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INNER MONGOLIA ENERGY ENGINEERING CO., LTD.

內蒙古能源建設投資股份有限公司

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

(Stock Code: 01649)

POLL RESULTS OF THE ANNUAL GENERAL MEETING OF 2017 HELD ON 21 JUNE 2018, PAYMENT OF 2017 FINAL DIVIDEND, INCREASE IN THE REGISTERED CAPITAL OF THE COMPANY AND AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION

The board of directors (the “**Board**”) of Inner Mongolia Energy Engineering Co., Ltd. (the “**Company**”) is pleased to announce that the annual general meeting of 2017 (the “**AGM**”) of the Company was duly convened on Thursday, 21 June 2018 and the resolution proposed at the AGM was duly passed by the shareholders of the Company by way of poll.

The final dividend for the year ended 31 December 2017 (the “**2017 Final Dividend**”) will be paid to the Shareholders on Monday, 27 August 2018.

Reference is made to the circular of the Company dated 21 May 2018 (the “**Circular**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless otherwise indicated.

RESULTS OF THE AGM

The Board is pleased to announce that the AGM was held at 9:00 a.m. on Thursday, 21 June 2018 at the Meeting Room, 11th Floor, Harbour Building, Ordos East Street, Saihan District, Hohhot, Inner Mongolia Autonomous Region, the PRC. Mr. Lu Dangzhu, the chairman and executive Director of the Company, chaired the AGM.

Poll voting for the resolution proposed at the AGM was taken in accordance with rule 13.39(4) of the Listing Rules, the requirements of the applicable PRC laws and regulations, and the articles of association of the Company. Computershare Hong Kong Investor Services Limited, the Company's H share registrar, acted as the scrutineer in respect of the voting at the AGM and performed the calculation to determine the above poll voting result based on the completed and signed poll voting

forms collected by the Company. Two Supervisors of the Company were also the scrutineers for the vote-taking and vote-tabulation at the AGM.

As at the date of the AGM, the total number of Shares entitling the Shareholders to attend the AGM is 2,846,860,952 Shares (including 2,025,313,904 Domestic Shares and 821,547,048 H Shares), being the total number of Shares entitling the Shareholders to vote on the resolution proposed at the AGM. A total of 3 Shareholders, holding in aggregate 2,168,989,904 Shares, representing approximately 76.19% of the total number of Shares carrying voting rights on the resolution proposed at the AGM, attended the AGM and voted on the resolution proposed at the AGM in person or by proxy.

To the best knowledge, information and belief of the Board, having made all reasonable inquiries, no Shareholder had any material interests in the matters considered at the AGM and was required to abstain from voting. There were no Shares entitling the Shareholders to attend and abstain from voting in favour of the AGM resolutions as required by Rule 13.40 of the Listing Rules. No Shareholder was required under the Listing Rules to abstain from voting on the resolutions at the AGM. No Shareholders have stated their intention in the Circular to vote against or to abstain from voting on any resolution proposed at the AGM.

Please refer to the Circular for details of resolutions below. The poll results in respect of the resolutions at the AGM are as follows:

Ordinary resolutions		Total number of votes (%)		
		For	Against	Abstain
1.	To consider and approve the work report of the Board of the Company for the year 2017.	2,168,989,904 100%	0 0%	0 0%
2.	To consider and approve the work report of the Supervisory Committee of the Company for the year 2017.	2,168,989,904 100%	0 0%	0 0%
3.	To consider and approve the financial accounts report of the Group for the year 2017.	2,168,989,904 100%	0 0%	0 0%
4.	To consider and approve the annual profit distribution plan of the Group for the year 2017.	2,168,989,904 100%	0 0%	0 0%
5.	To consider and approve the remuneration plan for the Directors of the Company for the year 2018.	2,168,989,904 100%	0 0%	0 0%
6.	To consider and approve the remuneration plan for the Supervisors of the Company for the year 2018.	2,168,989,904 100%	0 0%	0 0%
7.	To consider and approve the engagement of auditors of the Company for the year 2018.	2,168,989,904 100%	0 0%	0 0%

Ordinary resolutions		Total number of votes (%)		
		For	Against	Abstain
As more than one half of the votes from the Shareholders (including their proxies) attending the AGM were cast in favour of the 1st to the 7th resolutions above, these resolutions were duly passed as ordinary resolutions.				
Special resolutions		Total number of votes (%)		
		For	Against	Abstain
8.	To consider and approve the grant of the general mandate to the Board of the Company to issue domestic shares and/or H shares of the Company.	2,168,989,904 100%	0 0%	0 0%
9.	To consider and approve the increase in the registered capital of the Company and the amendment to the Company's articles of association.	2,168,989,904 100%	0 0%	0 0%
As more than two-thirds of the votes from the Shareholders (including their proxies) attending the AGM were cast in favour of the 8th and 9th resolutions above, these resolutions were duly passed as special resolutions.				

