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北控清潔能源集團有限公司

BEIJING ENTERPRISES CLEAN ENERGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

DISCLOSEABLE TRANSACTION PURCHASE OF MATERIALS

In order to facilitate the Project that the Group is undertaking, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Purchase Contract for the supply by the Vendor of, among other things, the Polysilicon Modules, to the Purchaser. The consideration for the Polysilicon Modules is in an amount of RMB194 million.

As one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) with respect to the purchase of the Polysilicon Modules exceed 5% and all of the applicable percentage ratios are less than 25%, the entering into of the Purchase Contract for the purchase by the Purchaser of the Polysilicon Modules contemplated thereunder constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

The Directors (including the independent non-executive Directors) considered that the Purchase Contract was entered into under the usual course of business, on normal commercial terms and on an arm's length basis, the terms of which were fair and reasonable and was in the best interest of the Company and the Shareholders as a whole.

THE PURCHASE CONTRACT

In order to facilitate the Project that the Group is undertaking, the Purchaser and the Vendor entered into the Purchase Contract for, among other things, the supply by the Vendor of the Polysilicon Modules to the Purchaser. A summary of the principal terms of the Purchase Contract with respect to the purchase of the Polysilicon Modules as contemplated thereunder are as follows:

- Date : 17 July 2015
- Parties : (i) The Purchaser
(ii) The Vendor
- Subject matter : The Vendor shall supply the Polysilicon Modules to the Purchaser in connection with the Project.
- Consideration for the supply of the Polysilicon Modules : RMB194,000,000
- Payment schedule : The Consideration shall be payable by the Purchaser to the Vendor in accordance with the following payment schedule:
- (i) Subject to receipt of, and confirmation by the Purchaser of, certain documentation to be provided by Vendor, an initial payment of 40% of the Consideration would be payable within 20 days after the execution of the Purchase Contract.
 - (ii) The remaining Consideration less the initial payment set out above and the Retention Amount would be payable in stages on delivery of the relevant Polysilicon Modules and upon examination thereof in accordance with the relevant delivery schedule under the Purchase Contract.
 - (iii) After the first anniversary of the relevant warranty period, if there are no defects with respect to the quality of the Polysilicon Modules supplied by the Vendor, the Purchaser shall pay the Retention Amount to the Vendor.

INFORMATION OF THE PARTIES TO THE PURCHASE CONTRACT

The Purchaser

The Purchaser is an indirect wholly-owned subsidiary of the Company and is principally engaged in photovoltaic technology research and development, technical and investment advisory, enterprise management consulting, wholesale of machinery, electrical and mechanical equipment and accessories, import and export of goods and technology.

The Vendor

The Vendor is a supplier of polysilicon modules, which are components for solar power plants and also provides related technical support and after sales services to its customers in the PRC. The Vendor is based in Yuxian, Hebei Province in the PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of the Vendor and its ultimate beneficial owners is independent of the Company and its connected persons.

REASONS AND BENEFITS OF THE PURCHASE CONTRACT

In early 2015, the Group diversified its business from the single line of business in the design, printing and sale of cigarette packages in the PRC, to the photovoltaic power business, of which, the Group is principally engaged in the investment, development, construction, operation and management of photovoltaic power plants and photovoltaic power-related businesses in the PRC.

In furtherance of the photovoltaic power projects of the Group, and in particular, the Project, the Company considered that it is necessary to purchase the Polysilicon Modules, which are components for solar power plants. The Polysilicon Modules purchased by the Purchaser will be supplied to the EPC Contractor to construct photovoltaic power plants for the Group pursuant to the EPC Contract, so as to ensure the quality of the materials used by the EPC Contractors for the relevant construction works. Prior to the entering into of the Purchase Contract, the Company evaluated the terms of the Purchase Contract based on, among other

things, the specifications and needs of the Group with respect to the Project, the quality of the Polysilicon Modules to be supplied by the Vendor and the Vendor's reputation and standing in the photovoltaic power generation industry in the PRC. The Consideration was determined based on normal business terms and after arm's length negotiations between the Purchaser and the Vendor with reference to prevailing market rates for similar products and services. In consideration of the reasons and the benefits of the transactions contemplated under the Purchase Contract set out above, and that the terms of the Purchase Contract were agreed by the parties based on arm's length negotiations having taken into account the prevailing market rates for similar products and services, the Directors (including the independent non-executive Directors) considered that the Purchase Contract was entered into under the usual course of business and on normal commercial terms, the terms of which were fair and reasonable and was in the best interest of the Company and the Shareholders as a whole.

