns to the Shareholders.

In view of the above, the Directors have reviewed the EPC Contract and are of the view that the terms and conditions of the EPC Contract are fair and reasonable and the transaction contemplated thereunder is entered into on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

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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.

Baoneng Fengtai is a company established in the PRC with limited liability and is a subsidiary of the Company and is a wholly-owned subsidiary of Baoshan Energy Development Co., Ltd. Baoneng Fengtai is primarily engaged in the development, investment, operation, and management of clean energy power generation projects.

SINOHYDRO BUREAU 6 CO., LTD is a company established in the mainland PRC with other limited liability. Its main business activities include water conservancy and hydropower project construction; municipal public works construction; highway construction; housing construction; embankment construction; earthwork construction; pipeline construction; manufacturing and installation of metal structures and hydraulic hoist machinery; installation of bridge and gantry cranes; construction engineering quality inspection; electrical testing services; design of water conservancy projects; design and construction of landscaping and greening projects; sales of building materials; surveying and mapping services; and power generation, transmission, and distribution. SINOHYDRO BUREAU 6 CO., LTD is owned as to 65.2453% by Power Construction Corporation of China, Ltd.* (中國電力建設股份有限公司), a joint stock company established in the mainland PRC with limited liability, with its A shares listed on the Shanghai Stock Exchange (stock code: 601669), 30.0807% by CCB Financial Asset Investment Co., Ltd. (建信金融資產投資有限公司), and 4.674% by Hangzhou Haodairui Enterprise Management Partnership (Limited Partnership)(杭州浩達瑞企業管理合夥企業(有限合夥)).

POWERCHINA JiLin Electric Power Engineering Co., Ltd. is a company established in the PRC with limited liability. The company is primarily engaged in, and holds qualifications for: Comprehensive Class-A Qualification for Engineering Survey; Class-A Qualification for Engineering Cost Consulting; Class-A Qualification for Electric Power Engineering Survey and Design and the corresponding grade for Engineering General Contracting; Class-A Qualification for Engineering Consulting (Thermal Power, Municipal Public Works), Class-C Qualification for Engineering Consulting (Telecommunications Information, Other New Energy); Class-B Qualification for Surveying and Mapping; Class-A Qualification for Electric Power Engineering Supervision; Class-B Qualification for Construction Industry (Building Engineering); Class-B Qualification for Specialized Design of Architectural Decoration Engineering; Class-B Qualification for Specialized Design in the Urban Heating Engineering Sector; distribution of electric power engineering materials and equipment; production, supply, and sale of electric power; engineering project tendering agency; contracting overseas engineering projects commensurate with its strength and scale; and dispatch of labor personnel required for the implementation of the above-mentioned overseas projects. (Projects prohibited by laws, regulations, and decisions of the State Council shall not be operated; projects subject to approval according to law may only be operated after approval by the relevant authorities.) POWERCHINA JiLin Electric Power Engineering Co., Ltd. is owned as to 100% by Power Construction Corporation of China, Ltd.* (中國電力建設股份有限公司), a joint stock company established in the PRC with limited liability, with its A shares listed on the Shanghai Stock Exchange (stock code: 601669).

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each member of the Consortium and their ultimate beneficial owners are Independent Third Parties of the Company and not connected persons of the Company as at the date of this announcement.

DEFINITIONS

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

“Baoneng Fengtai”	Baoshan Longling Baoneng Fengtai New Energy Co., Ltd. * (保山龍陵保能豐泰新能源有限公司), a company established in the PRC with limited liability and a 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 persons”	has the meaning ascribed thereto under the Listing Rules
“Consortium”	a consortium comprising SINOHYDRO BUREAU 6 CO., LTD. (as the consortium leader) and POWERCHINA JiLin Electric Power Engineering Co., Ltd. (as the consortium member)
“Director(s)”	director(s) of the Company
“EPC”	engineering, procurement and construction
“EPC Contract”	the EPC contract entered into between Baoneng Fengtai and the Consortium dated 3 September 2025 in relation to the construction of the EPC Project

“EPC Project”	the photovoltaic power generation project located in, Longling County, Baoshan, Yunnan Province, the PRC with a total planned construction capacity of 60MW
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a person, or in the case of a company, the company or its ultimate beneficial owner(s), who is independent of and not connected with the Group and its connected persons and their respective ultimate beneficial owner(s) or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“MW”	megawatt(s), which equals 1,000,000 watts
“POWERCHINA JiLin Electric Power Engineering Co., Ltd.”	POWERCHINA JiLin Electric Power Engineering Co., Ltd. (中國電建集團吉林省電力勘測設計院有限公司), a company established in the PRC with limited liability
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the issued share(s) of the Company
“SINOHYDRO BUREAU 6 CO., LTD.”	SINOHYDRO BUREAU 6 CO., LTD. (中國水利水電第六工程局有限公司), a company established in the PRC with other limited liability

“Stock Exchange” the Stock Exchange of Hong Kong Limited

“subsidiary(ies)” has the meaning ascribed thereto under the Listing Rules

“%” per cent

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

Hong Kong, 3 September 2025

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, Mr. Huang Jiao and Mr. Wang Cheng; and the independent non-executive directors of the Company are Ms. Jin Xinbin, Mr. Zeng Ming, Mr. Zhu Jianbiao and Mr. Liu Jingwei.

* For identification purpose only