The Board is pleased to announce that the resolutions proposed at the AGM were duly passed by the Shareholders.

DIVIDEND PAYMENT

The distribution of 2017 Final Dividend of RMB0.01472 (tax inclusive) per Share as approved at the AGM. Such dividend is expected to be paid on Monday, 27 August 2018 to Shareholders whose names appear on the register of members of the Company on Tuesday, 3 July 2018. Dividend payable to H Shareholders shall be paid in Hong Kong dollars. The amount to be paid in Hong Kong dollars will be converted based on the average closing exchange rate between RMB and Hong Kong dollars issued by the People's Bank of China for the five business days prior to the date of approving the declaration of dividends at the AGM held on Thursday, 21 June 2018 (i.e. 1.00 Hong Kong dollar to RMB0.81862). As such, the dividend of every H Share of the Company is 0.01798 Hong Kong dollars (tax inclusive).

The register of members of the Company will be closed from Thursday, 28 June 2018 to Tuesday, 3 July 2018 (both days inclusive), during which no transfers of Shares shall be effected. Shareholders whose names appear on the Company's register of members on Tuesday, 3 July 2018 will be entitled to receive the 2017 Final Dividend. In order for holders of H Shares of the Company to qualify for receiving the 2017 Final Dividend, transfers of Shares must be lodged with H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or the registered office of the Company at Room 1103, 11th Floor, Harbour Building, Ordos East Street, Saihan District, Hohhot, Inner Mongolia Autonomous Region, the PRC (for holders of Domestic Shares), no later than 4:30 p.m. on Wednesday, 27 June 2018.

The Company has appointed Computershare Hong Kong Trustees Limited as the receiving agent in Hong Kong (the “**Receiving Agent**”) to receive the dividend declared by the Company to be distributed to the H Shareholders. The dividend will be paid by the Receiving Agent and the dividend warrants will be posted by the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, by ordinary mail to the H Shareholders who are entitled to receive the dividend at their own risk on or before Monday, 27 August 2018.

FINAL DIVIDEND INCOME TAX WITHHOLDING AND PAYMENT

Enterprise income tax withholding and payment of non-resident enterprise shareholders

In accordance with “the Enterprise Income Tax Law of the People’s Republic of China” (the “**Enterprise Income Tax Law**”) and its implementation regulations and “The Notice on the Issues Concerning Enterprise Income Tax Withholding and Payment of Dividends Paid to Overseas Non-resident Enterprise Shareholders of H shares by Resident Enterprise in the PRC” (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外 H 股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897 號)) issued by the State Administration of Taxation of the PRC, the Company shall be obligated to withhold and pay 10% enterprise income tax before it distributes the final dividends to non-resident enterprise shareholders as listed on the Company’s register of members of H shares (the “**Register of Members of H Shares**”) on Tuesday, 3 July 2018 (the “**Record Date**”). Any H Shares registered in the name of non-individual shareholders are deemed as held by the non-resident enterprise shareholders. As such, the enterprise income tax shall be deducted from the dividend thereof. The non-resident enterprise shareholders shall apply to relevant tax authorities for refund in according to applicable tax arrangements (if any).

After the legal opinion is provided by the resident enterprise shareholders within the stipulated time frame and upon the Company’s confirmation of such opinion, the Company will not withhold and pay any enterprise income tax when it distributes the final dividends to resident enterprise shareholders of H shares as listed on the Company’s Register of Members of H Shares on the Record Date. If any resident enterprise (the same meanings as defined in the Enterprise Income Tax Law) listed on the Register of Members of H Shares which is duly incorporated in the PRC or under the laws of a foreign country (region) but with a PRC-based de facto management body, does not desire the Company to withhold and pay the aforesaid 10% enterprise income tax, a legal opinion, issued by a PRC qualified lawyer (inscribed with the seal of the applicable law firm), that verifies its resident enterprise status shall be lodged at the Company’s H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 27 June 2018.