The payment obligations of the Purchaser under the Purchase Contract with respect to the Polysilicon Modules will be financed by internal resources of the Group, primarily from the net proceeds of the subscription of new ordinary shares and new preference shares of the Company under the subscription agreement dated 9 December 2014 entered into between the Company and certain subscribers, as supplemented by the first supplemental agreement dated 29 December 2014 and the second supplemental agreement dated 31 January 2015, details of which are set out in the circular announced by the Company on 10 April 2015. As of the date of this announcement, the Purchaser has paid approximately 20% of the Consideration to the Vendor.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) with respect to the purchase of the Polysilicon Modules exceed 5% and all of the applicable percentage ratios are less than 25%, the entering into of the Purchase Contract for the purchase by the Purchaser of the Polysilicon Modules contemplated thereunder constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

The Polysilicon Modules represent part of the materials (including but not limited to other polysilicon modules) purchased by the Group under the Purchase Contract, which are of a revenue nature and in the ordinary and usual course of business of the Company. Therefore, the Company was of the view that the Purchase Contract was exempt from the requirements of Chapter 14 of the Listing Rules and no announcement with respect to the purchase of the Polysilicon Modules was made at the time when the Purchase Contract was entered into by the Purchaser as required under pursuant to Chapter 14 of the Listing Rules. Following consultation with the Stock Exchange, the Company agreed to comply with the requirement of Chapter 14 of the Listing Rules and issue this announcement with respect to the purchase of the Polysilicon Modules under the Purchase Contract. In the future, the Company will comply with the applicable requirements of the Listing Rules with respect to transactions similar to the purchase of the Polysilicon Modules under the Purchase Contract as and when appropriate.

None of the Directors has any material interest in the transactions contemplated under the Purchase Contract; therefore, none of them was required to abstain from voting on the relevant Board resolutions approving the Purchase Contract and the relevant transactions with respect to the Polysilicon Modules contemplated thereunder.

DEFINITIONS

“Board”	the board of Directors
“Company”	Beijing Enterprises Clean Energy Group Limited
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the purchase of the Polysilicon Modules under the Purchase Contract in an amount of RMB194,000,000
“Director(s)”	the directors of the Company
“EPC Contract”	the engineering, procurement and construction contract dated 8 September 2015 entered into between the EPC Contractor and 蔚縣北控新能源開發有限公司 (Yuxian Beijing Enterprises Holdings New Energy Development Co., Ltd.*), an indirect wholly-owned subsidiary of the Company, as announced by the Company on 8 September 2015

“EPC Contractor”	河北省電力勘測設計研究院 (Hebei Electric Power Survey and Design Institute*), an entity incorporated under the laws of the PRC and a third party independent of the Company and its connected persons
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt
“Polysilicon Modules”	the 50MW polysilicon modules and related accessories to be supplied by the Vendor, and purchased by the Purchaser, under the Purchase Contract
“PRC”	the People’s Republic of China
“Project”	the development and construction of a 50MW photovoltaic power plant, phase one of the project, in Yuxian, Hebei Province in the PRC
“Purchase Contract”	the agreement dated 17 July 2015 entered into between the Purchaser and the Vendor
“Purchaser”	北京北控光伏科技發展有限公司, (Beijing Enterprises Holdings Photovoltaic Technology Development Co., Ltd.*), an entity established under the laws of the PRC, and an indirect wholly-owned subsidiary of the Company
“Retention Amount”	10% of the Consideration
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	光為綠色新能源股份有限公司 (Guangwei Green New Energy Co., Ltd.*), an entity established under the laws of the PRC
“%”	per cent

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

Hong Kong, 17 September 2015

As at the date of this announcement, the Board comprises eight directors, namely Mr. Hu Xiaoyong, Mr. Shi Xiaobei, Mr. Liang Yongfeng, Mr. Han Songbai and Ms. Huang Li as executive directors of the Company; and Mr. Tam Tak Kei Raymond, Professor Lam Sing Kwong Simon and Mr. Xu Honghua as independent non-executive directors of the Company.

* *For identification purposes only*