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國電科技環保集團股份有限公司

GUODIAN TECHNOLOGY & ENVIRONMENT GROUP CORPORATION LIMITED*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 01296)

SUPPLEMENTAL AGREEMENT ON THE DISPOSAL OF EQUITY INTERESTS IN LONGYUAN COOLING

Reference is made to the announcements of Guodian Technology & Environment Group Corporation Limited (the “**Company**”) dated November 3, 2015 and November 19, 2015 (the “**Disposal Announcements**”), in relation to the disposal of the Company’s entire equity interests in Longyuan Cooling to Jiaming. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Disposal Announcements.

As stated in the Disposal Announcements, pursuant to the Equity Transfer Agreement, the aggregate cash consideration for the equity transfer is RMB284,188,500, of which RMB29,006,550 had been paid by Jiaming through its deposit made to SUAEE before the auction, and the remaining of the consideration should be paid by Jiaming in full into a settlement account designated by SUAEE on or before November 6, 2015. However, SUAEE did not receive the rest of the consideration from Jiaming on or before November 6, 2015.

On July 28, 2016, the Company entered into a supplemental agreement (the “**Supplemental Agreement**”) with Jiaming, whereby the parties agreed that:

- (i) the Equity Transfer Agreement shall remain valid;
- (ii) Jiaming shall pay the rest of the consideration of RMB255,181,950 in the manner agreed in the Equity Transfer Agreement before August 2, 2016;
- (iii) upon receipt of the rest of the consideration, the Company shall transfer its shareholder rights in Longyuan Cooling to Jiaming, and the Company shall assist Jiaming with the registration and other related procedures for the equity transfer;

- (iv) after payment of the remaining consideration and completion of the equity transfer, Jiaming shall pay liquidated damages to the Company before December 30, 2017. The liquidated damages are calculated using the base figure of RMB255,181,950 multiplied by 4.35% as the annual interest rate for the period from November 6, 2015 to the date upon which amounts due by Jiaming under the Equity Transfer Agreement are paid in full; and
- (v) in the event of delay due to non-cooperation of the Company regarding the transfer of rights to Jiaming, the Company shall pay liquidated damages to Jiaming, to be calculated based on the one-year lending rate fixed by the People's Bank of China and the number of days in delay, and where the number of delayed days exceeds 90, Jiaming shall be entitled to terminate the Equity Transfer Agreement and seek compensation from the Company on losses incurred.

By order of the board of directors of
Guodian Technology & Environment Group Corporation Limited*
Mr. YANG Guang
Chairman

Beijing, PRC, July 28, 2016

As at the date of this announcement, the executive Directors are Mr. Yang Guang, Mr. Chen Dongqing and Mr. Tang Chaoxiong; the non-executive Directors are Mr. Wang Zhongqu, Mr. Zhang Wenjian, Mr. Feng Shuchen and Mr. Yan Andrew Y.; and the independent non-executive Directors are Mr. Shen Xiaoliu, Mr. Qu Jiuhui, Mr. Xie Qiuye and Mr. Fan Ren Da Anthony.

* *For identification purpose only*