Individual income tax withholding and payment of overseas resident individual shareholders

“The Notice on the Issues Concerning Tax on the Earnings from Transfer of Stocks (Stock Rights) and on the Income Tax from Dividends Received by Enterprises with Foreign Investment, Foreign Enterprises and Individual Foreigners” (Guo Shui Fa [1993] No. 045) (《關於外商投資企業、外國企業和外籍個人取得股票(股權)轉讓收益和股息所得稅收問題的通知》(國稅發[1993]045 號)) (the “**93 Notice**”) issued by the State Administration of Taxation of the PRC, where individual foreigners holding H Shares are exempted from paying individual income tax for dividends (bonuses) obtained from companies incorporated in the PRC that issue H Shares, was

repealed under “The Announcement on the List of Fully and Partially Invalidated and Repealed Tax Regulatory Documents” (《關於公佈全文失效廢止、部分條款失效廢止的稅收規範性文件目錄的公告》) issued by the State Administration of Taxation of the PRC on 4 January 2011. On 28 June 2011, the State Administration of Taxation of the PRC issued “The Notice on the Issues Concerning the Collection and Administration of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045” (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045 號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348 號)) (the “**2011 Notice**”). The 2011 Notice has clarified the issues concerning the collection of individual income tax arising from H share dividends received by individual foreigners following the repeal of the 93 Notice.

Due to the recent change in the tax regulations of the PRC as mentioned above, a company, as the withholding agents, should withhold and pay the individual income tax for the overseas resident individual shareholders on the dividends income (bonus) of the shares issued in Hong Kong by the mainland enterprises with non-foreign investment under the item of “interests, dividend and bonus income” in accordance with the laws. After the Company’s consultation with competent tax authorities, they confirmed that the Company should withhold and pay the individual income tax for the dividends or bonus income received by the overseas resident individual shareholders of the Company. However, the overseas resident individual shareholders holding the shares of the Company may be entitled to the relevant favourable tax treatments pursuant to the provisions in the tax treaties between the country(ies) in which they are domiciled and the PRC, and the tax arrangements between the mainland China and Hong Kong (Macau). As such, the Company will withhold and pay individual income tax for H share individual shareholders in accordance with the following rules:

- for the H share individual shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders in the distribution of final dividend;
- for the H share individual shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of such shareholders in the distribution of final dividend, while such shareholders may apply for rebate of the additional payment to the tax authorities in accordance with the actual tax rate under such tax treaties;
- for the H share individual shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend;
- for the H share individual shareholders whose country (region) of domicile is a country (region) which has not entered into any tax treaties with the PRC, or a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such shareholders in the distribution of final dividend.

If a H share individual shareholder considers that his/her individual income tax withheld by the Company does not comply with the tax rate stipulated by the tax treaties between country(ies) or region(s) in which he/she is domiciled and the PRC, he/she should file a timely authorisation letter together with the reporting materials relating to him/her being a resident of the related country or region, to Computershare Hong Kong Investor Services Limited, the Company's H Share Registrar in Hong Kong by no later than 4:30 p.m. on Wednesday, 27 June 2018. The materials will be submitted to the competent tax authority by the Company, for subsequent taxation handling.

Non-resident enterprise shareholders or overseas resident individual shareholders of the Company may seek advice from their tax advisor in relation to the tax impact of the mainland China, Hong Kong and other countries (regions) involved in owning and disposing of H shares of the Company if they have any doubts on the above arrangements.

INCREASE IN THE REGISTERED CAPITAL OF THE COMPANY AND AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Board is pleased to announce that the 9th resolution above was duly passed as a special resolution, for the increase in registered capital of the Company and amendment to the Articles of Association with effective after the AGM. The amendment is as follows:

Article No.	Original Text	Amended Text
Article 22	The registered capital of the Company upon its establishment was RMB2,100.00 million. If the over-allotment option is not exercised, the registered capital of the Company will become RMB3,000.00 million. If the over-allotment option is exercised, the registered capital of the Company will become RMB3,135.00 million.	The registered capital of the Company upon its establishment was RMB2,100.00 million. If the over-allotment option is not exercised, the registered capital of the Company will become RMB3,000.00 million. If the over-allotment option is exercised, the registered capital of the Company will become RMB3,135.00 million. <u>The registered capital of the Company is currently RMB2,846,860,952.</u>

By order of the Board
Inner Mongolia Energy Engineering Co., Ltd.
Lu Dangzhu
Chairman

Inner Mongolia, PRC, 21 June 2018

As at the date of this announcement, the executive directors of the Company are Mr. LU Dangzhu and Mr. LIU Lisheng; the non-executive director of the Company is Mr. CHEN Ming; and the independent non-executive directors of the Company are Mr. WANG Wen, Mr. SU Nan, Mr. DING Zhiyun, Mr. YANG Hong, Mr. YUE Jianhua and Ms. LAU Miu Man.