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Beijing Jingneng Clean Energy Co., Limited

北京京能清潔能源電力股份有限公司

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

(Stock Code: 00579)

PROPOSED ADOPTION OF THE SHAREHOLDER DIVIDEND RETURN PLAN FOR THE NEXT THREE YEARS (2025-2027)

The board of directors (the “**Board**”) of Beijing Jingneng Clean Energy Co., Limited (the “**Company**”) hereby announces that the Board has considered and approved the shareholder dividend return plan for the next three years (2025-2027) (the “**Shareholder Dividend Return Plan for the Next Three Years (2025-2027)**”) at the Board meeting held on 22 April 2025, which is subject to the approval of the general meeting of the Company by way of an ordinary resolution.

In order to establish a scientific and sustainable shareholder return mechanism of the Company, stabilise investor expectations and respond to the reasonable return aspirations of the shareholders of the Company (the “**Shareholders**”), in accordance with relevant laws and regulations and policy requirements such as the Company Law of the People's Republic of China, Opinions of the State Council on Strengthening Supervision and Guarding Against Risks to Promote the High-Quality Development of the Capital Market (《國務院關於加強監管防範風險推動資本市場高質量發展的若干意見》), and Opinions on Improving and Strengthening the Market Value Management of Listed Companies Controlled by Central Enterprises (《關於改進和加強中央企業控股上市公司市值管理工作的若干意見》), and the relevant provisions of the Company's articles of association (the “**Articles of Association**”), the Company intends to establish a reasonable shareholder return mechanism and make systematic arrangement for the distribution of the Company's profits for the next three years, i.e., from 2025 to 2027.

In formulating the Shareholder Dividend Return Plan for the Next Three Years (2025-2027), the Company has comprehensively considered its own development strategy, the prevailing industry development trend and the interests of Shareholders. This plan takes into account the Company's current and future profitability, cash flow position, the capital requirements of its investment projects as well as the prevailing equity and debt financing environment and other actual operating conditions. The plan aims to balance the current returns on all Shareholders and the Company's long-term sustainable development, thereby maintaining the continuity and stability of the Company's profit distribution policy.

I. SHAREHOLDER DIVIDEND RETURN PLAN FOR THE NEXT THREE YEARS (2025-2027)

Details of the Shareholder Dividend Return Plan for the Next Three Years (2025-2027) are set out below.

1. Methods of Profit Distribution

The Company intends to distribute profits in the form of cash, shares or a combination of both. The Company will give priority to cash distribution when conducting profit distribution where conditions permit.

2. Preconditions for Dividend Distribution

- (1) Audit Report Compliance. The auditor of the Company issues a standard unqualified audit report on the Company's financial statements for the relevant fiscal year.
- (2) Positive Distributable Profit for the Year. The Company achieves a profit for the year, and the distributable profit for the year is positive after making up for the losses, and withdrawing the statutory reserves (provided that the accumulated amount of the Company's statutory reserves reaches more than 50% of the Company's registered capital, no further withdrawal may be made) in accordance with the law.
- (3) Prerequisites for Cash Dividend. Provided that the conditions set out in paragraphs (1) and (2) above are satisfied and the Company's cash flow can meet its normal operations and sustainable development, the Company shall distribute profits in cash if it has not incurred any material investments or significant cash expenditures, etc. (except for fund-raising projects).

The aforesaid material investments or significant cash expenditures refer to those matters which are required to be considered and approved at the general meeting of the Company in accordance with the relevant laws and regulations and the Articles of Association.

- (4) Prerequisites for the Distribution of Share Dividend. The Company may distribute share dividend when the conditions set out in paragraphs (1), (2) and (3) above are satisfied and where the profit distribution plan that also includes the distribution of share dividend is more beneficial to the interests of all Shareholders as a whole.

3. Distribution Ratio of Cash Dividend During the Plan Period

Subject to the fulfilment of the cash dividend conditions for the year, the Company's cash dividend ratio for the year 2025, 2026 and 2027 shall not be less than 42%, 44% and 46% of the distributable profit realised for the year, respectively. In particular, the distributable profit realised for the year is equal to the net profit attributable to the parent company as stated in the consolidated statements for the year less the accumulated losses from the previous year that have not been made up, and less the withdrawal of statutory reserves (which may not be further withdrawn if it has already been sufficiently withdrawn as mentioned above). The above financial data shall be extracted from the audited financial statements prepared in accordance with the China Accounting Standards for Business Enterprises.

4. Intervals of Cash Dividend Distribution

In principle, the Company shall conduct cash dividend distribution once annually. The Company may distribute interim dividend if conditions permit.

5. Decision-making Mechanism for the Company's Profit Distribution Plan for the Year

- (1) In accordance with the Articles of Association, the annual profit distribution plan of the Company shall be submitted to the Board and the supervisory committee of the Company (or other bodies performing the functions of the supervisory committee) for consideration and then submitted to the general meeting of the Company for approval.

- (2) The Board shall formulate a profit distribution proposal after thorough study and deliberation in accordance with the provisions of the Articles of Association on the premise of fully considering the Company's ability to continue as a going concern, ensuring sufficient funds for normal production, operation and business development, and safeguarding reasonable returns for all Shareholders. During the process of deliberation and decision-making on the profit distribution plan and any adjustments to the existing profit distribution policy, the Board shall actively communicate and exchange views with the Shareholders, in particular the minority Shareholders, through various channels including but not limited to telephone, letters, e-mails and seminars, to fully solicit opinions and effectively protect the rights and interests of the public Shareholders.
- (3) The independent non-executive directors of the Company shall be entitled to express their independent opinions if they believe that the specific proposal for the cash dividend for the year may be detrimental to the interests of the Company or the minority Shareholders.

6. Adjustment Mechanism

During the plan period, in the event of force majeure, such as natural disasters, or due to special circumstances, such as significant changes in the external operating environment or the Company's own operating conditions, which result in the Company's cash dividend payout ratio being unable to meet the proportions stipulated in this plan, the Company may adjust the profit distribution policy for the relevant year.

The aforesaid adjustments shall be made after fully solicitation of opinions from the Shareholders, especially the minority Shareholders, and the independent non-executive directors of the Company, conducting detailed deliberation and submitting them to the general meeting of the Company for approval after reviewed by the Board. Approval of the aforesaid adjustments at the general meeting of the Company shall require the affirmative vote of at least two-thirds of the voting rights held by the Shareholders present at the general meeting of the Company.

II. GENERAL

The Board has resolved to convene a general meeting to consider and approve the proposed Shareholder Dividend Return Plan for the Next Three Years (2025-2027). A circular containing, among other things, details of the Shareholder Dividend Return Plan for the Next Three Years (2025-2027) and the notice of the general meeting will be despatched to the Shareholders in due course.

By order of the Board
Beijing Jingneng Clean Energy Co., Limited
CHEN Dayu
Chairman

Beijing, the PRC

22 April 2025

As at the date of this announcement, the executive directors of the Company are Mr. Chen Dayu, Mr. Li Minghui and Mr. Zhang Wei; the non-executive directors are Mr. Zhou Jianyu, Mr. Song Zhiyong and Ms. Zhang Yi; the independent non-executive directors are Ms. Zhao Jie, Mr. Wang Hongxin, Mr. Qin Haiyan and Ms. Hu Zhiying.